

UNEMPLOYMENT — 1984

JANUARY — DEC.

Lengthy crisis is diagnosed for manpower

By Carolyn Dempster,
Labour Reporter

South Africa faces a critical unemployment problem in the years ahead with an annual need to create an estimated 134 000 new job opportunities and a projected 292 000 annual increase in the labour force from 1980 to 1985.

These predictions appear in a short report entitled "The Manpower Scene 1982" researched and produced by the Institute for Manpower Research of the Human Sciences Research Council.

The aim of the report is to collate information on aspects of the South African labour force to provide manpower planners with further information on probable changes on the labour front.

While vacancies for skilled and semi-skilled workers calculated by the Department of Manpower in 1981 stand at

167 000, filling the gaps with unskilled work seekers is no solution to the skills problem, state the researchers.

The figures for registered unemployed with the Department of Manpower show that the unemployment rate reacts very quickly to changes in the economic cycle. However, in the upturn phase the researchers have noted a time lag of between 12 to 24 months before the situation improves.

TRAINING

The report also shows a declining growth rate among the white labour force with an increase in the ranks of the black labour force. This means that employers will have to concentrate on training population groups other than white if they are to plug the skills shortage.

Particularly affected will be clerical, sales and production workers. This has important manpower

planning implications for organisations such as banks and building societies which employ large numbers of clerical workers and recruit their managers through a system of in-house training and promotion of clerical workers.

In addition, the gap between the educational levels of the population groups is narrowing rapidly and indications are that in 1984 black matriculation pupils will outstrip white matriculants. This factor should make it possible to alleviate the skills shortage through training.

The main problem in the use of labour and the upward mobility of the coloured, Indian and black people lies not so much in their educational ability but in attitudes.

"The white artisan, especially, perceives himself to be an endangered species which should be protected.

335 RD 4 11/11/84

White work-seekers 'assured' of finding jobs

Pretoria Bureau
THERE should be jobs for all this year when thousands of white matriculants, university graduates and national servicemen enter the job market over the next few weeks.

That is the news from the Department of Manpower's director of vocational guidance and placement services, Mr P J Benade.

"We don't expect too much difficulty placing them," he said.

But he warned that those with a Standard 8 certificate or lower would find it hard to land a job, although they would be accommodated

eventually.

He invited jobseekers to approach the department's vocational guidance services to assist them in finding jobs in both the public and private sectors.

The director of publicity and recruitment for the Commission for Administration, Mr Martin Raath, said the civil service was experiencing a shortage of job applicants in the PWV area, while there was an abundance of them in the coastal towns.

In Port Elizabeth, for instance, 200 jobseekers could not be placed, but only because they insisted on working in that city.

SOME dramatic and startling statistics have emerged from an investigation for the Natal Chamber of Industries by the economic research unit of the University of Natal into industrial growth prospects in Durban-Pinetown and surrounding areas.

For instance, by the year 2000 (which is only 16 years away) the black population of the Durban Metropolitan Region (DMR) could be treble. In 1980 it was about 986 000 and could reach as high as 3,56 million. A best estimate by the unit, depending on natural growth and urbanisation, is between 2,5 million and 3,2 million.

The total population of the DMR by the turn of the century is projected between 3,6 million and 4,3 million.

The figures, therefore, point most definitely to the need to promote a high rate of economic growth, otherwise the long-term future of the market economy system will be undermined. With increased population comes the need for more housing and the cost of providing this is estimated between R798 million and R5 999 million. The reason for the wide variation is that it will depend on the quality of house built.

And, of course, those home owners are going to need jobs. The investigation found that manufacturing employment may not grow at more than an average rate of about 2,25 percent annually during the 1980s and perhaps beyond.

At average annual rates of 2,3 and 3 percent, and holding the DMR share of national manufacturing employment constant at 14 percent, total employment in this sector would increase from 199 000 in 1980 to between 307 000 and 346 000 in the year 2000.

The job creation problem, the investigation said, in essence was confined to blacks. Unemployment rates in black residential areas of the DMR of 17 to 25 percent have been obtained in recent surveys. Calculations show that an unemployment rate of 30 percent in 2000 is likely and under certain assumptions it could be as high as 40 percent.

There is more than sufficient industrial land available in the region to cater for an average annual increase of 3 percent in manufacturing employment between 1980 and 2000.

Other points from the investigation:

- * The DMR has a number of location advantages over other regions with the exception of the PWV where the major market is to be found.

- * These advantages are sufficient to offset the decentralisation incentives being offered, except perhaps for labour intensive industries.

- * There is a strong and growing tendency to move towards capital-intensive methods of production.

Of the findings, NCI executive director, Roland Freakes said they were "a cogent reminder to the chamber to use its maximum influence in promoting a favourable climate, not only to generate growth and expansion of existing industries but also to attract new industrial investment into the province on a substantial scale".

By Mike Peirson
Finance Editor

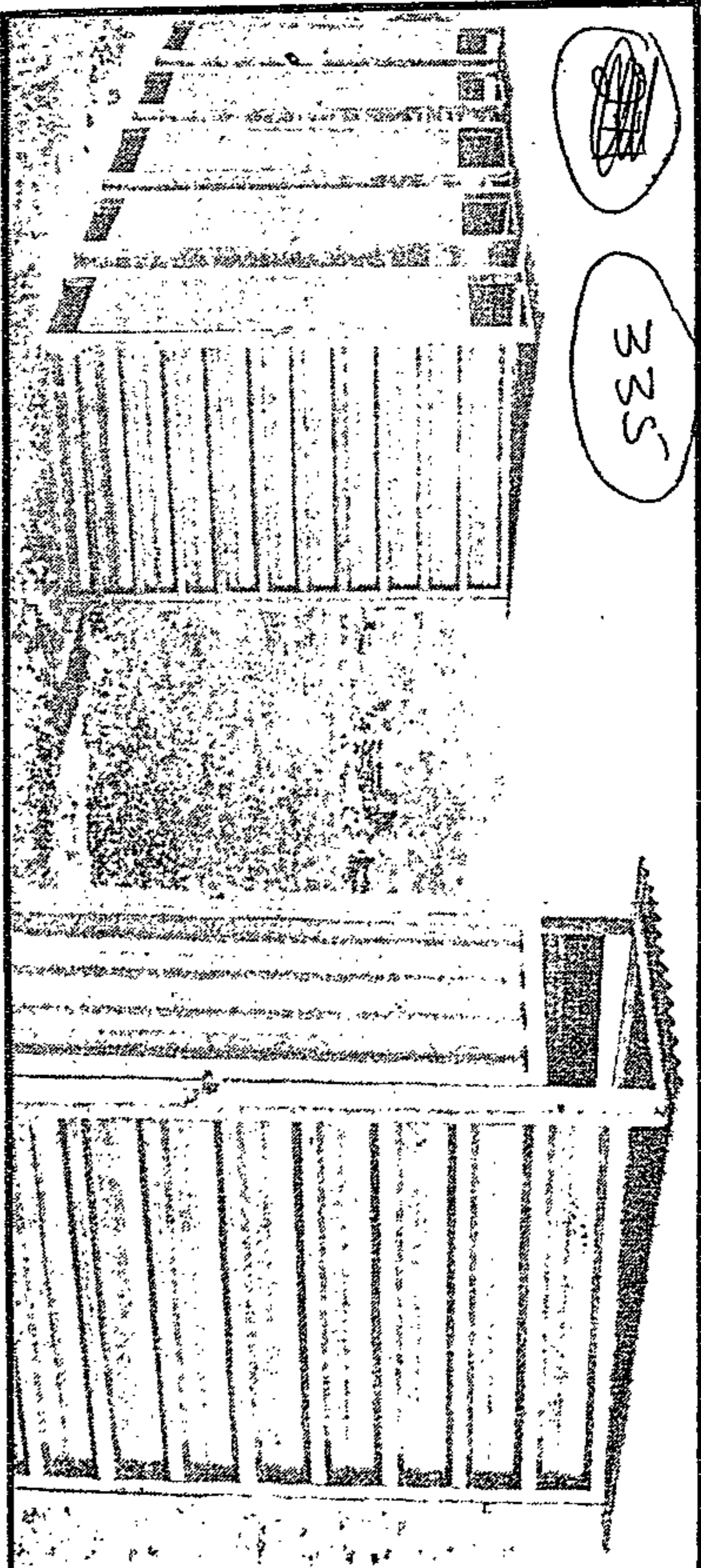
Population explosion will put pressure on Natal's industries

Stock Growth Findings

FROM HERE... TO THERE



HERE: Trees and shrubs outside a Badplaas hut



THERE: Rows of tin latrines in a desolate landscape at Kangwane

Pictures: HERBERT MABUZA

Move down the road... to the jobless queues

By LAUREN GOWER

THE government plans to move 3 000 black residents of Badplaas down the road to Kangwane.

If they go, says the Black Sash, they will lose the right to work in surrounding areas where most of them are employed.

Employment in the Badplaas community is high. But, according to the Black Sash, once in Kangwane the people who are resettled will be forced to join the queues of unemployed waiting for labour recruiters, who come once — maybe twice — a year to employ a fraction of those seeking work.

Records at the magistrate's office in Eersethoek show that last year there were 2 381 work seekers in the Eersethoek district where the Badplaas residents are to be resettled. Only 206 found work.

Many people are in Badplaas

RESPIRE FOR THE BAKWENA

THE Department of Co-operation and Development said this week it would not move the Bakwena tribe at Mogopa, near Ventersdorp, until an Appeal Court action on the removal has been heard.

No date has been set for the application.

After four years, the government intended executing its threat to resettle the Bakwena on November 29 last year.

The local and international outcry against the move put

legally and work at the surrounding pleasure resorts — a short walk from Embuleni village, where they have an established infrastructure.

Residents say the move to the resettlement villages at Eersethoek, Honingklip and Tjakastad will also mean a long and expensive bus ride to work.

On Wednesday — removal

Mogopa under the spotlight and the move was postponed.

In December, Lawyers for Human Rights — an association of about 1 000 members — called on the government to stay the removal until the Appeal Court ruled on an application for leave to appeal against a Rand Supreme Court judgment, which failed to grant an interdict against the State President's order requiring the move to Pachtstadi in the Northern Transvaal.

deadline day — Badplaas residents refused to move from Embuleni village near Caroli-na in the Eastern Transvaal.

Their leader, Chief Johannes Dhlamini, a former Kangwane Cabinet Minister and campaigner for the planned land deal between South Africa and Swaziland, told journalists he and his followers would not

move voluntarily.

The Department of Co-operation and Development refuses to say when the people will be moved. The matter "is under consideration", said an official.

So far no family has accepted the move offer, which involves free transport and R200 compensation per family — a gesture from the Resort Board at Badplaas.

Meanwhile the tin houses and toilets the government erected in preparation for the removal are ready 30km away — across the Kangwane border.

At a meeting with officials on October 5, 1982 Chief Dhlamini and his councillors said they would leave the Badplaas area if all the people were moved to a "consolidation farm" of their choice on which proper schools and facilities would be established, they were compensated and their transport subsidised.

This was rejected by the government.

Sigma retrenches 850 employees in Pretoria

335. Stu 19/1/84

About 850 employees at the Sigma Motor Corporation here were told today they were to be retrenched.

The employees, about 120 salaried staff and 725 hourly-paid workers, were told it had "regrettably become necessary" for them to be retrenched so the company could compete on the market.

Managing director Spencer Sterling said: "I am afraid there is no alternative if this company is to achieve a competitive cost structure."

He said with professional dedication and a willingness to make short term sacrifices to achieve long term objectives, the company would be able to take advantage of the expected economic upswing later this year.

A Sigma spokesman said although its market penetration had improved progressively in the first three quarters of 1983, severe supply problems in the fourth quarter as well as the lack of adequate dealer representation, resulted in disappointing sales.

The retrenchments were a "realistic response to the difficult economic environment and highly competitive industry".

Sigma, with a staff of about 7 000, is the biggest private employer here.

The company, owned jointly by the Anglo American Corporation and Anglo American Industrial Corporation, had a loss of about R50 million last year and is heading for another big loss this year.

Ford silent as PE workers meet

Post Reporter

A BLANKET of official silence surrounds a meeting attended by an estimated 1 200 workers from Ford Motor Company last night in New Brighton.

The issues raised were workers' grievances and speculation that a large number of workers would be retrenched, beginning tomorrow.

Attempts today by the Evening Post to obtain official comment from Ford and the two unions said to be involved, the National Automobile and Allied Workers Union (Naawu) and the Motor Assemblers and Component Workers Union (Macwusa), failed.

Mr Bob Kernohan, director of public affairs for Ford, declined to comment.

When specifically asked about the talk of possible retrenchments, Mr Kernohan still declined to comment.

Informed sources in the motor trade said they found it hard to believe Ford would lay off workers at this stage, because the Sierra was selling very well.

Workers at Ford are believed to have submitted a set of grievances to management on January 9, and a reply was due yesterday.

Further representations were made by the workers to the management a week later, about a certain employee's alleged "anti-black attitude and poor human relations".

Last night the workers are reported to have rejected the idea of retrenchment. They gave the two unions

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Silence on Ford workers meeting

● From Page 1

mandate to investigate the issue.

The unions were asked to report back at a meeting to be held at the Holy Spirit Hall, Kwazakele, on Saturday afternoon.

No comment could be obtained from Naawu today, and a spokesman for Macwusa declined to comment.

The managing director of General Motors South African, Mr Lou Wilking, said today that according to current production schedules the company did not envisage any changes in their labour force complement.

"We are hopeful this trend will continue throughout 1984," he said.

No comment was available from Volkswagen on the company's labour position.

Withdrawal wrecks jobs

335 19/1/84 SOWETAN

ABOUT 140 workers employed by the Allied Publishing Company have been retrenched following South African Associated Newspapers' withdrawal from Allied.

This was confirmed to The SOWETAN yesterday by the company's managing director, Mr R Mitchell, who said less than 14 of the workers have found other jobs after negotiation with the Commercial, Catering and Allied Workers' Union (Cca-wusa).

By JOSHUA RABOROKO

The retrenchment of the workers follows SAAN's termination of its contract with the publishing company at the end of last year.

Allied distributed SAAN papers the Sunday Times, Sunday Express, Rand Daily Mail and Financial Mail.

After the termination SAAN announced that it has introduced an innovative method of distributing its newspapers. This method was modelled on a system used by prominent American dailies.

Allied's Mr Mitchell has stated the company held meetings with Cca-wusa and shop stewards on the monitoring of the retrenchment and other relevant issues.

The workers were given their retrenchment notices/letters and the whole exercise was effective from January 13.

THE Ford Motor Company in Port Elizabeth announced today that 490 hourly paid workers in the city were being retrenched.

The news was released in a short statement from the company's director of industrial relations, Mr Fred Ferreira.

Production at Ford's Struandale plant ground to a halt today when about 50 workers on the main Sierra line refused to work in sympathy with the retrenched workers at Neave and Struandale.

Because they were not working, there was a ripple effect on the other lines and production stopped at Struandale.

At 1pm all the workers at Struandale were given their pay packets and sent home. Fewer than 100 of the workers at Struandale were among those retrenched. The rest were retrenched at Neave.

It is believed that workers held a meeting in New Brighton after leaving Struandale.

The closure at Struandale was confirmed this afternoon by Mr Bob Ker-nohan, director of public affairs at Ford.

The official statement released earlier today confirmed a report in the Evening Post yesterday that a large number of workers would be retrenched from today.

In his statement on the retrenchments, Mr Ferreira said: "This action has been taken because vehicle markets are anticipated to remain at low levels for at least the first half of 1984 and the company has, therefore, had to reduce its production schedules."

"Despite depressed mar-



MR FRED FERREIRA

ket conditions and, therefore, a difficult financial climate in 1983, Ford made no reductions in personnel.

"However, as no improvement is in prospect for 1984, we decided to reduce personnel by the minimal amount."

"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."

"We have consulted with the unions and they have been advised that retrenched workers will be given preference when positions become vacant."

Mr Freddie Sauls, secretary-general of the National Automobile and Allied Workers Union (Naawu), said the union had been told only on Wednesday afternoon by Ford

management that workers would be laid off today.

He said that in the past Ford management and the unions had sat down and discussed problems. But this time there had only been a brief statement that workers would be retrenched and there had been no consultation with the unions.

"It appears that Ford has adopted a new strategy over industrial actions. This is definitely a turn for the worse in industrial relations practice at Ford," Mr Sauls said.

The other two big Eastern Province motor manufacturing plants, General Motors South African in Port Elizabeth and Volkswagen in Uitenhage, have no plans to retrench workers.

Mr Lou Wilking, managing director of General Motors South African, said yesterday the company did not envisage any changes in its labour force.

A spokesman for Volkswagen said the company had a full complement of staff and no retrenchments were planned for 1984.

Today's lay-off at Ford comes about two months after Ford's director of vehicle sales and marketing, Mr Keith Butler-Wheelhouse, confidently predicted that passenger vehicle sales could exceed the 300 000 level this year.

● In Pretoria, the Sigma Motor Corporation retrenched about 120 salaried staff and 725 hourly paid workers yesterday.

Ford lays off 490 workers

By SHIRLEY PRESSLY

335 1982 1XDA
E. Post 20/11/84

Ford retrenches 490 union upset

Argus 20/1/83

Argus Bureau

PORT 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 Ferreira, said in a statement today that the company saw no prospect of the present depressed market for car sales improving in 1984.

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 could 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 reductions.

"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-manoeuvre 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.

Sigma lays off 850 workers

PRETORIA. — Almost 850 workers at Sigma Motor Corporation were retrenched yesterday.

The workers, about 120 salaried and 725 hourly-paid workers, were told it had "regretably become necessary" for them to lose their jobs as a result of the giant motor manufacturer having to reduce its fixed and variable costs in a drive to meet competition.

The managing director, Mr Spencer Sterling, said: "I deeply and sincerely regret that some people have to lose their jobs, but I am afraid there is absolutely no alternative if this company is to achieve a competitive cost structure which is a vital prerequisite to the creation of a stable and profitable business."

A Sigma spokesman said last year had been a period of reorganization and expansion at "tremendous cost".

The spokesman said severe supply problems in the fourth quarter and lack of adequate

dealer representation had resulted in sales volumes not reaching expectations.

Sigma, with a present staff of about 7 000, is the biggest employer in the private sector in the Pretoria area.

The company, owned jointly by the Anglo American Corporation and Anglo American Industrial Corporation, in equal shares, recorded a loss of about R50-million in the past financial year and is reported to be heading for another major loss in the current year.

A company spokesman said the retrenchments would be on a "last in, first out" basis.

All affected workers had received statutory notice redundancy benefits, and for those who qualified, additional benefits in terms of the corporation's supplementary unemployment benefits fund.

Should there be a possibility of re-engagement, priority would be given to retrenched workers. — Sapa

21/1/84

Ford workers hit at 'lack of consultation'

E. Post

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By JIMMY MATYU

RETRENCHED Ford workers today strongly criticised the company's management for "failure to consult with their unions" before they were laid off on Friday.

Some 500 African and coloured workers attended a meeting in Kwazakele today.

It was organised by the Ford Workers' Committee.

The workers rejected their retrenchment, speakers saying it was especially unfair as it coincided with parents having to pay school fees and for school books.

They said in times of recession it was always the black workers who suffered most, they being the most prone to retrenchment.

Reports were presented by the different Ford plants and workers claimed they were told of their retrenchment two days beforehand.

They expressed shock that the National Automobile and Allied Workers' Union (Naawu) and the Motor Assemblers'

and Components Workers' Union of South Africa (Macwusa) were kept in the dark by management.

The committee's chairman, Mr R Bucwa, told the meeting workers were angry because management did not adhere to agreements it had reached with the unions. Instead it had bypassed the two unions.

He said workers felt management had been trying to create mistrust and disunity among its workers and towards the end of last year this resulted in strained relationships between workers and management, especially at the Sierra plant.

He said in this time discussions between management and the unions were held in an effort to avert a retrenchment of workers. "Because of the situation (car sales) not improving, workers usually accepted retrenchment although not wholeheartedly," Mr Bucwa said.

He said this time there was no such communication between the unions and the management. Instead retrenchment was first heard of by way of rumour.

Union to seek meeting over retrenchment

By SHIRLEY PRESSLY

OFFICIALS from the Motor Assemblers and Component Workers' Union (Macwusa) are to seek an urgent appointment with Ford management and have also received a mandate to meet the other union representing Ford workers, the National Automobile and Allied Workers' Union (Naawu).

The Macwusa general secretary, Mr Dennis Neer, said today that an appointment would be sought with Ford management.

Mr Neer confirmed that workers feared further retrenchments.

On Friday, Ford management announced that 490 hourly paid workers would be axed.

At Saturday's meeting of 1 500 Ford workers, there was a strong undercurrent and speculation among workers that further re-

trenchments might follow.

In a statement issued after the meeting, Mr Neer said the Macwusa officials had also been instructed to discuss the issue of Ford management having informed the unions of the retrenchments "at the 11th hour".

A second resolution asked that Ford management should reconsider the retrenchments within 14 days.

Mr Neer said the workers refused to accept the announced retrenchment and saw it as a form of retaliation emanating from the stoppage before the holiday shutdown last year.

Mr Bob Kernohan, Press relations manager for Ford, said this afternoon Ford's Neave plant was working a four-day week and was closed today. Production at Struandale was normal. He declined further comment.

24/11/84
Unionists
S. Post
due to
335
consult

Post Reporter

OFFICIALS from the Motor Assemblers' and Component Workers' Union (Macwusa) were due to meet Ford management today.

The organising secretary, Mr Government Zini, was to lead the delegation, which was given several directives at a meeting attended by 1 500 Ford workers at the weekend.

One resolution asked that Ford consider the retrenchments within 14 days.

Mr Dennis Neer, the Macwusa general secretary, said a general meeting would be held tomorrow in the Great Centenary Hall, New Brighton, at 6pm at which the union officials would report back.

(232/1117) (232/1117) (335)
Cape Times 25/1/84

Bleak scenario for City in 1990

By EVELYN VOSLOO
Municipal Reporter

A BLEAK scenario of a rapidly-increasing population, a critical housing shortage and long distances between industrial growth points and workers' residential areas by the year 1990 is projected for the Peninsula in a report released by the City Engineer's Department this week.

Called "People, Employment and Land in the Eighties", the report says its purpose is not to draw conclusions, but to "use available socio-economic and population data to define the nature and magnitude of the broad problems that will have to be faced".

Among its projections are that:

- Between 187 000 and 277 000 job opportunities will have to be created in the Peninsula by 1990 for the extra 227 000 to 435 000 people who will be living here by then.

- There are likely to be 98 800 more whites in the Peninsula by 1990; between 87 100 and 164 700 more blacks — depending on factors like changes in government policy — and 189 100 more coloured people.

- Over and above the homes needed for these additional people, a fur-

ther 2 250ha of residential land will be needed for members of the coloured community currently living in overcrowded conditions.

- Accommodation will have to be found for about 24 000 members of the black community presently not satisfactorily catered for.

Black housing

The report does not envisage any problems in housing whites.

On black housing it says:

"It may be expected that between 2 750ha and 3 520ha of land will be needed to house the 1990 black population of the metropolitan area.

"Assuming that the ideal of one household per dwelling unit is to be achieved by 1990, it will be necessary to provide no fewer than 46 100 houses by that date."

This becomes of special interest, the report says, in view of the government's stated policy of "consolidating" the entire black population of the Peninsula at Khayelitsha. To achieve this a minimum of about 46 000 or up to 60 000 houses, with all the infrastructure, will have to be provided.

"Even if the population of Guguletu, Langa, Nyanga and Crossroads

are retained, housing for 23 000 people living elsewhere in 1980, with the expected addition of between 87 100 and 164 700 people, will have to be provided before 1990. This implies the provision of between 18 500 and 31 500 dwellings this decade.

"If the policy of 'consolidation' at Khayelitsha is pursued, severe logistical problems as well as conditions of overcrowding are foreseen."

The report says, however, that the most urgent problems regarding land for housing may be expected for the coloured population.

Atlantis

With the population of Atlantis, the Peninsula's coloured population was 805 000 in 1980 and was expected to grow to 994 100 by 1990 — an increase of about 189 100.

The existing group areas, including Mitchells Plain, can accommodate another 59 000 people, the report says.

"Therefore by 1990 additional land to accommodate about 130 000 people will have to be made available."

The report questions whether Atlantis, planned as a new growth point for the coloured population, will be able to absorb "the excess population of the Cape Flats". It estimates that the population of Atlantis will be 51 900 in 1990 and 194 700 in the year 2000.

To accommodate the projected population increase, at least another 1 300ha of land will be needed for coloured housing.

Apart from this, "it has been estimated that approximately 45 000 dwelling units are needed to eliminate conditions of overcrowding currently experienced in the Metropolitan Transport Area", the report says.

"This means that over and above the housing for population growth, an additional minimum of 2 250 hectare will be required to house people currently living in conditions of sometimes extreme overcrowding."

More jobs needed

This means a total of about 3 550ha of additional land will be needed.

The report estimates that between 187 000 and 277 000 additional jobs will have to be found by 1990, between 59 000 and 87 000 of them in manufacturing.

It says only 2 186 hectares of the 3 907ha of zoned industrial land in the Metropolitan Transport Area was being used for that purpose in 1981.

"The 1 721ha of undeveloped industrial zoned land could provide job opportunities for 120 470 people — about 28 569 whites, 81 575 coloureds and 10 326 blacks," it says.

"The single largest concentration of undeveloped industrial land is in the Milnerton municipal area. The total area zoned in Milnerton is 882ha — 22,6 percent of all the Metropolitan Transport Area's industrially-zoned land — of which 568ha (or 33 percent) is as yet undeveloped."

The remoteness of this industrially-zoned land from the major coloured residential areas was "cause for concern".

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Nissan factory retrenches 700

Pretoria Correspondent

26/1/84
About 700 workers at the Nissan car factory in Rosslyn, Pretoria, have been retrenched.

This brings the number of workers retrenched in the motor vehicle industry so far this year to 2 050.

A spokesman for the United African Motor and Allied Workers' Union said today it was dissatisfied with the retrenchments because an attempt by the workers to share working hours had been rejected by management.

Nissan management could not be reached today for comment.

Cape Times 26/1/84 (335)

Demand for executive staff down 50% in '83

By ROBERT GREIG

DEMAND for all classes of executives dropped by nearly 50 percent in 1983, compared to 1982, says a survey of executive demand by Hay-MSL, Southern Africa.

Taking 1981 as the base of 100, the biggest increase in demand was for general management executives (107 percent) and the least for mining executives (29 percent).

Classes

Between the third quarter of 1982 and the fourth of 1983, demand for executives dropped markedly, because of the recession, from 170 on a scale of 0 to 200 to 70.

However, different classes of staff are in demand at different times of a recession or boom, says the survey.

Hay-MSL's managing director, Mr Des Froneman, predicts that 1984 "will see considerable increases in demand for marketing/sales, production/engineering, computer and data-processing staff and financial executives.

"International sources

of recruitment will become of paramount importance in the latter half the year as local management expertise becomes increasingly scarce," he says.

Explaining the marked increase in demand for general managers, Mr Froneman said that this was a result of take-overs and replacements and need for "tough, seasoned staff".

The recession had exposed financial staff to new pressures and this explained the relatively high replacement figure (64 percent).

Growth

On paper, it looked as though few firms increased or changed their research and development staff in the recession, but the 44 percent had to be seen in the context of previous enormous growth in this field in 1982.

Mr Froneman said that overseas recruiting would become more important because of a shortage of managerial staff.

This in turn reflected "a well-known syn-

drome" of divisional managers in South Africa having "some five or six years' less experience" than their overseas counterparts.

"There's more planning when taking on overseas staff. South Africans are more aware that their business culture is different from those overseas. For example, we have few really large multi-nationals."

Recruitment

Commenting generally about recruitment, Mr Froneman said that the recession had made South African companies "tougher" about money for getting staff.

In many cases, too, managements had come to value the eight or nine years of service an elderly staff member could give, realizing that younger replacements were more prone to changing jobs.

Revived respect for age as a symbol of maturity was seen in the disappearance of the "whizzkid" image of companies and their stressing the age of senior staff.

A BLEAK FUTURE FOR KIDS

27/11/84 (335) Sowetan

BLACK school leavers and drop-outs are in a Catch 22 situation — they cannot be re-admitted to their previous schools and their chances of finding employment are “bleak”.

This is the view of unionists, educationists and observers.

Hundreds of students are faced with an uncertain future because of the present economic recession in the country and the age restriction limit ruling by the Department of Education and Training (Det).

Already, hundreds of students who were unsuccessful in their examinations last year have been turned away from schools because there is no room for them. The age limit for a matriculant is 20 years and for a Standard 8 student is 18 years.

Last year's final examination results, for both matric and junior certificates, were described as very “poor”. In matric, over 70 000 candidates sat for the examinations and less than 9 000 obtained a

No school — and no jobs



By SELLO RABOTHATA
Education Reporter

their studies.

“There are technical colleges and colleges of education, there is also the industry where they can take jobs.

“The biggest problem is that most students follow ordinary subjects, instead of taking commercial or technical subjects, which proves to be their downfall. When they have to take up jobs they are faced with stiff competition from students with commercial and technical subjects.”

Mr Schoeman said the age limit restriction was no longer a problem, because students are given a chance to supplement

their examination and that even those who obtained an S pass could supplement.

He said students who failed outright, could also write the November/December examination. These would be admitted to schools only if accommodation is available for them.

He said: “If accommodation is not available, these students are referred to adult education centres. The age limit was not introduced to victimise the pupil, but for the great majority who need space from the lower classes.

Leading educationist, Mr T W Kambule, said this situation was building resentment among the people. “If things go

on at the present rate, we are heading for another 1976.

“The department should put its foot down so that all the children can be taken back. As it is, the market is depressed, there is no hope for them in finding jobs.”

The Congress of South African Students (Cosas) also voiced its concern over the age restriction ruling at schools. In a statement Cosas said: “We would like to express our condemnation of the practice of turning students away for reasons of age.

“The Det claims to be building 12 classrooms every working day, but in our experience it is a different matter altogether as evidenced by these students who are expelled.

“Moreover, they have not made adequate alternatives for these children as to where they can obtain adult education. In responding to this question we are trying to assist these students by providing them with necessary information which they might need.”

... respects you consider this unsatisfactory

Nissan lays off 700 workers

CALC Time 27/11/84
335

Own Correspondent
JOHANNESBURG. — Nissan SA yesterday announced that about 700 workers at their plant at Rosslyn near Pretoria had been retrenched — becoming the third major motor manufacturer in a week to lay off workers.

Last week Ford and Sigma each laid off hundreds of workers as a result of economic conditions in the motor industry.

A statement by Nissan's managing director, Mr J E Newbury, said they had taken the action "with regret".

"During the past few months we have used other methods, such as working short time, to avoid laying off workers, but now we have had to take this action to safeguard the interest of the company and the major-

ity of its employees."

However, Mrs D Nowathu, general secretary of the United African Motor and Allied Workers' Union (UAMAWU), said workers were unhappy about the way in which the retrenchments had been handled.

"The company did not consult us until after they had taken the decision," she said. "The workers were told they were to be retrenched when they went to collect their clock cards on Wednesday afternoon."

"We feel the company undermined us by not consulting with the union, by not giving us time to report back to the workers and by not considering alternatives. The workers would have been prepared to work two days a week if it meant keep-

ing the others' jobs."

Mr Newbury said the workers affected would be put on record to be reconsidered for employment as soon as the economic situation improved.

"All affected workers will receive severance benefits based on their length of service," Mr Newbury said.

● The BMW plant in Rosslyn — where about 1 500 workers went on strike on Tuesday — remained closed yesterday.

Nissan ^{ROM} lays off 700 ³³⁵ workers 27/1/84

By PHILLIP VAN NIEKERK

NISSAN SA yesterday announced that about 700 workers at their plant at Rosslyn, near Pretoria, have been retrenched — becoming the third major motor manufacturer in a week to lay off workers. Last week Ford and Sigma each laid off hundreds of workers as a result of economic conditions in the motor industry.

A statement by Nissan's managing director, Mr J E Newbury, said it had taken the action "with regret".

"During the past few months, we have used other methods such as working short time to avoid laying off workers, but now we have had to take this action to safeguard the interest of the company and the majority of its employees."

Mrs Dora Nowathu, general secretary of the United African Motor and Allied Workers' Union, however, said there was widespread unhappiness among workers about the way the retrenchments had been handled.

Mr Newbury said the workers affected would be put on the record to be reconsidered for employment as soon as the economic situation improved.

"All affected workers will receive severance benefits based on their length of service. We trust that the actions which we have implemented will prevent further reductions in our work force."

● The BMW plant in Rosslyn — where about 1 500 workers went on strike on Tuesday — remained closed yesterday.

Ford lay-offs bring new model plant to standstill

By PHILLIP 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 1983, 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 paid 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 1983, 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 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."

NOW NISSAN LAYS OFF 700 WORKERS

YET ANOTHER motor company has announced a major layoff, bringing to more than 2 000 the number of motor workers who have lost their jobs this month.

Nissan (Datsun) announced yesterday it was retrenching 700 workers.

The announcement follows hot on the heels of Ford's retrenchment of 490 workers at its Sierra plant and Sigma's decision to lay off 850 people.

The motor companies have blamed the recession, but trade unionists have reacted with anger to the retrenchments.

Workers' Union (Naawu) accused Ford of trying to break the union in its plants. Another company, National Bolts and Nuts in Boksburg, has also laid off about 200 workers, according to the Metal and Allied Workers' Union (Mawu).

Meanwhile, the strike wave that has hit the country since the beginning of the year shows no sign of abating. The BMW plant at Rosslyn, near Pretoria, has been closed down indefinitely. About 1 500 workers are on

CP Reporters

strike at the plant over wages.

The company said the plant would remain closed until the strikers' "intimidation" of workers stopped.

About 300 workers are also on strike at Vulco Latex in Johannesburg, about 400 workers at Powerline in Springs, about 200 at Promax Plastics, 200 at Reliable Products and 1 300 at Coca Cola.

Reports from Botswana say that about 450 workers at Ucar Mine returned to work yesterday after striking in protest against the Mangope

government's decision to ban the National Union of Mineworkers.

But confirmation of the workers' return after four days out could not be obtained.

Talks were held yesterday between miners' leaders, the Union Carbide company which owns the mine, and Bop Government officials.

Another work stoppage has been reported at Metal Badge and Button Manufacturers. The entire workforce downed tools on Wednesday and have been warned that they would "dismiss themselves" if they went on strike.

Worker hit by medical aid cut

FORMER Ford engine plant inspector Claude Mlonyeni is probably the hardest hit of the 490 workers retrenched by the Port Elizabeth motor company.

Mr Mlonyeni is under expert medical care after injuring his back while working in Ford's bodyshop last March.

Faced with huge medical bills because he no longer qualifies for medical aid, Mr Mlonyeni received a mere R141 when he was paid off by the company last Friday.

Doctor Colin Henschel said in a medical report that Mr Mlonyeni had noticed blood in his urine, and clots in the blood.

The Motor Assemblies and Component Workers' Union is now negotiating on his behalf — but in the meantime Mr Mlonyeni requires treatment for his ailment.

Ford workers met again this week to discuss the retrenchment of their colleagues and members of the National Automobile and Allied Workers' Union (Naawu) resolved not to work overtime until the laid-off workers were rehired.

Workers said it would be immoral to work overtime if this



CLAUDE MLOYENI: No medical aid, and n

Losino Lawer

TIONS

Ford chief on PE lay-offs

31/11/84 (335) (1972) (62) (74) E. Post

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 a 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...

"Governments may, but private companies simply cannot provide jobs when there's no useful 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.

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 on 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 "specially 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".

335 157 1404 159

Ford retrenchment talks continue

Mail Correspondent

PORT ELIZABETH. — Talks concerning the recent retrenchment of 490 workers by Ford Motor Company were continuing between management and union representatives, an executive member of the Motor Assemblers and Component Workers' Union of South Africa (MACWUSA), Mr Thomas Kobese, yesterday.

Mr Kobese said Monday's informal meeting between officials of the National Automobile and Allied Workers' Union (NAAWU) and MACWUSA did not take place as MACWUSA general secretary, Mr Dennis Neer, had to attend to other matters.

"Mr Neer is expected to back in the office today and we have to arrange another date now," said Mr Kobese.

Representatives of Ford's industrial relations department telephoned MACWUSA's offices yesterday asking union representatives to attend another meeting with management as soon as union officials were available, said Mr Kobese.

"The meeting, which will probably be held next week is a follow-up to the one last week when we asked management to reconsider the retrenchments, aired our other grievances and told management how workers generally felt about the retrenchments," he said.

E Cape tops black unemployment in SA, says report

Political Staff

HOUSE OF ASSEMBLY — The Eastern Cape has "the worst Black unemployment problem" in South Africa according to a White Paper on employment opportunities released yesterday.

The statistics, based on the Current Population Survey, include unemployment in Transkei, Ciskei, Venda and Bophutatswana.

Based on March 1983 figures, unemployment in the Eastern Cape stood at 14,9%.

The rate in the Western Cape was 12,2%, while unemployment stood at 11,5% in Natal and Kwazulu and 10,4% in the Northern Transvaal and parts of Lebowa and Gazankulu.

Figures in September of last year showed that there were approximately 550 000 blacks were unemployed of whom 462 000 were Africans.

This represented some 8,1% of the African workforce.

The report points out that even in 1981 "after four years of vigorous economic growth, employment among Africans remained at a fairly high level, and that even when

rates were at their lowest, about 7,3% of the economically active African population were unemployed".

Women constitute the highest unemployed population group, with 13,5% of African women unemployed as against 5,7% among men.

Among Africans, 78% of the unemployed were between the ages of 16 and 39, with 42% of these in the 20-29 age group.

For the coloured group 81% fell in the 16 to 39 age group with 36% in the 16 to 19 age group and 31% between the ages of 21 and 29.

Much could be done to alleviate South Africa's unemployment problems by increasing the role of the private sector and eliminating measures that inhibit a satisfactory market-oriented system, the Government said in the White Paper, reports Sapa.

The White Paper on a Strategy for the Creation of Employment Opportunities in South Africa follows a study by the National Manpower Commission and the Economic Advisory Council. It contains numerous rec-

ommendations to Government on ways of stimulating economic growth with a view to reducing rampant unemployment, especially among non-whites.

The EAC and NMC said the Government should realise the importance of employment creation.

It added that all Government institutions should review their present actions, consider new actions, and apply their available funds and other resources with due regard to the effect their actions have or could have on the creation of employment opportunities.

The Government said the public sector could influence employment creation, adding that this sector's present and future actions could promote labour-intensive production techniques and could reduce the relative cost of labour as against capital.

Policy could be relaxed in the area of tender contracts.

The Government suggested that its member institutions should ensure that procedures and specifications for tenders were not "unnecessarily strict."

White Paper aims at more jobs

Own Correspondent

CAPE TOWN. — Strategies for creating employment opportunities should be developed within the framework "of a market-orientated economic system" and should be based as much as possible on the role of the private sector, according to a Government White Paper released yesterday.

The White Paper, entitled "A strategy for the creation of employment opportunities", said that the Government had been "aware for quite some time of the alarming proportions of unemployment in times of economic slackness".

However, the problem should be dealt with in a Southern African context because of the distribution of unemployment among the geographical regions of the area.

The White Paper, commenting on recommendations of the Economic Advisory Council and the National Manpower

Commission, said that unemployment had both "a cyclical and a structural dimension."

"Regarding the structural side, it is pointed out that the problem is the most serious among blacks and that even after four years of vigorous economic growth from 1977, there was still a relatively high level of unemployment among members of this group."

Among recommendations made by the NMC and EAC are:

- The formulation of a new system of influx control along the lines recommended by the Riekert Commission — ie, that availability of work and accommodation should be principle conditions for admission to "controlled" areas.
- The creation of open trading areas and the repeal of measures which limit vertical mobility of labour.
- The formulation of alternative measures to section 3 of the Physical Planning Act.

The NMC and EAC said that capital, a relatively scarce resource, had been kept at an artificially low cost because of control of interest rates and generous tax concessions on certain types of investment.

The price of unskilled labour, although relatively abundant, was kept artificially high by administrative controls, such as the system of influx control and the application of section 3 of the Physical Planning Act.

The Government would continue to eliminate measures which distorted prices of production, said the White Paper.

As soon as current investigations into other restrictive measures were complete the "Government will, as a matter of priority, give attention to the implementation of those recommendations it finds acceptable".

335 Work-seekers *Hansard*
107. Dr A L BORAINÉ asked the Minister of Manpower: *Q. 61.36 2/2/84*

How many Black males and females, respectively, were registered as work-seekers in the White areas of the Republic in each month of 1983?

The MINISTER OF MANPOWER:

	Males	Females	Total
January	23 308	12 384	35 692
February	48 793	21 618	70 411
March	45 886	19 732	65 618
April	41 138	17 614	58 752
May	44 242	21 560	65 802
June	40 608	18 091	58 699
July	40 581	18 012	58 593
August	43 189	22 669	65 858
September	51 584	22 329	73 913
October	45 783	20 198	65 981
November	47 103	21 961	69 064
December	33 805	15 110	48 915

2/2/84

Unemployed persons

Hansard Q. 6134

9. Dr A L BORAINÉ asked the Minister of Manpower:

How many Whites, Coloureds and Asians, respectively, were registered as unemployed in each inspectorate area as at the latest specified date for which figures are available?

The MINISTER OF MANPOWER:

Inspectorate	Whites	Coloureds	Asians	Total
Johannesburg	4 673	2 360	423	7 456
Cape Town	1 134	3 405	13	4 552
Durban	1 754	1 405	4 566	7 725
Pretoria	869	58	21	948
Port Elizabeth	1 110	2 264	29	3 403
Bloemfontein	997	501	—	1 498
East London	388	188	11	587
Kimberley	194	1 044	7	1 245
George	136	174	—	310
Total	11 255	11 399	5 070	27 724

Mawu considers a dispute over lay-offs

Labour Correspondent

THE Metal and Allied Workers Union yesterday said it was considering declaring a dispute against Wynberg company Promex Plastics, a member of the Protea group of companies, for allegedly refusing to negotiate on retrenchments.

A union spokesman, Mr

Moses Mayekiso, said yesterday the company's 130 workers downed tools last Monday in protest against the retrenchment of eight workers, but returned after management agreed to meet the union on the issue.

Promex told the union at yesterday's meeting it would not negotiate on the retrenchments, because

MAWU was not recognised by the company.

Workers were due to meet last night, he said.

The company refused to recognise the union last October even though it provided proof that it represented a worker majority, he said.

"The fact that we are not recognised is, therefore, the

result of their attitude and is no reason to refuse to negotiate retrenchments."

A company source yesterday denied there had been a strike at the plant over the retrenchments.

He refused to comment further, referring all queries to the company's managing director, who was not available.

Row is growing over company lay-offs

Labour Correspondent

A WYNBERG company Promex Plastics, which faces a possible formal dispute called by the Metal and Allied Workers Union for allegedly refusing to negotiate on retrenchments, denied yesterday that it was unwilling to deal with the union.

Mawu alleges that about 115 workers at Promex, part

of the Protea Holdings group, struck recently in protest at the retrenchment of eight workers.

It says it persuaded them to return after management agreed to meet it on the issue, but that, at a meeting this week, Promex said it could not negotiate on retrenchments because it did not recognise the union.

Mawu says it has approached Promex for recognition, but that this was refused, and says it may declare a dispute with the company.

Yesterday a Promex spokesman denied there had been a strike at the plant.

He confirmed that the company had been ap-

proached by Mawu with a request to take back retrenched workers, and that it had refused to do this.

"There is no way we can take them back. We have had to close down a section of our plant because of the recession. We kept people on as long as possible, but the situation has worsened and our books reflect this," he says.

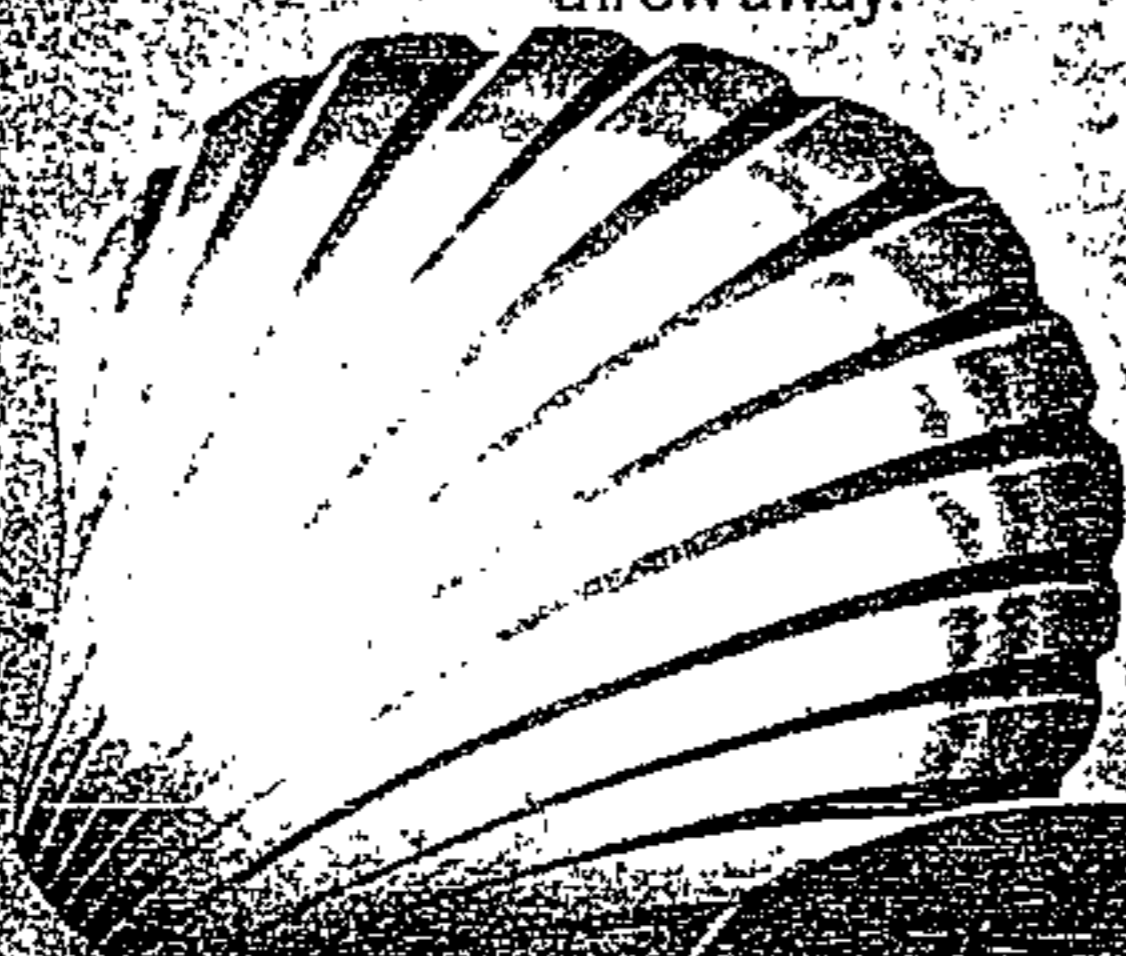
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DURBAN

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 (HBSA), 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."

HBSA 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 6%-11% whereas in the Transvaal it is 16%-21%. Consequently, a litre bottle of proprietary brandy sells for R8.81 — 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."

335

192/62

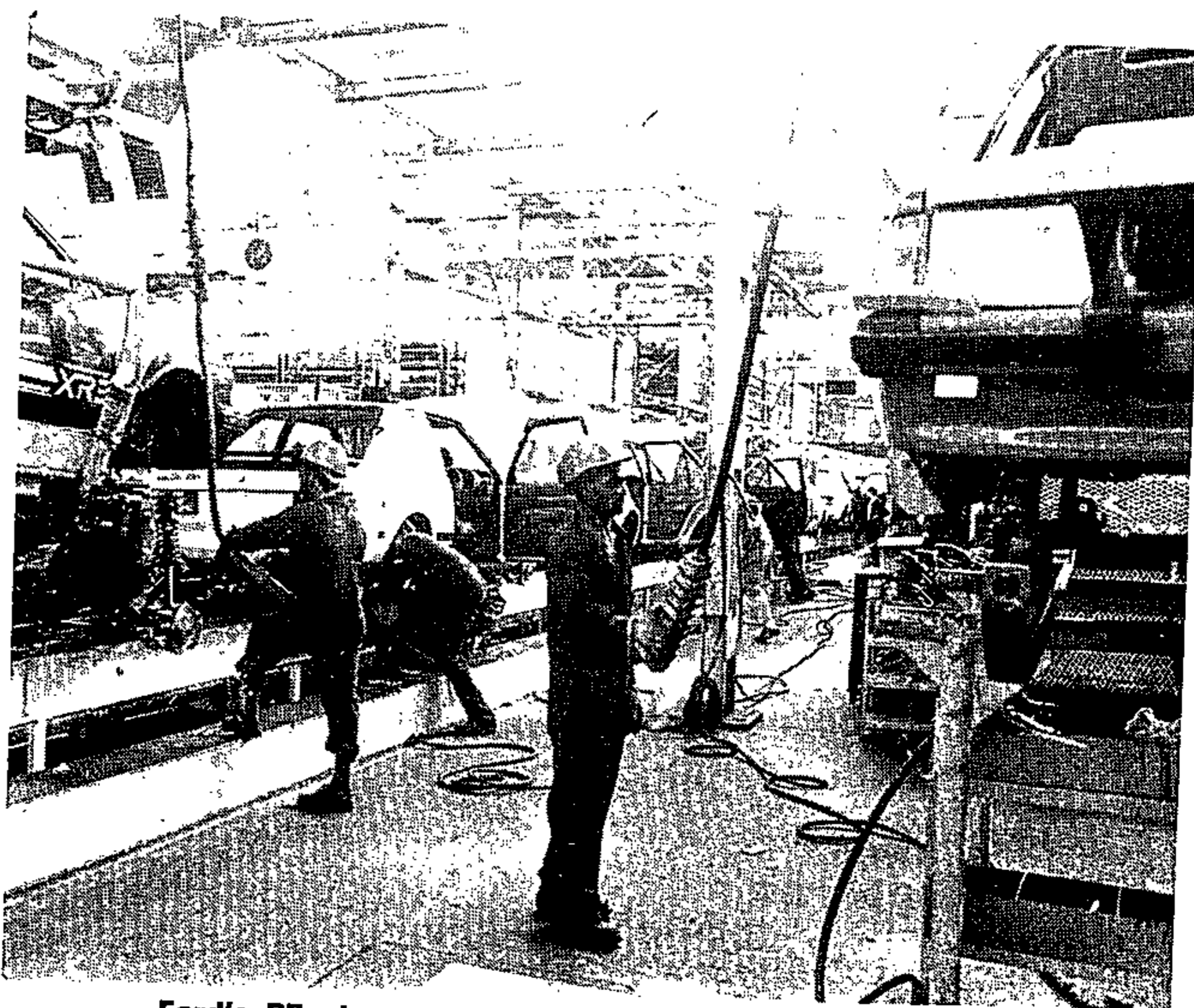
fm 3/2/84

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.

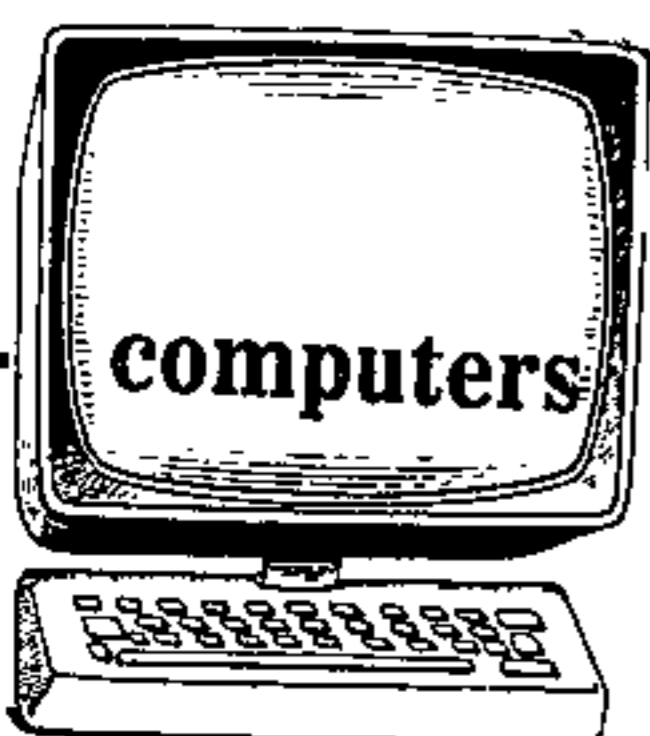
This suggests that Ford may well take advantage of the recent scrapping of import control on new cars.

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."



Ford's PE plant ... pragmatism the order of the day



computers

BELTEL

Sapo soldiers on

While some foreign telecommunications authorities still hesitate over introducing videotex systems, SA Post Office (Sapo) went a step further in building its own, Beltel, last week with a R5,9m order for hardware and software.

Beltel is an electronic information service which works through the telephone network.

The order went to Olivetti Africa and Systems Design, a UK software house which has done a lot of work in producing the international videotex standard known as CEPT.

The order is for seven Digital Equipment VAX 750 computers and appropriate software. Three will be installed in Beltel's Pretoria head office, two in Johannesburg, and one each in Cape Town and Durban.

Fanie Viljoen, Beltel's project leader, says SAPO's aim is to give the home user access to all Beltel services for less than the monthly cost of a newspaper, roughly R7,50. This does not include the cost of the hardware which is likely to be bought outright or rented, depending on usage. "We hope Beltel will be the cheapest data service available to the public," he says.

Beltel's news system is expected to go live in June next year. Meanwhile, Sapo will upgrade 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, but a big 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, Checkers teleshopping, and SAAN, the Argus group, and Nasionale 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 attract a 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.

Scrubham (2151) 335-244 (21) 121 (21)

Retrrenched 20 left stranded

ABOUT 20 migrant workers at a Pretoria coal company have been left stranded after they were ordered to leave the company's hostels following their retrenchment last week.

Retail chains slash prices

A SUPERMARKET price war has started following the GST increase as the big retail chains cut prices on basic commodities.

Consumers are actually paying less for basics such as bread and milk in spite of the GST increase from six to seven percent.

Mr Raymond Ackerman, chairman of Pick 'n Pay, said consumers were scoring in the short term although in the long term they would have to pay for the higher GST.

When the Govern-

3/24 By JOSHUA RABOROKO

"The management did not tell us about its intention to retrench workers. We were shocked when workers came and told us that their services had been terminated with immediate effect," Mr Oliphant said.

The union approached management on the issue but they were given "a cold shoulder," he said. The company's direc-

tor, Mr J Dreyer, said that they had no option but to retrench the workers because "we do not just have jobs for them anymore."

Some of them had already left for their homes while the company was still accommodating others until they found alternative jobs.

"It is regrettable that we have to dismiss our workers. We are sorry, but there is nothing we can do because of the country's economic situation," Mr Dreyer said.



BOPHUTHATSWANA President Mangope.

Cusa attacks labour Bill

to take effect next month bars "foreign" unions from operating in the homeland.

It also prevents shop stewards or union representatives from being members of foreign unions and specifies that unions organising in Bophuthatswana have to have their base in the homeland.

Cusa members daily cross the so-called border to work in South Africa and return to Bophuthatswana to sleep at night.

"We have constantly maintained that this trade will be opposed whenever and wherever we encounter it."

In a stronger warning to employers and, in particular, multi-nationals, Cusa states it is prepared to fight the banning of "foreign" unions at every local and international forum.

"We call upon employers to state immediately what their views on the matter are."

The council also expresses its support for members of the National Union of Mineworkers employed by Union Carbide in Bophuthatswana.

About 300 workers at Union Carbide went on a three-day strike last week over wage grievances coupled with the introduction of the new legislation.

THE Council of Unions of South Africa, representing the combined membership of 11 unions, has challenged the Bophuthatswana Government over its new labour legislation.

In a statement released yesterday, Cusa says it will not become the "victim" of a "Bophuthatswana regime and its misguided labour advisers."

The Bophuthatswana Industrial Conciliation Bill, which is expected



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KITCHEN SWABS

Big jump in jobless

4/2/84 Mercury 335

Mercury Reporter

THE number of jobless people registering with Port Natal Administration Board labour bureaux has more than tripled since the beginning of January, according to figures supplied by the board.

Last week the number of people applying for

permits at the board's Umlazi, Kwa Mashu and Ordnance Road bureaux ranged from 5 300 to 6 500, compared to an average of fewer than 2 000 at the beginning of last month.

According to the board's figures 316 vacancies had been registered and 54 applicants had been placed by them in

three days, mostly in domestic positions.

Mr Danie Gouws, regional manager of the board, said that although many of the people came on successive days, the figures were still unusually high.

'This is extraordinary. We've never had this many and we have never had to put on as many extra staff to deal with the load,' he said.

A possible factor contributing to the increase was that changes in the law during last year had made permits more freely available.

According to a board spokesman another 36 people were on scooter-driving and security-guard courses and would be immediately placed when they graduated.

According to the Department of Manpower there were 1 506 whites, 1 202 coloureds, and 3 952 Indians registered with them as unemployed at the end of December, giving a total of 6 660.

Mr John Pohl, deputy executive director with the Natal Chamber of Industries, said: 'There has not been any major upturn yet in the number of employees being taken on by businesses.'

'The consensus is that there won't be an upturn in the economy until the last quarter.'

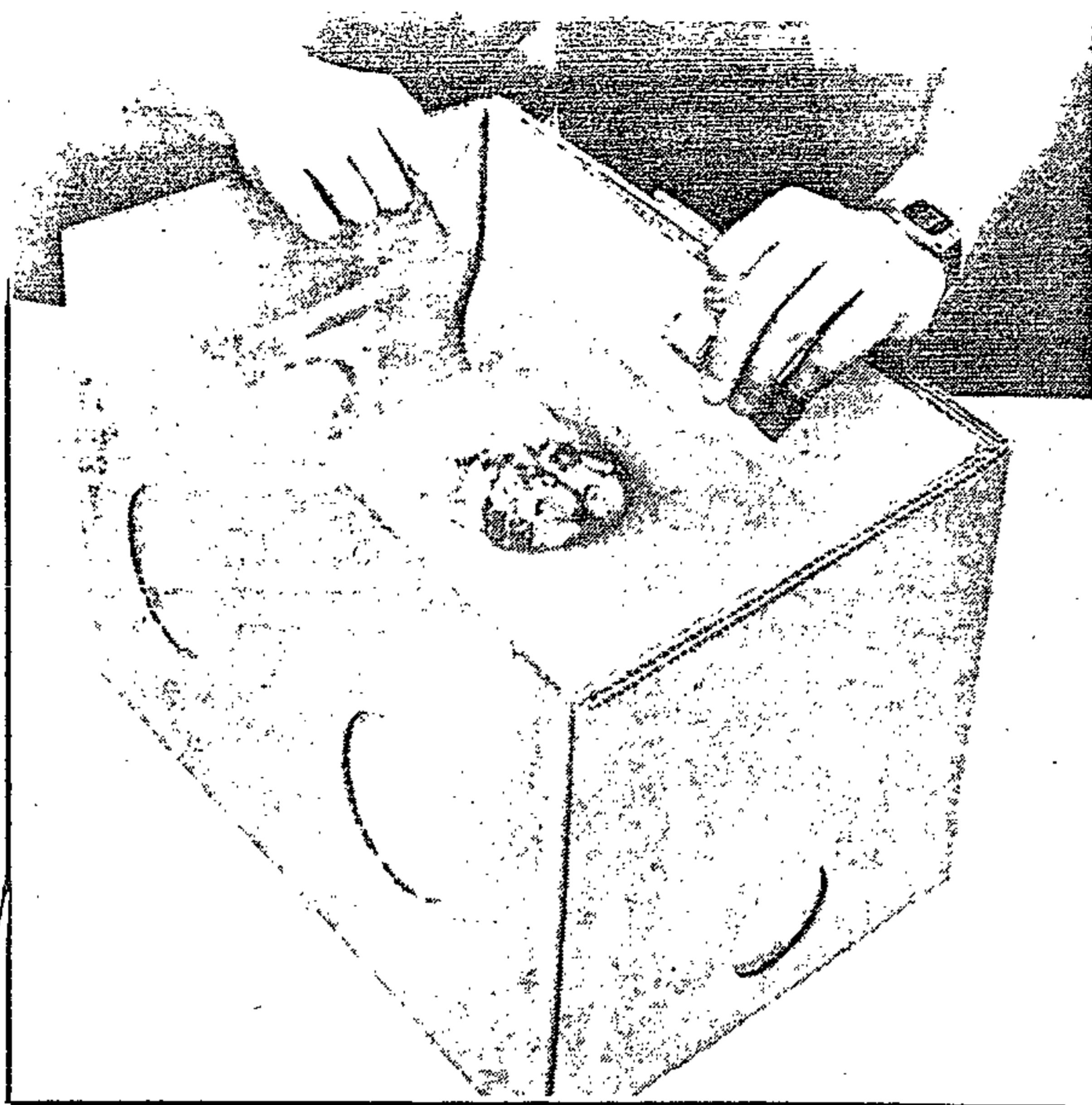
(335) (157) (1470A)

Laid-off workers paid out

FRAMETEX in Pine-
town has paid out more
than R9 600 to ten
members of the Na-
tional Union of Tex-
tile Workers.

The money — back-
pay from the time they
were retrenched last
year — comes after a
ruling from the Indus-
trial Court.

The court ruled that
an earlier order for
management to pay the
wages should not be
suspended.



Mr Craig McMurray and the fascinating cardboard fishtank. Mr McMurray is development manager of a packaging company. The fishtank is one of the exhibits at the Careers Spectrum exhibition

CARL TINKS 6/2/84 335

Jobs for all in 1984, says Dept of Manpower

THERE should be jobs for all this year when thousands of matriculants, varsity graduates and national servicemen enter the job market.

That's the news from the Department of Manpower's director of vocational guidance and placement services, Mr P J Benade.

"We don't expect too much difficulty placing them," he said.

But he warned those with a Standard 8 certificate or lower would find it hard to land a job, although they would be accommodated eventually.

He invited job seekers to approach the department's vocational guidance services that would assist them in finding jobs, in both the public and private sectors.

The director of publicity and recruitment for the Commission for Administration, Mr Martin Raath, said the civil service experienced a shortage of job applicants in the Pretoria-Witwatersrand-Vereeniging area, while there was an abundance of applicants in the coastal towns.

In Port Elizabeth, for instance, 200 job seekers could not be placed, but only because they insisted on working in PE.

He said the public service experienced a chronic shortage of male matriculants ever since the Defence Force implemented the two-year national service system.

He asked matriculants to consider the public service's career opportunities.

He cited a three-year diploma course for technicians, where matriculants are paid to attend courses at technikons.

Applicants may write to the commission at Private Bag 111, Pretoria, 0001.

Low education among jobless

335
Stu

By Anthony Duigan

6/2/84

Eight out of 10 of the approximately 550 000 unemployed black and coloured workers have less education than a Standard 8, according to the Government's White Paper on a strategy for job creation.

The White Paper, published this week, gave a review of the unemployment situation up to September last year and noted that official statistics of jobless blacks in particular were not satisfactory because they were based only on those who were registered as unemployed.

The 550 000 black, coloured and Asian jobless, according to the White Paper, represented an unemployment rate of more than eight percent for blacks (excluding the four independent homelands), almost seven percent for coloured people and 6,7 percent for Asians.

According to the SA Labour and Development Research Unit at Cape Town University, total unemployment and underemployment throughout South Africa and the homelands is in the region of 2 million, or about 25 percent of the black labour force.

UNEMPLOYMENT RATE

The current population survey estimates indicate that the worst black unemployment rate is in the Eastern Cape where nearly 15 percent of blacks are without work.

This is followed by the Western Cape with just over 12 percent, Natal and kwaZulu with 11,5 percent, and the Northern Transvaal with 10,4 percent. The highest unemployment rates overall are among black women (13,5 percent).

If white, coloured and Asian unemployment are added together, less than two percent of the economically active in these groups is without work.

Govt ~~to create~~ to create jobs after floods

335
E. Post
8/2/84

CAPE TOWN — The Government was ready to take as much positive relief action as possible in the flood-stricken areas of northern Natal and Kwazulu, the Minister of Co-operation and Development, Dr Piet Koornhof, said today.

The object was to create employment and utilise labour intensive methods as much as possible in the aid programme, he said at his weekly Press conference in Cape Town.

The department also intended participating in the urgent provision of immediate relief measures such as re-establishing communications and ferrying in emergency supplies like tents, blankets and food.

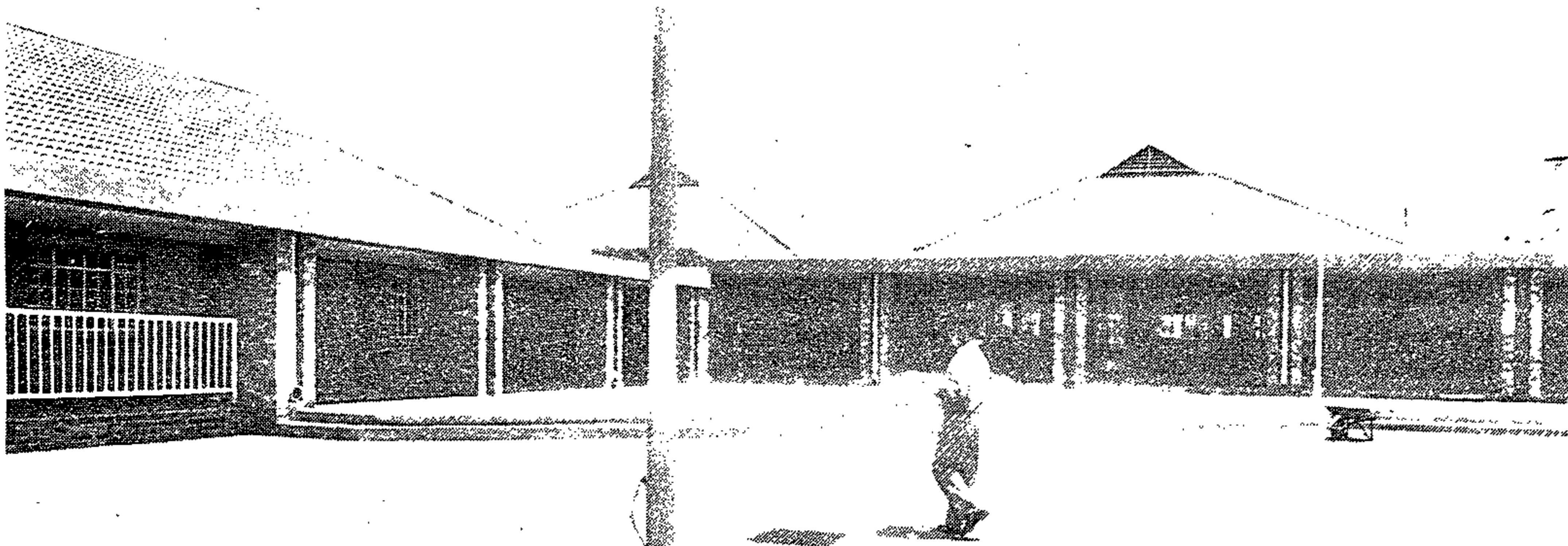
The Deputy Minister of Development and Land Affairs, Mr Ben Wilkens, who toured the area recently, said one of the immediate objectives was to ensure at least one access road to every village in the disaster area.

The aid was available but a difficulty at this stage was a lack of information flowing to the department on the types of aid most needed at some of the more isolated places.

He appealed for information in this regard to be passed on wherever possible.

Dr Koornhof reviewed the "good progress" being made so far, saying: "Our hearts really go out to these people who suffered so much in the drought last year and now in these floods."

From a health point of view, the danger of typhoid, malaria and cholera outbreaks was under control, according to reports from officials in the area, he said. — Sapa



THE Ipelegeng Community Centre which has cost over R1-million to build in Jabavu, Soweto.



REV NKWE: Man behind the Ipelegeng project.

It's a home from home

HUNDREDS are expected when Soweto's first "home from home" centre is officially opened this weekend.

The centre will be opened by The Anglican Bishop of Johannesburg, The Rt Rev Timothy Bavin, whose diocese controls the centre known as Ipelegeng Community Centre and situated at the St Paul's Anglican Church in Jabavu.

The man behind the project is the Rev David Nkwe, Anglican arch-deacon in Soweto.

Mr Nkwe's plan emanated from rising unemployment in 1978 and this led St Paul's Church to launch self-reliance programmes for blacks.

"To move the community from unemployment, the Ukukhanya Soweto Candles Project can be mentioned. Many other sewing clubs were initiated," he said.

"Ipelegeng will serve the aged — as a paying centre on their pension days; as a gymna-

By STAN MHLONGO

sium for those who want to keep fit; for teaching; holding meetings and we will also be running a career guidance course for school leavers who often find themselves at sea after leaving the classrooms. It will also be a major conference centre.

"We need to get down to the roots of the problems of the black community and as such we must keep abreast with the problems the man on the street faces daily. For this reason, we have also decided to produce a food distribution service," said Mr Nkwe.

He said without the assistance of the German church, the Anglican church of Canada and local Anglicans, the building of the centre could not have been possible.

Mr Nkwe, rector of St Paul's for the past 21 years, said he foresaw no problems in

running the Ipelegeng Community Centre, since he was quite familiar with the needs of the people.

The Ukukhanya Soweto Candles' Association, which falls under the Anglican Church, was an attempt to move the community from inertia to self-reliance.

"The programme which we are to initiate at Ipelegeng will start from where people are often made submissive and passive by poverty.

"The imaginative concept of a career orientated community centre has emerged through a decade of involvement with community needs and issues of the poorest of the poor around the country.

"I can also admit that in this project, we were inspired by the Rev Leon Sullivan's words in his book, "Build Brother, Build".

The planners of the project that resulted in the formation of Ipelegeng encountered "rough waters" when the building of the

centre stalled because of red tape in the '70s.

"But the churches overseas and locally pursued the dream of erecting Ipelegeng and ultimately the authorities allowed us to go ahead with the building project," Mr Nkwe said.

"People mobilised themselves in the '70s to become involved with assisting girls who became mothers. These were encouraged to continue attending school. Pensioners were encouraged to meet and overcome the handicaps of isolation.

"The AID centre and the Orlando Homes played prominent roles in this respect. The result of this involvement by the community demonstrated the need for a community centre geared to the upliftment of the community through generating career advancement."

Mr Nkwe said the events of 1976 saw a deepening of this conviction and added a community determination to see the plan to fruition. "It was strengthened by the suffering and struggle of that tragic period," he said.

Some of the facilities which will be provided by the Ipelegeng Community Centre, include a library; a gymnasium; a meeting hall; classrooms; an administrative centre (to teach people cooking and other necessary skills); dining-hall and a centre for indoor sport.

Among the prominent people expected at the opening of Ipelegeng on Sunday is the secretary of the SACC, Bishop Desmond Tutu, Bishop Simon Nkoane of the Anglican Church and lawyer, Mr G M Pitje.

Ford retrenches 30 salaried workers

335 ~~192~~ E. Post 8/2/84

By CLARE
PICKARD-CAMBRIDGE

THIRTY salaried employees at the Ford Motor Company in Port Elizabeth were today told that they would be laid off at the end of March.

This was confirmed today by the director of industrial relations at Ford, Mr Fred Ferreira, after rumours had been circulating for the past two weeks about the expected retrenchment of salaried staff at the company.

The move follows the retrenchment of about 460 hourly paid workers at Ford on January 20.

Mr Ferreira said Ford had made an error when they informed newspapers that 490 hourly-paid

employees had been laid off.

Only about 460 hourly paid workers had been laid off on January 20 and the 30 salaried workers who had just been informed of their pending retrenchment in March now formed the balance of the official figure quoted, he said.

Mr Ferreira said the unions had been told that salaried workers from various sections of Ford would be included among the hourly-paid workers laid off.

He said this had been part of the rationalisation programme which Ford had been compelled to implement because of reduced production.

He stressed that the com-

pany would give preference to retrenched employees if re-employment opportunities occurred.

Mr Ferreira was earlier quoted in the Evening Post as saying that retrenchments had been made because the motor vehicle market was expected to remain at a low level for at least the first half of 1984 and the company had consequently been forced to reduce its production schedule.

Ford had considered several alternatives to prevent the retrenchments, including working extended short time at the end of last year. But they had reached the point where they could no longer absorb these penalties.

Matriculants hard-hit finding jobs in W Cap

Labour Reporter

MATRICULANTS, especially blacks in the Western Cape, are finding it difficult to get jobs, according to the Careers Research and Information Centre (CRIC).

However, official statistics do not indicate a high rate of unemployment among matriculants, because many do not register as unemployed.

Lower than last year

The Divisional Inspector of Manpower, Mr J du P Marais, said the total number of unemployed people with matric qualifications at the end of January was 228. Of these, 12 were under 21 and 216 between 21 and 35.

The figures, which include white and coloured people, are lower than those for last year, when the total number of unemployed matriculants was 352 — 329 were in the 21-35 age group and 23 under 21.

Not many registered

Mr Marais did not think many unemployed matriculants registered with the department.

"I would advise all matriculants who have difficulty finding jobs to register. We can at least give them information about what is available," he said.

Mrs Puthi Tsukudu, a councillor with CRIC, said she had seen at least 90 people in the past month with either standard 8 or matric qualifications who could not find work.

Preference policy

"It is especially difficult for black matriculants, because of the coloured labour preference policy here.

"There is nothing a black woman can do. Wherever she goes she has to apply for a permit.

"Black nurses, who cannot train in Cape Town, may have to wait up to three years for a post. Some just give up and take jobs as chars."

Need for education queried

Mrs Tsukudu said many young blacks were beginning to question the value of education.

"They are asking what the use is of studying if they end up only as chars or petrol attendants."

The Press liaison officer for the Western Cape Administration Board, Dr Gert du Preez, said about 6 000 black men and 1 000 black women were registered with the board as unemployed.

No longer compelled

He said it was difficult to give the precise number of matriculants among the unemployed, but it was possible that the figure included "a number of matrics".

"These figures will not reflect the real rate of unemployment, because people are no longer compelled to register at the Labour Office as job-seekers," he said.

A spokesman for the orientation service of the SADF said that most national servicemen who came to them for help in finding jobs had standard 8 qualifications or 'practical matrics'.

IF you would like an item published in Community Calendar, telephone The Argus news desk (23 1163) 48 hours in advance between 8.30am and 3pm on weekdays, and before 11.30am on Thursday for events from Friday to Monday afternoon.



TODAY:

Crusade

Roger Voke Evangelistic Association is holding a crusade at the Baptist Church, 146 2nd Avenue, Grassy Park nightly at 7.45pm until Saturday.

Blood donors

WP Blood Transfusion Service needs donors, 21 2570 public relations department, Medipark, Foreshore, Monday to Sunday.

Ride safe

National servicemen needing lifts and motorists willing to give lifts, 92 4911 Mrs L Burger.

Carnival

Institute of Race Relations needs help and articles for sale for the summer carnival to be held at Maynardville. 66 6645 or 66 8566.

Nuclear

Radiation Hot Line will answer your questions on nuclear power at Koeberg and the emergency plan, each Wednesday from 6pm-9pm. 64 3253.

Meetings

Wild Life Society, Cape Peninsula Centre, meets at 8pm at BP Centre complex, Cape Town. Mr Tony Cunningham will talk on his research in Tongaland.

St Stephen's Repertory Company annual meeting at 8pm in St Stephen's Hall, Central Square, Pinelands. 53 4811 Mrs June Wells.

Cape Town Scrabble Club meets at 8pm at the Cape Town Bridge Centre, 156 Main Road, Sea Point (opposite Ellerslie School). All scrabblers welcome. Bring your own board.

Table Bay Toastmasters' Club will train you to speak in public. Meet at Klub Here Sewentien at 7pm. For information 24 3928.

Cycling

Black Panther Cycling Club is looking for new members. It also wishes to form a BMX club. 02224 2251 Benjamin Potgieter, or write to 15 William Mason Road, Bishop Lavis, 7940.

TOMORROW:

Film

At Bellville Public Library at 1.15pm. A Look At Motivation. In our, 32 minutes.

Meetings

Constantiaberg Townsmistresses' Club meet at Meadowridge Library, 9.45am. Visitors welcome. 72 1480.

Lunchtime joint meeting of the Institute of Citizenship and the SA Institute of International Affairs at the Cathedral Hall, Victoria Street, Cape Town at 1.10pm. The British Ambassador, Mr E Ferguson, will speak on Recent developments in Anglo-South African Relations.

SA Military History Society meets at the Naamse, Newlands, at 8pm. Sir Richard Luyt will speak on his military experiences under Order of the Abyss campaign. Visitors welcome. 72 6854.

Divorce Workgroup meets at the Family Centre, St Michael's Church, Rouwkoop Road (off Main Road) Rondebosch at 8pm. Judge Goldin will discuss divorce guidance. Non-members R1,50. 77 9823 59 4460.

Art

Guided tours of ancient cultures at the SA Cultural History Museum on Thursday at 11am.

Get-together

For the over 40s. Join a happy atmosphere dancing, chatting and to Every Thursday from 10pm. Scout Hall, Rondebosch (under the bridge). 50c a person. 44 6433, 7pm.

Be an Argus Newshound

DO you know what is happening in your neighbourhood — what the people around you are doing — and saying?

If you do, let us know. That story you heard the other day



about Bill's windfall or the new complex planned in your area

could make you an Argus Newshound.

TELL THE ARGUS.

Telephone our Cape Town news desk at 23-1163 from 5.30 am or our Tygerberg Bureau at 97-5635 from 8 am. We're waiting to hear from you!

PHYSICAL PLANNING ACT

Maintaining job destruction

Despite government's professed intention to repeal Section 3 of the Physical Planning Act (PPA), it is still being enforced. Enforcement seems less stringent than in the past — with applications for additional labour being granted more freely — but thousands of other applications have been turned down.

The Act is a nasty piece of work. It came into force on January 19 1968, and since then Section 3 has probably wreaked as much havoc with peoples' lives and the labour supply as the influx control laws. Despite government's acceptance of the Riekert Commission's recommendation made five years ago that it should be scrapped, the provision is still on the statute book.

The section limits the number of blacks that employers in various "controlled" urban areas can hire without government's permission. In general, it has meant that if the ratio of black workers to white exceeds 2,5:1, an application for a permit has to be lodged with a committee specially appointed to weigh up the merits of each case. Controlled areas include the PWV region, Bloemfontein and Sasolburg in the OFS, and large parts of the western Cape.

From government's point of view the rationale behind Section 3 is simple. It is to force the decentralisation of industry by making life difficult for urban employers and to buttress the influx control laws. Underlying it is a misguided attempt to bring jobs to people in rural areas and homelands in the hope of stemming the flow to the cities.

Until April 1982, when the most recent decentralisation package was introduced, with far more attractive incentives than before, decentralisation was hardly a success. Naturally enough, Section 3 became a much-hated piece of legislation among both employers and workers. Over the years hundreds of thousands of blacks have been denied jobs because of it. Much potential for wealth-creation was destroyed at the same time.

More than one employer has had to move out of an urban area simply to get sufficient workers to run his enterprise. For their part, trade unions objected strongly to the Act because of the low wages paid in many decentralised areas.

Government figures released in 1976 show that the number of potential black employees affected by the refusal of labour applications since the Act came into force totalled 92 645. In November 1981 the *FM* reported that in the years between then and 1977 government appeared to have relaxed its attitude towards granting exemptions

from Section 3. The number of blacks reported to be affected by it had dropped to around 5 000 a year.

The latest statistics, obtained from the Department of Industries and Commerce, show that in the five years between January 1979 and December last year, 28 402 applications involving black employees were refused nationwide in terms of Section 3. There is no indication of the number of workers involved.

During the same period a far greater number (155 699) of applications was granted. These figures do reveal a slackening of the fervour with which Section 3 was originally applied, and the department says there were no prosecutions for contravention of Section 3 during that time. But seven prosecutions are currently pending. They are apparently related to technical infringements of the Act rather than to defiance of the black/white labour ratio requirement.

Nonetheless, it remains true that more than 28 000 applications, with an unknown numerical effect on employment, have been turned down in the last five years in terms of an Act government said it was going to abolish.

Government's acceptance of the principle that Section 3 should go was, however, qualified. Ways and means of generating sufficient finance in the cities to recover the cost of infrastructural and other government services (which include transport and housing subsidies) had to be found before Section 3 could be repealed, it was stated.

The relationship between Section 3 and local government finance does not make very much sense. The quest for additional sources of revenue for local authorities has, for a number of years, been the task of the Permanent Finance Liaison Committee (formerly called the Croeser Working Group), under Gerhard Croeser, chief of public finance in the Department of Finance. Finding ways of fulfilling the preconditions for scrapping Section 3 is part of its job.

Recommendations from the committee have been submitted to government. It is probable that Croeser has recommended that more taxes need to be generated at the local level to pay for local infrastructure and services. This is not simply because of the need to scrap Section 3 of the PPA but, in the main, to finance black local authorities. This will obviously mean increased costs for all city dwellers.

Government's response to the Croeser recommendations is still awaited. But the underlying message is clear. Section 3 is going to be replaced with other measures

which will "encourage" decentralisation — possibly by pricing certain enterprises out of the cities through selective levies.

Even more worrying was the intention expressed in the draft Orderly Movement and Settlement of Black Persons Bill, now before a Parliamentary Select Committee, to impose heavy fines on employers who hire black workers who are not legally qualified to be in urban areas. If that Bill becomes law in anything like its original form, government will not need Section 3 of the PPA.

But it could be that in the current climate of reform, the Orderly Movement Bill will be allowed to float away in the wind. In which case, it makes even less sense to keep Section 3 on the books. Five years after the Riekert Commission recommended its repeal, it is surely time for the provision to become a dead letter.

~~335~~ 335 Hammond
Q. Col. 134
Unemployment Insurance Board
10/2/84

171. Dr A L BORAINÉ asked the Minister of Manpower:

- (1) Whether the Unemployment Insurance Board has made any recommendations regarding job creation to combat unemployment; if so, what is the nature of the recommendations; if not,
- (2) whether he (a) has asked or (b) will consider asking the Board for such recommendations; if not, why not?

The MINISTER OF MANPOWER:

- (1) Yes. During 1978 and 1980 the Unemployment Insurance Board recommended that funds be made available to finance schemes for the creation of employment opportunities for unemployed contributors.
- (2) (a) No in view of the investigation by the Directorate of Economic Planning and the National Manpower Commission which was initiated at the end of 1979.
(b) No, but the White Paper on a Strategy for the Creation of Employment Opportunities in the Republic of South Africa which was tabled in Parliament on 1 February 1984 will be brought to the attention of the Board.

The micro approach

Fm 17/2/84

There is serious official concern about unemployment in SA. This is clearly shown in government's White Paper on "Strategy for the Creation of Employment Opportunities," released recently in response to recommendations from the Economic Advisory Council (EAC) and the National Manpower Commission (NMC).

Statistics in the White Paper, based on the Current Population Survey, show that the unemployment rate among blacks, coloureds and Asians was 8,1%, 6,9% and 6,7% respectively in September last year. It is advisable to regard the figures as highly conservative.

Continued on page 51

49

Even so, they go some way to reveal the enormity of the problem. Those who take comfort from the fact that (officially) unemployment is lower than in some advanced overseas economies neglect the extent of underemployment in this country. Many poverty-stricken rural inhabitants are regarded as self-employed subsistence farmers and are not taken into account in the official statistics.

The creation of employment is largely dependent on sustained economic growth. The EAC and NMC take pains to point out that, "economic growth as such (cannot) completely solve the unemployment (and underemployment) problem, as is clear from the Economic Development Programme (EDP). The EDP estimates indicate that even a 5% growth rate in real gdp will not significantly reduce current unemployment."

The White Paper is the broad policy statement about what should be done. It notes important differences between structural and cyclical unemployment and stresses that each requires different strategies.

A number of strategies to create employment on a long-term basis are outlined. Central to this process is government's acceptance that any employment creation programme should take as its point of departure the pursuit of a free-market system.

The onus for job creation is thus put on to the private sector. By the same token, however, government recognises that it too has a role to play. It acknowledges that it can have a direct influence as the result of various programmes — road building, irrigation schemes, and the like. It also has an indirect influence in terms of statutory, administrative and regulatory inhibitors and the way in which these are applied.

Against this background government has instructed all public institutions to keep the importance of job creation in mind in the execution of their duties. But it goes further. Institutions are ordered to review their present activities and make adjustments to remove negative influences on employment creation.

Regarding the role of economic growth in job creation, government has accepted the following recommendations from the EAC and NMC:

- ☐ Measures which cause market distortions must be corrected;
- ☐ The small business sector must be promoted;
- ☐ Regional development must be optimised; and
- ☐ SA's available manpower must receive adequate education and training and be utilised efficiently.

In terms of medium- to long-term job creation, it is argued that there is no possibility of avoiding the pitfalls inherent in a downturn of the business cycle. The EAC

Free-market

Financial Mail February 17 1984

and NMC state that "recent experience, both in SA and abroad, (shows) that efforts to create additional employment programmes in the short term through special government spending programmes are relatively ineffective." Nonetheless they do acknowledge that certain steps can be taken to "alleviate" the drop in the rate of employment. These are:

- ☐ The use of the Unemployment Insurance Fund;
- ☐ Agreements between employers and workers to place employees on short working hours or in training programmes and to introduce job sharing instead of retrench-

ing workers; and

- ☐ Where possible to rechannel government funds to applications that create or maintain jobs.

On the whole government has accepted this. More importantly, however, it has also accepted that the Directorate of Economic Planning and the NMC should monitor activities in both the private and public sectors to determine whether the strategies are working. Information will be presented to the EAC and the NMC for evaluation and formulation of recommendations to government.

The White Paper has been welcomed by

Federated Chamber of Industries director Johan van Zyl. He told the FM: "It is the first time that there has been an awareness that the problem of unemployment has to be tackled. Normally unemployment has been seen as a natural result of low economic growth and was always seen in macro-economic terms. This is the first attempt to look at employment creation from a micro-economic point of view in which special programmes and particular circumstances are taken into account. Government is looking at unemployment in particular regions and at ways and means of creating employment in these regions."

Economic downturn given as reason

98 laid off at Bartons

THE MRT Bartons Company, a subsidiary of the giant Barlow Rand, has retrenched about 98 workers due to the company's economic downturn.

The company's personnel manager Mr Peter Creer told The SOWETAN yesterday that the workers — 91 blacks and the rest whites, Indians and coloureds — were all paid their dues which include a "generous severance pay".

It was unfortunate, he said, that the company had to part with so many workers, some of whom

By JOSHUA RABOROKO

had long-term service, but "we simply had no alternative but to take the move. We are sorry about it."

Mr Creer said that the retrenchment procedures were followed in terms of an agreement with the Steel and Engineering and Allied Workers' Union, which represented the workers.

"We did all we could to consult with the workers themselves and explained to them how our production facilities were affected by the downturn," he said.

However, he added,

the company will try to re-employ the workers once vacancies were created at the company.

The union's general secretary Mrs Jane Hlongwane confirmed that the company had approached them concerning the retrenchment of the workers. The union consulted with the workers to get a mandate from them and "they were satisfied with the conditions under which the retrenchment was going to take place," she said.

The union had concluded a recognition agreement with the company and "we are hoping that the company will abide by it in future", Mrs Hlongwane said.

Sowetan 17/2/84 335

Brusque dismissal is invitation to conflict

By Fred Holtshausen

If the cost of a strike is measured in loss of production only, one is looking at the tip of the iceberg.

A consumer goods company which had a strike last year not only lost sales and market share, because it was unable to supply the Christmas trade, but also severely damaged relationships between workers and management.

Although employment relationship is governed mainly by the contract of employment, relevant legislation and the common law, case law is beginning to codify in more detail the rights of employees as a result of recent Industrial Court 'unfair labour practice' judgments.

The whole matter of discipline and dismissal is a minefield. One of the enshrining causes for dismissal is 'poor performance'. If a worker is dismissed for poor performance, in a job for which originally he was not engaged or re-trained, or even if he was not given a detailed job description or standards of performance, a dismissal is simply another way of inviting conflict.

For this reason IR specialists are beginning to look at disciplinary procedures not as punitive measures but, more often, as remedial treatment.

Dismissal, particularly in today's unemployment climate, is an explosive issue and potentially very expensive. So the worker who is not performing to expectation needs handling with care.

It may be that he needs more training. He may have a personality clash with the supervisor and will perform better in another department.

He may need counselling by his supervisor on how to improve his performance. Disciplinary procedures, like grievance procedures, should be worked out in consultation with worker representatives and be tailor-made for the company's particular needs.

In a model procedure there are some basic objectives:

To initiate corrective action where work performance is unsatisfactory or where the behaviour of the employee is unacceptable.

To prevent conflict in the workplace.

To protect the interests of both employer and the employee.

To recognise the right of the employee to appeal against a decision which

he considers to be unjust.

There may be several levels of disciplinary action.

First comes a verbal reprimand by the supervisor. Even though it is verbal, this warning may be accompanied by an entry in the personnel file to the effect that the warning has been issued.

The written warning, after subsequent or more serious transgressions, should follow only when there has been a formal discussion with the employee and his worker representatives, at which the nature of the fault, corrective action and disciplinary measures are noted. At this stage an employee must sign an acknowledgment, not of his guilt but that he has received the warning.

The following level usually involves the possibility of dismissal. The procedures invariably will provide for the disciplinary report to be passed to a senior manager, who must make the final decision after a full enquiry.

If the decision is to dismiss, there should also be a right of appeal to the next level in the organisation's structure.

Essential to all satisfactory disciplinary procedures are the factors of speed in resolving the matter, fairness, and the right of the worker to have his representative at his side.

Disciplinary actions, where they have to go beyond the point of remedial action to the dismissal stage, need "justice to be seen to be done". A violent reaction is more likely to be avoided if the worker representatives have been involved in the whole process.

This does not impair the employer's right to terminate employment. His right in this respect remains in cases of transgression of company rules, non-availability of worker, redundancy (this highly emotional issue will be discussed in next week's article), and poor performance.

In the new Industrial Relations climate it is prudent to ensure that the grounds for dismissal are satisfied within the terms of a carefully thought out and fair code. The alternative to what seems a rather involved procedure may well be a suit for "unfair labour practice", the type of suit which trade unions have been winning recently with monotonous regularity.

Changing face of black employment

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 147 had endorsed the code," observed Amcham in its report just published.

"These companies, however, employ over 71% 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 "99% of signatories 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

\$48,7 million (R60,875 million) in 1983, or, reflected in another way, from an average expenditure of \$35 (R43,75) per employee in 1978 to \$383 (R478,75) per employee in 1983."

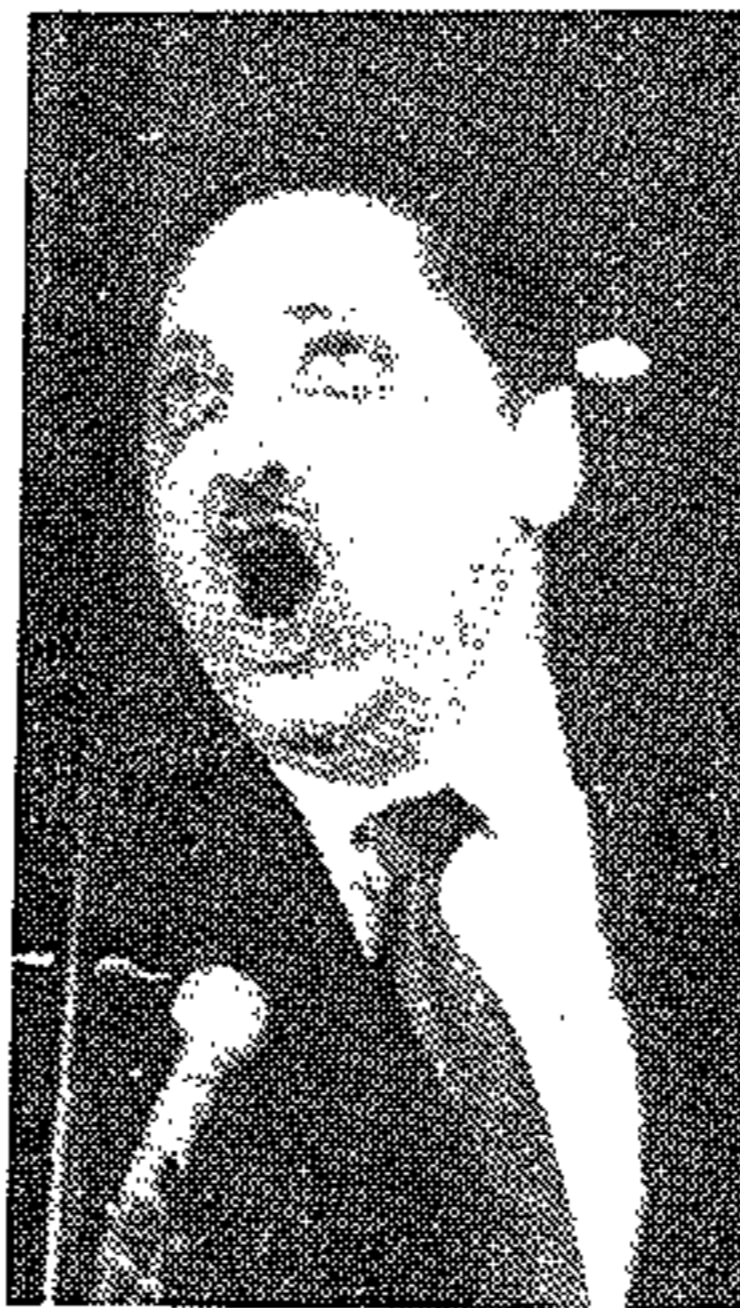
In its report Amcham endorsed the principle that black workers could best secure a fair economic stake in South Africa by acquiring work skills.

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 1970s American companies began open-

ing 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-cum-assembly hall, a library, a kitchen and canteen, a gymnasium and a wide variety of other sports facilities.

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Hansard

Work-seekers

21/2/84

Q. 67. 371
345. Dr A L BORAINÉ asked the Minister of Manpower:

How many males and females, respectively, were registered at labour bureaux as work-seekers in terms of the Guidance and Placement Act, No 62 of 1981, as at 31 December 1983?

The MINISTER OF MANPOWER:

Males 53 112.
Females 26 961.

Editor of the monthly publication "Die Hervormer".

Chaplain J M Daines Principal Chaplain of the SA Defence Force and Rector of the Anglican Church, Voortrekkerhoogte.

Rev V W Harris Minister of the Northfield Methodist Church, Benoni; Chairman: South Eastern Transvaal and Swaziland District of the Methodist Church.
Col H L Bosman Staff Officer, SA Defence Force.

(2) Yes.

(a) 82 cases were heard by the Board on 15 February 1984.

(b) 51 cases (Jehova's Witnesses) were classified under article 72D(1)(a)(3) of the Act and referred to the Department of

Manpower for placement in Community Service.

19 cases were not dealt with as a result of incorrect applications and returned to applicants.

12 cases were postponed to the next meeting of the Board as no members were co-opted to represent the specific church denominations.

H. A. L. BORALINE
Students 22/2/84
Dr A L BORALINE asked the Minister of National Education:

How many (a) White, (b) Coloured, (c) Asian, (d) Black and (e) other students were registered in 1983 at each university under the control of his Department?

The MINISTER OF NATIONAL EDUCATION:

UNIVERSITY	WHITE	COLOURED	ASIAN	BLACK	OTHER
Cape Town	10 482	1 121	289	257	—
Stellenbosch	12 057	151	3	19	7
Witwatersrand	14 251	212	893	602	—
Pretoria	16 849	2	2	1	—
OFS	8 105	9	—	21	—
Natal	7 878	230	1 097	541	—
Rhodes	2 903	92	116	182	—
Potchefstroom	7 434	2	3	22	—
Port Elizabeth	2 942	162	20	67	—
RAU	5 818	14	1	12	—
UNISA	38 046	3 150	5 748	12 680	—

WEDNESDAY, 22 FEBRUARY 1984

+Indicates translated version.

For oral reply:

Gonubie: post office

*1. Mr P R C ROGERS asked the Minister of Posts and Telecommunications:

On what date is it envisaged that building operations in respect of a new post

office for Gonubie will be (a) commenced and (b) completed?

The MINISTER OF POSTS AND TELECOMMUNICATIONS:

(a) January 1985 and (b) October 1985, according to current planning and to coincide with the lease i.r.o. the present premises which expires on 31 October 1985.

Sir R Attenborough: film

*2. Mr A FOURIE asked the Minister of Internal Affairs:

(1) (a)(i) On what date and (ii) where

did Sir Richard Attenborough enter South Africa. (b) what did he declare to be the purpose of his visit and (c)(i) on what date and (ii) from where did he leave South Africa.

(2) whether Sir Richard Attenborough requested permission to make a film in South Africa: if so, what was his reply thereto;

(3) whether he will make a statement on the matter?

+The MINISTER OF INTERNAL AFFAIRS:

(1) (a) (i) 30 January 1984.

(ii) Oshoek Border Post.

(b) Tourism.

(c) (i) 11 February 1984.

(ii) Jan Smuts Airport.

(2) No.

(3) The permission of the South African Government is not required for the making of a film within or outside South Africa. A film may, however, not be published in South Africa unless it has been approved in terms of the Publications Act, 1974. In addition, an alien who wishes to come and make a film in South Africa needs a work permit. Should Sir Richard Attenborough apply for such a work permit, his application will be considered in the light of all the circumstances prevailing at that stage and in the best interest of South Africa. No application has as yet been received.

*3. Mr A SAVVAGE asked the Minister of Manpower:

(1) Whether unemployed Black persons in the (a) independent Black states and (b) national states are included in

the official statistics of registered unemployed Black persons, if not, why not;

(2) whether Black persons who have applied for work at Black labour bureaux are included in these statistics; if not, (a) why not and (b)(i) what categories of unemployed Black persons are included and (ii) on what grounds in each case; if so,

(3) whether such Black persons have to apply for work at labour bureaux within a certain period of time for the purposes of inclusion in these statistics; if not, what are the criteria applied; if so, (a) why and (b) what is the period of time involved?

The MINISTER OF MANPOWER:

(1) (a) No. Independent Black states keep their own registered unemployment statistics.

(b) No. The national states keep their own registered unemployment statistics.

(2) If meant by Black Labour Bureaux the Labour Bureaux in national states the answer is no. If meant guidance and placement centres in the RSA the answer is yes.

(a) Unemployed Black persons in national states are included in the statistics of those states.

(b) (i) and (ii) Black persons who qualify to work in RSA (excluding national states) and who voluntarily register for work at guidance and placement centres and who have not been placed, are included in the official statistics.

(3) No. (a) and (b) fall away.

Gilts/semi-gilts

*4. Mr A SAVVAGE asked the Minister of Finance:

(1) Whether the Registrar of Financial

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RETIRED: RETIREMENTS UNRETIRED TO SIERRA — FORD

Own Correspondent

PORT ELIZABETH. — Ford yesterday denied that the cost of launching its Sierra had in any way contributed to last month's retrenchment of 490 staff members. It said no further retrenchments or early retirements were being considered.

Referring to industry speculation that Ford had lost R5m on the Sierra

since its launch five months ago, Mr Dirk Pieterse, the public affairs manager, asked how this figure was arrived at.

Motor industry sources claim Ford had lost the money by underpricing the Sierra. They say Ford's recent price adjustments to the Sierra range suggest the company is trying to rectify the underpricing. Mr Pieterse said it was not

Ford's policy to price a vehicle on a cost basis only. Market factors were taken into account as part of the strategy. "Sierra's costing and its local content have been in line with projections since its introduction, bearing in mind product life and amortisation of costs."

The decision to lay off staff stemmed purely from the way the economy was behaving. The lay-

offs had been predominantly in non-Sierra plants.

"Clearly the economic indicators in the last few months have been less optimistic. Unfortunately, the continuation of the drought, the weakening of the rand, general sales tax increases and the threat of further tax increases in the March Budget are not conducive to increasing consumer optimism."

ROM 23/2/84

(335)

Sfw

23/2/84

Some unemployment figures down in 1983

By Sue Leeman,
Pretoria Bureau

Black, coloured and Indian unemployment figures showed a slight drop over the period January to November 1983, a study by the Central Statistical Services has found.

While the number of jobless peaked in the period April to June, the number of those out of work in November was down on the figure for January.

The smallest drop in unemployment was in the black community where eight percent of the economically active remained out of work in November as compared to 8,2 percent in January.

In June 8,4 percent of the black workforce was unemployed.

However, in June 1978 this figure was closer to 10 percent.

Unemployment among black women remained high at 13,9 percent.

In January 1983 a slightly higher un-

employment figure of 14 percent was recorded among black women workers.

The total number of black workers showed a steady increase during 1983 and by November the number of economically active South African blacks topped 5,7 million as opposed to 5,5 million in January 1983.

Coloured unemployment was down to 6,6 percent last November compared to the 7,2 percent recorded in January 1983.

Again women were worse off with 7,8 percent unemployed last November and only 5,8 percent of their male counterparts.

Among Indians the unemployment rate last November was 6,5 percent, a fairly sharp drop from the 7,6 percent recorded in January last year.

Unemployment among Indian women dropped from 11,2 percent to 9,1 percent during the same period.

By Carolyn Dempster
Labour Reporter

Massive retrenchments in the motor industry since the beginning of the year have resulted in a backlash from the National Automobile and Allied Workers' Union.

In the latest issue of Fosatu Worker News, mouthpiece of the Federation of South African Trade Unions, NAAWU accuses the motor industry of putting profits before the livelihood of people.

More than 2 000 workers have been retrenched since December; 500 at Ford, 850 at Sigma and 700 at Datsun-Nissan. Mr Freddie Sauls, general secretary of NAAWU, said that insecurity fuelled by retrenchments did not ease industrial relations, and discussions on the issue needed to be handled with sensitivity.

"We are formulating proposals to ensure that workers in auto plants will not be at such

Motor industry accused of putting profits before people

a disadvantage through factors over which they have no control," he states.

"Agreements need to be made to buttress workers against the financial risks of working in this industry, and decent severance and unemployment pay arrangements must be made."

There was also a substantial difference in the way companies handled the retrenchments. In the case of the Sigma layoffs, the company began talks with NAAWU as early as December over the possibility of retrenchments and the policy of last-in, first-out with a week's notice and one to three

months' severance pay was followed.

In contrast, states NAAWU, Ford informed the workers that they were to be retrenched two days before retrenchments took place.

Mr Fred Ferreira, industrial relations manager at Ford, said that the retrenchments were "a factor of the current economic situation". A total of 490 workers had been laid off this year, but he refused to comment on NAAWU's allegations that workers were not given due notice.

"We have a separation clause in our contract with

NAAWU and advised the union well in advance of the retrenchments," he said. It was not possible to say whether Ford would be retrenching more workers, as it depended on the economic situation.

Mr F F Lemmer, human-resources director for Sigma, said that the assumption made by the union was not necessarily true in respect of profits before people. Sigma had to "curb losses" as a result of the economic downturn and it was primarily economic trends that had led to the situation.

"We are not responsible for the drought, the high inflation

rate or the position of the rand," he said. In response to criticism that the motor industry should have planned for the effects of the recession, Mr Lemmer said that the situation was in a constant state of flux.

"In 1983, the economists predicted an upturn in the first quarter of 1984. Then it became the second quarter and now mention is being made of 1985.

Worker News also describes the recent shutdown by BMW at its Rosslyn plant as a vivid example of union-bashing.

Methods used by BMW, including distribution of anti-union pamphlets from a helicopter in Pretoria's three black townships, were a clear attempt by the company to undermine NAAWU. The effects of the tactics used by management in the strike and subsequent shutdown would undoubtedly contribute to a worsening in worker-management relations, adds the union newspaper.

Kleu gloomy on aid for textiles sector

BY PRISCILLA WHYTE

THE clothing and textile industries had not created as many jobs as was hoped, according to Dr S J (Basie) Kleu, chairman of the Board of Trade and Industries. He added that they would also have to export more.

Dr Kleu told a recent meeting of the Textile and Clothing Advisory Council in Johannesburg: "The Government's resolve to help develop the industries has been forgotten." The main thrust of the recommendations of the Steenkamp Com-

mittee on the textile and clothing industries was that "quantitative import control should be replaced with a tariff dispensation so that the industries will not be disrupted unjustifiably".

The Department of Trade and Industries will consider representations on the recommendations submitted before July.

Mr Stanley Shlagman, executive director of the Textile Federation said: "It is a moot point whether a tariff structure can be finely tuned against dumped imports."

He noted that most countries had quotas to protect textile industries

but South Africa was following a different route with the phasing out of quantitative import control.

The usual workforce of 130 000 in the textile industry was down by 20 000 because of lay-offs and short-time working was widespread.

Dr Kleu said the board had been criticised for delays in making protection applications but he put a lot of the blame on companies which submitted inadequate information to Pretoria.

"The board's staff had to scratch together whatever they could find." No application would now be published in the Government Gazette

unless the board was satisfied it had at least the minimum information necessary.

"We cannot countenance the devil-may-care attitude of some applicants who think that it is the board's duty alone to prove their case."

Dr Kleu said that, even with a limited staff, "the board succeeded in reducing outstanding tariff applications from 208 to 172 last year. A total of 300 applications were finalised and 122 withdrawn."

He added that the new procedure suggested by the Steenkamp Committee, for the production of interim duties in urgent cases, was al-

ready being applied.

The most advanced of several Textile Federation applications related to woven materials, covering 86 tariff sub-items, and one for the withdrawal of rebates, mainly on woven materials. There were also applications for increased duties on knitted materials and curtaining.

Dr Kleu said these labour-intensive industries could solve the important economic problem of creating employment. Industrialists should not be obsessed with the advantages of scale and think that small- and medium-sized enterprises could not hold their own.

Redundancy agreements must be fairly applied

25/2/84 335

By Fred Holtshausen

Redundancy agreements form part of the new employer/worker interface, but an employer who falls into the trap of using a redundancy procedure as a way of departing from the disciplinary procedure, is heading for trouble.

Such an employer was a company situated just outside Johannesburg, part of a well-known and progressive conglomerate. Because of the recession demand for the company products had dropped substantially and the MD was given an instruction from his head office to reduce his labour force by 30 percent.

Although the group has a good, well defined redundancy policy, local management decided to use this opportunity "to get rid of dead wood and undesirables" so the policy was not followed.

The retrenched workers approached a union who on their behalf demanded immediate reinstatement. Two months later with the threat of an Industrial Court case for an "unfair labour practice" case staring them in the face, the company finally agreed to an out-of-court settlement involving many thousands of rands as compensation for the retrenched workers. For the company concerned, this departure from the retrenchment procedures, was an expensive exercise.

An agreed redundancy agreement, like grievance and disciplinary procedures, is a useful tool in alleviating industrial conflict, the conflict being on the one hand, management attempting to retain profitability of its operations by cutting costs, and workers on the other hand, having as a prime objective, job security.

In accepted IR practice, redundancy is a clearly defined situation. It occurs when an employer intends to cease business altogether; or cease business in a particular locality, or for one reason or another a composition of the workforce changes and the kind of work which an employee carries on ceases or diminishes.

As defined, redundancy does not include a situation where the employer does not approve a worker's choice of language, or style of dress, or a means of getting rid of undesirables.

When redundancy must arise, the company can help in alleviating both hardship and potential conflict. Most agreements place a moratorium on new recruitment, prohibit general overtime and explore the possibilities of early retirement for old employees and transfers to other divisions within the company or group.

Some redundancy agreements, written with socially-conscious companies, will also

include clauses that the employer will actively assist the workers, not only by giving them references, but by contacting other employers in the area and arranging interviews for the redundant workers.

The formula of "last in, first out" is usually requested by trade unions, but even the most vocal of trade unions will accept that certain skills are in short supply and this may necessitate a break with this convention.

Severance payment tables should be structured on the basis that they alleviate hardship, especially for those who will find it difficult because of age and lack of skills to find re-employment.

Age can be a complicating factor in a redundancy plan. If the plan is to induce early retirement it may be in conflict with Black social values which accord seniority more to age than to skill or vigour.

However it is designed and implemented, the key-note must be sincerity. Redundancy can mean both hardship and loss of dignity.

Even the militant unions do not suggest that the world owes their members a living. They will, however, come to an accord more readily with an employer who respects the redundant worker.

● Fred Holtshausen is an industrial relations consultant.

Mercury 25/2/84 (335)

More blacks being forced into debt

African Affairs Reporter

THE wave of unemployment in Durban has increased the number of debts among blacks, and local civil courts report that the situation is bound to continue unless jobs are available soon.

In Umlazi alone, more than 1 925 court orders were issued against people who failed to pay their debts connected with hire purchase agreements.

A clerk of the Umlazi Civil Court said the debts were related to clothing accounts, loans from African Bank and the Kwa-Zulu Development Corporation.

The figures were for the past three months and there were indications that the number of debts would increase.

Mr N Tisten, the clerk of the Civil Court in Verulam, who handles civil action matters for Kwa-

Mashu and the Ntuzuma area, also said blacks were faced with many debts.

From the beginning of February to last Thursday, more than 30 court orders had been issued against people who had failed to meet their commitments.

Mr V E Breetzke, the township manager for KwaMashu, said the number of people who failed to pay rent had created a difficult situation for his staff which had undertaken to visit homes to persuade people to pay.

A spokesman for the Labour Bureau, which falls under the Administration Board in Durban, said the average number of people who registered as work-seekers was 5 129 in four days. The figure did not reflect the exact number of people who were out of work because some did not register as work seekers.

Jobs go and pay packets are cut

Sowetan 28/2/84
By STAN MHLONGO

ABOUT 69 workers at Fedmech in Vereeniging have been retrenched and the rest face the prospect of pay cuts.

This was announced by the company's managing director, Mr P K Prentice, who said that of the 69 workers, 41 were black weekly-paid and seven white weekly-paid and 21 salaries personnel.

He said as an alternative to retrenchment, 30 black workers were offered lower-skilled positions at corresponding lower rates of pay.

Of these 30, 24 accepted lower-rated positions and pay while the rest were retrenched.

The company's retrenchment policy makes provision for a maximum of six weeks' pay, dependent on length of service, according to Mr Prentice.

"We have applied to the National Industrial Council for an exemption to reduce the rates of those employees who have accepted lower-rated positions. No wage reductions will be made until such time as authorisation is received from the Industrial Council.

He said that the agricultural business had been dealt a "double blow" by the last two years of drought.

Flood damage leaves 6 000 jobless

Mercury

1/3/84

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Mercury Reporter

ABOUT 6 000 workers at the Umfolosi Co-operative of Sugar Planters have been made redundant because about 22 of the co-operative's farms had been buried under sand by last month's floods.

About 2 500 ha of caneland was buried by sand, 2 m to 3 m deep in places. The land is lying idle.

Each worker had about four or five dependents, said Mr Derek Heaton-Nicholls, chairman of the co-operative.

'At the moment the workers are living in their quarters on the farms and are getting rations from farmers, but they are not being paid salaries.'

The situation could persist for two weeks or even a month before workers would be forced to find jobs with salaries, he said.

'Then the trouble will begin because jobs are scarce in the region.'

'If farmers receive com-

pensation from the Government they might be able to pay their redundant workers a month's salary.

'Some of the farmers unaffected by the sand might also be able to employ a few when they begin planting. But prospects for the balance look bleak,' Mr Heaton-Nicholls said.

Meanwhile the Minister of Environment Affairs

and Fisheries, Mr Sarel Haywood, was expected to make a statement within days on what form compensation to flood victims in Northern Zululand would take, he said.

Mr Heaton-Nicholls met representatives of the Land Bank, the director of Agricultural Credit and Land Tenure, and the deputy director of Agriculture Technical Services (Natal) yesterday to

discuss the plight of the co-operative.

'We are sure we will receive assistance but are still waiting to hear what form it will take,' he said.

Mr Haywood's Press liaison officer, Mr Nico van Rensburg, said the Cabinet had met but was still considering compensation to flood victims.

'It will announce its decision within days,' he said.

Mercury 1/3/84 (335)

Firm gives families notice

Mercury Reporter

MORE than 50 families occupying homes belonging to a giant sugar company, near Stanger, are unsure of their future after the company decided to evict 12 families this week.

The families, who have been living in company homes at the shut-down Melville Sugar Estate all their lives, have to move out within three months.

About 45 other families, whose menfolk lost their jobs when C G Smith Sugar Limited took over the Melville Sugar Mill and later shut it down, had sought jobs elsewhere. They continued to live in company homes, paying rent.

However, all of them have been warned that they face a similar fate and the company would investigate each case individually.

Hard

A spokesman for the affected families said yesterday that the time limit given for them to find homes elsewhere was short and unfair.

'We have been living in Melville all our lives and it will be hard to find accommodation elsewhere, and for the rent we are paying here,' said Mr Yagan Moonsamy, one of the 12 people who have to move.

Many of the families, who have no ties with the sugar company, claimed that the company would clamp down on all of them — a few at a time.

'This week it is 12, next month it will be another 12 and before long all of us will be out,' said Mr Moonsamy.

Three months

The tenants who pay a monthly rental of R30 say accommodation in nearby areas is difficult to find.

Mr Glyn Taylor, managing director of C G Smith Sugar Limited, said the houses were required for company employees and pensioners.

He confirmed that some of the tenants had been given three-month notice to leave as the company was no longer responsible for their welfare.

He said families were compensated when the mill closed, but they were allowed to stay in company houses.

Each case was treated on merit and it was found that those who had been asked to leave could afford alternative accommodation, he said.

800 black job-seekers try for permits daily

Mercury Reporter

MORE than 17 000 unemployed blacks registered for work-seeker's permits at the Port Natal Administration Board labour bureaux during February, an average of more than 800 every working day.

And only 1 349 black men and 658 women who registered at the Umlazi, Kwa Mashu and Ordinance Road bureaux were placed in perma-

nent jobs by the end of the month.

Only residents in the board's townships qualify for work-seeking permits but, according to a bureau manager, there could be many more blacks who have not bothered to register.

The manager, Mr S A Thomas, said those who were not placed in permanent positions would have to rely on temporary jobs, move to other grow-

ing cities such as Richards Bay, where there was a need for more workers, or remain unemployed.

With this wave of unemployment the number of court orders issued against people who could not honour their hire purchase payments debts has increased considerably.

In the past three months in Umlazi alone, 1 925 summonses were issued and were related to

clothing accounts, loans from African Bank and the KwaZulu Development Corporation.

However, it was announced yesterday that the Government, forced to take action because of the effects of the drought, has launched a multi-million-rand job relief scheme similar to the one used to give jobs to destitute whites during the depression years.

Dr Piet Koornhof, Min-

ister of Co-operation and Development, said more than 50 000 jobs had already been created.

'The drought is causing tremendous problems and there is a constant movement of people trying to find employment in other areas. Without jobs they have no food,' he said.

Indians

Most of the jobs are involved with road construction and repairs, forestry, soil conservation, the removal of noxious weeds and plants and smaller construction projects such as the building of pit latrines.

According to the Department of Manpower in Durban there has been a steady increase in the number of unemployed whites, coloureds and Indians.

In one month, from December to January, there was an increase of 1 405 unemployed people in this group. The majority of them are Indians.

Mercury 2/3/84

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Sowetan 2/3/84 (335)

Government help for unemployed blacks

MILLIONS FOR JOBS SCHEME

THE Government has launched a multi-million rand job relief scheme for unemployed blacks similar to the one used to give jobs to destitute whites during the depression years.

Announcing the scheme in Cape Town yesterday, Dr Piet Koornhof, Minister of Co-operation and Development said 50 101 jobs had already been created.

The Government had been forced to take the action because of the results of the drought ravaging South Africa.

"The drought is causing tremendous problems and there is a constant movement of people trying to find employment in other areas. Without jobs they have no food."

The scheme was in two parts. One which

SOWETAN Correspondent

had created 22 550 jobs was to give assistance to black agriculture while the second dealt with the provision of jobs for people with no source of income.

In this section, 27 542 jobs had been created.

The Government was attempting to supply jobs to people who could find no employment and restricting the scheme to one bread winner in every family.

A basic wage of R2,50 a day was being paid, taking into account wages being paid in a particular district.

Most of the jobs are involved with road construction and repairs, forestry, soil conservation, the removal of noxious weeds and plants and smaller construction projects such as the building of pit latrines.

Ravaged earth is the last straw for poverty-stricken

By Jo-Anne Collinge

In Namaqualand the grass is burnt black. Children aged eight or younger may never have seen rain.

The supply of donkey and horse flesh gave out early this year. Jobs on the copper mines gave out before that and 3 000 mineworkers were returned to the barren veld.

Accustomed to sheltered compound life, the jobless flounder.

This picture was painted by a Cape church worker this week as administrators of the churches' hunger relief programme, "Hunger Challenges the Churches", met in Johannesburg to plan for the months ahead.

They spoke of how the drought programme had shown Christians many faces of poverty — that the dry and unproductive earth was the last straw for people already weakened by unemployment, removal, overcrowding and paltry wages.

Field workers sketched the pattern of need:

- In the northern Cape region relief programmes are up against unemployment caused by cutbacks at Cission and on the asbestos mines.

OVERGRAZING

Overgrazing in Bophuthatswana has led to a point where "the veld didn't even react to the December rains".

In addition people removed to areas such as Riverton, Windsorton and Zambesi had to cope with a new burden of rental, aid workers said.

Until this month the region had received only R2 000 from the church fund and local communities were seeking to supplement this by special fundraising projects.

The veld could be saved by late summer rains which occur in the area, but these alone would not prevent starvation, workers said.

- In Ciskei, after good early

rains, crops have been burnt by sun and there is little hope of salvaging them, said a Border area church worker.

He adds that his local relief committees have had to provide for the employed and the jobless alike because wages within Ciskei are often only R12,50 to R15 a week.

TWO CYCLONES

- In Natal floods resulting from two cyclones within a fortnight have created a long-term employment problem as well as a crisis of mass homelessness, health problems and loss of crops.

"The sugar industry expected to harvest one million tons of cane from May. After the cyclone it can expect to harvest only 350 000t as most of the cane is under water.

"The consequence is that almost 40 000 labourers have become unemployed from the end of February," reported the Rev Sol Jacob, co-ordinator of the hunger fund, after a tour of the affected areas.

- In the western Transvaal, where crops have failed for the third consecutive time, the churches have concentrated on the removal areas of Rooigrond, near Lichtenburg, and five villages in the Ramatlaba area of Bophuthatswana.

There, as in the northern Transvaal, workers are already aiming at combining drought relief with development work.

"Last year we kept on saying we were giving food aid because it hadn't rained. But it may not rain for years and we cannot continue this way," a Northern Transvaal Council of Churches spokesman said.

- Parts of Transkei are expected to yield a bumper crop this season, say Transkei Council of Churches workers. The local relief scheme, "Operation Joseph", hopes that this will allow it to end direct food aid and move exclusively into development work.

TUESDAY, 13 MARCH 1984

†Indicates translated version.

For written reply:

Hansard
Q. 61. 599

335

Work opportunities

212. Mr A SAVAGE asked the Minister of Co-operation and Development:

(a) How many new work opportunities

were created for Blacks in each employment sector by each of the development corporations in the 1982-83 financial year and (b) what was the cost per opportunity in each sector?

The MINISTER OF CO-OPERATION AND DEVELOPMENT:

(1) (a) Employment opportunities created for Black persons in the various development sectors by Development Corporations in the national states in 1982-83 are as follows:

	Agric	Industr	Transport	Commerce & Industr	Total
Corp for Economic Development	2 203	2 849	702	—	5 754
Shangaan Tsonga Development Corp	—	—	—	87	87
Lebowa Development Corp ..	—	—	—	280	280
Qwaqwa Development Corp ..	—	—	—	154	154
kwaZulu Development Corp ..	400	—	—	322	722
kaNgwane Development Corp	—	—	—	662	662
Total	2 603	2 849	702	1 505	7 659

(1) (b) The costs per employment opportunity created in each sector of employment are as follows:

	Agric	Industr	Transport	Commerce & Industr
Corp for Economic Development	R4 645	R8 335	R18 521	—
Shangaan Tsonga Development Corp	—	—	—	R 8 300
kwaZulu Development Corp ..	R2 428	—	—	R12 491
Lebowa Development Corp ..	—	—	—	R 9 793
Qwaqwa Development Corp ..	—	—	—	R 5 736
kaNgwane Economic Development Corp	—	—	—	R10 429

The job opportunities created in the agriculture and transport employment sectors are reflected by the figures in respect of the Economic Development Corporation only, the reason for this being that the partici-

pation in these sectors are carried out by agricultural and transport companies in which the Economic Development Corporation and the particular national development corporation hold equal shares.

UNEMPLOYMENT

No jobs, no cash

335

The staggering increase in unemployment payouts in 1983 is causing considerable concern in government circles. According to provisional figures from the Department of Manpower, R104m was paid out in the form of unemployment benefits in 1983. This was double the amount paid by the Unemployment Insurance Fund (UIF) the year before.

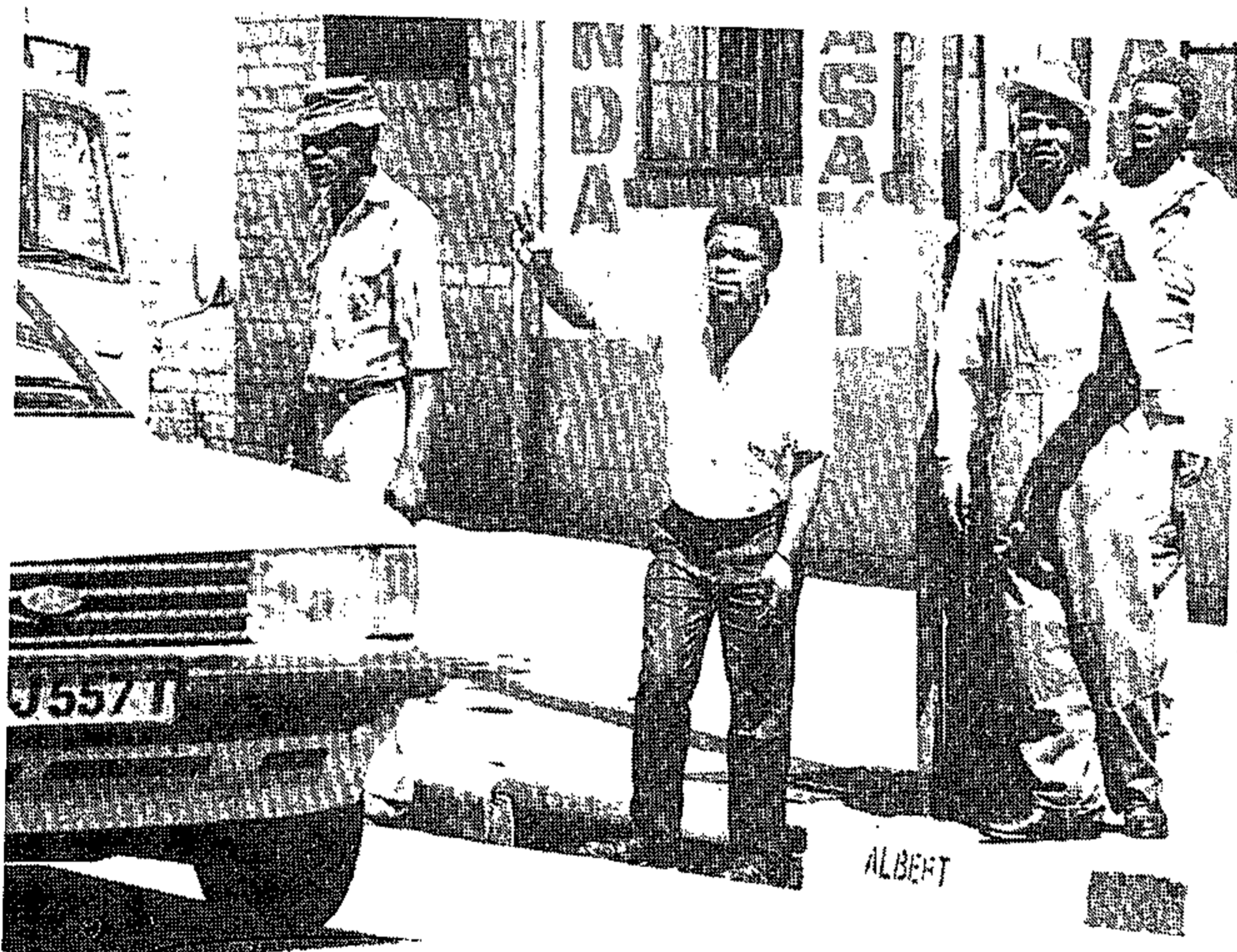
The latest trend in unemployment growth began around September 1982. It

accelerated in September last year, causing the department to sell R20m of its UIF assets to avert a serious cash flow problem.

The fund is being squeezed by two factors: increased claims and fewer contributors, both the results of unemployment. In 1982 contributors rose to over 5m. The current total is now only 4,7m. This is in spite of two years of increases in the maximum eligible income permitted for membership. In January 1983 the limit was raised from R12 000 to R15 600 per annum, and in January this year up to R18 000.

The department claims the increases are needed to retain existing members as wages (particularly to black workers) continue to rise faster than the inflation rate. Cynics, however, suggest the UIF needs more funds, and therefore more contributors. This is hard to dispute considering the maximum limit has been raised 50% in just over two years.

It now means that contributions to the fund are compulsory for all employees earning up to R18 000/year, unless excused by law (like civil servants, agricultural workers, and wives working for husbands, for example.) Members pay into the fund at the rate of 0,5% of their normal earnings,



Unemployed ... claiming more, contributing less

Financial Mail March 16 1984

335 FM 16/3/84

plus 0,3% from their employer.

Those members with proven circumstances of unemployment receive one week's benefit for every six weeks of membership. Unemployment benefit, paid at the rate of 45% of normal earnings for up to 26 weeks' duration, is not taxable.

In recognition of the recent serious developments the department has been given permission to set aside R2m for a scheme to combat unemployment. These funds will be used to find jobs for workers who have no earnings during an illegal work stoppage.

Commenting on the disposal of assets last year, a fund spokesman says: "We still have reserves of R230m left which we consider a comfortable margin, even in these difficult times."

The fund has coped with tough years before, both in 1976 and in 1978. Other factors impinging on its cash flow include the loss of contributions from Bophuthatswana. Its eligibility lapsed three years after it became independent in 1977. Administrative expenses in 1982 also leapt from R2,5m to R7,6m, following the tri-annual revision of management costs due to the Department of Manpower for services rendered.

240 will lose jobs unless bus boycott ends

D. D. Patch
17/3/84
331

EAST LONDON — Two hundred and forty employees of the CTC bus company will be retrenched if the eight month old bus boycott has not been ended by the end of March, Mr Hans Kaiser, managing director of CTC, said yesterday.

Mr Kaiser said that the retrenchments, which will be made across the board, would be unavoidable unless CTC became a going concern once more.

"The company has done everything possible to accommodate requests from the various community bodies in respect of the boycott," Mr Kaiser said.

"We have announced major concessions to children and scholars. We have committed ourselves to maintaining present tariffs until the end of 1984. We have accelerated the upgrading of the service and already we have started a major restructuring of the company.

"All this has been done to try and keep the service, vital to Mdantsane and East London, afloat and to avoid the possibility of further retrenchments. Short of closing the company down, we are now forced to retrench more people," Mr Kaiser said.

He added that the priority of the company was to provide a service to the area and its people but it also had to consider the employees of CTC. The retrenchments would be delayed

as long as possible but the end of the month was the absolute deadline.

"It is now up to the community of Mdantsane to decide the future of these 240 people," Mr Kaiser said.

He said that negotiations between CTC and Mr Hubert Jekwa, an Mdantsane businessman who has displayed an interest in buying the company, were continuing. He also said that another interested party had entered into negotiations but declined to disclose the identity of the party.

"We are happy to offer the company for sale to private enterprise but it is unrealistic to expect anyone to buy it unless it is a going concern," Mr Kaiser said.

Comment on the situation could not be obtained from Mr M. Mampunye, chairman of the Committee of Ten, yesterday.

Large employers in East London said yesterday that their workers were anxious to end the boycott.

Mr Alistair Lightbody, personnel director of a sweet manufacturers, said that the general feeling in his workforce was that 80 per cent of workers wanted to get back on the buses.

"Situated as we are, adjacent to the railway station, we are not unduly affected by the boycott. But our workers still have to get to and from the railway stations in Mdantsane. I am sure they are now looking for

some kind of settlement between the parties concerned," Mr Lightbody said.

A spokesman for a large plant on the West Bank said that his staff would like to use the buses again provided there was no threat to them or their families.

"Winter is coming on and people are very worried about the transport situation. If there is a settlement soon I know it will be met with a great deal of relief by our staff," he said.

Street interviews in the city yesterday revealed that commuters had differing views about concessions and upgrading measures announced by CTC.

Some people were not aware of them, others were suspicious and felt that the company should not be trusted. Some people were not impressed and said that they felt the fares were still too high.

However, most people interviewed said that they felt the bus company should be given a chance to prove itself.

Bus drivers and supervisors spoken to said that there had been a significant increase in the number of people using buses recently. They felt that it would take some time before the buses operated at full strength however.

At the time of the survey, between 12 am and 2 pm, the buses appeared for the most part to be about 45 per cent full. — DDR

Workers' wrath

Unions warn the motor men after big retrenchments

By Barney Mthombathi

TRADE union leaders have accused the motor industry of putting profits before the livelihood of its employees and have warned that anger and bitterness caused by recent retrenchments will destabilise future industrial peace.

More than 2 000 workers have been retrenched in the industry so far this year — 850 at Sigma, 700 at Datsun Nissan and 490 at Ford. In addition, 24 workers were fired after a crippling strike by 1 500 at the BMW's Rosslyn plant in January.

Union leaders say these massive retrenchments so early in the year underline the inherent insecurity of workers in the industry and agreements are therefore needed to buttress them against the financial risks of working in the industry.

Decent severance and unemployment pay arrangements will also have to be made.

Coming in for harsh criticism, surprisingly, is Ford, long acclaimed as one of the most progressive employers in the country.

Union sources say there has been a change of attitude to unions at Ford and that the company has recently been "a source of considerable conflict".

General secretary of the Motor Assemblers' and Component Workers' Union, Dennis Neer, said this week his union heard of the retrenchments at Ford a week before they were to be carried out "almost as a rumour".

"We contacted Ford and they confirmed the rumour was in fact true," he said.

"A meeting was arranged at which we put forward some suggestions as alternatives to avoid retrenchments. Our suggestions were all rejected. It was a matter of 'take it or leave it'. They said the matter was not negotiable."

Mr Neer said workers had interpreted the retrenchments as a retaliation by management to a strike in December after a worker was fired.

"Workers are angry and I don't know what will happen should such a thing be done again. The whole manner of approach has changed at Ford."

Also critical of Ford was Fred Sauls, general secretary of the National Automobile and Allied Workers' Union, who said since 1980 Ford had been a source of considerable conflict.

He said the union was informed by Ford only two days before the lay-off. A meeting was held only at the union's request and Ford refused to consider alternatives or to delay the retrenchments until after a union meeting.

He said the difference between the way Sigma and Ford handled the lay-offs was quite startling.

Although his union was not at all happy with the retrenchments at Sigma, ample discussion had at least taken place between the union and the company before the actual lay-off.

"In addition, the long-standing agreement between the two parties ensured that the 'last-in, first-out' principle was adhered to and that workers who were retrenched received a week's notice, and one to three months' severance pay."

Ford's Press Relations Manager Bob Kernohan said there was "no particular legal obligation" to inform the unions about the lay-offs.

"It's an abnormal situation. We don't retrench often, and this is the first major retrenchment since the energy crisis of the early Seventies."

Mr Kernohan said Ford always co-operated with the two unions but the retrenchments were a non-negotiable issue.

"We informed the unions about it, but only once the decision had been made. And we gave an assurance the retrenched workers will get first option should conditions improve."

Mr Ruben Els of Sigma also said the workers would be given preference should the situation improve.

"The decision to retrench was arrived at after a thorough investigation."

BMW spokesman Mike Brandt said none of their workers had been laid off, but 24 employees had been fired "for reasons related to their activities during the strike. They were involved in intimidation and violence against members of staff."

He said all BMW workers had gone back after the strike "at our rate".

"We told them they are to work for the money we are offering them or they can go and look for work somewhere else. It was as simple as that, and they went back at our rate."

Treatment of unemployed in Natal criticised

Maladministration of the Unemployment Insurance Fund in Natal results in "months of fruitless reporting to unemployment offices by claimants, re-applications, unjust penalties and irregular payments", reports the Black Sash Natal Coastal region.

In the first 8½ months of 1983, UIF complaints to the Durban Advice Office of the Sash reached 205, their highest level since 1977. In contrast to 1977, officials — and not employers — caused the delay in 96 percent of cases.

"The excuse frequently used for the present increase in the number of problems is that there is a recession and that more people are unemployed. This is simply to acknowledge that at a time when it is most necessary to operate effectively, the unemployment insurance system fails to do so," the Sash argued.

A report on UIF problems in Natal was tabled at the organisation's national conference in Johannesburg at the weekend.

Since last year, the administration of UIF had been streamlined in some respects, the Sash said. But people were still being made to re-apply unnecessarily and the average delay between application and first payment had decreased only slightly — from seven months and 21 days to seven months and 12 days.

"This is a compulsory insurance scheme. People have the right to a

competent service and prompt payment. The fact that we had to send 52 cases to lawyers in 1983 to force the Department of Manpower to pay benefits or accept applications is a measure of the extent to which the system is malfunctioning."

The Black Sash, through its urban advice offices and new rural development programme, is a good source of information on the implementation of laws and policies that touch the lives of black South Africans. This week The Star will feature highlights from the 40 papers presented at the Black Sash national conference held in Johannesburg at the weekend. JO-ANNE COLLINGE reports.

The report illustrated the hardship caused with many case histories. One of was that of a Mr Sabelo. "He had waited nine months for illness benefits when he came to our office. He lives in Umbumbulu with his wife and four children. He was the sole supporter of his family, his wife was ill and he said he could not afford medicine for her.

"When asked how he had coped for the past nine months, Mr Sabelo broke down and wept. He explained that he had sold his eight goats and 28 fowls to support his family. He now had only three chickens left. The family had been unable to grow vegetables because of the drought and ate mostly samp and mealies."

Problems described by the Sash include the following:

- Failure to pay benefits promptly. This affected 72 percent of Sash clients

the average delay being seven months and 21 days and some being as long as two years. A frequent reason given by officials was that applicants had not signed the unemployment register every two weeks as required. The Sash observed: "This is not a cause of the

delay, it is the result of the delay... no reasonable social security demands that contributors should report fortnightly for months on end without receiving benefits."

- Irregular payments. Many contributors received their payments in two or three lump sums, with no regularity in payments. "If benefits are to replace income, it is essential the contributor can rely on being paid not only promptly, but regularly," commented the report.

- Lost cheques, hundreds of which were returned each week, according to the department. "It is time the department acknowledged that hundreds of contributors do have unreliable addresses (and) devised a system that does not rely so extensively on the post," argued the Sash.

- Unjust application of the penalty — six weeks' delay in payments — which applies to contributors who resign their jobs or lose their work through their own faults. The Sash claimed that legally correct procedures of appeal against imposing penalties were not being followed

- Contributors being required by Port Natal Administration Board officials to re-apply for benefits if they fail to sign the unemployment register on the appointed day. "This is acting completely outside the scope of the Act, which states that a contributor has to satisfy the claims officer that (s)he is still unemployed," said the Sash, arguing that an affidavit would suffice.

- Using the UIF system to reinforce influx control, by refusing to take applications anywhere other than at the contributor's legal place of residence. The Act stated clearly that area of temporary residence was acceptable, the Sash contended. It had therefore fought the administration board's refusal to take applications from jobless hostel dwellers — and won by threatening Supreme Court action. "The administration board, whose major function is enforcement of influx control, acts as an agent for the Department of Manpower, taking UIF application and paying out benefits in 'white' areas. Its concern with influx clearly supercedes its duties to the Department of Manpower," the report stated

Bus retrenchment move condemned

EAST LONDON — The chairman of the Committee of Ten, Mr Mzwandile Mampunye, yesterday denounced the CTC bus company's attempt to get commuters back on the buses.

Mr Mampunye was reacting to a recent announcement by CTC management that unless the boycott was brought to a rapid end, 240 employees of the company would be retrenched from April 1.

"If Mr Hans Kaiser is concerned about the plight of the 240 employees to be retrenched, he should have brought an end to the boycott situation as long ago as July 1983," Mr Mampunye said.

Mr Mampunye said his committee had noted with dismay that CTC management had "resorted to press and radio as a means of communication with the commuters instead of using the medium of the Committee of Ten.

"That is exactly what has led to the escalation of the boycott up to now and might even lead to further complications," Mr Mampunye said.

Mr Hans Kaiser, the managing director of CTC, said yesterday: "For the past eight months we have suffered losses totalling R4,5 million. We can no longer provide full employment for our workers.

"The retrenchments are not a threat, neither are they a bluff — they are coming, because we have done all we can in

making concessions towards settling the boycott."

He added that CTC had made their announcement of concessions and proposals of restructuring of the company through the press because they were negotiating with many bodies other than the Committee of Ten and felt that the press was the quickest medium of relaying information to all these bodies.

"The Committee of Ten say they are waiting for a report back from the board from our meeting with them on March 13. That response was carried in full in the report in the Daily Dispatch detailing the concessions and rationalisation of the company," Mr Kaiser said.

Mr Mampunye said that he wondered why employers in East London were concerned about the commuters coping with the coming winter when they had expressed no concern over the hardships suffered by the same commuters during the height of the boycott unrest.

On the committee's refusal to meet with the CTC works council regarding the retrenchments, Mr Mampunye said that the works council had not identified itself with the people for the past eight months.

"There have already been 300 retrenchments at CTC — where was the works council then? Only now that their jobs are in jeopardy do they want to talk to us," Mr Mampunye said. — DDR

Study shows all want buses back

EAST LONDON — Preliminary studies of the data gathered by the University of Port Elizabeth research team studying the East London bus boycott show that no individual or party involved in the boycott wants it to continue, Professor F. van Niekerk said yesterday.

Prof Van Niekerk, head of the Institute for Planning Research, said that the survey, involving the completion of questionnaires, had met with a terrific response.

"Thirty-five per cent is considered a good response to a questionnaire survey, and our study has met with an 80 per cent response rate," Prof Van Niekerk said.

"This is a clear indication of the intense interest in the city in solving the bus boycott situation."

He expressed his thanks to all those who had taken the time and trouble to fill in the questionnaires and said that his research team would soon begin to process the information they had gathered. — DDR

'Dignified way of life' is the aim

Workers want a living wage - research

S. Tribune

25/3/84

335

SALES

335

By Carolyn McGibbon

WORKERS are no longer content with earning a basic subsistence wage, but are demanding a living wage which goes beyond basic needs and which will give them a decent and dignified way of life.

This is one of the major findings to emerge from a research project undertaken by Natal University sociologists and economists for the Carnegie Inquiry into Poverty in South Africa.

Durban sociology lecturer, Ari Sitas, says worker organisations have been among the few groupings fighting the spiral of poverty in the face of the economic downturn, increasing mechanisation and the drought.

"Federations like Fosatu have been strongly pushing for a living wage which goes beyond basic needs. Workers are more aware that the basic needs approach will keep them close to subsistence forever."

At present the subsistence level is calculated at R236,63 a month — which excludes "luxuries" such as proper schooling.

But for a family to subsist properly, they must earn at least 50 percent more than the subsistence level — bringing the monthly wage minimum to between R360 and R370.

Mr Sitas says few workers outside the motor, metal or chemical industries earn wages above this level, and the majority of workers earn well below this.

"Workers are looking at their pay packets and consciously comparing their position in society with other people. They are saying: for the amount of wealth we are producing, we are being very short-changed."

In general, trade unions had made lit-

tle impact on substantially increasing average wages, but were just managing to keep pace with the housing subsistence levels, he said.

Worker organisations had been successful in trying to close the gap between skilled and unskilled workers, and had consistently pushed for higher wages for the latter.

Two other significant impacts that independent unions had achieved were in the areas of retrenchments and dismissals.

Compared with the previous recession (1974 to 1978), there had been relatively fewer retrenchments during the present downturn, and this could be attributed to the work of well-organised unions.

Mr Sitas said statistics drawn from leading firms in the Durban area showed that 31 percent of workers had been retrenched in the mid 70s, compared with 16-percent in the present recession.

Instead of resorting to retrenchment, industry had opted for more short-time and more negotiation with the unions, he said.

However, unions had not been successful in curbing retrenchment due to increasing capital intensity.

"Although unions have had an impact on retrenchments due to the economic climate, they have not dented in any significant way retrenchments due to mechanisation."

Another stride made by worker organisations was in using the industrial court to block unfair labour practice.

"The right to hire and fire has been curbed quite a lot with the industrial court. Unions have used the court to block management in a variety of ways where there had been victimisation of union members."

Jobless workers aliens in their own birthplace

A LIFE OF MISERY ON FARM

BLACK farm labourers, laid off work by the thousands in the drought ravaged areas of the western Transvaal and north-western Free State, are fast becoming aliens in their own birthplace.

As they lose their jobs, they lose their right to be in white areas and are forced to return to the homelands.

The loss of a job counts more heavily than the loss of pay and rations, and many farmhands are prepared to work on without the wages farmers can't afford to pay.

Other destitute families are flocking to the urban areas and a vast socio-economic problem is developing.

The exodus is considered so bad that Dr Piet Koornhof, Minister of Co-operation and Development, has been asked to visit the areas.

Farm labourers in white rural areas come under the Development Trust and Land Act which states that when they are no longer employed, they have to return to the homelands if the local commissioner is unable to find work for them.

There is little chance of working in the towns because of the Urban Labour Preference Policy.

So, being unemployed, they do not qualify for rights to be in the town or seek work there, under the Black Urban Areas Consolidation Act.

Mrs Sheena Duncan

SOWETAN Reporter

of the Black Sash in Johannesburg said: "Black farm labourers have no option but to move as near as possible to the towns and cities.

"They have often been on the farms for generations and feel no ties with the Bantustans and do not want to go there. In many cases they are far from where they have been working."

Plight

Without Section 10 rights they will be unable to get work in the towns, but, says Mrs Duncan: "This lack of legal employment will not deter them as they have no alternative if they wish to survive."

Mrs Duncan described the plight of the farm labourers as acute, particularly where farmers were selling up and leaving because of the drought.

"Obviously where the farmers are still on the land they are not going to sit and watch the blacks die, but workers on abandoned farms are in desperate straits.

"They have been there for generations and normally they would just move to a neighbouring farm if their boss packed up, but now with the rough conditions other farms will be just as badly off."

235
AECI to
2-802
retrench
27/3/84
more of

its labour

JOHANNESBURG —
AECI "is committed to the objective of improving efficiencies still further this year and manpower reductions remain an important ingredient in this process", Mr Gavin Relly, chairman of the group, said in his chairman's statement.

Mr Relly, who said manpower numbers had been reduced by an effective 7% in 1983, expressed regret at any hardship which would be caused as a result.

"While every effort is made to reduce the personal hardship factor associated with redundancies by taking maximum advantage of natural wastage and early retirement possibilities, and notwithstanding the fact that generous redundancy payments are made, some element of hardship will, unfortunately, be unavoidable and this I greatly regret," he said.

Discussing industrial relations he said: "The level of industrial action has unfortunately escalated across the AECI group over the past year." — Sapa

R104-m paid out to jobless last year

335 By Bill Levent

The Government paid out R104 million to the unemployed last year, triple the amount paid two years ago when the recession began, the Department of Manpower revealed today.

Financial experts have warned that unless the gold market picks up and the Government lowers inflation, the situation could deteriorate. A rise in the gold price, they said, would increase Government revenue.

Jobless South Africans collected R52 million in 1982, the statistics showed. The number of approved beneficiaries in-

creased to 320 000 last year — up from 253 000 in 1982 and 206 500 in 1981.

As the recession deepens, the Unemployment Insurance Fund's revenues are dropping and the number of claims is rising.

The situation could worsen unless the Government matches its trading partners by lowering inflation to between four and five percent. Failure to do so may make South African exports uncompetitive and force plant closures here — a move that would cost thousands of jobs, financial experts say.

Despite the deepening crisis, a department spokesman said, the fund still had a reserve of R230 million.

The number of contributors dropped to 4,7 million last year from five million in 1982, despite the fact that the ceiling for membership has been rising steadily.

In January, the limit was raised to R18 000 a year from R15 600. Contributions to the fund are compulsory for all employees earning up to R18 000 a year unless exempted by law.

Contributors pay 0,5 percent of their earnings. Their employers pay 0,3 percent.

An unemployed person receives one week's benefit for every six weeks of membership, at a rate of 45 percent of normal earnings for up to 26 weeks.

ing Zapu representative in the Eastern bloc countries.

At the Lancaster House conference he was chief economic adviser to the Zapu delegation and, on his return to Zimbabwe, became managing director of the Zapu company which ran the farms on which the arms caches were seized.

Mr Sibanda — also a former detainee during the UDI years — trained as a guerilla in Tanzania before being inducted into the Zimbabwe army after independence in 1980.

Regional talks in East London

EAST LONDON — Regional co-operation between the governments of South Africa, Transkei and Ciskei was discussed at length in East London yesterday at a meeting of the regional liaison committee for region 'D', according to a report by the SABC.

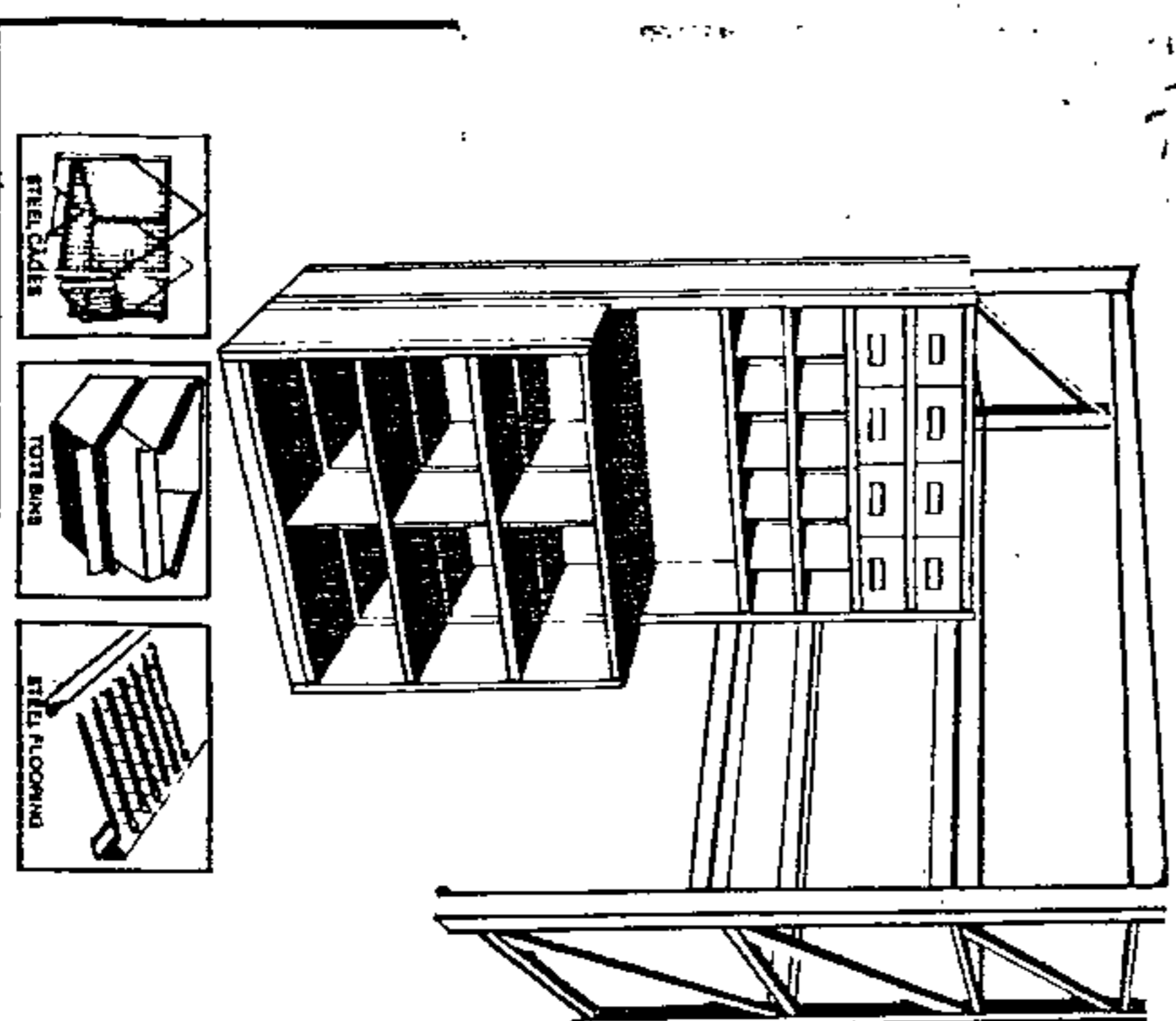
The region comprises the eastern Cape, Ciskei and the southern part of Transkei. The talks at regional level are part of the Southern Africa regional development initiative in which South Africa and the TBVC countries have been taking part for the past two years.

Among the matters discussed were tourism,

shipping, the Orange-Fish River scheme and incentives for the Port Elizabeth/Uitenhage area.

Attending the talks were representatives of the three countries as well as representatives of the private sector. The meeting also discussed reports submitted by the work groups appointed by the committee for road transport permits, water affairs, electricity, agriculture and socio-economic affairs.

The regional liaison committee is to meet again on June 21 to discuss electricity generation and water supplies. Both matters are priority issues for the region. — Sapa.



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335 267
D. Dispatch 28/3/84

CTC job loss move delayed

EAST LONDON — The CTC bus company will not pay off 240 employees at the end of the month as a result of the eight-month boycott which has already cost about R5 million.

This was disclosed yesterday by the managing director of Ciskei's state-backed public transport organisation, Mr Hans Kaiser, who said the retrenchment deadline has been postponed for a month following an appeal from President Lennox Sebe.

Mr Kaiser said that President Sebe had asked that the retrenchments be postponed "on humanitarian grounds".

President Sebe indicated that the people of Mdantsane need a bit more time to make up their minds about the future of the transport organisation and the fate of the 240 workers that have to lose their jobs if the boycott does not come to an end", he said.

Mr Kaiser said CTC had decided to comply with the President's request although it will cost the company another R500 000.

"It will be a final showing of our compas-

sion with the plight of commuters and the fate of their own employees," he said.

Commuters have been boycotting CTC buses for the past eight months following an increase in tariffs.

Mr Kaiser said his organisation had introduced a number of concessions in an attempt to break the boycott "but these have all been rejected by the Committee of Ten which is upset because we do not recognise them as the sole representatives of the commuters".

"From these rejections, it is absolutely clear that the Committee of Ten has very little sympathy with commuters, and in fact, is more interested in reaching its own ulterior motives," he said.

Mr Kaiser added: "We are now complying with a request for compassion as put to us by the Ciskei Government which already subsidises workers' tickets to the hilt".

The chairman of the Committee of Ten, Mr Mzwandile Mampunye, could not be contacted for comment on the latest move. — DDR.

Kariega/Boesmans Rivers: nature reserve

*10. Mr E K MOORCROFT asked the Minister of Environment Affairs and Fisheries:

- (1) Whether an area of land adjacent to the Kariega and Boesmans Rivers in the Eastern Cape has been or is to be proclaimed a nature reserve; if so, (a) in terms of what statutory provision, (b) when will the proclamation take effect, (c) what is the extent of the area and (d) how many farms are or will be affected;
- (2) whether the land-owners concerned have been given notice in this regard; if not, why not; if so, (a) when and (b) by whom;
- (3) whether these land-owners are to be paid compensation; if not, why not; if so, on what basis is compensation to be determined?

†The MINISTER OF ENVIRONMENT AFFAIRS AND FISHERIES:

- (1) No, not at this stage, as a preliminary investigation by the National Parks Board is at present being carried out with a view to the possible proclamation of the estuaries of the Kariega and Boesmans Rivers as lake areas in terms of section 2A of the Lake Areas Development Act, 1975 (Act 39 of 1975).
- (a), (b), (c) and (d) Fall away.
- (2) No but informal discussions have taken place with some of the land-owners.
- (a) 23 March 1984.
- (b) A senior official of the National Parks Board.
- (3) Should it be decided to proclaim the

said estuaries, compensation will only be paid if private properties are expropriated for this purpose in terms of section 16(2) of the Lake Areas Development Act, 1975 read with section 60 of the Expropriation Act, 1975 (Act 63 of 1975).

*11. Mr P A MYBURGH—Defence—Reply standing over.

Windhoek station: Cloakroom

*12. Mr W V RAW asked the Minister of Transport Affairs:

Whether the hours during which the cloakroom at Windhoek station is open to the public on Sundays were changed recently; if so, (a) when and (b) what were these hours prior to their being changed?

†The MINISTER OF INDUSTRIES, COMMERCE AND TOURISM (for the Minister of Transport Affairs):

No, but due to staff shortages it was not always possible to maintain the official hours of duty prior to 20 January 1984. As the hon member was informed during the Committee Stage of the Debate on the Transport Services Appropriation Bill, Transport Services will establish the need for longer hours of duty. If necessary the hours will be adapted.

(a) and (b) Fall away.

*13. Mr F J LE ROUX—Law and Order—Reply standing over.

National Manpower Commission: investigation into working conditions of farm and domestic workers

*14. Dr A L BORAINÉ asked the Minister of Manpower:

Whether, with reference to his reply to Question No 37 on 17 August 1983, the

investigation by the National Manpower Commission into the working conditions of farm and domestic workers has been completed; if not, (a) why not and (b) when is it anticipated that it will be completed; if so, what were the findings?

†The MINISTER OF INDUSTRIES, COMMERCE AND TOURISM (for the Minister of Manpower):

No, (a) and (b) The report is presently being finalized and it is anticipated that it will be submitted before the end of the year.

The rest falls away.

30/3/84
Moving of Blacks from Weenen to Keate's

Drift

Q 61. 813

*15. Mr R A F SWART asked the Minister of Co-operation and Development:

- (1) Whether any Black persons living in settlements in the Weenen area of Natal have been moved to Keate's Drift; if so, (a) when, (b) which settlements in the said area were removed, (c) when were these persons resettled in each case and (d) how many persons were involved;
- (2) whether any (a) houses, (b) schools, (c) clinics, (d) shops and (e) taps had been provided in the areas to which they were moved; if not, (i) why not and (ii) when will they be provided; if so, what facilities in each case?

The DEPUTY MINISTER OF DEVELOPMENT AND OF LAND AFFAIRS:

- (1) No.
- (2) Falls away.

30/3/84
Greater Cape Town: *de facto* de jure Black

population *Q 61. 813*

*16. Mr K M ANDREW asked the Minister of Co-operation and Development:

- (1) What is the latest estimate of the (a) *de facto* and (b) *de jure* Black population in the Greater Cape Town area in respect of (i) adult (aa) males and (bb) females and (ii) children;
- (2) (a) how many persons in each category were (i) employed and (ii) unemployed at the time the estimate was made and (b) what is the date of the estimate?

†The DEPUTY MINISTER OF DEVELOPMENT AND OF LAND AFFAIRS:

- (1) (a) The estimated *de facto* Black population of the Greater Cape Town area is 229 000. A breakdown of this figure into males, females and children is not available.
- (b) *De jure* figure..... 169 687

(i) (aa) 69 540

(bb) 47 817

(ii) 52 330

- (2) Details of employment and unemployment in respect of the estimated *de facto* population are not available.

(a) *De jure* population

(i) Employed males 48 904
Employed females ... 13 003

(ii) Unemployed males... 6 000
Unemployed females 1 000
These are estimated figures.

(b) 12 January 1984.

When this reply was compiled it was discovered that the figure in respect of women *de jure* resident in the area mentioned in the reply to Question No 286 of 1983 ie 38 860 was incorrect and that the true figure for 1982 was 43 588.

The increase in 1983 from 43 588 to 47 817 is attributed, *inter alia* to women joining their husbands following the Rhi-koto and Komani Appeal Court judgments and successful appeals to the Chief Commissioner in terms of section 23 of the Act 67 of 1964; in other words these are Black women who obtained section 10(1)(b) qualifications.

30/3/84

N. Mercury 31/3/84

200 lose jobs as plant closes

Finance Reporter

ALONG with their pay packets yesterday, 200 bus building plant workers in New Germany were informed the plant was to close at the end of April.

Employees, some with 24 years' experience, were informed of the shock decision by Dorbyl Bus and Vehicle Division, under which Busaf now falls, quite unexpectedly.

The plant's production load is to be passed on to its other plant in Letaba, Gazankulu. It has another production facility in Port Elizabeth.

The executive director of the Bus and Vehicle Division of Dorbyl Automotive Products, Mr J H Herdman, said yesterday that the current depression in the bus market had necessitated the closure.

Retired

All workers have been given either early retirement or varying amounts of redundancy payments, he said.

'Nobody likes to see something like this happen after the 25 years we have been there, but the bus market has been the worst we have seen it in recent years and we do not foresee any upswing until about 1986.

'It was necessary for us to close.'

One of the workers affected, Mr Henry Dunn, a shop floor supervisor, said the news had been a shock to the workers: 'It has been very confused lately with the little incidents of unrest we have been experiencing among workers, but this is something we cannot believe.'

Brits plant lays off 240 workers

By Carolyn Dempster,
Labour Reporter

B and S Engineering and Steelbrite of Brits — scene of a major labour dispute last year — has closed one of its two plants and retrenched 240 workers.

The plant, Steelbrite 2, was closed down last Thursday.

According to a Metal and Allied Workers' Union (MAWU) spokesman — it has majority membership at the two plants — negotiations for the re-employment of the retrenched workers were unsuccessful.

The 240 retrenched workers received small severance pay.

The closure is particularly significant in the

light of the dispute at B and S during 1982/3.

MAWU's struggle for recognition by the steel furniture manufacturing company was resisted strongly, and a shop stewards' committee was dismissed as soon as the 12 members were elected by workers in July 1982.

This was followed by a work stoppage to pressure management to reinstate the workers. Twelve were later taken back.

The uneasy peace between B and S and MAWU was broken when shop stewards renewed efforts to achieve union recognition. Management dismissed the entire workforce on September 7 and told workers that if

they wanted their jobs back they could reapply. Of 600 who did, 400 were taken on.

A total of 249 workers declared a dispute and asked for an Industrial Court order declaring the dismissal unlawful and unfair and demanding reinstatement.

The dispute was not resolved for 20 months, with the 249 workers verging on starvation.

The Industrial Court ordered the reinstatement of the workers, and ruled that they receive backpay for the entire period.

Mr R Bingham, the managing director of B and S, was contacted repeatedly for comment on the plant closure, but was never available.

109 workers at CTC lose jobs

5/4/84
Disputed
335

EAST LONDON — A further 109 employees of CTC Bus Company have been paid off.

Mr Wessel van Wyk, the public relations officer for CTC, yesterday released a statement on behalf of Mr Hans Kaiser, the managing director of the corporation, in which he said that a total of 600 employees had now "lost their jobs" as a result of the Mdantsane bus boycott.

Mr Van Wyk said it had

been announced a month ago that about 200 employees would be paid off, but this had been delayed after an appeal by President Lennox Sebe. It had been necessary to pay off only 109 workers, he said.

The employees who had been paid off were from "across the board" and included management personnel.

It was not envisaged that more employees would be paid off as the

corporation had been "cut to size" and a small upturn in passengers had been experienced.

He said a number of people in the total of 600 that had lost jobs as a result of the boycott had been employees who had resigned or retired and had not been replaced.

"Those who have been paid off will be the first to be re-employed if the situation improves," Mr Van Wyk said. — DDR

Dismissed workers each claim R35 000

By Carolyn Dempster,
Labour Reporter

Some 300 of about 600 workers dismissed by African Cables, Vereeniging, in January this year are to make a bid for reinstatement in the Industrial Court tomorrow.

An out-of-court settlement offer of R35 000 by African Cables was rejected by the dismissed workers last month on the ground that each would receive only about R150.

The workers, members of the Engineering and Allied Workers' Union, have now demanded R35 000 each.

About 600 workers were fired after a stoppage in protest after the company announced in January that it would no longer be working short-time and employees were required to work on Fridays.

A breakdown in communication led to only half of the shift turning up on the Friday.

At the time the managing director, Mr P J Muller, said attempts to contact the union had failed and the workers by refusing to start the shift had dismissed themselves.

Many of the fired workers have between 15 and 20 years' service with African Cables. Subsequently the company re-employed more than 200 of those dismissed.

335

CTC cutback: 11 lost jobs

EAST LONDON — Eleven employees from across the board have lost their jobs at CTC bus company since the company announced that it would rationalise its operations, Mr Hans Kaiser, managing director of CTC, said yesterday.

Mr Kaiser stressed that this was not retrenchment in the normal sense of the word but stressed that 240 more employees would be retrenched as originally announced unless the current bus boycott came to an end before the end of the month.

The company announced that the 240 employees would go at the end of March unless the boycott ended but stayed the execution at the request of President Lennox Sebe in the hope that commuters would get back on the buses.

The boycott, which has been effective since July last year, was initiated by a fare hike and has cost the company a total of R4 million. Three hundred and eleven employees have been retrenched since the beginning of the boycott.

Mr Kaiser said yesterday that the company had made all the concessions they were prepared to and issued a challenge to the organisers of the boycott to make some concessions themselves.

Mr Kaiser said that the number of passengers using the buses was increasing steadily and he had hopes that the bus boycott would resolve itself with the passage of time.

He said that no negotiations for the sale of the company were currently underway but that he was waiting for an offer from Mr Hubert Jekwa, an Mdantsane businessman who has expressed an interest in buying the company. Mr Jekwa could not be contacted for comment yesterday.

Mr Mzwandile Mampunye, the chairman of the Committee of Ten with whom CTC have been negotiating to resolve the boycott, could not be contacted yesterday. — DDR.

Laws chain blacks — Pityi

ZWELITSHA — Some hungry blacks found themselves in degrading positions not as a result of their own doing but because South African laws chained them, the Ciskei Minister of Foreign Affairs, Mr B. N. Pityi, said at the weekend.

Speaking at the Eastern Cape Women's Conference held at the communal hall here, Mr Pityi said that man-made laws such as those governing migrant labourers were responsible for the misery and plight of hungry blacks.

Mr Pityi said the driving of so-called "natives" to the "native" areas caused hardships which made it very difficult to preach abstract love to a hungry man.

He said he was not begging for alms from the affluent white society but attacking the legislator with his "plethora of laws that cruelly chain both legs of the black man."

To offset hostile ideologies people had to make sure that their preaching of love must be accompanied by justice to all fellow men he said.

Mr Pityi pointed out that in recent years Marxism had recorded spectacular gains in Indo-China and some setbacks in Latin America and Maputo. Now both China and Russia, with Cuba's help, had turned their attention to Africa, as in Angola.

"The presence and involvement of Chinese, Russian and Cuban military personnel in these conflicts is no longer a secret," he said.

"I do not need to elaborate on the effect of these conflicts on the work of missions and the life of the church, but the most frightening effect is on the younger generation. Marxism today has a growing fascination for many students and young intellectuals in African universities."

Mr Pityi said that to add to the hostile ideologies and resurgent religions, an anti-Western nationalistic feeling prevailed in many parts of the Third World.

"It stems from a variety of factors, present economic exploitation and continued Western support for unjust racial and oppressive regimes."

"The powers that be need to be aware, more than they have been in the past, of the griefs and sorrows of Africans. All Christians, black and white will need to stand together to discover and experience deeper bonds of love."

In South Africa the situation was exacerbated by the unfortunate confusion of Christianity and Westernisation in the minds of many people. Wherever this anti-Western sentiment was prevalent the church was viewed with suspicion as a collaborator, he said. — DDR

Crash: two fair

EAST LONDON — Of the seven people injured in a car accident along the black road to Mdantsane on Sunday evening, five have been discharged from Frere Hospital and the other two, both males, are reported to be in a fair condition.

The accident occurred at about 7.30 pm when the car in which they were all travelling overturned.

The two men still in hospital suffered from neck and back injuries. — DDR

JOHANNESBURG — The Reverend Allan Hendrickse, leader of the Labour Party, left for a two-week tour of Europe last night to explain his party's reasons for participating in the new constitutional dispensation.

At Jan Smuts Airport Mr Hendrickse said the tour was being funded

European tour for Hendrickse

by "certain political and business interest groups overseas" whom he did not wish to name.

"We are not being

funded by the government and the Labour Party does not have the money to pay for this kind of exercise," he said.

Mr Hendrickse said he was going over to "present our point of view to the outside world."

"I don't think there is so much hostility overseas as ignorance about what is happening. People there hear only one side of the story."

"They hear the government's side and the side of those antagonistic to the new constitution. They haven't had the thinking of someone in the middle." — DDC

Local students given bursaries

EAST LONDON — Ten students have been awarded bursaries valued at a combined total of R2 000 by the Boy Casoojee University Bursary Trust.

Successful applicants were chosen from the magisterial district of East London and Mdantsane and had to satisfy the trust that they were attending university or had been accepted for

the courses they indicated on their application forms.

"We are inundated with applications each year. It just shows that there is a great demand for university and tertiary education and people need financial assistance in these bad economic times," Mr S. Naidoo, secretary for the trust, said.

Mr Naidoo said the

bursaries were advertised through a central advertising agency in Johannesburg and they often received applications from people who did not qualify because they lived out of the required magisterial district.

The successful applicants were Mr Vuyani Mgqolozana (University of Fort Hare), Mr Gerald

Pretorius (University of Cape Town), Mr Mluleki Gumse (Fort Hare), Mr Zukisa Bhaku (Fort Hare), Mr Luthando Beza (Rhodes), Mr Mtunzi Ndima (Rhodes), Mr Kadike Gulu (Unitra), Mr Pregalathan Naina (University of Durban-Westville), Mr Samuel Meintjies (University of the Western Cape) and Mr Dion Ramoo (Rhodes). — DDR.

- (1) (a) What amount was paid out by the State in respect of Coloured persons to unmarried mothers in the form of children's allowances in the 1983-84 financial year and (b) how many children were involved in payments of this nature;
- (2) whether any changes in policy in respect of such payments were adopted in the course of that financial year; if so, what is the nature of these changes?

†The MINISTER OF INTERNAL AFFAIRS:

- (1) (a) and (b) The figures are not available as separate statistics on allowances paid to unmarried mothers are not kept.

- (2) Yes, the major policy change being that with effect from 1 September 1983 the payment of children's allowances to unmarried mothers is, with due regard to certain qualifications, limited to one child and in highly exceptional cases, in the discretion of the Director-General of Internal Affairs, to one additional child born out of wedlock. The hon member is referred to Government Notice 1811 which appeared in *Government Gazette* 8851 of 19 August 1983 in which the regulations on the payment of *inter alia* children's allowances were amended.

Sandton police station: fire

*9. Mr D J DALLING asked the Minister of Law and Order:

Whether a fire occurred in the Sandton police station recently; if so, (a) when, (b) what was the cause, (c) in what section of the police station, (d) what was the extent of the damage and (e) what is the estimated cost of restoration?

†The MINISTER OF LAW AND ORDER:

Yes.

- (a) Approximately 19h30 on 29 February 1984.

- (b) A short-circuit in the electric current.

- (c) In the office of the branch commander of the detective branch.

- (d) The walls, floor and roof of the office, as well as furniture and registers were badly damaged.

- (e) R8 000.00.

SAP in Port Elizabeth: complaints laid

*10. Mr D J N MALCOMESS asked the Minister of Law and Order:

- (1) Whether any complaints have been laid with the South African Police in Port Elizabeth concerning alleged incidents at the home of and threats made against a certain person, whose name has been furnished to the Minister's Department for the purpose of his reply; if so, (a) when, (b) what was the nature of the complaints in each case and (c) what is the name of the person concerned;

- (2) whether the South African Police have investigated the complaints; if not, why not; if so, with what results in each case?

The MINISTER OF LAW AND ORDER:

- (1) Yes.

- (a) On 7 December 1983 and on 29 March 1984.

- (b) In the first instance alleged malicious damage to property and in the second instance alleged *crimen injuria* and cruelty to an animal.

- (c) It is not customary to disclose the names of persons lodging complaints with the Police, but since a report disclosing these particulars has already appeared

in the Press, the names of the complainants are Mr and Mrs Arnot of Port Elizabeth.

- (2) Yes. Owing to a complete lack of clues or other information the first-mentioned case was closed as undetected, while the latter cases are still under investigation.

SA Transport Services: main line services/suburban services

*11. Mr P C CRONJÉ asked the Minister of Transport Affairs:

What was the total cost to the South African Transport Services in the 1982-83 financial year in respect of (a) (i) first-class, (ii) second-class and (iii) third-class main line services and (b) (i) first-class and (ii) third-class suburban services?

†The MINISTER OF TRANSPORT AFFAIRS:

- (a) (i) R101 million

- (ii) R157 million

- (iii) R221 million

- (b) (i) R237 million

- (ii) R368 million.

†Mr P C CRONJÉ: Mr Speaker, arising out of the hon the Minister's reply, which he read so fast, I only missed the last part of the reply, and now I want to know whether he is also satisfied that third-class passenger tariffs cover the largest percentage of the cost?

†The MINISTER: Mr Speaker, third-class passengers are by far the largest number of passengers we transport and *pro rata* the amounts they pay are in proportion to what first-class passengers pay.

Job creation programme for Blacks in Cape Peninsula

*12. Mrs H SUZMAN asked the Minister of Co-operation and Development:

- (1) Whether a job creation programme for Blacks in the Cape Peninsula is to be undertaken; if so, (a) when will the programme (i) commence and (ii) be completed; (b) who will be in charge, (c) what amount has been allocated in respect of the programme, (d) how many jobs will be created and (e) who will qualify to apply for these jobs;

- (2) whether this programme is to be extended to any areas other than the Cape Peninsula; if not, why not, if so, which areas;

- (3) whether discussions on this programme were held with any persons recently; if so, (a) when, (b) with whom, (c) what was discussed and (d) what were the results of these discussions?

The DEPUTY MINISTER OF CO-OPERATION:

- (1) The Department of Co-operation and Development is not aware of any special job creation programme for Blacks that is to be undertaken in the Cape Peninsula.

- (a) (i), (ii) and (b), (c), (d) and (e) Fall away.

- (2) Falls away.

- (3) Falls away.

Sasol: hydrogen sulphide pollution

*13. Mr P G SOAL asked the Minister of Mineral and Energy Affairs:

- (1) Whether any complaints and/or representations concerning hydrogen sulphide pollution allegedly emanating from Sasol in the Transvaal have been received by his Department; if so, (a) from whom, (b) when and (c) what was (i) the nature of the complaints and/or representations and (ii) his response thereto in each case;

- (2) whether his Department has taken or

RDM

1 200 to ⁽³³⁵⁾ lose jobs ~~(104)~~ in grain bag plant

Mail Correspondent

BUTTERWORTH. — About 1 200 people will be unemployed when a factory manufacturing grain bags in Butterworth closes next month.

Transkei Textile and Plastics — run by a Cape-based company Spilos — will close on May 31 after about 20 years.

Mr Sonny Tarr, managing director of the Transkei Development Corporation which owns the multi-million-rand building, confirmed the closure of the factory.

Mr Tarr said it had been made inevitable by the increasingly uncompetitive cost of manufacturing grain bags locally.

He said all endeavours had been made to relocate the company's Transkeian staff.

The factory has a staff of 800, which includes several highly-skilled technical people from overseas.

A total of 400 people are employed on the 1 000ha jute fields in Butterworth and the 700ha plantations in Lusikisiki run by the Transkei Agricultural Corporation (Tra-cor).

Spilos managing director, Mr H Behnisch, was not available for comment and the company's personnel manager, Mr W Kerwan, said the matter was in the hands of their attorneys.

He said he would contact Mr Behnisch for a fuller comment but telephoned the Mail's Umtata bureau later to say the company would not comment.

Crucial ruling on dismissals due on Monday

335
5 Jan
165
151
12/4/84
(1404) (189)

By Carolyn Dempster,
Labour Reporter

The Industrial Court is to hand down a decision on Monday regarding the 327 African Cable workers who were dismissed in January.

This was the biggest single application by workers for reinstatement yet heard by the court and this week's hearing in Johannesburg took two days.

The case is likely to point the way for the future course of applications to the court arising from mass dismissals.

Evidence at the hearing outlined a mass dismissal which, say labour observers, should never have happened.

On January 10 this year 590 semiskilled and skilled workers out of a workforce of 1 200 were dismissed from the Meyerton plant of African Cables.

The action followed a change in the work schedule from a four-day week (short-time) to a full week. The workers claimed management had not consulted them about the change, as they had promised, and as a result almost the entire shift failed to clock in on Friday January 6.

Under the short-time system they would not normally have reported for work on the Friday but, according to management, they should have been at work after the change.

On the following Monday the workers returned but stopped work mid-morning and asked for the managing director, Mr P Muller, to explain to them why neither the works council nor the workers had been consulted about the change.

Mr Muller refused to

address the workers en masse but said he would speak to small groups or to the works council. This was not acceptable to the workforce.

Next day it was announced by management that before Mr Muller would speak to any representatives workers would have to sign a letter, and the outcome of the Industrial Court hearing depends largely on the nature of that letter whose contents are not altogether clear.

According to management their purpose was to get workers to agree to return to work under conditions already stipulated by the company.

But many workers, suspicious of the motive behind the letter, refused to sign. Those who did sign were immediately taken back. The 590 who refused were dismissed on the Wednesday.

227 335

'Help starving locals'



OFFICIAL: Mrs Sibongile Mkhabela.

By STAN MHLONGO

THE Witwatersrand Council of Churches advice office in Soweto has called on the community to assist senior residents as unemployed people in their 50s had little chance of getting employment or a pension.

The plight of the middle-aged blacks — who are too old to attract employers and too young to get a Government pension, was yesterday highlighted by the office, which is at the Bridgeman Memorial Centre in Zola.

According to the advice office spokesperson, Mrs Sibongile Mkhabela, broken families, poverty, unemployment and endless misery as a result of being exposed to the daily rising inflation, are some of the frustrating elements which the unemployed between the average of 50 years blacks are exposed to.

Poverty

Another advice centre spokesman, Mr Amos Cebekhulu said it was hightime organisations like Operation Hunger focused their attention on local cases of poverty, as it was not only in the rural areas where there is massive poverty.

One of the affected men was Mr Peter Luvuno (50) of 790 Jabulani, Soweto, who is finding it tough to feed the five mouths of his family and also pay school fees for two of his children.

"I have been struggling like this for two years after being kicked out of work by my boss. Sometimes we have to go without food for two days," said Mr Luvuno.

Mr Gilbert Hlatshwayo (58) whose wife, Agnes, deserted him a year ago after 20 years of happy marriage when he lost his job, said his son was having trouble supporting him, as he has his own family to support.

Another middle-aged man affected was Mr Albert Tshabalala, who was evicted from his house, after being in arrears with rental.

"I no longer have a roof over my head and my family is scattered all over Soweto, living with relatives and friends since I lost my house in 1981," said Mr Tshabalala.

Electric motor imports could hit jobs

RAM 12/4/84

(335)

By PRISCILLA WHYTE

The flood of imported high-voltage electric motors could jeopardise about 1 000 jobs.

Mr M D Sullivan, general manager of GEC Machines, says: "The industry suffered major cutbacks in 1983 and a further severe reduction in the number employed will be unavoidable in 1984 unless imports are substantially reduced."

Mr Cecil Lewis, general manager and director of Hawker Sidddeley Machines, says 56% of the monetary market value of electric motors is accounted for by low-voltage

motors (up to 260kW). High-voltage motors account for the rest of the R160m-R170m market.

He says the Hawker Sidddeley plant is working at 40%-50% capacity and, since the end of 1981, staff has been reduced by 40%. Those left are often working three or four days a week.

If the trend continues overseas principals will have no option but to sell off manufacturing facilities and become direct importers, which would be detrimental to other local importers.

Mr Lewis says one importer tells

customers that "we will beat any local high-voltage price". This, he says, is tantamount to dumping.

He estimates that local manufacturers could replace 95% of imports without increasing present capacity. But efforts to replace imports and develop an export business are seriously handicapped by the high local material prices that effectively add 17% to 27% to manufacturing costs.

Domestic manufacturers have been supplying high-voltage motors for more than 30 years. Principal users are Escom, Sasol, Iscor and the mines.

Escom gives a local tender preference of 17,5% for high-voltage motors.

Mr Richard Becker, manager of the motor department of Brown Boveri, says local manufacturers used to provide 70% of the market requirements for high-voltage motors but recently this has been eroded by imports to the extent that local manufacturers are getting only a 30% slice.

An application to the Board of Trade and Industries requesting tariff protection in the form of an anti-dumping import duty on elec-

tric motors which exceed 260kW has recently been gazetted.

Previous applications to the Board in 1976 and 1981 were unsuccessful and the rejections have left considerable doubt in the minds of the four local manufacturers — GEC Machines, Siemens, Brown Boveri and Hawker Sidddeley Machines — about the future viability of the industry.

Mr Sullivan adds that the relative size of the domestic market in international terms means that fully-developed countries can price marginally and easily beat the present 5% import tariff.

Jobless figures queried

13/4/84 335 D. Disputch
EAST LONDON — The Border branch of the South Africa Institute of Race Relations (SAIRR) has claimed that the black unemployment statistics, released by the Central Statistical Office and published in the Daily Dispatch last week, were not a true reflection of the prevailing situation.

The CSO report stated that from five sample months in 1983, 15,66 per cent of economically active blacks in the Eastern Cape were unemployed.

A statement released by the Border branch of the SAIRR called the CSO's definition of unemployment "Restrictive" and outlined the criteria of the definition.

The CSO classify as unemployed people who:

- Worked for less than 5 hours during the previous seven days
- Attempted to find work during the previous month
- Are able to accept a position within one week
- Are between the ages of 15 and 64 in the case of men and 15 and 59 in the case of women.

The SIRR statement said that there was widespread unemployment in the sense that some people had stopped looking for work because they had given up hope of finding it. These people would not appear in the CSO figures.

The statement cited the Quail Commission report (1978) on the Ciskei as having a less restrictive definition of unemployment.

The commission indicated an urban unemployment figure of 25 per cent of the estimated 100 000 economically active urban population of Ciskei.

The commission noted that if the economically active population had been defined to comprise 15-65 year olds, the unemployment estimate rose to 39 per cent.

The SAIRR statement also said that unpublished 1980 Quality of Life data from the Rhodes University Institute of Social and Economic Research (Iser) put the de facto unemployment rate for blacks in Grahamstown at 33,7 per cent; in East London at 23,7 per cent and in Mdantsane at 25,6 per cent. — DDR

Ciskei bus boycott may cost 600 jobs

12/4/84
269 405 335 Star

Own Correspondent

EAST LONDON — The nine-month bus boycott at Mdantsane could cost nearly 600 people their jobs if commuters do not respond to an ultimatum to start using the buses again by the end of the month.

The managing director of the Ciskei Transport Corporation, Mr Hans Kaiser, has announced that 240 employees will be retrenched and 117 buses withdrawn from service if the boycott does not end.

More than 340 employees have already been laid off and 74 buses sold in an attempt to cut losses — already estimated at R4,5 million.

The boycott began in July in protest against fare increases averaging 10 percent. Several concessions to commuters have failed to break it.

Buses which used to carry thousands of workers from Mdantsane to East London are now running at 25 percent capacity.

Most workers use trains, often walking many kilometres to the nearest station.

Mr Mzwandile Mampunya, chairman of the Committee of Ten representing commuters, says the boycott will continue until the corporation meets all the demands of commuters.

They want fares reduced to what they were before the boycott, and all links between the corporation and the Ciskei Government severed.

The corporation is owned jointly by Trustcor and the Ciskei People's Development Bank.

The possible retrenchment of 240 employees at the end of April was "not our concern", Mr Mampunya said. "The people

don't want compromise."

Concessions include an offer by the corporation to sell the company to private enterprise.

An Mdantsane businessman, Mr Hubert Jekwa, has apparently shown interest in buying the company, but a sale has not been concluded.

Concessions the corporation has already made include a partial fare reduction last year, an undertaking that fares will not be raised during 1984, discount fares for pensioners and scholars, and subsidised weekly tickets.

Although many commuters admit that they are tired of walking, pressure from other commuters prevents them using the buses.

Spokesmen for the corporation say they do not know how long the company can continue to operate under present conditions.

1200 lose jobs as factory shuts

D. Despatch
14/4/84
333

BUTTERWORTH — A factory manufacturing grain bags here is to close next month — making 1 200 people jobless.

Transkei Textiles and Plastics — one of the oldest industries established here during the existence of the Xhosa Development Corporation — will close its doors on May 31 after about 20 years of production.

The managing director of the Transkei Development Corporation which owns the multi-million rands building, Mr Sonny Tarr, confirmed the closure of the factory which is supplied from phormium-tenax plantations run by the Transkei Agricultural Corporation (Tracor).

Altogether 400 people are employed on the 1 000 ha phormium-tenax fields in Butterworth and the 700 ha plantations in Lusikisiki. The factory is run by a Cape-based company, Spilos.

Yesterday the management of the manufacturing company were silent

on the closure. The 800-strong staff includes several highly skilled technical people from overseas.

Spilos' managing director, Mr H. Behnisch, was not available at the company's headquarters and the company's personnel manager, Mr W. Kerwan, said the matter was in the hands of their attorneys.

In Umtata, Mr Tarr said the closure had been inevitable by the increasingly uncompetitive cost of locally manufactured grain bags.

The TDC had no shares in Transkei Textiles and Mr Tarr said all endeavours had been made to relocate the company's Transkeian staff.

"The prospects of finding alternative employment are good," he said and applications to lease the factory building had been received from a number of other industrialists who wished to establish businesses in Transkei.

"The indications are that the employment situation in the Butterworth area is likely to improve as a result of the opportunity created for the early establishment of a new labour intensive industry in the factory formerly leased by Transkei Plastics," he said.

The managing director of Tracor, Mr Ken Humphrey, explained that their phormium-tenax plantations and decorticating factories situated

at Lusikisiki and Butterworth supplied fibre to the company.

"In view of the announcement of the closure, Tracor has regrettably no option but to cease its fibre operations as there is no market for phormium-tenax fibre.

"Tracor is investigating alternate uses for the land and new cropping programmes are extremely encouraging.

"Processing concepts using existing infrastructure related to the new cropping proposals are presently being studied.

"In the short term, all existing Tracor staff are being retained in our employment until the position is clarified."

The chairman of the regional development committee for region E and executive member of the Transkei Chamber of Industries, Mr Robert Fowlds, said naturally it was sad news for Butterworth.

But Mr Fowlds, who had just returned from a three-nation tour of the Far East, said all was not lost and he was certain the workers would get work very soon.

"At least two industrialists from Hong Kong and four from Taiwan are almost ready to invest in our area.

"Two quite big established industries and I am sure it won't be long before our labour situation in Butterworth will be normalised."

— DDR.

Education

not crucial
for all jobs,
inquiry told

Labour Reporter

EDUCATION is not a crucial factor in securing employment in the bulk of jobs, a research paper has found.

For most blacks previous experience and "inside contacts" already in employment were far more important, according to a paper presented to the Carnegie inquiry into poverty by David Gilmour and Andre Roux, both of Rhodes University.

Based on surveys in Port Elizabeth and Grahamstown, the paper said the chances of an unemployed person getting work were not "significantly improved" by education.

About 89 percent of young school-goers hoped to get non-manual jobs after they had left school.

However, it was unlikely that more than 19 percent of them would be accommodated by 1987.

EXPECTATIONS

But though expectations of schoolgoers were high, they were not exaggerated.

"As long as income disparities and security of tenure favour white-collar jobs, and as long as skilled and technical occupations are dominated by whites, it is unrealistic to believe that black aspirations will be downgraded to an acceptance of comparatively insecure and low-paid work," the paper said.

Vocational jobs, such as nursing and teaching, were realistically aimed at by many black school-leavers. However, the low intake into vocational training could be partly attributed to the "pathetic" level of black education.

● See Page 13

Joblessness a *Cape Times 23/4/84* 'major cause' *335 235 244* in SA poverty

By RIAAN DE
VILLIERS
Labour Reporter

UNEMPLOYMENT is a major cause of poverty in South Africa, a working group at the Carnegie conference on poverty found last week.

In a report drafted, the group said the extent of unemployment was "socially unacceptable" and created social and economic conditions which adversely affected the lives of the "majority of people on the sub-continent".

The policies of the State had exacerbated the historically-determined racial and regional bias of unemployment.

"It is only with the termination of such policies that the people of South Africa will be able to regain control of their working lives," it said.

Particular groups such as women and female-headed households, new entrants to the labour market, the disabled and workers approaching retirement were "particularly vul-

nerable to unemployment".

A major factor was influx control, compounded by resettlement and relocation, which debarred large numbers of people from urban employment and hampered the search for jobs.

Women were particularly severely affected as they could not get jobs through the labour bureau system and had "tenuous access" to migrant wages.

In recent years, changes in technology and the recruitment policies of mining and agriculture had brought about an increasingly unequal distribution of income and employment in the rural areas, the group found.

This was particularly significant because the poorest people traditionally relied most heavily on these sectors for income.

It suggested the government should consider spending much more on socially beneficial public-works projects, particularly in impoverished rural areas.

'Foreign' UIF offices hinder workers

Staff Reporter

THE BLACK Sash Advice Office has focused attention on problems encountered by people trying to claim unemployment benefits, according to a report of its activities in March.

Ciskeian and Transkeian contract workers experienced delays and problems because their governments' Unemployment Insurance Fund offices were in another country.

"The UIF contributions levied from contract workers from Ciskei and Transkei are

paid by the South African Government to those two governments," the report explains.

"Transkeian contract workers, if they lose their job, have to return to the area from whence they were recruited and make their applications to the magistrate there.

"Ciskeian contract workers, according to the consul-general, should apply to the headquarters of the UIF in Zwelitsha with their blue cards." (The Ciskei administrative centre is in Zwelitsha, outside King William's Town).

The Black Sash report cited an example of misunderstandings in attempts to claim unemployment benefits.

"A contract worker was fired for asking for an increase in his wages. He was paid out only R150 and his railfare back to Transkei after the intervention of the contracts commissioner (to whom we sent him). Only at this point did the company apply for a UIF card for him — so there will be a number of months' delay before the card arrives and his application can be processed."

● The February report of the Black Sash Advice Office quoted figures showing the number of pass offences convictions in the Cape Peninsula had dropped from 9 363 in 1982 to 3 209 in 1983, while figures for the rest of the country had shown a 42 percent increase.

"The only reason that we can think of for this decrease is that the Administration Board officials have spent a large amount of time raiding various squatter communities to demolish plastic shelters and confiscate goods.

"The raids seem to have concentrated on the demolitions of unauthorized structures rather than the arrest of their occupants," the report said.

Public works programme: an answer for rural jobless?

With the conference of the Second Carnegie Inquiry into Poverty and Development a thing of the recent past, The Star continues its coverage of some of the gathering's 300 research papers. JO-ANNE COLLINGE reports.



**POVERTY
THE SECOND
CARNEGIE INQUIRY**

There are few who doubt that job creation lies at the heart of any fullscale attack on poverty. But there are many who would say it is not enough.

It was the latter group that seemed to surface more easily with partial palliatives at the recent Carnegie conference — the social service specialists who could do some things to alleviate poverty without necessarily addressing root economic and political constraints.

The difficulty faced by economists in tackling the basic question of the right to work was signalled by the small number of papers in this field. It was underscored by the politico-legal experts who constantly sounded the warning words "influx control" and "land shortage".

But there were those who ventured into the minefield of job creation — some tackling it "from above", as a function of

government; others "from below", as a task facing the unemployed themselves.

Among those who looked to government to take the initiative was Zimbabwean economist Dr Norman Reynolds in his paper on public works as a core development strategy.

Dr Reynolds begs some of the political questions in his plea for a "social contract" between the state and the jobless — whereby the government will provide funds for jobs in return for undertaking from citizens to manage and man certain public works projects.

But he paints a picture of a strategy that has succeeded in alleviating mass joblessness in places such as India, China, Tunisia and Mauritius.

In the Indian state of Maharashtra, where seasonal unemployment in an agricultural-ly based economy is the prob-

lem, the Employment Guarantee Scheme "absorbed 75 per cent of available man-days in the countryside in 1977", reports Dr Reynolds.

In Tunisia public works absorbed 21 percent of the jobless and in Mauritius 38 percent. The cost of this to the public purse? A portion of 2.4 percent and 3.6 percent respectively of national income.

Accepting calculations that the unemployment rate is in the region of 22 percent in South Africa, Dr Reynolds warns that this is "a figure of catastrophic proportions and intolerable in any open society on welfare and social stability grounds".

He points to the concentration of the jobless in the homelands — using as his index the fact that 94 percent of South Africa's 2.2 million poor families are rural-ly based, 1.5 million of them in the homelands.

This and the distorted age and sex structure of South Africa's rural unemployed are viewed as special challenges to developing a works programme.

"Large parts of the homelands are rural slums. That means that their conditions are more analogous to urban, not rural, poverty. This is important for, unlike the normal countryside with its seasonal unemployment, urban unemployment is open and year round.

"The need is primarily for full-time jobs which are harder to create than additional part-time work under public works schemes.

"The complication is likely to be the majority of children and the aged (in homeland populations), weakened community organisation and young people beset with an increasing cynicism about official action."

Dr Reynolds does not come up

with a neat prescription for a public works programme in South Africa. But he does tackle some of the issues:

● **Funding:** A large component in established programmes in Maharashtra for instance, this is supplemented by local taxes on those expected to benefit indirectly from the works schemes — the municipalities which will be saved the costs of a rural influx, the industries and individuals having use of the new infrastructure.

● **Type of work undertaken:** These vary widely but might include management of common properties such as grazing land and forests; provision of water, access roads and storage; development of markets; joint processing ventures.

● **Wages:** Cash wages for piece work completed on a group basis is the usual optimum by

Dr Reynolds's reckoning. The wage level, he says, should be set about 25 percent below the minimum wage in normal full-time employment because public works "offer additional, not permanent employment".

He rejects as a general rule "food-for-work" schemes. They are costly to administer and do not satisfy workers. "All work-seekers have food and cash needs. How is a worker to carry home many kilograms of food and dispose of some of it for cash if his neighbours are in the same boat?"

He settles on a piece work wage for group enterprise because "daily wages pose enormous supervision problems. If the daily wage is set too low it can lead to low output and even corruption between workers and supervisors."

Under piece work, where the group is paid for units of work done, people who are usually unemployable — the aged and the weak — can be incorporated into working groups, he argues.

While proposing a wage below the norm, Dr Reynolds warns: "Too low wages represent a tax on the poor."

● **Administration and management:** While overall control of projects should be in the hands of the government, day to day management should be local, exercised by members of the scheme.

Dr Reynolds envisages benefits beyond securing a income for the rural jobless. These include building of infrastructure as a base for development, stimulation of the local economy and strengthening of local community and government functions.

RDM 26/4/84 (335) 177

High costs, more jobless forecast

Mail Correspondent

CAPE TOWN. — The anticipated low level of economic activity indicated that a further decline in the standard of living and higher unemployment among unskilled workers should be expected, says the Bureau for Economic Research of Stellenbosch University (BER) in its revised forecast for 1984.

And measures to protect the balance of payments and prevent an excessive fall in interest rates are expected to continue, with non-agricultural exports anticipated to rise during 1984.

Growth is projected at a gloomy 2,7%. The author of the forecast, Mr Attie de Vries, explained that the projected 1984 growth rate (Gross Domestic Product —

GDP) of 4,9% percent forecast in the last quarter of 1983, was a "statistical artefact", rather than an "economic fact".

The rand value of gold exports is estimated to rise by only 5,7% in 1984, at an assumed selling price of \$408.

The outlook for inflation still indicates that it would fall below 10% in the coming months, although it was at 10,16% in March. The decelerating inflation rate is largely due to the continued recession, the forecast said. However, inflation expectations have not yet abated and it is expected to be above 10% at the year-end.

A sharp rise in food prices must be expected, and of meat prices in particular, once the rains are back to normal. The drought was expected to push food

prices up, but it appears as if the authorities will not allow sharp rises in basic agricultural prices at the moment.

Short-term interest rates will remain at their present rates of 18,1% before they start to decline after June. A prime overdraft rate of between 16% and 17% is foreseen at the end of the year. The prime rate at present is at 21%.

Failure to change the personal tax schedule in the Budget resulted in an increased average tax rate, implying a decline in real per capita income, the forecast said. This will severely affect consumer demand, which would steadily decline during the course of the year. Individual credit already very high, cannot be expected to rise as it did in 1983.

1059

TUESDAY, 1 MAY 1984

(2) Port Alfred

- (a) Since the areas at risk were identified, the water supply system in the Black township was improved at a cost of R258 000.
- (b) Possible infection of the Kowie river was monitored generally and 25 swabs at a cost of R105 was taken during the past 12 months.
- (c) Proper guidance is maintained.
- (d) A vigilance committee also exists in this area.

(3) Grahamstown

- (a) The Black townships were not identified as areas at risk because basic facilities such as water and sanitation, were provided generally.
- (b) In order to monitor cholera infection in the community, 105 swabs were taken at strategic points in the area of the local authority during the past 12 months at a cost of R441.
- (c) Proper guidance is maintained.
- (d) A vigilance committee on which representatives of various authorities, local authorities, the local administration board, Provincial Administration etc., serve, exists to co-ordinate activities during any cholera outbreak.

(4) Kenton-on-Sea

- (a) Water was provided from the Bushmans river to three communal water distribution points in the Black township at a cost of R13 000. Further improvements in the water distribution systems are being planned for the near future.

1060

(b) Possible cholera infection of the Bushmans river is monitored.

During the past 12 months 18 swabs were taken at a cost of R75.

- (c) The Divisional Council of Dias is taking care of cholera guidance in this area.

- (d) The cholera vigilance committee of Dias Divisional council will co-ordinate control activities during any cholera outbreak in this area.

335 Howard
National states: unemployed/economically active persons 1/5/84
757. Dr M S BARNARD asked the Minister of Co-operation and Development:

Whether his Department keeps statistics on the number of persons who are (a) unemployed and (b) economically active in the national states; if not, why not; if so, (i) what are the relevant statistics in respect of each specified national state and (ii) in respect of what date are these statistics furnished?

The MINISTER OF CO-OPERATION AND DEVELOPMENT:

- (a) No.

- (b) No.

Labour is a function which has been transferred to the national states in terms of the National States Constitution Act, 1971 (Act No 21 of 1971) and the Department of Co-operation and Development consequently does not keep such statistics.

Howard
Curfew regulations 1/5/84
765. Mr P G SOAL asked the Minister of Co-operation and Development:

How many persons in each of the towns on the East Rand were prosecuted under curfew regulations in 1983?

1061

TUESDAY, 1 MAY 1984

The MINISTER OF CO-OPERATION AND DEVELOPMENT:

None.

C. 6.1. 1061
Domestic workers: accommodation
768. Mr P G SOAL asked the Minister of Co-operation and Development:

- (1) Whether during 1983 the East Rand Administration Board refused to re-new permission to flat-owners and/or tenants in the East Rand area to house their domestic workers and/or cleaners on their premises; if so, (a) in respect of how many domestic workers and/or cleaners was such permission refused in that year and (b) what were the reasons for the refusals;

- (2) whether the Administration Board took steps to find alternative accommodation for those in respect of whom such permission had been refused; if not, why not;
- (3) whether he will reconsider such refusals?

The MINISTER OF CO-OPERATION AND DEVELOPMENT:

- (1) No.

- (2) and (3) Fall away.

Howard
KwaNdebele: Unemployment Insurance Fund
811. Mr R A F SWART asked the Minister of Co-operation and Development:

How many residents of KwaNdebele received Unemployment Insurance Fund benefits as at the latest specified date for which figures are available?

The MINISTER OF CO-OPERATION AND DEVELOPMENT:

The Department of Manpower administers the Unemployment Insurance Fund. The Department of Co-operation and Development has no record of these matters.

1062

Howard
Lebowa Development Corporation
853. Dr W J SNYMAN asked the Minister of Co-operation and Development:

- (1) Whether in the latest specified financial year for which figures are available the Lebowa Development Corporation granted loans to companies in which (a) (i) directors and (ii) officials of this corporation and (b) Cabinet Ministers of Lebowa had an interest; if so, (aa) to what companies, (bb) for what purpose, (cc) what is the capital amount involved in each such loan and (dd) in what way is the capital amount being repaid and interest being paid;

- (2) whether the repayments and payments were made by the due dates in each case; if not, by what amount is each of these companies in arrears in respect of (a) instalments and (b) interest;

- (3) whether any security was offered in respect of the loans; if so, what are the particulars of the security in each case;

- (4) whether he will request the Lebowa Development Corporation to have their auditors publish a report on this matter; if not, why not; if so;

- (5) whether he intends to lay such report upon the Table; if not, why not;

- (6) whether he will make a statement on the matter?

The MINISTER OF CO-OPERATION AND DEVELOPMENT:

1983/84 Financial year

- (1) (a) (i) Yes, in two separate instances.

- (ii) No.

- (b) No.

- (1) (a) (i) Firstly:

EVENING POST, TUESDAY, MAY 1, 1984

Warning to PE industry over high wages

By LOUIS BECKERLING, Business Editor

PORT ELIZABETH industrialists were warned today that a high wage policy inevitably meant a low employment policy.

The warning came in a May Day talk by Professor Brian Kantor to the Economic Affairs Committee of the Midland Chamber of Industries

Prof Kantor, head of the Economics Department at the University of Cape Town, urged employers and, by inference, trade unions to "develop a proper, rather than a false consciousness" of what may be done to help potential entrants to the labour force.

High wage rates artificially enforced, notably by foreign

opinion, were not in the interests of those seeking jobs, said Prof Kantor. (The predominantly multinational controlled motor industry in Port Elizabeth already pays wage rates which are about 20% higher than those paid on the Reef.)

Prof Kantor said it should be recognised that, if the population grew as forecast, an "awesome" gap would develop between the potential and measured labour force.

"This is where being smarter and a proper sense of social responsibility comes in," said Prof Kantor.

"It should be noted that we should not be concerned whether these people entering the labour market will survive or not (they will not necessarily be engaged in employment in the modern sector), but whether their income prospects will be better or worse.

"And they will be better or worse, depending upon the policies of firms and the Government.

"They will be better off, but perhaps not well off, if the firms do not or are not forced to regard high and rising real minimum or other wages as the index of their usefulness to society.

"A high wage policy inevitably means a low employment policy."

Employers forced to pay high wages expected proportionately high degrees of skill and technological efficiency and the result had been less, rather than more, employment in certain sectors of the economy, said Prof Kantor.

The results simply exaggerated income differences between "fortunate insiders and less fortunate outsiders".

School-going children will suffer

Sewetoi

Families told

2/5/84

335

~~187~~

to quit as twenty lose jobs

ABOUT 20 labourers on Anglo American's dairy farm in Plat-koppies, near Heidelberg, have lost their jobs — leaving them and their scores of school-going children stranded.

The chairman of the Oranje-Vaal General Workers' Union, Mr Phillip Masia, yesterday said that the families have been told to vacate the premises at the end of the month.

The workers, most of whom have been living on the farm for the past 30 years, will have to look for accommodation and employment elsewhere.

Mr Masia said that the union had pleaded with management to give the children an opportunity to remain on the farm to continue their studies until the end of the year but this has been turned down.

Mr Pen Baerthy, manager of the farm, said that the company was in the process of selling the farm. They had notified all the workers and paid them

severance pay and other benefits.

Most of the workers refused to be transferred to other farms, he said. They would look for employment in the neighbouring town where their children could also attend school, he said.

Most of the workers have relatives buried on the farm. One of those affected, Mr Zacharia Makhema (50), said that the farm was almost like a home. "It is sad for us to leave our old homes and go into the wilderness."

"Some of us are old and will face problems finding new employment. We also have problems with obtaining Section 10(i)B rights. Our children will be out of school for a year," he said.

OWN CORRESPONDENT

N. Mercury 10/5/84

Hope for fired five

~~10/5~~ Labour Reporter (335)

FIVE workers retrenched by a diesel engine manufacturing company, Deutz Diesel Power, have been guaranteed re-employment in terms of an out-of-court settlement reached between the company and the Metal and Allied Workers' Union yesterday.

Mawu claimed that the workers who are union members were retrenched without the union being consulted.

A spokesman for the Pietermaritzburg-based company yesterday confirmed the settlement but added that the company would release a statement later if necessary.

In terms of the settlement, Mawu is to be paid an undisclosed amount in respect of its members who would be guaranteed re-employment along with any other retrenched employees provided suitable vacancies arose.

'Furthermore, the union has been granted check off and access facilities and the shop steward committee will be recognised by the company,' Mawu branch secretary Mr Geoff Schreiner said in a statement yesterday.

He said both parties intend starting negotiations on a 'full procedural agreement to regulate industrial relations' at plant level. 'This is to be completed within three months according to the settlement agreement,' he added.

The union was pleased to have settled the matter with the company on behalf of its members, he said.

Deputy Editor

9/15/84
E. Post
335

CTC cuts fleet by half, retrenches 449 workers

By KEITH ROSS

EAST LONDON — The Ciskei Transport Corporation (CTC), which has been the target of a 10-month bus boycott, has now cut its original fleet by half and retrenched 449 workers.

This was disclosed today by the public relations manager of the Ciskei People's Bank, Mr Wessel van Wyk.

Mr Van Wyk said the boycott had now cost the CTC about R5 million and the corporation had disposed of 180 of its original fleet of 360 busses.

"We have re-structured and rationalised our operation in view of the boycott.

"Our remaining 600 staff are now all on full pay and we don't foresee any further retrenchments."

Mr Van Wyk said the drastic reduction in the number of buses and staff meant the CTC was able to continue operating with only the present number of passengers using the service.

"But in the long term we will have to

improve these numbers to make the service profitable," he said.

"Already we have a slight upturn in the number of passengers we are carrying, but I can't give percentages at the moment."

Mr Van Wyk appealed to the boycotters to understand that the corporation could make no further concessions.

"There is no more the company can give. We have cut costs to the bone and passed all the benefit on to the commuters.

"We have gone as far as we can go without closing down the company."

Boycotts started when the CTC increased its bus fares by about 10% and in spite of several concessions made by the corporation, it has continued virtually unabated.

At the end of last month the CTC retrenched 109 workers to bring the numbers of employees to lose their jobs to 449.

This latest batch of retrenchments was scheduled for the end of March and was expected to involve 240 employees.

Bus company hit hard by boycott

CISKEI Transport Corporation (CTC), target of a 10-month bus boycott, has cut its bus fleet by half and retrenched 449 workers.

A spokesman estimates that the boycott has cost CTC about R5-million, leading the Corporation to dispose of 180 of its original fleet of 360 buses.

Public Relations Manager of the Ciskei People's Bank, Mr Wessel van Wyk, said, however, that the financial loss was no longer escalating.

"We have restructured and rationalised our operation in view

of the boycott. Our remaining 600 staff are now all on full pay and we don't foresee any further retrenchments," he said.

Mr Van Wyk said the drastic reduction in buses and staff meant CTC could continue operating with only the present number of passengers using the service.

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Sweetan 11/5/84

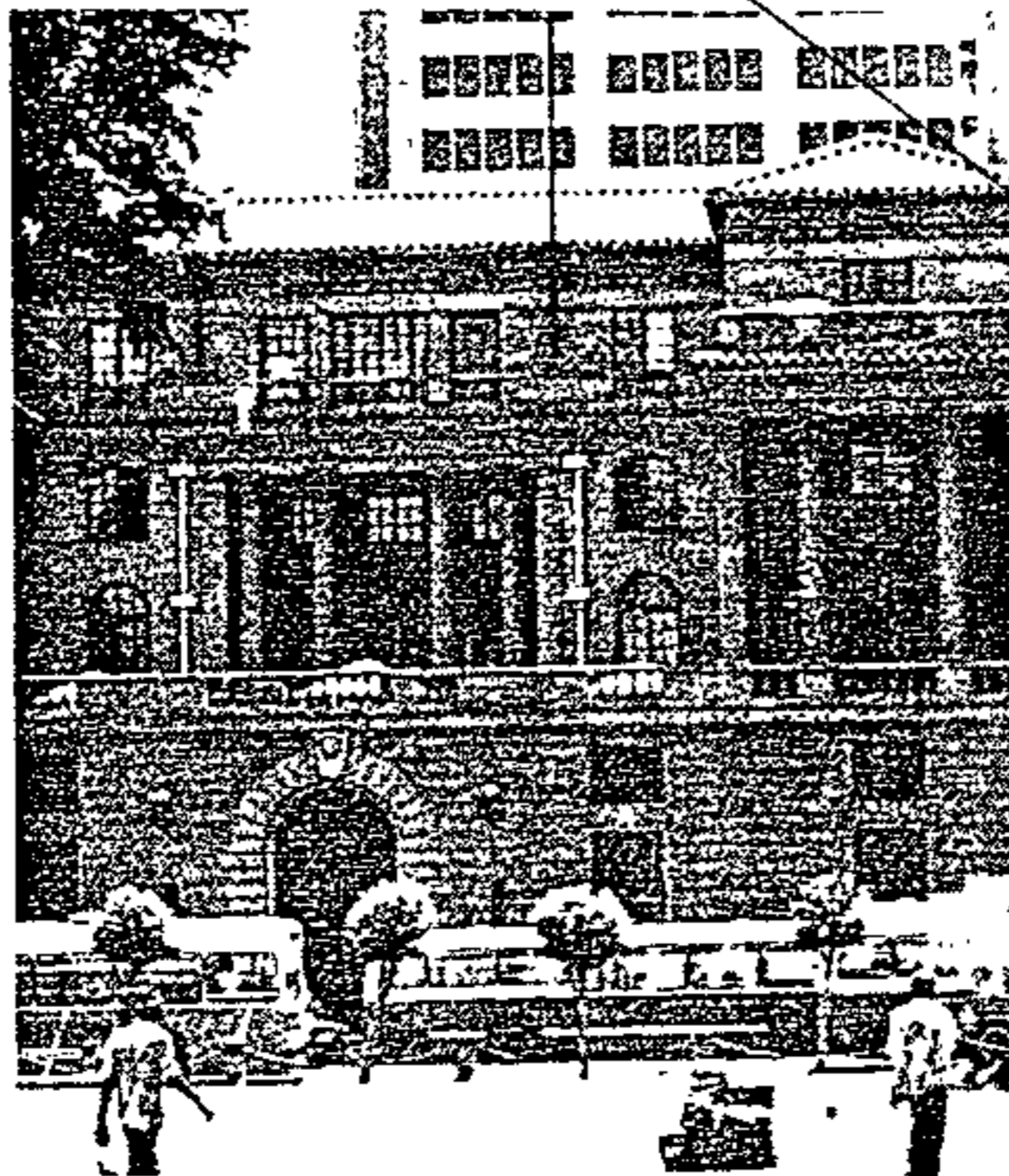


Pretoria University's Lombard ... monetary policy starts at the Treasury

borne in mind that the rand monetary area includes a number of sovereign governments, and this number is likely to increase over time. The Reserve Bank may then find itself having to make an invidious choice if it aligns itself too closely with any one of several Treasuries.

There is a definite need, on both political and economic grounds, to maintain a stable currency. Throughout history, political upheavals have been associated with runaway inflation at least as often as with economic depressions. Furthermore, the inflation rate in SA was in excess of double that of most of our major trading partners over 1983. This is hardly conducive to sound long-term economic growth.

The value of our currency must become more stable, particularly in the transition to, and during the process of, our new political dispensation. This must become the prime function of the Reserve Bank, noth-



Reserve Bank ... currency must be stable

ing more and nothing less. In all other respects, it must be seen to be apolitical.

But how can this be achieved? What can be done to ensure that high inflation — whipped up by sectional claims on finite resources — does not erode the value of the rand and create political and economic uncertainty? Can it be left to the monetary authorities to conduct discretionary monetary policy in the best interests of the economy?

Milton Friedman has pointed out that the predictive powers of the econometric models available to the authorities are such as to render discretionary monetary policy useless. In fact, he argues that, because of the variability of lags between action and effect, discretionary monetary policy usually does more harm than good. Similarly, a new school of economic thought that is currently gaining strong support, the so-called "rational expectations theorists," contend that discretionary "stabilising" monetary policies will inevitably create destabilising shocks.

Fortunately, there is a way of ensuring that a strong currency is maintained. The answer seems so obvious that it is difficult to see how opponents of this view cannot acknowledge its merit. The solution lies in Friedman's monetary rule: the money supply should increase at a constant rate in line with the long-term rate of economic growth of this country.

A steadily growing economy surely requires a steadily growing money supply, if stable prices and realistic, market-related interest rates are held in high esteem. This should be the preoccupation of the Reserve Bank, and it should follow this policy unhampered by the frictional adjustments taking place in the political arena.

If we value economic growth, if we value political stability, if we abhor the indiscriminate and inequitable effects of inflation, let us apply the conventional wisdom of our modern economists in *bona mores*.

BLACK ADMINISTRATION

The way the castle crumbles

Slowly, perhaps too slowly, the empire of Minister Piet Koornhof is crumbling. That it is going is certain — entire functions of the Department of Co-operation and Development (CAD) are being, or have already been, apportioned elsewhere. Yet there are many questions hovering over this process, and as yet government's signals of its intentions *vis à vis* SA's black population are both mixed and troubling.

Last week's scrapping of the latest version of the contentious Orderly Movement and Settlement of Black Persons Bill came after a years'-long struggle by various groupings to expose its iniquity and unworkability. The tangled history of the

The steady dismantling of the Department of Co-operation and Development will bring tears to few eyes. Unfortunately, the major commitment of government to continued influx control and independent homelands means that its functions are simply being allocated elsewhere. This means that while recent developments have heartened opponents of the influx system, the fear is that there is only the appearance of reform, without its substance.

Bill demonstrated, among other matters, that factions within CAD had time and again resisted reformist suggestions on influx control.

Yet the scuttling of this sweeping exercise in social engineering was greeted with less than fervour by the Opposition. In the parliamentary debate on the CAD vote, it was announced that a replacement measure, at this stage termed the Urbanisation Bill, will be introduced next year in the tricameral parliament. The *verkrampste* spirit lives on — though it remains to be seen whether the newly-elected parliamentarians of colour will do anything to assist a law that seeks to intensify restrictions on

black urban rights, if that is what the Bill turns out to be.

Then again, there remains deep uncertainty over the future of the settled Cape townships of Langa, Nyanga and Guguletu. While it has been said, by Deputy Minister of Co-operation George Morrison, that the inhabitants will not be removed to Khayelitsha, beyond Mitchells Plain, by "coercion," the scale of civil engineering at the Driftsands site indicates that government probably has in mind a city of up to half a million blacks there by the end of the century.

It would be possible for government to apply fairly subtle methods of coercion on settled Cape blacks to shift to Khayelitsha. The western Cape is a white and coloured labour preference area, so access by blacks to the economic regions could be made contingent on residence in Khayelitsha — and this could include new workseekers, born in the existing townships, desperate for housing. Or home-ownership on the 99-year leasehold scheme could be introduced on a differential basis in the western Cape: applicable in Khayelitsha, say, but not in Langa, Nyanga and Guguletu.

The pattern that has emerged over the past five years — if the examples of the Orderly Movement Bill, and black tenure in the western Cape are considered — is that while the P W Botha administration has taken definite steps to remove powers from CAD, the commitment to influx control has remained in force. Prosecutions under the Urban Areas Act and the pass laws have continued unabated. A spreading of the burden among those who apply it makes little difference to those who have to bear it.

In 1983, 275 934 blacks were prosecuted in the commissioners' courts; under 1% had legal representation; and there were 142 000 convictions. Some cases were ob-



Eager for work ... still under Koornhof's thumb

339 335



Race Relations' Kane-Berman ... influx Bill could resurface

served to last as little as 90 seconds. In the same year, CAD registered 444 007 new sets of fingerprints in its records, adding to a total which is now approaching 17m.

In the western Cape alone, where the estimated "illegal" black population is put at about 100 000, one in 10 of this number was arrested last year. Small wonder that the Hoexter Commission into the legal system slammed the commissioners' courts — describing in stinging terms the "hordes" of blacks in prison as a result of influx control — and recommended they be abolished.

Yet the problem remains: even when pass offenders are prosecuted in the common courts, it will be under legislation applicable only to blacks.

This needs some qualification. The dismantling of CAD so that the independent homelands fall under Foreign Affairs (already the case), and the non-independent ones under Constitutional Development (proposed) is likely to see a shift in emphasis from hounding "illegals" under the influx laws to charging them for "immigration" offences.

The use of legislation such as the Aliens and Immigration Amendment Bill would serve to sanitise influx control. Pretoria could argue that the Bill applies to illegal workseekers of any foreign nation — though, of course, that includes what current jargon refers to as the TBVC countries, the independent homelands.

With its proud traditions, the judiciary would undoubtedly resist massive prosecutions — on anything approaching the scale of the commissioners' courts — under this law, or others which single out blacks. But government's intentions have essentially remained unchanged since the Riekert Commission recommended *tightening* influx control through making urban rights contingent on legitimate work and "acceptable" housing in the prescribed, that is "white," areas.

But if blacks entering the common area from the independent homelands are to be dealt with as illegal aliens, the same cannot be the case for the non-independent ones. Obviously, Pretoria remains wedded to the concept that all the homelands will take independence, in which case there would be no black South Africans. But with KwaZulu intractable, that fine, Verwoerdian vision continues to recede.

Therefore the focus will fall on the proposed Urbanisation Bill as the measure for the regulation of black entry into the urban areas from non-independent homelands. As the director of the Institute of Race Relations, John Kane-Berman, points out, it would be "premature" to be jubilant about the scrapping of the Orderly Movement Bill. It could in fact resurface as the Urbanisation Bill, in which case, he says, "it will be very interesting to see the line



Workseeker ... the barriers are everywhere

that the so-called coloured and Indian houses take."

Even more interesting, Kane-Berman suggests, will be the attitude of the coloured and Indian Cabinet members. Under the principle of collective responsibility, they will be bound by the majority — white — decision of the Cabinet on the Urbanisation Bill, or any comparable measure.

It is feasible that government will seek to make political trade-offs with coloured and Indian leaders: perhaps a softening on group areas, immorality and mixed marriages legislation, in return for support on influx control. Another counter in this game could be the Prohibition of Improper Political Interference Act, which might be amended so that coloureds and Indians are permitted to belong to the same political parties.

A further problem for government in the implementation of influx laws lies in the stance adopted by the emerging black town and city councils. If black authorities were to take on a certain policing function over the "illegals" there would be euphoria on the Right. Obviously no black leader of any repute would wish to risk being tarred with such an unsavoury brush. But the mounting debt of the councils (29 in existence, 84 in preparation) could place great pressure on black councillors to accept such a role, if funding is made conditional on adoption of this particular function of the vanishing administration boards. Soweto alone is R13m in the red.

Township tensions

Such a move would heighten the "insiders" versus "outsiders" premises which emerged from the Riekert recommendations. Privileged urban blacks with a rising standard of living *might* be inclined to accept discrimination in the labour market against homelanders. But this would entail a battle for the hearts and minds of city blacks which would lead to enormous tensions within the townships.

Again the pattern would be that of the attrition of CAD, with various other statutory departments or bodies — white-coloured-Indian (Constitutional Development, and Foreign Affairs) or black (the town and city councils) — taking over its former functions. Again, a spreading of the load with no real diminishing of the burden.

There remains the position of the Minister himself, Koornhof. Once again, there are rumours that he is on the skids in the Cabinet. While his "liberal" promises were believed all was well. But once people began to make jokes about them, his usefulness waned. It remains possible that he will be "rewarded" in some fashion — an ambassadorship perhaps — in a forthcoming Cabinet reshuffle.

A king must have a castle, and the castle of CAD is crumbling — though its bricks and mortar are being employed, in all-too-familiar fashion, elsewhere.

LAWMEN LASH COURTS

Sewer 15/5/84

~~168~~ ~~167~~ 335 ~~203~~

A JOHANNESBURG labour lawyer warned trade unionists at the weekend to use their labour power to settle their disputes instead of relying on the Government-created industrial courts.

Speaking during a four day labour seminar attended by over 100 trade union leaders in Hammanskraal, Mr Halton Cheadle, of the Centre for Applied Legal Studies, said the industrial court should be viewed with suspicion despite decisions it has

taken in favour of workers.

He also said a stage might soon be reached when the industrial courts will do more to trim the rights of trade unions and increase those of the employers.

He added that it was understandable that South African trade unions would resort more to the use of industrial courts because they did not have enough financial strength to use strikes to settle their disputes with managements.

They were also not

sufficiently developed since only a small percentage of the work force is unionised.

Mr Cheadle said that trade unions in England do not use industrial courts because workers claim that industrial court judges view issues through the employers' point of view — and not that of workers.

For that reason, added Mr Cheadle, they use their own labour power to settle disputes.

Another lawyer, Mr Charles Nupen, of the Legal Resources Centre, said many workers were using the migrant labour system to retrench workers by refusing to renew their contracts.

Mr Nupen said trade unions which have a recognition agreement with management should have a retrenchment clause in their agreement to protect migrant workers.

He also said that Section 10 (1) (a), (b) and (c) were not permanent rights, because they could be taken away any time. The rights remained in force for as long as a worker was employed and was residing in a prescribed area.

E. Post
17/5/84

Jobless spectre raised by MCI

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Business Editor

THE spectre of short-time working hours and retrenchment in the motor industry has been raised by the proposed GST rise, according to the Midland Chamber of Industries.

Damning the Government's apparent inability to forecast its finances "more than a month ahead", the MCI says in its latest Information Bulletin that a mid-winter slump in sales could result.

Referring to the motor industry, the MCI says pre-Christmas buying is normally buoyant with sales in July and August as low as 21 000 units.

"Volumes of this size will lead to short-time and perhaps even retrenchment," the MCI says.

If so "the blame will be laid, justly, on those responsible for the *ad hoc* way in which the national finances are being handled", it says.

Mercury 21/5/84 (15) (17) (335)

Sacked 500 to be replaced

Labour Reporter

THE Uniply factory in Cato Ridge will begin recruiting new staff today to replace more than 500 workers who were fired on Friday after a go-slow campaign.

The entire production staff at the woodboard factory was suspended last week after protesting against the dismissal of two shop stewards, who were fired for allegedly organising a May Day demonstration.

Announcing their dismissal, a spokesman for the company said the management 'regrettably came to the unhappy decision to terminate the employment of the weekly paid production staff after very careful consideration of all the relevant factors'.

All employees affected by the notice would receive an additional one week's pay. The company was taking steps to engage a new work force as quickly as possible, he said.

The factory had had labour problems for a considerable time.

Matters came to a head earlier this month when four shop stewards were fired for allegedly organising a May Day demonstration.

Two were reinstated after the Paper, Wood and Allied Workers' Union intervened.

The company refused to reinstate the remaining two — which led to a series of work stoppages and the go-slow campaign.

SA 'about to be swamped by tidal wave of unemployed'

SOUTH AFRICA urgently needed a multi-disciplinary conference to formulate an employment strategy, Mr Ron Miller (NRP Durban North) said in the Assembly.

He made his call for such a conference during the committee stage debate on the Manpower budget vote.

"We are about to be swamped by a tidal wave of unemployment," Mr Miller said.

NEGATIVE GROWTH

The department's report put the unemployment figure at 55 000, but everyone knew there were a further 200 000 black school-leavers every year who could not

find jobs because of the negative growth rate of the economy.

"I believe the time has come for a conference of all interested bodies to develop a strategy for employment," Mr Miller said.

"We need a multi-disciplinary approach to solve our unemployment and under-employment situation.

COMPLEX

"We have a particularly complex situation with our interface of First and Third World sectors."

The high level of mechanisation required to keep production competitive on the one hand contributed to unemployment on the other.

"Unless we solve these problems we will find a spill-over into the country's social, economic and political problems."

CAPTAINS

The conference should be attended by the captains of industry, Government representatives of the various affected departments, the chambers of commerce of all population groups, and bankers.

"It must not be called to write a lot of reports or study the extent of the problem," Mr Miller said. It had to be a 10-day working conference from which a plan of action could be formulated. — Sapa.

By denying rights govt 'incites' blacks

Cape Times 22/6/64

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Political Staff

HOUSE OF ASSEMBLY. — The government's withholding of genuine political rights from blacks was nothing short of an incitement to them to use other than purely constitutional means to attain such rights, the Progressive Federal Party's chief spokesman on manpower, Dr Alex Boraine, charged yesterday.

Speaking in debate on the manpower vote, Dr Boraine said the government would be well advised to proceed with caution and sensitivity in the "fluid and fragile" labour relations field.

"When we bear in mind that of the nearly nine million economically active persons in South Africa almost two-thirds are black, one begins to comprehend the complexity which has all the potential of a battlefield."

While the overwhelming majority of black trade union leaders saw the struggle for better wages and improved working conditions as their major priority, the government's with-

holding of genuine political rights from blacks put union leaders under enormous pressure, he said.

"They have unbelievable pressure from many of their members who are angry and disillusioned at their continuing third-class citizenship existence," he said.

Dr Boraine said this "pressure cooker" was heating up for a number of reasons:

● The recent legislation which brought about equal taxation had brought about a "shriller and more urgent" demand from black workers for equal facilities for equal taxation, and above all "equal representation for equal taxation".

● The "galloping" rate of GST had further worsened the already potentially explosive situation "and the ham-handed, clumsy way in which the most recent increase has been handled has not helped either".

"Black workers, who are in the vast majority in the industrial field, have



absolutely no say and no leverage in the corridors of power. No sooner have they negotiated for a relatively small increase, when it is overtaken by increased GST," he said.

"Many of them are living from hand to mouth and every new increase creates greater desperation and increased pressure on trade union leaders as well as on management."

● The growing activity in the registration and electioneering in preparation for coloured and Indian elections was a daily reminder to blacks that they were excluded from the new dispensation.

● The recession had bitten hard and black unemployment continued to spiral. It had now reached alarming proportions with no sign of the economic recession being eased.

"What is more serious is that so much of black unemployment is not merely cyclical but structural, which means that even if the economic situation should dramatically improve, it does not necessarily follow that the

unemployment situation amongst blacks will improve," he said.

● The ravages brought about by the recent and continued droughts had caused extreme hardships and a further movement away from the rural areas to the cities.

● The loss of South African citizenship and need to move from an independent country on a daily or migratory basis created its own pressures and problems.

Dr Boraine said it was clear that the white population was not able now, nor would it ever be able, to meet the increasing demands of the South African economy without heavy reliance on black workers.

"It is therefore imperative, not only that we should be sensitive and aware in terms of legislation and labour relations, but that until we attend to fundamental political rights for blacks, we are sitting on a time bomb.

"Economic stability is inextricably bound up with political rights."

By Malcolm Fothergill

After a year in which Toyota increased its market share without introducing new lines, MD Mr Colin Adcock is confident everything will keep going right for South Africa's premier motor maker in 1984.

Among big developments in the pipeline are the launch in April of at least four new trucks in the Hino and DA Super Dolphin range, the probable launch of a front-wheel-drive Corolla late in the year and a move into making components.

Details of the move into components will be announced "fairly soon", but plans for the next car launch are being kept under wraps for the time being.

Mr Adcock makes no secret of his end-of-1985 target — 25 percent of total SA vehicle sales. This might sound ambitious, but given Toyota's steady growth since the late 1970s it need not be beyond reach.

An idea of how quickly it has grown: in 1973, when it was basically a commercial vehicle operation, it sold 6.5 percent of all passenger cars. By November 1983 (the latest figure available) it held 20.4 percent, against 18.6 percent a year earlier.

NOWHERE NEAR LIMIT

Its share of the total vehicle market had grown to 22.7 percent by November, against 21.6 percent in November 1982, while its share of the total commercial vehicle market remained 27.4 percent.

Is the company not approaching the limit of its market penetration? Mr Adcock thinks not.

"I don't believe there needs to be a point at which we have to stop growing. In any market, you reach a point where it's hard to increase your

Big developments in pipeline

Toyota driving for 25% of the market



MD Colin Adcock... no stopping growth

market share, but we're nowhere near that point yet," he says.

Reasons for Toyota's success? Mr Adcock lists them as producing highest quality for lowest price, which implies getting the production line running smoothly, and marketing.

He also notes that except for Renault, every other car maker has at least three lines, against Toyota's two.

He believes that far from being an advantage extra lines could dilute his competitors' marketing efforts while denying them some economies of scale.

Much of Toyota's efforts in the coming year will be to establish its Super Dolphin trucks, which at 10 to 15 tons capacity will slot in above its present F series.

The long-term aim is to achieve in trucks the same position in South Africa as Toyota has internationally — No 2 to Mercedes-Benz.

Again, the target looks well within range. In the first month after the F series was introduced last year, Toyota moved from eighth to third

in truck sales charts.

A long-time fighter for equal pay for equal work, Mr Adcock is proud that pay and promotions at Toyota have been based on merit only since 1973, the year after he took over.

Inter-racial friction has been all but non-existent, he says, but the chauvinism of many South African men has caused some problems.

"I'm not really a philanthropist. At the end of the day it's a business decision — in return for better pay I expect better productivity." Quality circles, introduced at senior levels and moving down the line, have reached middle management, including shop floor black supervisors.

KEEPING THEIR JOBS

Next, Mr Adcock hopes to move towards another Japanese idea — guaranteed lifetime employment.

Black men tend to favour "last in, first out" during hard times, he says. But in the 1977/78 recession, Indian women who make Toyota's seat covers all asked to work short time

rather than have anyone sacked.

On the national scene, Mr Adcock believes gold will improve slowly in 1984, finishing the year above \$400.

He also expects American interest rates to ease, bringing a small improvement in the rand/dollar rate.

Since exchange rates began floating in the early 1970s they have caused headaches for companies like Toyota which deal daily in foreign currencies.

If Toyota SA made no attempt to correct the swings in foreign exchange rates it could theoretically lose R17 million a year. So it closely watches exchange rates, buying forward where necessary to protect its position.

"We don't aim to make money out of managing our currency; we just aim to match our budgeted targets."

Mr Adcock, who rates 1983 as the most fascinating year of his career, expects to see "real growth across the board" in the second half of 1984, after a pedestrian first half.

American's size is omnipotent.

But, he says, the big companies and, ultimately, the people who control them, can have little impact in politics — unless individuals are ready to forsake all and join the party they believe will bring change.

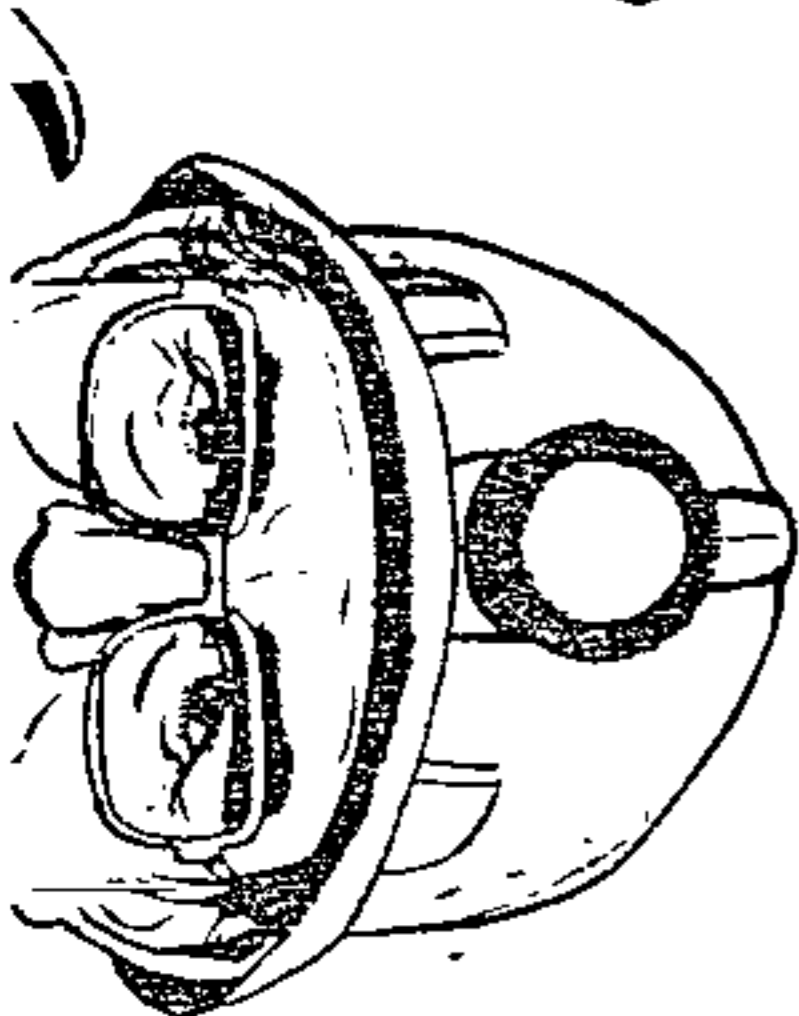
"Businessmen of goodwill, however important, can do very little in direct political matters."

For this reason he has played no

It's not often one comes across someone like Dennis Etheredge, an academic turned businessman — almost by accident — who rose from part-time clerk to chairman of the world's most powerful gold mining group.

And, somewhat surprisingly, he is the archetypal favourite uncle. He shows no outward sign of the

Etheredge's retirement lead



most powerful group.

And, somewhat surprisingly, he is the archetypal favourite uncle.

He shows no outward sign of the power which his position as head of Anglo American's gold and uranium division commanded.

His retirement last week will therefore leave a much more difficult space to fill than might otherwise have been the case.

Mr Etheredge's career has been well documented, from his active days as secretary of the United Federal Party in the then Southern Rhodesia through his efforts during the "Zambianisation" of the Copperbelt.

He is a director of many organisations, ranging from president of the Bureau of Literacy and Literature to the Atomic Energy Corporation. They mainly embrace his longstanding commitment to improving the quality of life for all races.

Predictably, retirement will not entail a withdrawal from the public stage. In many ways he will probably be busier now than ever before.

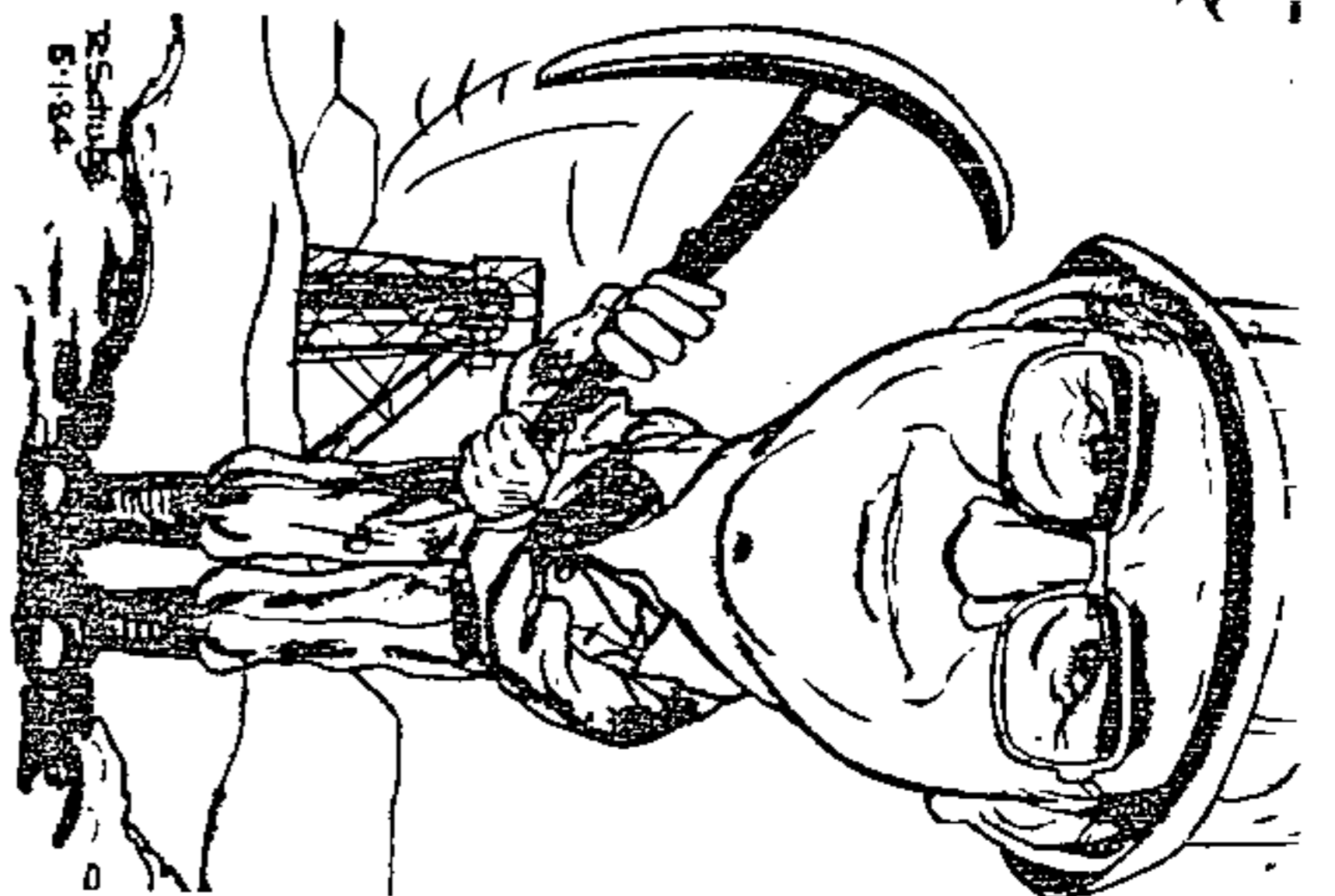
In fact, he still has something up his sleeve — that cannot be revealed at this stage — which will involve becoming chairman of a rather influential organisation.

Given his continuing commitments he feels the aspect of Anglo he will miss most is his secretary. "I will now have to do all my own filing, buy my own stamps and pay my own telephone bill."

Not one to be put off by new challenges, he went to pay his 'phone bill

Retirement will lead to busy new role

Mr Denis Etheredge retired at the end of 1983 as chairman of Anglo American's gold and uranium division. Peter Farley spoke to him about his contribution to South African mining.



Dennis Etheredge... hanging up his pick and shovel.

the other day for what must be the first time in 20-odd years. "I was amazed how easy it was."

But that is the lighter side of a man respected worldwide for his honesty and professionalism.

As a regular speaker at international gold and investment conferences, he is often accorded the accolade of being at the top of his field.

But he has no illusions about such a billing being ephemeral.

Recently asked to address yet another conference later this year in the US, he politely declined and sug-

gested selection of someone closer to the pulse.

Candid as ever, Mr Etheredge says: "I no longer matter." While some of one's experience is relevant for a long time, he says, "a lot of it becomes outdated very quickly."

His early days with Anglo, amid the torrid politics of Southern Rhodesia, taught him a lifelong lesson.

He says there are many illusions about the power of big business. Many people believe, and often expect, that a corporation of Anglo

politics — unless individuals are ready to forsake all and join the party they believe will bring change. "Businessmen of goodwill, however important, can do very little in direct political matters."

For this reason he has played no part in the political arena since his return to SA from up north almost 10 years ago — and has no intention of becoming more active.

One certainty: he will not be playing any golf in the few spare moments he will get during retirement.

With good reason he well remembers December 15 1975, about 5.15. He had just completed a round of golf at Vaal Reef's gold mine's Orkney course as the last fourball in a hit and giggle tournament — where the men and women play together.

He returned to the clubhouse with a meagre eight points. Bad enough to have come last, but then the final blow — to be told his wife had won with 38 points. Enough to make even the mildest chauvinist hang up his clubs for good!

Other occupations during the next few years — as if he doesn't have enough already — will be keeping a closer watch over the trout farm he runs and more careful tending of his collection of Japanese miniature bonsai trees.

Certainly few men can deserve a break as much as does Mr Etheredge. His wife Meg will readily agree.

But there is no doubt that those whom he leaves behind at Anglo would rather see him back at his desk on Monday morning.

... and in the job queue

Cape Herald By Portia Maurice

EQUAL job opportunities for all. Is it fact or fiction?

Job discrimination along racial lines has been a feature of South African society for centuries, and even in this, the age of the new constitutional proposals, it has not disappeared.

Despite proclamations by many business companies that job reservation no longer exists, a Cape Herald survey of employment notices in an afternoon newspaper has shown that at least a quarter of all these advertisements cater only for a specific race group.

The Dairybelle Corporation, which does business in many black areas, recently advertised a vacancy for an experienced and mature telesales lady — with the important condition that she be a "European".

POLICY

When asked to comment on this peculiar preference, a Mrs Coates, who was to interview the applicants, said: "It is company policy to employ only whites in the head office. I don't know the reason for this, but those were my instructions, and I just followed them."

Once the explanation became too difficult to handle, she offered to refer me to her boss, but after a few minutes a disgruntled Mrs Coates returned to say that the company had no further comment to make on the matter.

Mr Dawood Khan, chairman of the Western Cape Traders' Association, said: "Dairybelle is not affiliated to us precisely because of this kind of attitude."

Later, after speaking to the manager of the company, Mr Khan said: "He claims that the advertisement was a mistake, and has given me the assurance that he will withdraw the racist conditions it involves — but I don't believe a word he says."

DISCRIMINATION

"If the company continues with this kind of filthy discrimination, there will be no alternative, but to call for a black consumer boycott of their products."

A similar example was an advertisement for a meat market manager for Kanhym Karoo Limited — addressed to "coloured matriculants".

Mr Peter Warnich, an employee of the company, said only coloured applicants would be considered for the job because "we want to give them a chance to improve themselves".

"We have many stores in Checkers shops in coloured townships, and the whole operation there is under the control of coloured management. This is Checkers' philosophy, and it avoids problems."

It would seem then that job discrimination is still very much in force. Employment opportunities are by no means equal, and it will need much more than a new constitution to make the necessary changes.

PRETORIA

Limiting growth

For 1/6/84
Greater Pretoria's population will increase to 1 409 000 by the turn of the century — 753 000 whites, 35 000 coloureds, 28 000 Indians and 593 000 Africans. But the industrial growth of the capital is to be limited to providing new jobs for only 145 000 people, less than one-tenth of the population.

The official development guide plan for the region states: "While it is anticipated that Pretoria will continue to provide employment opportunities for a large portion of the population in the Mabopane/GaRankuwa area during the next two decades, it is emphasised that extraordinary economic growth in the city should not be stimulated at the expense of the national states."

Of the 145 000 people for whom jobs will be made available, only 35 000 will be for black commuters from GaRankuwa and Mabopane in Bophuthatswana as well as from Soshanguve, a black township on the Bophuthatswana border where families with Section 10 rights (entitling them to live in Pretoria) are resettled.

This seems to suggest that government wants to limit the city's economic growth in accordance with ideological plans to resettle its natural black population growth in the homelands.

Greater Pretoria extends from Hammanskraal in the north to Midrand in the south, and from Hartbeespoort Dam in the west to Tiegerpoort and Boschkop in the east. The development guide plan for the region has been released by the Department of Constitutional Development.

To fit in with Pretoria's policy of border industries, the land earmarked for economic growth, some 1 200 ha, is near Rosslyn on the border of Bophuthatswana.

Suburban rail and bus services have been established linking black commuter settlements in Bophuthatswana and KwaNdebele to the capital to enable people to commute to work.

About 13 300 commuters travel daily each way between GaRankuwa and Pretoria while 9 200 are transported between Hammanskraal and the capital. In addition, about 65 400 people commuted by bus between the Mabopane/Soshanguve complex and Pretoria in 1981 — about 8 500 from

GaRankuwa, 10 600 from the Erasmus transfer rail station, 11 300 from Mamelodi, 8 000 from Saulsville/Atteridgeville and about 7 800 from KwaNdebele.

Job outlook (335) Star 'remains dim'

Labour Reporter 30/5/84

Employers have "given up all hope" of an economic upturn in 1984 and are setting their sights on mid-1985 for a business improvement.

As a result, employment prospects remain dim, and some companies expect to reduce staff complements even further in the coming months.

This is the finding of the Manpower Survey of Employment Prospects carried out among a number of top South African companies.

The survey shows that the significant increase in jobs forecast for the first few months of 1984 has not materialised.

Although there is a discernible upward trend, employers are far more cautious about future planning, it says.

In a breakdown for each industry and region, the greatest increase in employment is expected in Natal, where white labour will be particularly in demand.

BLACK WORKERS

Demand for black workers is expected to be greatest in the Free State.

Industries which are planning to increase employment levels include building (housing), banking and insurance, pharmaceuticals, electronics and electrical engineering.

Those industries where further shrinkage is expected are construction, farming, foundry and steel mills, mechanical engineering and base metals.

In his comments on the survey results, Mr Ted Harris, managing director of the Ralph Parrot Group, says that many employers are continuing the practice of not replacing staff who leave.

Most are not prepared to meet unrealistic salary demands, he adds.

"The requirement for black staff is expected to increase at a lower rate than for white staff, probably because of poor prospects in the more labour-intensive sectors of the economy," he says.

THE EXECUTIVES

w/f ARGA S
26/5/84

Mr Simon Jocum, chairman of the Cape Clothing Manufacturers Association and joint managing director of Peerless Shirt Manufacturers, is also chairman of the Clothing Industry Training Board of South Africa and immediate past president of the National Clothing Federation.



Clothing industry

now 'a survivalist game'

By AUDREY d'ANGELO

THE rise in general sales tax on July 1 is more likely to increase unemployment than to bring profit margins down, says Mr Simon Jocum, chairman of the Cape Clothing Manufacturers Association and joint managing director of Peerless Shirt Manufacturers (Pty).

He said in an interview that he did not think clothing retailers or manufacturers could afford to reduce profit margins to avoid a fall in sales as a result of the higher GST.

Stiff competition was already keeping prices low. "Clothing manufacture is the most competitive industry in South Africa.

"In Cape Town alone there are more than 400 factories and in the country there are 1 000, all competing, and that keeps prices down.

"The clothing industry is not

a high-profit one. It has become a survivalist game.

"There is stiff competition between retailers, too. That is why prices this winter started at the same level as last year."

The fall in the value of the rand against the dollar had already wiped out most of the profit some manufacturers using imported fabrics had hoped to make from clothes for next summer.

Cautious optimism

They had ordered fabrics to be paid for in dollars at a time when the rand was worth \$0,88c, only to see it fall to below \$0,77.

The clothes had already been sold to retailers at prices based on the higher value of the rand "and some people have taken a bad knock."

In spite of this clothing manufacturers, who were now taking orders for next winter, were in "a mood of cautious optimism."

Retailers had allowed their stocks to fall so low that they had to order more.

This was the main reason for a recent upturn which the rise in GST now threatened to kill off.

The spell of cold weather last week had helped sales and it was possible there could be more.

"A great deal depends on the weather. We had no really cold weather last winter and it was the worst one that I can remember in 35 years in the clothing trade.

Free market zone

"Firms which kept going through that are the ones which will survive. This year can only be better than 1983."

Discussing future trends, Mr Jocum said the South African clothing industry would not fear competition from overseas firms setting up in the new free market zone in the Ciskei, provided it was fair.

To Page 18.

But protection would be needed if these firms were able to buy fabrics free of import duties because this would lead to unfair competition from "predatory imports".

His own firm bought South African fabrics whenever these were available, even if the cost was higher than those from overseas.

More jobs

He thought it important to help provide jobs by supporting the local textile industry.

Some local firms produced beautiful fabrics and although there were complaints that some were late in fulfilling orders this was not always the case.

Both manufacturers and retailers could avoid delay by giving orders well in advance.

Unfortunately a reluctance

by retailers to keep large stocks when interest rates were high had increased a tendency to give late orders.

Big chains

Neither Mr Jocum nor his partner, a cousin by marriage, Mr Stuart Tyfield, intended to have careers in the clothing industry.

Mr Jocum was studying to become an accountant when he was invited to join Peerless Shirt Manufacturers. The firm had been started by an uncle, Mr Cecil Jocum, three years earlier to supply his own wholesale company.

Mr Tyfield, who had been working as a journalist on a Cape Town newspaper, also joined the firm and they began to supply independent retailers.

Now Peerless also supplies the big chains. It employs 370 people — some of whom have been with the firm for many

years — and has doubled its turnover in the past six years.

It was one of the first firms in Cape Town to introduce an incentive bonus scheme, for high productivity 10 years ago. This resulted in a 58 percent increase in productivity in the first two years.

It is still a family firm. Mr Tyfield's sons, Laurence and Jonathan, have joined it and Mr Jocum said: "We run it as a team."

He has never regretted coming into the business although he says: "It is a high-risk industry.

"Men of all ages have become very fashion-conscious now and however long you have been in the business you are only as good as your latest range.

"After 35 years I still make mistakes — but I make them with more confidence."

"One of these days I mean to write a play about it."

Bus service stopped 300 jobs in jeopardy

By Gavan O'Connor
Pretoria Bureau

About 300 jobs with the Putco bus company are in jeopardy after services between Mabopane, Soshanguve, Bophuthatswana and Pretoria were stopped.

A report in Putco News says that the company has lost about 15 000 of its 26 000 passengers from those areas.

The fleet serving the area has been reduced from 280 to 160 buses.

The report said that before the Mabopane-Belle Ombre rail scheme opened in August last year, the company had operated 400 buses on routes in the area and carried about 42 000 passengers.

Putco News said an effort was being made to avoid retrenchments.

Suetan *8/6/84*

Putco retrenches 80 in TP

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By NKOPANE MAKOBANE

PUTCO has retrenched 80 of its employees following the withdrawal on April 30, of bus services from Mabopane, Soshanguve and the Bophuthatswana hinterland to Central Pretoria.

A spokesperson yesterday told **The SOWETAN** that following the stopping of the service, 300 jobs had been in jeopardy, but they had been able to transfer 220 employees to other departments.

Since the implementation of the decision by the inter-departmental committee co-ordinating road and rail services, ratified by the Minister of Transport, the company says it has lost about 15 000 of its 26 000 passengers daily from these areas. There has also been a reduction of the fleet serving the area from 280 to 160 buses.

Before the opening of the R134-million Mabo-

pane — Belle Ombre rail scheme in August last year, Putco operated 400 buses on these routes, carrying some 42 000 passengers daily.

According to the spokesperson, all Putco staff had been briefed on the situation at a series of meetings, and management had continued to assess staff requirements, examine relocation opportunities and avoid retrenchments where possible.

Ring rail

From April 30, passengers from Bophuthatswana and Soshanguve into Pretoria city had taken trains to Belle Ombre station. Putco buses continue to operate

from there into the city and the area served by the ring rail around Pretoria.

Passengers travelling to Capital Park and Oos-Moot have to take the train to Wonderboom, where Putco feeder buses operate.

Meanwhile Putco has submitted a claim to the Department of Transport for loss of substantial revenue following the withdrawal, according to Mr Pat Rogers, the company's PRO. He said he would not disclose the amount claimed as "it was a matter subject to negotiations."

"I am, however, hopeful that a satisfactory settlement will be made," he said.

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...reference to his reply to question No 718 on 12 April 1984, amount of R711 120,89 paid to the Durban Corporation for 108,6151 hectares covers the full development cost of the first phase of 52 hectares referred to in his reply to Question No 9 on 9 March 1984; if not, what was the total cost (a) of the development of this phase and (b) incurred in relation to any other portions of the Umkubaan area?

THE MINISTER OF MINERAL AND ENERGY AFFAIRS (for the Minister of Community Development):

No. The amount of R711 120,89 must be increased by R30 967,85 in respect of interest to a total of R742 088,74. At the same time the size of the land of 108,6151 ha must be decreased to 87,5 ha because 21,1 ha will be utilized for the Indian Teachers Training College.

(a) The development cost of the first phase presently amounts to R4 684 836,34 but this figure is not final.

(b) None.

Durban: shooting incident

*7. Mr P C CRONJÉ asked the Minister of Transport Affairs:

(1) Whether the South African Railways Police have held an inquiry into a shooting incident on a Durban station platform on or about 24 May 1984; if so, (a) what was the (i) nature and

(ii) scope, and (b) who was in charge, of the inquiry;

(2) whether the inquiry has been completed; if not, (a) why not and (b) when will it be completed; if so, what were the findings;

(3) whether he will make a statement on the matter?

THE MINISTER OF CO-OPERATION AND DEVELOPMENT (for the Minister of Transport Affairs):

(1) Yes.

(a) (i) and (ii) Statements were taken from eyewitnesses and a security guard of Transport Services was arrested on a charge of murder and two of attempted murder. He appeared in the Magistrate's Court, Durban, on 25 May 1984 and the case was postponed until 6 July 1984.

(b) A lieutenant of the SA Railways Police, Durban.

(2) No.

(a) The police investigation is proceeding.

(b) Before 6 July 1984.

(3) No, as the matter is *sub judice*.

Transkei: employment projects

*8. Mr K M ANDREW asked the Minister of Foreign Affairs:

(1) Whether the South African Government held discussions with the Transkei Government during the first half of 1983 concerning employment projects to be undertaken in Transkei; if so, (a) when, (b) over what period

were they to be undertaken and (c) what was the estimated total cost involved;

(2) (a) (i) what amount in financial aid was to be provided by South African and (ii) on what terms was this aid to be provided and (b)(i) how many employment opportunities were to be created and (ii) what was the nature of the employment to be provided;

(3) whether any conditions relating to the allocation of these employment opportunities were (a) requested and/or (b) required by the South African Government; if so, (i) what conditions and (ii) why;

(4) whether Blacks in the Western Cape were to be given preference in the allocation of these employment opportunities, if so, (a) how many and (b) on what basis;

(5) whether agreement was reached on these projects; if so, when are the projects due to (a) commence and (b) be completed; if not, why not;

(6) whether any subsequent attempts have been made to reach agreement on employment projects in Transkei; if so, (a) when and (b) with what results in each case?

THE MINISTER OF INTERNAL AFFAIRS (for the Minister of Foreign Affairs) (Reply laid upon the Table with leave of House):

(1) Yes.

(a) Discussions were held on 21 January; 18 February; 3, 4, 10 and 11 March; 9 and 21 June 1983.

(b) The employment projects discussed included short term actions for immediate implementa-

tion while medium and longer term actions were also considered. The short term actions were envisaged to take place over 2 years after which the program would be reviewed.

(c) The initial cost estimate of the short term actions was R3 000 000 per year.

(2) (a) (i) R3 000 000 per year.

(ii) As non-recoverable financial assistance.

(b) (i) 4 000.

(ii) The nature of employment to be created was for maintenance work at clinics, hospitals, defence installations and plantations as well as soil conservation work, tertiary road maintenance and construction and the development of water resources on a small scale.

(3) While primarily aimed at unemployed persons within the borders of Transkei, room was left for the employment of persons illegally resident in the Western Cape, who returned to Transkei.

(a) Yes.

(b) (i) South Africa requested that of the 4 000 jobs to be created, 1 000 should be allocated to Transkeians who returned from the Western Cape. These new jobs were to be allocated on a 3 to 1 basis ie that after an initial 2 500 jobs for resident Transkeians had been created some 1 000 returning Transkeians would be em-

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played under the program after which a further 500 locally resident Transkeians could be employed.

(ii) To assist the Transkei Government in combating unemployment while at the same time ensuring that jobs would be available for Transkeians returning from the Western Cape.

(4) Yes.

(a) 1 000.

(b) On the basis set out in (3)(b)(i) above.

(5) Agreement has been reached regarding projects providing 2 500 jobs for resident Transkeians.

(a) The projects were initiated in March 1983 and the 2 500 jobs so far created were filled during the 1983-84 financial year.

(b) The further implementation of the program has not yet been finalized.

(6) Yes, it is a continuing process.

(a) Various meetings were held in the latter part of 1983 as well as in 1984.

(b) Most, if not all, of the problems concerning the administration of the current program employing 2 500 persons have been resolved. The planning of extensions or supplements to the existing program is in an advanced stage and is being continued.

Blacks employed by Development Boards

Q. CoI, 1528 8/6/84
*9. Mr K M ANDREW asked the Minister of Co-operation and Development:

Whether any Black persons hold posts equal or senior to that of housing manager in the employ of any Development Board; if not, why not; if so, (a) what posts in respect of each specified Development Board and (b) what (i) salary scales are applicable to, and (ii) qualifications are required for each of these posts?

THE DEPUTY MINISTER OF CO-OPERATION:

It is not clear what is meant by the term "housing manager".

(a) Only two posts exist that can possibly be brought within the rather vague definition of "housing manager". Both are on the establishment of the Orange Vaal Development Board. At all Development Boards posts of various gradings exist that cannot be brought under this definition, although the incumbents are engaged in the administration of housing. Black Training Officers and Black Social Workers hold posts equal to or higher than that of "housing manager" at some Development Boards.

(b) (i) R12 030 x 570 - 14 880 plus an allowance of 12% per annum in the case of Training Officers. R8 820 x 414 - 10 890 x 570 - 14 880 plus an allowance of 12% per annum in the case of Social Workers.

(ii) For appointment to the post Training Officer an appropriate University degree and at least three years experience in the rank of Senior Clerk is required, while for appointment to the post of Social Worker registra-

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tion with the Council for Social and Associated Workers is required.

Coloured schools: materials/text books
Q. CoI, 1529 8/6/84
*10. Mr R M BURROWS asked the Minister of Internal Affairs:

(1) Whether any Coloured schools had not received their requisitions of school (a) materials and (b) text books for 1984 from his Department by 31 May 1984; if so, (i)(aa) how many schools and (bb) why in each case and (ii) what materials had not been supplied by that date;

(2) whether any teachers have been (a) requested and (b) required to purchase text books in order to implement school syllabuses; if so, why;

(3) whether he will make a statement on the matter?

THE DEPUTY MINISTER OF INTERNAL AFFAIRS:

(1) (a) and (b) Yes, there are schools that have not received all the materials and text books requisitioned.

(i) (aa) Approximately 800 in respect of materials and 538 in respect of text books.

(bb) The reply is incorporated in the reply to (3).

(ii) There are numerous items of material that can be and are requisitioned. It is not practical to name every item but the materials that have not been supplied fall within the general description of art and stationary items.

(2) (a) and (b) No.

(3) It must be borne in mind that requisitions are normally made to supplement existing stock and that the fact that any particular requisition has not been carried out does not mean that the school is necessarily without stock of any particular item. Whilst it remains the ideal to supply all educational institutions adequately and without delay with stationary, materials and text books, one cannot disregard the fact that the quantities, the procedures and the numerous suppliers and contractors involved in the process do carry a risk of delay in the execution of orders. All education departments at some time or another experience difficulties in having requisitions, text books, etc. supplied in time. From the Department's side everything possible is being done to adequately supply schools and the fact that the outstanding text books represent only 2% of the total expenditure of text books, is an indication of the fruits of its efforts.

*11. Mr R M BURROWS—Community Development—Reply standing over.

Prohibition of Political Interference Act

*12. Mr S S VAN DER MERWE asked the Minister of Internal Affairs:

(1) Whether he recently received any representations from any Coloured political parties concerning the Prohibition of Political Interference Act, No 51 of 1968; if so, (a) when, (b) from which parties and (c) what was (i) the nature of the representations and (ii) his response thereto;

(2) whether he indicated in May 1984 that he would effect certain amendments to this Act; if so,

(3) whether he intends effecting any

Unemployment seems to have abated in EP

(235) 2. Post 11/6/84

By LOUIS BECKERLING
Business Editor

THE advancing tide of unemployment in the Eastern Cape appears to be turning.

Figures released today show that for a second consecutive month the number of registered job hunters in the region is below comparable totals for last year.

The number of unemployed of all races registered at Department of Labour bureaux throughout the Eastern Cape in May totalled 8 762 — 15,5% below the 10 371 job hunters on the department's books in May last year (which, by contrast, was 52% above May, 1982, levels).

The improvement follows a 7,2% drop in unemployment levels in April, 1984. By contrast April 1983 unemployment was 78% up on the previous year's figures.

However, both the divisional inspector of labour for the Eastern Cape, Mr J C Greyling, and the Midlands Chamber of

Industries' president, Mr Henry Whittaker, have cautioned against over-optimism.

"Bear in mind that the figures reflect only those who voluntarily register as unemployed, and for some reason many people without jobs — mainly blacks — might not have been registering lately," said Mr Greyling today.

"We must not be too optimistic. The unemployment problem is still with us."

In similar vein Mr Whittaker warned of the uncertainties created by the proposed increase in GST on July 1 from 7% to 10%.

"It is likely that there will be some inventory-building for a little while (and hence improved job prospects), but with the uncertainties introduced by the increase in GST it is difficult to forecast what might happen in the next few months.

"But it is likely that in the fourth quarter, improved inventory levels will be run down — with consequently poor prospects for employment."

working for an international company. Today, however, very few find that there is much that is fundamentally different between international and national companies.

The attitudes of management and personnel in these organisations appear to have become that of "we are doing you a favour by considering employing you..."

To those who do not carry around some piece of paper stating that they hold this or that diploma or degree, prospective employers dodge the issue by stating that such qualification is essential for that particular position.

Academic

On the other hand, those with academic qualifications are being turned away on the pretext that they have no experience. Others are being told that they are over-qualified for the posts advertised. The few who eventually manage to get a position in one of these organisations, and who think that they are home and dry at last, are soon disillusioned.

Many are relegated to the lowest rung of the organisation's ladder, and told that they need to familiarise themselves with all the very elementary processes that help make the company tick. This type of attitude usually manifests itself in the "trainee" positions new employees are started off in, and that in some companies can last for up to two years.

From a trainee, one then moves on to being an "assistant" whatever, than a senior XYZ, until

15 years later, the lucky few might just make it to eg. product manager.

That there is a group product manager, marketing manager and a host of directors of the company above him, is usually not worth moaning about.

This is because the problem to be sorted out at this stage is usually the quality of the work this manager is producing. Admittedly, there are those who work their fingers to the bone for their particular companies.

Big cars

There are those, however, who are simply vegetating in those "top jobs" . . . who drive those big cars, to and from work, and who simply have "nothing between the ears" as the saying goes. What more, they have no intention of giving up the perks of their jobs for less attractive but more meaningful packages. Even this state of affairs can be called "survival", probably.

Experience

The issue to be resolved is this — how do we get out of this vicious circle? How do the degree holders get the necessary experience while the experienced obtain that glorified piece of paper? How do we get to do meaningful jobs, and get credit for our productivity?

It is for the individual to assert herself, her rights and insist on a career path and constant appraisals, so as to assess whether she is moving up or down within the company and why.

THE people who are jobless, who have been trying to get suitable employment for months, others for years, are the ones who can tell us the meaning of SURVIVAL. With the ever increasing numbers of people who are unemployed, and considering how many more are being under-employed, one wonders how most people are managing to keep their sanity. There was a time when many a work-seeker believed that they were better off

It's a can't win situation for jobless...

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11/6/84
Jude

Council worker took bribes for finding jobs for workless

335 E. Post 14/6/54

Court Reporter

A PORT ELIZABETH Community Council worker was yesterday found guilty on two counts of corruption when he appeared in the Port Elizabeth Regional Court.

Sikumbuzo Melani, 43, of Kwazakele Hostel, who was charged together with Mr James May, 50, of Sochenywa Street, New Brighton, was found guilty of accepting bribes from unemployed people in return for jobs.

Melani was fined R300 (or three months) and six months' imprisonment suspended for three years on condition he does not commit a similar crime during this period.

It was alleged that Melani, a worker in the Cleansing Department of the Port Elizabeth Community Council, worked as an agent for Mr May, who was a clerk responsible for employing out-of-town contract workers for the Port Elizabeth Community Council.

Melani pleaded not guilty and was acquitted on a charge of accepting bribes of R200 each from Mr Joseph Mancangeni and Mr Hardwell Sigcau on June 2 and July 18, last year.

He was found guilty of accepting R110 from Mr Kenneth Cita and a further R110 from Mr Solomon Dani during June and July last year.

Melani told the court he worked as a bucket cleaner for

the sanitary department of the Community Council and earned R260 a month.

He said Mr May had previously found work for two of his friends but had not asked for any money in return.

Melani said because of this he had approached Mr May again and Mr May had said he would find jobs for Mr Cita and Mr Dani if they paid him R110.

Mrs I J Cronje (for the State) said positions held on community councils were positions of trust and Melani's actions could make the public lose respect for people in positions on the council.

Mrs Cronje asked the magistrate, Mr E L de Kock, to impose an exemplary sentence.

Mr D Creese (for Melani) said Melani was an illiterate man with a humble job who had been lulled into a false sense of security by an educated employment officer.

He asked the court to consider that Melani had pleaded guilty and had been an honest witness. He said Melani had told his employers what he had done and had retained his job.

Mr May, whose case will be heard in the Port Elizabeth Regional Court on July 9, pleaded not guilty to the four corruption charges against him.

Mr M J du Toit, instructed by Goldberg and De Villiers, appeared for Mr May.



SCAVENGING: Food is scarce and there is just no employment. So for many the best place to look for the next meal are dustbins near a shopping centre as this unidentified woman is doing.

Pic: PERCY NKOSI

By SAM MABE

2-million out of work

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SOWETAN, Tuesday, May 15, 1984

CLOSE to 2-million people — constituting 30 percent of the black labour force — are either unemployed or underemployed, according to Professor Jill Nattrass, of the University of Natal.

She was speaking at the St Peter's Conference Centre in Hammanskraal, at a four-day seminar where a number of trade union leaders discussed problems they faced with management and the Government.

Professor Nattrass said the unemployment rate for men was roughly nine percent and 16 percent for women. Added to this was the vast number of those who were underemployed in the sense that although they officially have work, their earnings were not sufficient to help them maintain themselves and their families.

She said severe unemployment levels cause social problems because people who are retrenched or unable to find jobs, feel rejected by the society in which they live.

Influx

A survey undertaken in the rural district of Nkandla in KwaZulu by the Development Studies Unit of the university, confirmed "extremely low" standards of living where households headed by women had an average annual income per head of R74.

The problem of unemployment in South Africa was worsened by the fact that unemployment was heavily concentrated in particular geographic areas, to which people were restricted by the country's influx control laws.

Some of the more than 100 trade unionists at the seminar spoke of the tough actions some employers have taken against workers who joined trade unions.

The trade unionists were told by labour experts that even in cases where unions have a recognition agreement, it was imperative that they did not forsake their right to strike because striking was the only weapon workers could use against unfair employers.

The seminar started last Wednesday morning and ended on Sunday afternoon.

ADM 25/6/84 335 247

Just no ducking automation onset, report argues

By MIKE JENSEN

THE argument that industry should not automate because of its labour situation is naive, says a research report.

It says automation must be regarded as inevitable if the manufacturing industry is to emerge from its crisis.

The head of the University of the Witwatersrand's department electrical engineering, Professor Mike Rodd, says several studies have concluded that the manufacturing industry is in dire straits.

Prof Rodd believes the only way out is automation to increase productivity and the standard of goods produced, thereby improving export potential.

Comparing international statistics on productivity per capita illustrates the serious situation in which SA finds itself.

"In essence, we rate as a competitor for countries such as Turkey and Spain. In comparison with the US, our productivity is some four times less."

It is not surprising there is a trend towards the closure of factories and the import of products from the East. While we are not alone in this, we have a greater resistance to automation, he says.

A typical example is GEC's closure of its small electric machines plant in KwaZulu. An Australian company faced a similar problem of producing uncompetitive electrical machinery. Instead of closure, the plant was robotised.

"The result was to create a facility able to produce electric motors, comparable in cost to the imported Japanese one and, in terms of quality, just as acceptable."

SA's manufacturing industry had certain unique features — primarily because of the small population level and the high number of products marketed. There was, therefore, a limited demand for each product.

Low productivity meant the export of industrial products was virtually impossible, thereby aggravating the situation.

"In the end it is hardly worth investing in sophisticated machinery for where such machinery is installed it is under-utilised and under-productive."

"The situation is a spiralling one and, unless we break this spiral, we

will see a situation in which SA slumps lower and lower down the line of the world's manufacturing countries.

"The result is that we are inheriting the effects of unemployment in other countries and are effectively on the receiving end of exported unemployment."

"We have reached the situation where our raw materials are shipped to the East and then we have to repurchase manufactured articles at several orders of magnitude of increased value — the added value to our natural heritage is occurring outside the country."

The surplus of unskilled labour should generate resistance to automation because this will only result in fewer jobs being made available.

Nevertheless, he cites a recent study of the Carnegie-Mellon University in the US which concludes that robots have the potential to eliminate 2-million jobs in the metalworking industry by 1990.

However, the authors of the report claim that half a million jobs will open up because of industrial expansion stemming from the increased use of robots.

The Institute for Employment Research at Kalamazoo, Michigan, says that robots in the state will replace three workers for every job they create.

Prof Rodd says because of increased automation the current global unemployment situation is likely to continue when the recession is over.

In SA the situation is particularly bad as there is an increasingly unskilled population and a decreasing skilled labour force.

"The introduction of robotics and computer integrated manufacturing in general, will undoubtedly lead to a decrease in the available job opportunities."

The structure of the skilled workforce will also change.

"Since (automated) factories require less labour, they require less supervision. The supervisors needed are usually engineers or technicians."

One of the solutions to the displacement of workers by automation is to shorten the working week. It has declined steadily since the beginning of the Industrial Revolution.

Work found for many more blacks

Post Reporter

THE number of black work-seekers found work by the East Cape Development Board's Guidance and Placement Centre in Port Elizabeth in May soared by a massive 124% over the April figure.

And so far this month's figure is already 57% ahead of May's.

During April, 227 applicants were placed and during May, 510. By June 25, work had been found for 803 unemployed people.

These figures were released by a spokesman for the board who said the Guidance and Placement Centre had now finally outgrown its "baby stages" and was now better geared towards providing the professional service it was meant to.

The aims of the centre are to help work-seekers find suitable, stable work and employers to find suit-

able employees.

Introduced in 1982 as part of the Government's manpower training scheme directed at the training of unemployed persons, the centre's third objective is finding suitable candidates for specialised training provided by the Emthonjeni Training Centre.

On completion of their training, candidates are placed in suitable jobs.

The centre interviews between 2 500 and 5 000 applicants each month.

The spokesman said the centre was in close, positive contact with the private sector.

"What liaison there is, is good," he said, "but there is not enough of it."

Employers also appeared to be reluctant to register their vacancies at the centre.

Work had been found for 2 582 work-seekers since the beginning of the year.

~~Star~~
Car workers
335 3/1/84
on short time

Own Correspondent

EAST LONDON — Nearly 2 000 workers at the UCDD motor assembly plant are working short time because of a strike by German metal-workers which has cut the component supply.

The affected staff had their working day shortened from nine to six hours yesterday.

A company spokesman said it was hoped that the hourly-paid workers would return to a nine-hour day next Monday. In any event they would be back on a normal working day by July 16.

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premises of the company concerned but went there in the normal execution of their functions because of the unrest situation that prevailed there, and if necessary to take such action as the circumstances may dictate.

(d) Chubby Chicks (Pty) Ltd.

(2) (a) No.

(b) Yes.

(i) To the managing director and the administrative manager of the company.

(ii) Because they acted in the execution of their duties.

(iii) It is neither the policy nor the practice to disclose particulars of this nature.

*23. Dr A L BORRINE—Law and Order—Reply standing over.

Hansard Q. 61. 1903
Durban: explosion 4/7/84

*24. Mr R A F SWART asked the Minister of Law and Order:

(1) Whether the South African Police were informed of an explosion outside and old-age home in Musgrave Road in Durban on or about 21 June 1984; if so, (a) when did the explosion take place and (b) what were the circumstances surrounding the incident;

(2) whether the incident has been investigated; if not, why not; if so, what were the findings?

The MINISTER OF EDUCATION AND TRAINING (for the Minister of Law and Order):

(1) Yes.

(a) At 07h00 on 21 June 1984.

(b) What appeared to have been a

relatively light charge of explosives was detonated next to a transformer box in Musgrave Road close to the old-age home, causing damage to the transformer and the fence around the old-age home and causing a number of windows in the vicinity to be shattered. There is no indication that the explosion was directed at the old-age home.

(2) Yes. The investigation has not yet been completed.

Hansard Q. 61. 1904
4/7/84
*25. Mr R M BURROWS asked the Minister of Manpower:

(1) Whether married women employed as temporary teachers are permitted to contribute to the Unemployment Insurance Fund; if not, why not;

(2) whether single (a) men and (b) women employed as temporary teachers are permitted to contribute to this Fund; if not, why not;

(3) whether he has received any representations concerning contributions to this Fund by married women employed as temporary teachers; if so, (a) when, (b) from whom and (c) what was (i) the nature of the representations and (ii) his response thereto;

(4) whether he will make a statement on the matter?

*The MINISTER OF MANPOWER:

(1) Married women teachers employed in a temporary capacity by *inter alia* a Provincial Administration or the Department of National Education were excluded as contributors to the Unemployment Insurance Fund with effect from 2 July 1950, by Government Notice No 2117 of 1 September 1950, which was published in terms of section 2(5) of the Unemployment Insurance Act, 1946. The temporary

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married women teachers referred to in the Government Notice were excluded at the request of certain Provincial Administrations, such request being supported by Teachers' Associations and by the majority of the married women teachers who were employed in a temporary capacity as set out in the Notice.

The reasons advanced at the time for the exclusion were—

(i) married women teachers are normally employed only for limited periods during the absence of permanent teachers;

(ii) such teachers are, generally speaking, only available for appointment at schools reasonably close to their place of residence; and

(iii) as far as the Department of Manpower is concerned there would be great difficulty in placing married women teachers in suitable employment, since most teaching vacancies are controlled by the education departments of the four provinces.

(2) Single (a) men (b) women employed as temporary teachers and whose earnings do not exceed R18 000 per annum are liable to contribute to the Unemployment Insurance Fund.

(3) Yes.

(a) On 4 April 1984.

(b) The Department of National Education.

(c) (i) That it should be investigated why married female teachers are excluded as contributors to the Unemployment Insurance Fund.

(ii) The matter is being investigated and a memorandum is being prepared for submission to the Unemploy-

ment Insurance Board which will make its recommendations to the Minister.

(4) As the matter is still under consideration I do not propose making a statement at this stage.

Hansard Q. 61. 1906
4/7/84
*26. Mr R M BURROWS asked the Minister of Internal Affairs:

Whether the cost of the salary increases granted to underqualified teachers is included in the final figure for the cost of the improvement of conditions of service; if so, (a) what is the anticipated total cost of these increases in respect of (i) the current financial year and (ii) a full financial year and (b) with effect from what date will they be paid; if not, (aa) from which Vote or Votes will these increases be paid, (bb) what will be the total cost of the increases in respect of a full financial year and (cc) with effect from what date will they be paid?

The MINISTER OF INTERNAL AFFAIRS:

Yes.

(a) (i) R64 million.

(ii) R192 million.

(b) With effect from 1 December 1984.

Teaching profession: salaries

*27. Mr R M BURROWS asked the Minister of Internal Affairs:

Whether the cost of the salary increases to the top structure of the teaching profession with effect from 1 January 1984 is included in the final figure for the improvement of the conditions of service; if so, (a) what is the anticipated total cost of these increases in respect of the current financial year, (b) what ranks of the teaching profession will receive these backdated increases and (c) when will payment of these increases be made; if not, (i)(aa)

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when and (bb) from which Vote or Votes will these increases be paid and (ii) what posts are affected?

*The MINISTER OF INTERNAL AFFAIRS:

No.

(i) (aa) The salary increases for the top structure of the teaching profession will be effected from 1 January 1984 but the actual date of payment has not yet been finalized.

(bb) The cost of the increases for the period 1 January to 31 March 1984 will be financed from separate provision for the top structure on Vote 12 (improvement of conditions of service) while the cost for the current financial year has already been made available on the Votes of the relevant teaching departments.

(ii) Posts on post level 6 as well as posts on post level 5 of which the current scale maxima are R28 185 per annum.

Delville Wood: commemorative museum

*28. Mr B R BAMFORD asked the Minister of Foreign Affairs:

With reference to the reply of the Minister of Community Development to Question No 18 on 29 June 1984, (a)(i) which organizations were consulted prior to the plans for the commemorative museum at Delville Wood being drawn up and (ii) when did these consultations take place, (b) which ex-servicemen's organization represented and (c)(i) by whom was each such ex-servicemen's organization represented and (ii) when did consultations in this connection take place in each case?

The DEPUTY MINISTER OF FOREIGN AFFAIRS:

(a) (i) Since 1980 when the physical

1909

WEDNESDAY, 4 JULY 1984

1910

velopment Committee about the matter is still awaited.

Development Boards: liquor outlets

*30. Mr P G SOAL asked the Minister of Co-operation and Development:

(1) Whether any Development Boards have sold any of their liquor outlets; if so, (a) how many liquor outlets belonging to each specified Development Board (i) had been and (ii) remained to be sold as at the latest specified date for which figures are available, (b) to whom was each of the outlets sold, (c) what was the price paid by the purchaser for each outlet in respect of each Development Board and (d) when is it anticipated that the sale of these liquor outlets will be completed;

(2) whether any conditions were attached

to the sale of these liquor outlets; if so, (a) what conditions and (b) why?

The MINISTER OF CO-OPERATION AND DEVELOPMENT (Reply laid upon the Table with leave of House):

Western Cape Development Board

(1) No.

(a) (i) Nil.

(ii) 9.

(b) Falls away.

(c) Falls away.

(d) No definite date can be stated.

East Cape Development Board

(1) Yes.

(a) (i) 9.

(ii) 15.

(b) and (c)

Alexandria—Alblo (Pty) Ltd	R135 000
Aliwal North—T Prins and C M Strydom	215 000
Dordrecht—T Prins and C M Strydom	70 000
New Brighton (Somerset East)—Lingelile Bottle Store (Pty) Ltd	207 300
Fingo (Grahamstown)—T Pandjie Nkanti (Pty) Ltd	295 200
Makana's Kop (Grahamstown)—T Pandjie Nkanti (Pty) Ltd	150 500
Lingelile (Craddock)—Lingelile Bottle Store (Pty) Ltd	50 500
Jabavu (East London)—Duncan Village Liquor Store	200 000
Port Alfred—Fred Jackson (Pty) Ltd	210 000

(d) No definite date can be stated.

Northern Cape Development Board

(1) Yes.

(a) (i) 4.

(ii) 6.

(b) and (c)

Pabalelo (Upington)—Vanput (Pty) Ltd	R465 000
Galeshewe (Kimberley)—J M Mochusi	581 000
Galeshewe (Kimberley)—J M Mochusi	272 000
Galeshewe (Kimberley)—J M Mochusi	477 000

(d) No definite date can be stated.

UNEMPLOYMENT Jobless facts

335
Fm 15/6/84

There may be lies, damn lies and statistics, but no statistics seem to lie so damnably as those concerning unemployment in SA.

Much of the problem rests with the definition of unemployment. Officially, an unemployed person is someone who desires to

— in my opinion —

work, but worked less than five hours during the previous seven days. This person will have also attempted to find work during the previous month, and be able to accept a position within one week. Only those between the ages of 16 and 64 in the case of men, and 16 and 59 in the case of women, qualify.

This is strictly in accordance with internationally-recognised criteria. But according to Jeremy Keenan, head of the Development Studies Program at Wits, it is simply inadequate for local conditions. Not only does it fail to account for structural unemployment, but it also misrepresents the extent of short-term cyclical unemployment.

"Much of the problem rests with the criteria stipulated in the definition," says Keenan. "For a man to be registered as unemployed he must actively have sought work during the month. In reality, many people live too far from, and cannot afford to get to, a labour bureau. The worse the unemployment situation becomes, the more people know there is less chance of finding work.

"Under these circumstances there is even less point in going to register. The result is an inverse relationship between the real level of unemployment and the level of registered unemployment. It is further exacerbated by the bureaux telling people not to come back and register each month, as there is no work available. In fact," Keenan adds, "research undertaken at various bureaux in the homelands showed that they periodically write off several hundred registered unemployed when the numbers get too high. Administratively it has become difficult to keep registering them all, and some clerks in the bureaux stated they had received instructions from higher up not to record unemployment for these reasons."

Keenan believes that the misleading data produced by this kind of definition gives rise to conclusions that underestimate the severe effects of the current recession on the black population. Among the most common is that which claims black unemployment has not risen drastically. According to the official figures from the Central Statistical Services, the total number of blacks unemployed in September 1983 — 8,1% of the economically active population — was substantially less than during the previous recession (12,7% in October 1977).

Increased

Contradicting this, Keenan says that "the 1978/81 upswing was the first economic recovery in SA in which the rate of unemployment continued to rise. During this upswing the number of blacks in employment increased by only 208 000. Going by estimations that at least 200 000 jobs a year need to be created merely to halt the rate of increase in unemployment, during this period it increased by a further 400 000. During the year 1982/3 another quarter of a million blacks were added to the number of

unemployed."

One factor that absorbed some of the impact on unemployment of the last recession (1974/77), but which hasn't been present during this recession, was the reorientation of mine labour. The recruitment of foreign workers fell from 763 675 in 1974 to 301 758 in 1981.

"The increase in unemployment in both urban and rural areas has placed added burdens on those with jobs," says Keenan. "While the incomes of those in employment may have risen over the course of the last business cycle, an increasing number of people depend on these wages. So alleged improvements in the material conditions of the black population are not as widespread as official statistics would have us believe."

'Twenty-two percent of work force will be idle by 1987'

SA faces spectre of 2,4-m jobless

335 Stan
5/11/84
Pretoria Bureau

The Director General of Manpower, Dr P J van der Merwe, has warned that there will be 2,4 million unemployed in South Africa by 1987.

Official figures from the Department of Manpower, issued in December 1983, stated that there were 51 989 people unemployed in South Africa excluding the homelands — 27 724 whites, coloured people and Asians and 24 265 blacks.

Dr van der Merwe told the Nederduitse Gereformeerde Kerk congress on labour and industry in Pretoria that, if an economic growth rate of 3,6 percent were projected, unemployment would increase from 10,6 percent of the work force in 1977 to 21,9 percent of the work force in 1987 — representing 2,4 million people.

The primary responsibility for the creation and maintenance of good labour relations rested with employers, Dr van der Merwe said.

He said that employers who did not give priority attention to labour relations and who ignored the building-up of conflict situations could not expect legislation to do the job for them or to protect them from the just complaints of their employees.

Potential

Everyone had a duty to create a labour world in which each person could develop his full potential, he said.

Dr van der Merwe also noted the growing membership of black trade unions. At the end of 1980, 24 000 black workers belonged to registered unions. In 1983, this figure was 469 000.

Another important aspect of the labour world, he said, was the increasing number of strikes and work stoppages. The number of strikes had increased from 71 in 1972 to 394 in 1982 and there were more than 336 work stoppages in 1983.

Many technological changes in industry had made increased demands on workers while, simultaneously, there was a shortage of trained manpower and a surplus of untrained manpower, Dr van der Merwe said.

This led to increased opportunities for some, but it also created unemployment, disappointment and frustration.

Dr van der Merwe said changes to labour laws made by the Government in 1979 had been widely accepted by employers, employees and trade union leaders and, if they had not been introduced, there would now have been far greater cause for concern.

● See Page 2, Metro section.

Mercury 6/7/84

S A jobless to reach 2,4 million by 1987

335

PRETORIA—The Director General of Manpower, Dr P J van der Merwe, has warned there will be 2 400 000 unemployed in South Africa by 1987.

Addressing the Nederduitse Gereformeerde Kerk congress on labour and industry being held in Pretoria, Dr van der Merwe said if an economic growth rate of 3,6 percent was projected, unemployment would grow from 10,6 percent of the work force in 1977 to 21,9 percent of the work force in 1987, representing 2 400 000 people.

The primary responsibility for the creation and maintenance of good labour relations in South Africa rested with em-

ployers, Dr van der Merwe said.

Employers who did not give 'priority attention' to labour relations and ignored the escalation of conflict situations could not expect legislation to do the job for them or to protect them from the just complaints of their employees, he added.

It was every South African's duty to create a labour environment in which everyone had the opportunity to develop his full potential.

Dr van der Merwe also noted the growing membership by blacks of trade unions. At the end of 1980, 24 000 black workers belonged to registered unions and in 1983, this figure increased to

469 000.

Strike activity had also increased, from 71 strikes in 1972 to 394 in 1982 and 336 in 1983.

Dr van der Merwe said technological changes in industry placed extra demands on workers, but there was also a shortage of trained personnel and a surplus of untrained manpower. This led to increased opportunities for some and unemployment, disappointment and frustration for others.

He emphasised, however, that but for the changes implemented by the Government to labour laws in 1979, there would now have been far greater cause for concern. — (Sapa)

Jobless in 1987 may reach 2,4-m

THE Director-General of Manpower, Dr P J van der Merwe has warned that there will be 2,4 million unemployed in South Africa by 1987.

He was speaking yesterday morning during the Nederduitse Gereformeerde Kerk congress on labour and industry being held in Pretoria.

Dr van der Merwe said that if an economic growth rate of 3,6 percent was projected, unemployment would grow from 10,6 percent of the work force in 1977 to 21,9 percent of the work force in 1987 representing 2,4 million people.

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Another important aspect of the labour world he said, was an increasing number of strikes and work stoppages. The number of strikes had increased from 71 in 1972 to 394 in 1982 and the number of work stoppages topped 336 in 1983.

Dr van der Merwe said changes made by the government in 1979 to labour laws had been widely accepted by employers, employees and trade union leaders and if they had not been introduced there would now have been far greater cause for concern.

335
Sonder 6/1/84

UNEMPLOYMENT has fallen and that's official — but the statistics may be a bit dated and may not tell the full story.

According to the Department of Manpower, the number of registered unemployed workers dropped from 80 000 in February to almost 68 000 in March.

Although registered black unemployment in March this year was down on the previous month's figure, it showed an increase of 0,2% on the comparative figure for last year.

The department puts black unemployment at only 0,9% of the economically active population.

Mini-boom

But according to Jonan Cloete, chief economist of Barclays, the apparent drop in unemployment reflects no more than a short-lived mini-boom.

"The last quarter of 1983 showed an increase of 1,4% in the gross domestic product over the previous quarter. The first quarter of this year showed a further improvement of 0,9% on the last quarter of 1983.

"But this was a false recovery.

The current account of the balance of payment is heavily in deficit and inflation is reviving. The uptick will be short-lived and unemployment could well turn up again."

Accurate

Piet van der Merwe, Director-General of the Department of Manpower, confirms that the apparent decline in unemployment does not necessarily reflect a healthy trend in the economy.

"The drop in the number of registered unemployed workers could be attributed to a lack of incentive for workers to renew their registration after exhausting their unemployment insurance fund benefits.

"The current population survey (CPS) unemployment figures are a more accurate reflection of the number of jobless."

According to the most recent CPS estimate, unemployment has not changed significantly since last year and is estimated at 8% for blacks. Unemployment

By Amrit Manga

among black women is almost 14%.

Dr van der Merwe says: "For the past two years, the economy has been unable to absorb all of the 300 000 workers entering the labour market every year."

Too low

Some independent researchers say even the CPS figures are far too low.

Much of the problem rests with the definition of unemployment. Officially, an unemployed person is someone who desires to work, but worked under five hours in the previous week. This person will also have tried to find work in the previous month and been able to accept a position within a week. Only those between the ages of 16 and 64 in the case of men and 16 and 59 in the case of women qualify.

Jeremy Keenan, head of the development studies programme at Wits University, says this definition is inadequate.

Recession

"For a man to be registered as unemployed he must actively have sought work in the month. Many people live too far from labour bureaux and fail to register as work-seekers.

The definition also fails to account for structural unemployment, according to Mr Keenan.

Misleading data produced by this definition understate the effects of recession. Among the conclusions drawn from such underestimation is the claim that black unemployment has not risen drastically, says Mr Keenan.

Charles Simkins, a researcher in the department of economics at the University of Cape Town, says unemployment has not declined since the 1970s, the period for which he has statistics.

"In the recession of the late 1970s unemployment rose from 13,7% to 20,6% in 1979. It seems that the upswing of the late 1970s served only to halt rising unemployment — not reverse it."

Last year, unemployment rose to 25% of the economically active population, says Mr Simkins.

Jobless drop figures off
the mark, say critics
335
Times 15/7/84

OF HOW UNEMPLOYMENT BROKE UP A FAMILY

One day we gave back our two foster children

A true story. The Children's Act prevents us from identifying or photographing — the people involved. But this pathetic tale of family tells of the shattering effects of the current depression

Report by LESLEY LAMBERT

pangs — came a job — told he would begin supervisor for a local company on August 1. It came too late. The children back. It was a year for us to pull through the trauma of hate to collect them. We were still battling to of them. Also there's a else will adopt

Mr Fischer and two of to fly back to their land, if Mr Fischer did have been temporarily week the family will accommodation. to use their last the sale of the few pos left — on deposits for dilemma is a grim sign an ordinary, once itself falling apart. came in February

when the swimming pool company in which Mr Fischer was a partner was dissolved when the co-partners left the country.

The family's savings ran out two months ago and since then they have been eking out a hand-to-mouth existence on the few rands Mr Fischer brought in daily as a taxi-driver.

He was still paying off the R200 deposit for the taxi he drove. The company he worked for demanded 50% of his daily takings and he had to pay his own petrol costs.

Ferrying

Often, after ferrying people around the city or waiting day and night for them to call, Mr Fischer would bring home as little as R2 or R3 to feed his family.

"There have been times when Carl and I have gone hungry to feed the five children bread and soup," said Mrs Fischer.

Other times they have argued about whether to buy coal or food with the R2

Mr Fischer brought home, or walked 8km to the nearest store to buy the day's meagre supplies because they could not afford the petrol to drive there.

"So often I wonder if the children are still hungry — they'd never say so.

"But it hurts so much when I can't give them the things they need and would like," she said.

Growing hunger pangs and separation threats were heavy burdens.

"It probably sounds unreal. This sort of thing just does not happen to ordinary middle class people especially when they appear to be living comfortably in a rented house on the northern outskirts of Johannesburg," said Mrs Fischer.

"The thought of going back overseas appalled me. But as difficult as the choice was we knew we could not survive very much longer without a regular income.

"We were destitute," she said.

"The worst part of it all has been the uncertainty. Getting rid of material possessions hardly meant a thing compared to the threat of splitting the

family to survive."

The Fischers have compared Britain's cost of living with South Africa's — and found it to be a lot lower.

"Basic foodstuffs were basically cheaper because there was no general sales tax on them or on necessary household equipment. We compared tinned foods and found them to be up to 15% cheaper. Meat and fruit were also cheaper to an extent," said Mr Fischer.

"Also, the majority of British people pay about 25% of their salaries for accommodation whereas here the average seems to be closer to about 50%."

The Fischer family sold up and emigrated from England eight years ago. They rented a house in Kempton Park and began settling down to a comfortable lifestyle.

Mr Fischer had a good job as manager of a swimming pool company and life seemed too good to be true until a more lucrative job offer came up.

"I took the job as a sub-contractor and co-director for another pool company and from that day our luck began to wane.

"First, I injured myself very seriously by falling off a service ladder and was out of work for months.

Repair work

"As a sub-contractor I had to buy my work trucks from the company and pay my own staff. The first truck was written off by a driver and the next two needed repair work which added up to thousands.

"These and other problems were costing me more than I was earning," he said.

Finally, the company was dissolved and Mr Fischer's two co-directors left the country leaving him responsible for the repayment of R9 000 worth of petrol and company goods which had been bought on credit.

"Now I've got a job we can start sorting our lives out again. But I'll tell you this much — I'm a changed man since the experience. I can sympathise now with criminals who steal to feed their loved ones. And if I ever save as much as R10 000 — the first thing I'll invest it in will be food," said Mr Fischer.

Seligson mystery

ty and transfer charges.

Mr Shane studied the file once it had been fetched from Mr Seligson's office. It appeared to be intact and showed the amount of money paid.

But when Mr Shane telephoned the Pretoria correspondent of Seligson, Pollock and Company he was told the transfer had been refused.

Mr Shane said he had tried to contact Mr Seligson to ask him where the money was, but was told on July 12 by Mr

Leonard Cowan — who had been in partnership with Mr Seligson — that he had left South Africa the previous night.

"In the circumstances I fear for the safety of the trust funds as no reasonable explanation has been given to me by any of the relevant parties for their absence," said Mr Shane.

● Mr Ronald Katzenellenbogen, who is acting for Mr Seligson, said his client was in London and was expected in South Africa on Thursday.

And what do you do?

LONDON — It was a splendid riposte to the Queen by Keith Robertson, the Scottish rugby centre.

At a garden party at Holyrood House in Edinburgh recently, the Queen inquired of Robertson, 29: "And what do you do?"

The fiery Scotsman replied: "I am one of Mrs Thatcher's 3.5-million unemployed."

The Queen expressed suitable sorrow and sped off as if to another Royal appointment.

Swazi guard fined for insulting regent

MBABANE — A man who called Swaziland's Queen Regent Ntombi "a dog" was fined R60 (or six months) by a Swazi traditional court at Lobamba this week.

A motel security guard, Vincent Vusi Khanyile, pleaded not guilty to contravening the King's Order when he appeared before the Lobamba court president, Prince Magomba.

The court was told that on June 3 the guard and a customer at the Happy Valley

Motel had an argument.

In evidence, Constable Pat Matsebula said he told them to stop.

"I told him that as a police officer, I was working for the state and all that I do, I do for the state and the head of the state," Const Matsebula said.

He said Khanyile had replied: "Your Queen Regent Ntombi is not a Queen Regent, but a dog. So you can't tell me that you are working for a dog." — Sapa.

A HEARTBROKEN middle-class couple this week returned their two foster children to an institution because they could no longer afford to feed them.

Five months of unemployment had left Mr Carl Fischer, a qualified builder and TV electrician, and his wife and five children on the brink of starvation.

They had no choice but to give up the two little boys, aged two and four, whom they had rescued from abusive parents a year ago and come to love as their own.

Mrs Anne Fischer said: "How do you explain to two such young children who have been battered by their parents and rejected twice before, that they can no longer stay in the home they've come to love and trust."

Fischer is not the family's real name. Their children could not face the indignity of their circumstances being known at their schools and the Children's Act forbids identification of the foster children.

But their story has been checked in meticulous detail by the Sunday Express, and it is a true account of the devastating effect of the economic slump on one family.

Favourite

Late on Wednesday night, Mrs Fischer packed two little bags at her home in Honeydew. She left out only the children's favourite toys to comfort them at the moment of parting.

First came the agony of the formal separation in the Roodepoort magistrates' court. The magistrate studied social workers' reports and ruled that the children could be returned to the institution.

Mrs Fischer, white and strained, said: "The children clung to us anxiously in court on Thursday morning. I think the older one, who understood a little of what was happening, thought they would be separated from us in the courtroom."

"When we left he was overjoyed, obviously thinking we were on our way back home. It almost broke my heart. He realised he had been wrong when we reached the children's home in Boksburg."

The next day — after five months of futile job applications, dwindling sav-

The day we gave back our two foster children

This is a true story. The Children's Act prevents us from identifying — or photographing — the people involved. But this pathetic tale of one family tells of the shattering effects of the current depression.

Report by LESLEY

ings and hunger pangs — came a job offer.

Mr Fischer was told he would begin working as a supervisor for a local manufacturing company on August 1.

But the offer came too late.

"We can't get the children back. It will take at least a year for us to pull through this experience and now that they've been through the trauma of separation I would hate to collect them and then find we were still battling to take proper care of them. Also there's a chance that someone else will adopt them," Mr Fischer said.

Plans for Mrs Fischer and two of their own children to fly back to their family in England, if Mr Fischer did not get a job, have been temporarily shelved. And this week the family will move into cheaper accommodation.

They had planned to use their last rands — from the sale of the few possessions they had left — on deposits for the three air tickets.

The Fischers' dilemma is a grim sign of the times when an ordinary, once-secure family finds itself falling apart.

The first blow came in February

when the swimming pool company in which Mr Fischer was a partner was dissolved when the co-partners left the country.

The family's savings ran out two months ago and since then they have been eking out a hand-to-mouth existence on the few rands Mr Fischer brought in daily as a taxi-driver.

He was still paying off the R200 deposit for the taxi he drove. The company he worked for demanded 50% of his daily takings and he had to pay his own petrol costs.

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"We were destitute,"

"The worst part of it uncertainty. Getting possessions hardly compared to the threat

New creditor in Seligson mystery

By DAVE BEATTIE

A FOURTH creditor has emerged in the mystery of high-living Johannesburg attorney Mr Leon Seligson, who left South Africa ahead of an urgent application to have his estate sequestrated last week.

On Thursday Playtime Promotions (Pty) applied a second time for the sequestration of Mr Seligson's estate after it was learnt that the attorney and his wife had signed divorce proceedings in which he waived all rights to his property.

The hearing was postponed until Tuesday.

Johannesburg attorney Mr Paul Shane submitted a

supporting affidavit. He said R38 120 paid into the trust account of Seligson, Pollack and Company could not be traced.

In the affidavit before the Rand Supreme Court he said he had been asked on July 9 by his client, Crestrand (Pty), to arrange the transfer of a real estate property.

Mr Seligson had initially been asked to handle the transfer but because of the long delay, Mr Shane had been asked to take it over.

The R38 120 had been for part payment of the proper-

ty and transfer charges.

Mr Shane studied the file once it had been fetched from Mr Seligson's office. It appeared to be intact and showed the amount of money paid.

But when Mr Shane telephoned the Pretoria correspondent of Seligson, Pollack and Company he was told the transfer had been refused.

Mr Shane said he had tried to contact Mr Seligson to ask him where the money was, but was told on July 12 by Mr

Leonard Cowan — who had been in partnership with Mr Seligson — that he had left South Africa the previous night.

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The fiery Scotsman replied: "I am one of Mrs Thatcher's 3.5-million unemployed."

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Court told of plan

SPECIAL 33% OFF

335 (335) (335)
26/7/82 E. Post

Call for creation of jobs in Port Alfred

By JIMMY MATYU

RESIDENTS of the black township of Port Alfred are planning to send a petition to Dr Piet Koornhof, Minister of Co-operation and Development, asking for the creation of new job opportunities for them to avert the possibility of an increase in crime and tuberculosis.

This has been brought about by the intended closure of Port Alfred's only bakery and the Kowie Hospital.

Mr Thobile Gqolodashe, acting chairman of the Port Alfred Civic People's Organisation, said people were feeling insecure and unhappy about the state of affairs in the town.

He said it came as a shock to him and many residents to read in a newspaper yesterday that the Star Bakery was to close on Monday.

Mr Gqolodashe is employed as a clerk and supervisor at the bakery.

"I only learnt about this yesterday and on making inquiries I drew a blank from my immediate superiors," he said. "But if this is true, all employees here have been dealt a serious blow."

Mr Gqolodashe said the Star Bakery would be the third place to close this year.

Last month Buffalo Timbers closed and about 40 labourers lost their jobs.

Mr Gqolodashe said in March the Minister of Health and Welfare, Dr C V van der Merwe, announced that the in-patient section of the Kowie Hospital would be closed from February 1 next year.

"All I have is a vision of more hardship and suffering for the residents," he said.

"This will also affect the schooling of our children as we will not have the money to pay for their fees and uniforms. They will be forced to walk the streets and join the crime stream."

Changes urged in 'inadequate' jobless benefits

By Carolyn Dempster,
Labour Reporter

The plight of thousands of unemployed workers has prompted five service organisations to send a memorandum to the Minister of Manpower recommending major changes in the Unemployment Insurance Act.

Unemployment has reached "critical proportions", particularly in the black community, and has increased pressure for an adequate unemploy-

ment insurance system, state the organisations.

But, in the experience of the five — the Industrial Aid Society, Black Sash, SA Institute of Race Relations, Industrial Aid Centre and East Rand Community Advice Bureau — the Unemployment Insurance Fund (UIF) is not fulfilling the needs of unemployed workers.

"The major problem is that the scheme provided for in the Act is totally inadequate," states the memorandum. "At best, a worker may receive benefits consisting of 45 percent of his

last wage for a maximum period of six months — at a time when thousands are unemployed for far longer periods."

The memorandum, which has the support of 13 unions and a major union federation, states that many workers struggle to receive any benefits because of the "gross inefficiency" of the administration of the fund.

As a result, many of those unemployed rely on pensions paid out on termination of employment.

MAJOR PROBLEMS

Other major problems encountered by the organisations are:

- Widespread ignorance of the fund and its benefits.
- The fund provides for short-term benefits of up to only six months after the loss of job.
- Shortcomings in administration have been worsened by the rapid rise in unemployment since 1979. This is particularly noticeable in long delays in payouts.
- Agricultural and domestic workers are excluded from the provisions of the Act yet often lose both income and accommodation when they become unemployed.
- A qualifying period for benefits which discriminates against workers ignorant of the conditions of the fund.
- Incorrect information is frequently given by officials administering the fund.

Three million people thought to be unemployed

Labour Reporter

Unofficial estimates put the number of unemployed people in South Africa at three million, and their position can only be described as "desperate".

Case studies contained in a memorandum sent last week to the Minister of Manpower by five aid organisations depict how a person can be crippled by unemployment and then lose out on legitimate benefits through ignorance or inefficiency.

The Industrial Aid Society tells of Mrs D who applied for illness benefits in March 1982. By January 1983 she had still not received her benefits. Armed with a letter, she approached the department but was told to return four times without being helped.

On the fifth visit, she was informed her file had been lost. In March a clerk at the department threatened to assault her if she came back again. With the help of the IAS, she eventually received her benefits in March 1983.

An unemployed person cannot pay rent and faces eviction; cannot pay for transport to find work; cannot afford to send children to school and cannot afford to feed his family. But worst of all, and particularly applicable to South Africans, the unemployed black person is often forced to return to rural areas where there are no jobs.

As happened last year, when the country was caught in the grip of the drought, the subsistence economy of the rural areas collapsed and unemployed workers returning home were faced with the prospect of starving together with their families.

Proposals forwarded in the memorandum to the Minister of Manpower last week include:

- The establishment of two benefit schemes — for short-term and long-term needs.
- An increase in the payment of benefits from 45 percent to 60 percent of wages.
- Prosecution of employers who don't obey the law.
- The extension of the period of benefit from six months to one year and the proper co-ordination of the administration of the fund.

Minister is sent memo

SEVERAL trade unions and concerned organisations have sent a memorandum to the Minister of Manpower, Mr P T C du Plessis, recommending major changes in the Unemployment Insurance Fund (UIF), including the payment of people who have never worked.

The memorandum, compiled over a period of time, recommends an increase in the UIF benefits for millions of unemployed people throughout the country.

The number of unemployed people in South Africa is "crippling and distressing" — some place the figure as high as three million although the Government figures are much lower.

However, although the Government figures are lower, they nevertheless indicate a trend that unemployment has increased sharply since 1979 — the so-called post-Wiehahn period.

The organisations that signed the memorandum include: Black Sash, the Institute of Race Relations, Industrial Aid Society and 13 trade unions and a trade union federation — the Council of Unions of South Africa (Cusa).

Critical

In the memo, the organisations say unemployment has reached "critical proportions", particularly in the black community. Under such circumstances unemployed workers desperately need an adequate unemployment insurance system.

"However, it is clear that the South African UIF is not fulfilling the need. The Act is totally inadequate; at best, a worker may receive benefits consisting of 45 percent of his last wage for a maximum period of six months; at a time when thousands of workers are unem-

ployed for periods far in excess of six months.

"It is not surprising that in these circumstances, many unemployed people rely heavily on pensions paid out upon termination of their employment to tide them over the period of their unemployment.

"An employed person cannot pay rent; and so faces eviction. He cannot provide for himself and his family; send his children to school, pay for transport to find work . . . the situation in South Africa is worse."

The organisations recommend that a "subsistence scheme" be set up alongside the present UIF. It also suggests that people who have never been employed should receive between 33 percent and 45 percent of the minimum wage set for unskilled labourers by the Wage Board and that this be funded by the State.

They also suggest that groups which are now excluded from the UIF — domestics, farm labourers and public servants — be covered by it. They further suggest a system whereby these workers are provided with UIF stamps, through post offices, to prove they have contributed to the fund.



UNEMPLOYED: Some of the unemployed waiting for their UIF.

The memo criticises the system whereby workers in the so-called "independent homelands" receive their money. Adding that this will cause delays in the people getting their benefits.

Delay

One of the key criticism levelled at the UIF in South Africa is that many jobless people do not receive or if they do receive their money, "then this is after a long delay".

Long queues have been seen at pay-out offices of people who demand their money. Some come back distressed while others receive "very little".

New deal sought for long-term unemployed

RDM 30/7/84

LABOUR WEEK



STEVEN FRIEDMAN

~~335~~ 335
CLAIMS that the country has an adequate insurance for the unemployed have been dented further in a memo by five advice groups.

Firstly, it points out that the biggest group of jobless enjoys no protection at all — the long-term unemployed, including those who have never found any job at all.

Much of the country's unemployment is not affected by ups and downs in the economy. There are simply not enough jobs to go around and this trend is increasing.

But the Unemployment Insurance Fund provides benefits only for those who have worked for some time — and then only for six months.

The memo calls for a subsistence scheme to provide the long-term unemployed with some income.

It suggests a very modest sum — a third of the minimum for an unskilled labourer — be paid to the long-term jobless, but the call is certain to prompt outrage from free marketeers who will see it as yet another financial burden for the State, and thus the tax-payer.

They might care to ponder the effects on stability of a growing army of permanently unemployed who have no source of income at all.

The report also notes that large groups — farm workers, domestics, seasonal workers and many in the public service — are still excluded from UIF.

Citizens of independent homelands now rely on separate funds in these areas whose efficiency is, to put it mildly, in some doubt.

Those who receive UIF get only 45% of their last wage — the memo suggests 60% — and there are persistent charges that incompetence and hostility by officials often result in long delays before the jobless receive their money.

To top it all only a small portion of UIF contributors receive benefits — 5% in 1979 — partly because of worker ignorance of the UIF and because of administrative and other obstacles, it says.

It charges that many employers also delay or prevent UIF payments by not filling in workers' UIF cards or other forms as the law requires. It wants these employers prosecuted.

The memo comes at a time when a committee of the Unemployment Insurance Board is looking at changes to the UIF system.

Whether it will recommend changes which will bring UIF closer in line with schemes elsewhere in the West remains to be seen.

It says this is not so: An insistence that blacks lead black unions does not necessarily mean whites may not belong to them. It has never, it adds, insisted on blacks-only unions.

It draws a distinction between whites who join unions as ordinary members and white officials who, it implies, might exert excessive influence in unions.

Some Cusa unions are open to blacks only, others are open to all workers.

The decision might not mean a change in Cusa policy but does reveal a more flexible attitude to this issue.

There has been some resurgence of black consciousness unionism this year with the formation of a union federation committed to this view. But racial exclusiveness is on the retreat in bigger and better organised emerging unions.

argus 30/7/84 335

Man who helped job-seekers fined

Tygerberg Bureau

A MAN has been found guilty in Bellville Magistrate's Court of helping black people find work while not an attorney or an advocate.

Charl Benjamin Marais, 36, of Wrench Road, Parow, was fined R200 (or 100 days) on the main charge and acquitted on an alternative charge of fraud.

He was charged under the Bantu (Urban Areas) Consolidation Act.

Marais said he had worked for a company called Springbok Promotions in Parow from November 1981 to June 1982. He was "a jack of all trades".

He said he was only an employee, and had acted on the instructions of his employer, Mr Louis van Wyk.

Clients had approached him as a result of the company's advertisements and, for R25, they had become members of the Springbok Toerklub.

Marais said membership involved several advantages. These included work permit or hawkers' licence applications being submitted by the company on members' behalf.

An additional fee was charged for these services — usually R50.

The magistrate, Mr F F Botes, said the aim of the Act was obviously to prevent exploitation of blacks and the only person permitted to submit an application for a work permit for a black person was a practising attorney, advocate or an employer.

No allegations had been made that the money collected

by Marais had gone into his own pocket and "thus one must take it that it went into the right pockets", Mr Botes said.

He added that it was unfortunate that Marais was alone in the dock because it was obvious he had not operated alone.

Mr Rudi van Rooyen appeared for the State. Marais was represented by Mr J Rall.

Shorter hours unlikely to produce more jobs

LONDON. — As lengthy dole queues raise the political pressure on many governments around the world, trade unions and politicians are urging cuts in the working week.

But will this create more jobs? A survey reveals widespread doubts that shorter hours will really spell new work opportunities for the unemployed.

Belgian workers last week won a 72-minute reduction in their hours, and, in June, West German metalworkers won a 1½-hour cut after a seven-week strike designed to create 1.4-million jobs by reducing the basic week to 35 from 40 hours.

"No to mass unemployment means yes to IG-Metall's demands for a 35-hour week," metalworkers' chief, Mr Hans Mayr, said in April.

But not even all trade unionists agree that work-sharing can be a cure for unemployment. "The concept has been tested, and does not work," said Mr Anders Backstrom, a labour analyst with Sweden's Trade Union Federation.

The main problem for firms is how to remain competitive in world markets if they cut their working week. Work-sharing costs money unless it goes hand in hand with wage-sharing — a condition most people in work are reluctant to accept. If the cost of shorter hours is met by higher productivity, on the other hand, no jobs are created.

In the Third World, the concern of workers to maintain their own jobs and boost what are often barely subsistence wages means shorter working hours must take a very low priority.

And the calls for a shorter work week are less strident in hard-working Japan or the booming US than in Europe.

Unemployment in the US has fallen sharply in recent months to just over 7%, while factory workers have been ready to put in longer hours to secure jobs after the recession.

The average number of hours worked each week in the US rose to 40.9 this year from 39.7 in 1980.

"It's very definitely a pronounced policy of ours to negotiate for a shorter work week as the only way to relieve unemployment," said a spokesman for the AFL-CIO, an umbrella organisation embracing most major US unions.

European Community — where unem-

over two years is made without insisting on higher productivity.

The Belgian Employers' Federation agreed to add 1.5% a year to its wage bill to finance extra part-time jobs.

The cost of this will be more than offset by an effective real pay cut of 2% imposed on all workers in each of the next three years by changes to a government wage-indexation system.

In Britain, the government, employers and also many workers — despite a call from the Trade Union Congress (TUC) for a 35-hour week — are reluctant to see shorter working hours.

Although unemployment stands at more than 3-million, a rate of 12.7%, British manufacturing workers put in an average 42.2-hour week last year, up on 1981 and including three hours of lucrative overtime.

The Communist-led CGIL Union in Italy is considering ideas for work-sharing, but has exerted little pressure so far.

Italian working conditions are hard to pin down because of the substantial "submerged" or "moonlight" economy in which as many as 4-million Italians work in unregistered jobs.

In Turkey, wage rises and a reform of workers' social and legal rights are higher priorities than shorter weeks.

"With only about 2.5-million unionisable work-

ers and around 4-million unemployed, we are not in a position to demand very much," explained one senior union official.

Similar feelings were expressed by officials canvassed in other less developed countries.

Clerks in India may earn as little as \$60 dollars a month — "so we fight mainly for higher wages and not shorter working hours or social benefits," said Mr Indrajit Gupta, general secretary of the All India Trades Union Congress.

Mexican workers, whose purchasing power fell 46% last year, are not pressing long-standing demands for their week to be cut by five to 40 hours a week.

Pay rather than the length of the day or week is also the main concern for newly-unionised black workers in South Africa.

"Our primary goal is a minimum living wage and a reduction of the gap between skilled and unskilled workers," said Mr Phiroshaw Camay, general secretary of the Council of Unions of South Africa. "Then we can talk about reduced hours."

Nor has there been any talk of cutting hours in the Soviet Union, which has a basic 41-hour working week. But many Western and Soviet analysts agree that job-sharing to reduce unemployment is how the entire Soviet economy works. — Reuters.

As lengthy dole queues raise the political pressure on many governments around the world, trade unions and politicians are urging cuts in the working week. But will this create more jobs? A survey reveals widespread doubts that shorter hours will really spell new work opportunities for the unemployed.

2.2 million, or 10.5%
socialist leaders called last month for a
four working week to create jobs.

Mr Dick Spring, Deputy Prime Minister of Ireland, said unemployment in the Community would rise to 20-million by 1990 without an immediate response on investment and work-sharing.

In 1981, incoming Socialist President Francois Mitterrand cut France's working week by one hour to 39 hours and introduced a fifth week's holiday. But a study by the National Statistics Institute said only 14 000 to 28 000 jobs had been created.

Mr Backstrom pointed to the French experience as one reason for the hostility of Swedish trade unions to attempts at job creation through shorter hours.

"In theory, this plan should have provided more than a million new jobs," he said. "But it actually failed to reduce overall unemployment."

The number of people out of work in France rose to 2.3-million last month, more than 10% of the workforce, from 1.8-million in June 1981.

Britain vetoed a recommendation by the executive commission of the 10-nation European Community last month that member countries should encourage cuts in working time.

Employment Secretary, Mr Tom King, said Britain's experience was that shorter hours could actually lead to job losses as firms struggled to boost productivity to absorb costs.

"The biggest cause of lost jobs in Europe has been Europe's lack of competitiveness," Mr King said. "This recommendation might end up by creating more jobs — but they will be jobs outside Europe."

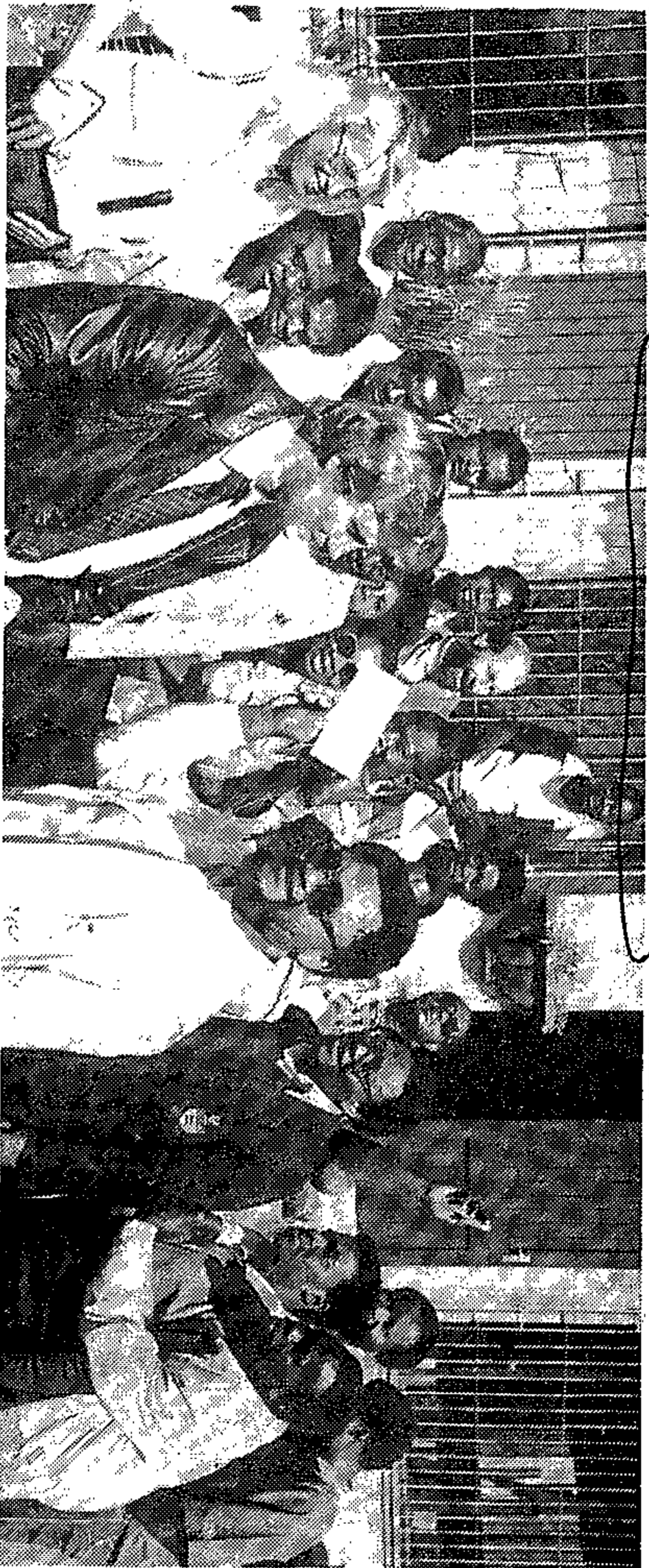
Trade union demands to work fewer hours tend to include the phrase "with no loss of pay" — a condition opposed by companies anxious not to push up their unit costs by recruiting new staff, and by governments worried about competitiveness.

As Mr King implied, small cuts in hours may create no jobs at all if firms ensure that 40 hours work is done in 39 or, in the case of West Germany, 38½ hours.

In Germany, the engineering union IG Metall — western Europe's biggest trade union — had sought a five-hour cut in working hours, which it said would create 1.4-million new jobs.

But labour market analysts and economists said this month they believed no jobs would be created by a mere 1½-hour cut.

The agreement reached in Belgium, where unemployment is 11.8%, recognised that shorter hours can create jobs only if the 72-minute cut.



DONATION: Director of Shade, Mr Griffiths Zabala (right) holds up the cheque presented by Mr Vic Cloete (left). Looking on are some of the members of Shade.

Self-help jobless' body gets big boost

THE Self-Help Association for Development Economics (Shade) has received a R10 000 shot in the arm from a leading brewery company towards the training needed by jobless people to find themselves work.

The money was donated by the South African Breweries' sales representative, Mr Vic Cloete, to the director of Shade, Mr Griffiths Zabala at the Wilgerspruit Fellowship Centre in Roodepoort.

Training

Shade's Harambee sewing and training project was started in 1981 to upgrade the sewing skills of self-help groups on the Witwatersrand.

Training in leadership and advanced sewing was introduced a year later for representatives from the rural areas so that they could teach others.

To date the company has donated R30 000 to Shade which benefitted over 900 people throughout South Africa. After training many of them found independent self-help groups — now numbering about 60 — in centres such as Springs, Soweto, Germiston and Pretoria.

Mr Zabala said: "The support we receive from this company enables people out of work to create employment for themselves through their newly acquired skills."

Tucsa resolutions urge Govt to create more jobs

By STEVEN FRIEDMAN
Labour Correspondent

TWO resolutions calling for Government action to create more jobs will be discussed at next month's conference of the Trade Union Council of SA.

One calls on the Government to change the tax system to prevent employers replacing workers with machines.

The other urges that employers who close plants in cities to move to "decentralised" areas should not be granted financial incentives by the Government.

It suggests that Government decentralisation incentives, which encourage employers to open factories in outlying areas, are often not creating jobs but are encouraging employers to close city factories, costing workers their jobs.

Both resolutions come amid mounting concern at the country's high unemployment rate.

Many of the jobless are "structurally unemployed" which means they will not be able to find work even if the economy recovers.

According to a first agenda for the conference, the Transvaal Leather and Allied Trades Industrial Union will move a resolution expressing "extreme concern" at grow-

ing automation and its effect in adding to unemployment.

It says that "techniques which replace labour with capital are inappropriate for South Africa with its massive structural unemployment".

The resolution urges the Minister of Finance to "make the relative costs of capital and labour more appropriate to the South African situation".

A resolution by the Textile Workers Industrial Union supports the principle of creating work opportunities in "decentralised areas".

But it also charges that "many established factories are now moving from urban areas to the decentralised areas where many incentives are offered to attract industry".

This is not creating new jobs but simply transferring them from one area to another, leading to unemployment in the cities, it says.

The resolution urges the Government to make incentives available only to "employers who will create new job opportunities and not to those who close their factories in the urban areas and transfer to decentralised areas".

Critics see Government decentralisation incentives as a means of decreasing the number of black workers in cities, while boosting the creation of jobs in the "homelands", and the resolution appears to endorse this view.

Call for changes in NMC

Labour Correspondent

A RESOLUTION to be proposed at this year's annual conference of the Trade Union Council of SA (Tucsa) urges that changes be made to the composition of the Government's National Manpower Commission.

The proposed changes appear to be aimed at strengthening the influence of established unionists on the NMC and eliminating the role of academics who Tucsa has accused of being too sympathetic to emerging unions.

Earlier this year, Tucsa threatened to quit the NMC, which advises the Government on key labour issues.

The NMC is composed of State, employer and union representatives as well as academics and others with an interest in labour issues. It

is appointed by the Minister of Manpower.

No emerging unionists have been appointed to the commission.

In an attack on the NMC, Tucsa charged that the State's representatives and academics exerted undue influence in the commission and that, as a result, it was not making an adequate contribution to labour policy-making.

In particular, it accused some academic members of the NMC of being "surrogates" of the emerging unions.

It also suggested that its own views were not exerting enough influence in the commission.

The resolution urging changes to the NMC is to be

proposed by the Mine Surface Officials Association (MSOA) and is contained in a first agenda for the Tucsa conference, which is scheduled for early next month.

It urges the Minister of Manpower to "give urgent attention to the recomposition of the National Manpower Commission."

This should be done, the resolution adds, in such a way that "the chairman and vice-chairman shall be representatives of the State and ...the membership of the commission shall be equally divided between employer and employee interests."

This would appear to rule out a role for State appointments beyond the chairman and vice-chairman as well as a role for academic members,

Less jobless blacks

Argus
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Weekend

Argus

Correspondent

PRETORIA. — Black unemployment dropped slightly during the first few months of this year, but among the coloured the number of out-of-works rose.

About seven percent of economically-active coloured are now out of work, according to figures released by Central Statistical Services.

Among coloured women the figure is as high as 8,5 percent.

By the end of last year overall coloured unemployment was running at about 6,6 percent, with 7,8 percent of working coloured women unable to find jobs.

About 7,8 percent of all economically-active blacks are jobless, as opposed to eight percent at the end of 1983.

Last year was a difficult one for black workers, and unemployment rose as high as 8,4 percent in June.

Fear of sack is cutting output — Scheepers

By Kate McKinnell

The great fear among workers of becoming unemployed in these times of recession causes lowered productivity, says Dr Anna Scheepers, president of the the Garment Workers Union of South Africa.

She was speaking on the employee's viewpoint on productivity at the seminar "Productivity — The Practical Implications" held by the Women's Bureau of South Africa in support of national productivity week.

Employees worry that if they increase their productivity, less labour will be required and they will join the queues of the unemployed, she said.

Workers should be shown that the lower costs caused by their increased productivity led to increased demand for the articles they made. This greater demand would secure their jobs and even increase employment.

She outlined three other causes of low productivity:

- A lack of productivity conscious-

ness. The public should be made aware of the need for greater productivity through the media and tactfully in the workplace.

- Insufficient education and training for the whole population. Management should provide more training to ensure greater productivity.

- A lack of management skills. Dr Scheepers ranked energetic and well-trained management as the first requirement for increased productivity.

Dr Scheepers said mechanisation was a foolish solution to problems of low productivity as it would lead to economic, social and political problems in South Africa.

She said the Government's policy of tackling inflation by reducing the money flow was regrettable as it reduced demand and forced factories to cut back on production.

This caused unemployment and lowered productivity as employees dragged out their work to keep jobs going.

RDM 9/8/84 (335)

Recession cuts into civil engineering jobs

By PRISCILLA WHYTE

CIVIL engineering employment has fallen by 24% in the last two years as a result of the recession.

Mr Kees Le Gaay, the executive director of the Federation of Civil Engineering Contractors, is gravely concerned that the slide in employment may not yet be over.

The industry now employs around 95 000 workers. In 1982 the figure was 125 000.

During the previous downturn a similar situation developed.

The 1976 employment peak for the industry of 135 000 fell to 90 000 in 1978.

Activity in the civil engineering industry peaks at the tail end of a boom in the general economy.

The major construction and engineering firm, CMGM, which is part of Group Five, is also seriously concerned about the state of the entire construction industry.

Mr Monty Collie, the managing director of CMGM, says:

"The latest economic measures, with an increase in the prime rate to 25%, and the announcement that Government capital expenditure will be reviewed in the next few weeks, do not portend well for the immediate future of the construction industry."

He says this stop-go approach is nothing new to

the construction industry, nor its devastating effect on employment.

Mr Collie says when inflation in the general economy is running at about 15%, the rate in the construction industry is twice that because of the bottlenecks created by this boom-bust approach to capital expenditure.

He claims these spending surges followed by cut-backs in capex programmes to adjust to austerity conditions do not solve the long-term problems of inflation.

Mr Collie believes about 20% of construction costs are unnecessary.

This is due to a number of factors and not only to inconsistent Government policy on capital expenditure.

He says customers do not specify their precise requirements when briefing on a project.

All too often the construction industry must trace an expensive learning curve in building monuments instead of bridges, buildings and factories designed for long-term functional performance, he says.

Building standards are too conservative.

An over-adherence to safety precautions leads to over-designed buildings stressing safety rather than function.

Mr Collie says a degree of rationalisation is needed in the industry.

There should be some element of repetition so that production-line benefits can be achieved.

One of the few areas in which economies have been achieved is in the construction of silos where standard types have been adopted.

Dr Ivan Schwartz, the manager of CMGM's technical services division says savings can be made by looking carefully at alternatives.

In boom times when consultants are under pressure to produce designs in limited time, there is some justification for not seeking the optimum solution.

However, now that the pressures have eased, designs should be more cost-effective.

Dr Schwartz appeals to clients to allow civil engineering consultants sufficient time to prepare alternative designs because it is in the national interest that available funds be used to maximum advantage.

Because funds are wasted on infrastructural design and building, they are not available for road maintenance, an area which tends to be neglected when there are setbacks to the economy.



● THE retrenched security guards waiting for their pay at their employers' offices in Maitland last week.

Angry guards in pay row

By Tyrone Seale
MORE than 50 security guards, angry at having being kept waiting for their wages, "seized" their bosses' offices last week.

This action by employees of the Maitland-based Suburban Security Services, followed a decision by the company

to lay off a large section of its workforce. A spokesman for the workers said: "They told us we had to leave because a contract to guard City Council property had been taken over by other security firms."

The men had been promised their pay on Tuesday. But on Thurs-

day they were still waiting for their money. "It was then that we decided to take over the premises," the spokesman said.

ANGRY

"The men were angry," the spokesman added, "because many of them had to travel long

distances to get to the premises every day.

"We have lost our jobs and now we still have to put up with further hardship because we can't get our money. Whenever we try to contact the director of the company, Mr N Marais, he's not available."

Mr Marais said from his home on Friday morning that there had been a delay with the pay cheque of R20 000.

"The Council normally pays me before the end of the month, but the cheque has been delayed. The Council says the cheque has been in the post since July 25 — but I haven't received it yet. As soon as I get it I will sort out the workers' problems," he said.

What a quack!

IN 1934, Clarence "Ducky" Nash, did his first animal impersonation of cartoon character Donald Duck.

He and the lovable duck were an instant hit and it is as much the voice as the drawings that has endeared Donald Duck to people for the past 50 years.

Clarence now 79, said: "I wanted to become a doctor. Instead I became the biggest quack in the world"

She travel

Jail- visi- tech.

IT was going to be a special visit, of Mahao, Soweto.

For 26 hours she sat through a tiring train trip to Cape Town, with visions of that first "contact visit" to her ex-Robben Island political prisoner son, Martin, 22, at the Helderstroom Prison near Caledon.

For the first time since Martin's imprisonment five years ago, Mrs Mahao was going to be able to actually touch her son, as opposed to just speaking to him through a plastic panel. The visit would last for 30 minutes.

But when she got to the prison last Wednesday morning, Mrs Mahao's hopes of a pleasantly memorable visit were dashed.

CONDUCT

She could touch her son, all right. But, the Southern Sotho-speaking Mrs Mahao was told, she could conduct the conversation only in Xhosa, English or Afrikaans, because of the lack of interpreters at the prison.

She agreed to speak in the stipulated languages, but her son preferred the mother tongue and in doing so got on the wrong side of

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Motor industry chief warns of retrenchment and leaner pay packets

Argus 14/8/84

335

2000 jobs in danger

Argus Correspondent

JOHANNESBURG. — Up to 2 000 people could lose their jobs because of the slump in car sales, the president of the National Association of Automobile Manufacturers of South Africa (Naamsa), Mr Colin Adcock, has warned.

"If car sales continue at July levels manufacturers will be forced to either lay off workers or move to a short-time week," he said.

In July car-sales figures were 38 percent down from June in the wake of the GST increase from seven to 10 percent.

Motor industry executives were not unanimous in their opinions on what this would mean to sales for the rest of the year but, said Mr Adcock, it was "generally accepted" that sales each month would be about 3 000 units less than predicted.

"Working on a 23-day month, this means about 130 fewer cars a day. If you take into account the fact that about 15 people are involved in the production of each vehicle, then the figure of 2 000 is very possible."

Shorter weeks

However, he said, more factories would probably work shorter weeks rather than lay off staff.

Even if this happens it will mean leaner take-home pay packages for thousands of motor industry workers.

Most of the major motor manufacturing companies, including Alfa Romeo, Amcar (formerly Sigma), Ford and General Motors, have already gone over to a four-day week.

Thousands of new cars are outside some assembly plants while manufacturers evaluate the situation.

"Not possible"

At Amcar industrial relations director Mr S S Lemmer said it was not possible yet to give details of steps the company was likely to take to combat the problems caused by the dip in the market.

"Much will depend on what is going to happen in August," he said. Any decisions would have to be taken after a review of the 10-day sales figures, and this would be towards the end of the week.

The industrial relations adviser for Ford South Africa, Mr Fred Ferreira, said the management was assessing the situation and would have a better picture by the beginning of next week.

Other options

Last week the company's Port Elizabeth plant closed on Friday, and indications are the four-day week trend will continue. Other options open to the company are short-time, a revolving shift system and retrenchment.

A spokesman for the National Automobile and Allied Workers' Union, which has a representative membership at most of the large motor companies, said the union had not yet been officially informed of any layoffs.

But in spite of its woes, some motor industry analysts said the industry was still likely to chalk up its third best year with sales of between 275 000 and 280 000 cars.

Car slump threatens 2 000 jobs

14/8/84
The slump in car sales could mean that up to 2 000 people might lose their jobs. This warning was given in Johannesburg today by the president of the National Association of Automobile Manufacturers of South Africa (Naamsa), Mr Colin Adcock.

"It is generally accepted in the motor industry that, if car sales continue at July levels, manufacturers will be forced either to lay off workers or move to a short-time week," he said.

In July, car sales figures slumped by 38 percent (in comparison with June) in the wake of the GST increase from seven to 10 percent.

Motor industry executives are not unanimous in their opinions on what this will mean to sales for the remainder of the year. But, said Mr Adcock, it was "generally accepted" that sales each month would be about 3 000 units fewer than predicted.

335
Stan
"Working on a 23-day month this means about 130 fewer cars a day," he noted. "If you consider that about 15 people are involved in the production of each vehicle then the figure of 2 000 is very possible."

Widespread layoffs in the motor industry are feared in coming weeks as a result of a sudden drop in motor car sales and production cutbacks.

Most of the major motor manufacturing companies, including Alfa Romeo, Amcar (formerly Sigma), Ford and General Motors, have gone over to a four-day week in the wake of the July general sales tax increase and fiscal curbs introduced by the Government at the end of last month.

Thousands of new motor cars are stockpiled outside some assembly plants while manufacturers evaluate the situation.

Figures released yesterday showed a 38 percent drop in July motor car sales compared to a record month in June, with predictions for a continuing slide in sales.

At Amcar, industrial relations director Mr S.S. Lemmer said, it was not yet possible to give details of possible steps.

But it was rumoured this week that the company planned to lay off a number of workers at its Amcar plant.

Industrial relations adviser for Ford South Africa, Mr Fred Ferreira, said management was assessing the situation and would have a better picture by the beginning of next week.

...was accused of having, on March 19, intentionally and unlawfully participated in the activities of the ANC, or any activities of the ANC directly or indirectly at the request of Thandi to introduce lit-

in dispute

...manded to negotiate with the management concerning the issue. There was deadlock between the parties and the workers were dismissed.

Mrs Hlogwane said that they have briefed lawyers on the matter with the intention of taking the matter to the Industrial Court.

The company's spokesman said that the workers refused to work overtime after management had offered changes in the system. The company had intended to employ extra workers to stop the overtime. They will defend their actions in court if possible because they believed that the sacking was justifiable.

h death

...meeting inside the Roman Catholic church in Idgeville, ended in tragedy when — a well known local business-... later died in the Kalafong Hos-

Shongwe (48), of 4 Ratshoe... the meeting when he experienced problems, his mother Mrs Elizabeth yesterday. He collapsed and was... by Kalafong Hospital where he... admitted.

...a former teacher at the then... School. His death has sent... the township.

...arrangements have not yet been... we is expected to be buried at... his weekend. He is survived by... Elizabeth, Vusumuzi, Mandla

Jobs - bleak future

BY the turn of the century one out of every four adults seeking work in South Africa will be unemployed or underemployed, with the potential for generating significant social unrest.

This is the startling projection made by Professor Jill Nattrass of the University of Natal's development studies unit in an article in the latest issue of *Energos* magazine.

Looking towards the year 2 000 and the state of South Africa's economy, Professor Nattrass emphasises that the extent to which economic growth will succeed in reducing poverty and reducing the inequalities in living standards between black and white South Africans will "largely depend on events in the labour market."

Historically, the economy has shown itself to be extremely sensitive to social unrest. "Patently a period of 16 years of

growing social conflict, perhaps even civil war, will generate a very different economic scenario from the product of 16 years of social progress," she states.

Under the current patterns of development and even with optimum conditions — social stability, population and employment growth — the forecast in the realm of unemployment looks grim.

Blacks

Prof Nattrass estimates that of a projected total workforce of 17,5 million in the year 2 000, almost five million will be unemployed or under-employed — working at very low rates of return in the subsistence or informal sector.

Of those working outside of agriculture, one in every four will be working in the service sector, and will probably be civil servants, she maintains.

"Because it is likely that South African whites will retain their preferential access to the modern sector job market, the growing burden of joblessness is almost certain to be borne largely by blacks."

Evaton c

By STAN MHLONGO

THE Evaton Town Council has means to deprive blacks who are on the line of apartheid of citizenship, a community leader said at the weekend.

The newly elected chairman of the Evaton branch of Inkatha, Mboshwa Nhlapo, said his organisation has had numerous consultations with residents in the past "about their citizenship being denied by the council if they do not have their residential permits."

Mr Nhlapo told the meeting that the question of residents having residential levies to the council is a thorny and highly controversial issue — and not the council's business on the owned land in Evaton.

Mr Nhlapo said some of the residents' grievances are that:

- They are refused pass book control certificates and regi-



BAKERY: Mr and Mrs Victor Sandamela of Evaton seen enjoying a sumptuous meal to mark the opening of the first black-owned bakery

Defy to cut back

Appliance production to cool after heated economic expansion

By Trevor Walker

Kitchen appliance sales have been hard hit by the increased strictures on HP terms and the higher GST rate and one of the country's leading manufacturers, Defy Corporation (Pty) Ltd, will inevitably be forced to cut back on staff.

MD Mr Richard Newby talking to *The Star* this week said factory capacity, which had been running at about 70 per cent of a double-shift operation, would have to be reduced.

This would take place over the next six months as the economy continued to slow in response to fiscal and monetary policy.

He said Defy, a subsidiary of the UK's Glynwed, had just completed a major expansion and modernisation programme and, while automation would assist the company in overcoming the expected downturn, it would be equally well placed to increase production quickly in the next upturn.

Defy, which has had to compete with European goods imported cheaply because of the previously strong dollar/rand rate, had recently benefited from the cost increases forced on the importers as a result of the weak rand.

The industry was reflecting exactly the position the motor industry was now in and retail sales in July were estimated to have fallen by about 30 per cent.

He said retailers had reported a sharp fall off in the appliance industry, in particular stoves,

fridges, washing machines and tumble-dryers.

The position was expected to remain weak for at least the rest of the year and kitchen appliances were likely to be hit the hardest.

He said pre-buying ahead of the GST increase had led to a dramatic increase in June sales, but the new HP terms with higher down payment requirements had hit the industry hard.

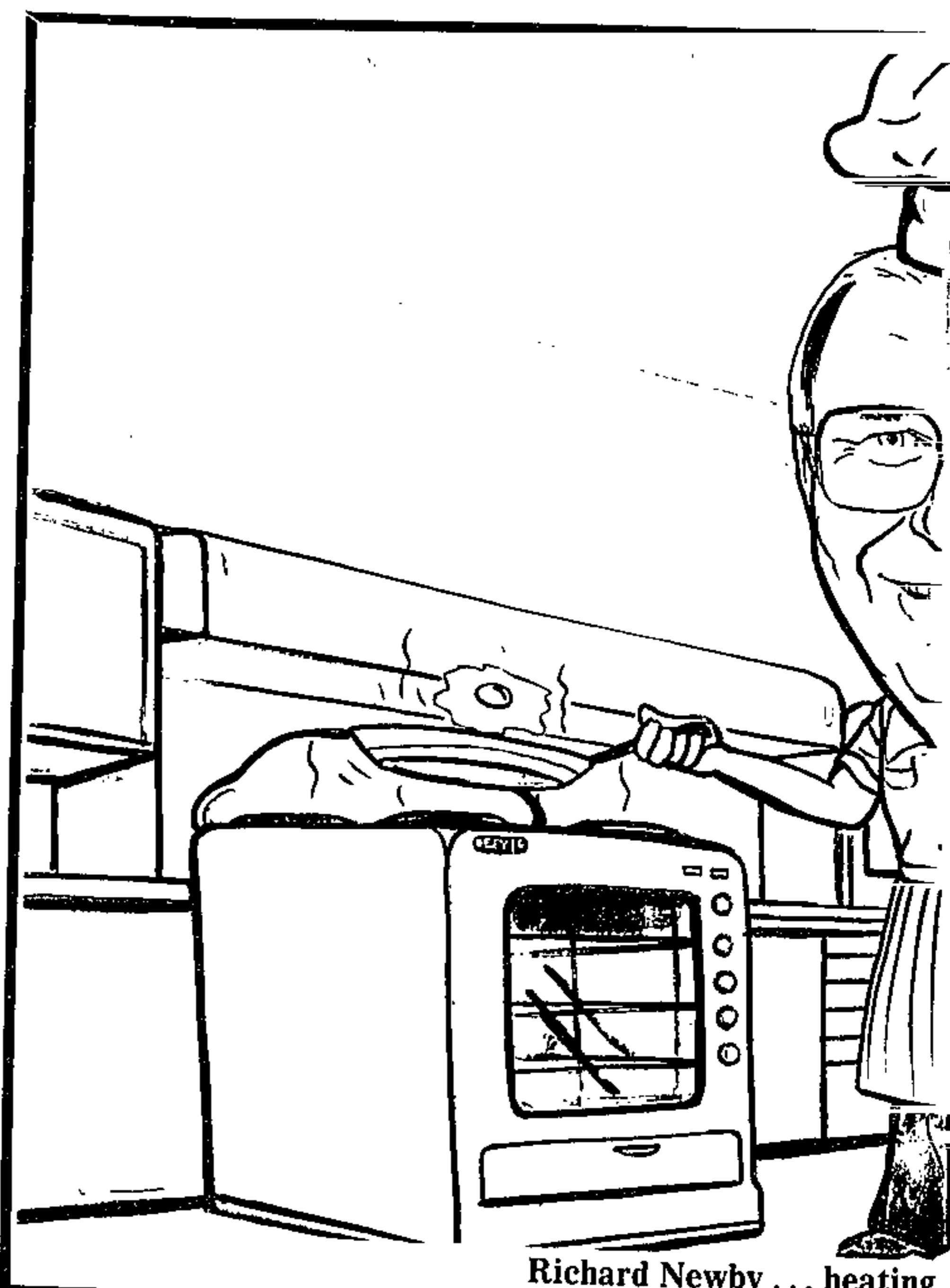
If, as was likely, the building societies were to raise their mortgage rate by two percentage points later this year, the effect would have an immediate impact on consumer spending.

People would no longer be in a position to extend the repayment periods as this had generally be done already, and monthly instalments would rise by some 10 per cent, curtailing household spending cash.

He said white goods would be the first to be hit if this was to happen. Consumers would continue to spend on leisure items, such as TVs and videos, while items for living areas in homes would probably still take precedence over kitchen items.

Kitchen goods would probably only be bought on breakdown and it was likely that new purchases would be deferred until interest rates eased substantially.

Mr Newby said recent developments in the kitchen furniture field had seen erstwhile Gundle Plastics move into this sphere via its purchase of S Steel and certain other com-



Richard Newby ... heating

panies.

The competition from Mr Lifford Gundle in this area was welcomed and Defy had a number of ideas to meet this new competition.

Mr Newby said Defy had looked at a number of possible diversification projects and, at the moment, the most likely was a move into plastic moulding.

He said this would complement the company's other manufacturing operations and would further enhance Defy's well-established facility for supplying fully equipped, styled and co-

lour-matched kitchens.

Mr Newby anticipated sales in real terms in 1985 would decline by about 20 per cent if restrictions were maintained.

The country had to get inflation under control and the authorities had chosen to clamp down particularly hard on consumer spending.

It had not yet announced what effective cutbacks would be undertaken by the public sector, but it is hoped this would be equally onerous as that being placed on the private sector.

Defy had, however, a number

/BUSINESS

on staff

18/8/84



p Defy's brew for the opposition.

of factors working in its favour in the current downturn.

In addition to its very comprehensive kitchen furniture and appliance operation, it was able, via its associate company S Houseware, to supply virtually all other smaller electrical kitchen appliances.

The company's cast-iron bath business and cold stove operations were expected to continue to perform adequately while the air conditioning side was also expected to continue to show real growth.

Mr Newby said the fact that

the company was unlikely to undertake any major capital expansion project for the next five years placed it in a very competitive position.

It was quite likely that the current weak rand and slack economic situation would lead to a big sort out in the market place.

The current situation had granted local manufacturers a good opportunity to increase market share and, provided certain officially controlled costs, such as steel, were not allowed to increase excessively, Defy would be looking for a sharp upturn in profits in 1986.

5-m SA jobless by 2000 forecast

S. Times 22/7/84 (335)
By Amrit Manna

SOUTH Africa's jobless pool could swell to more than 5-million by the year 2000 from 1980's estimated 3.4-million.

This is the finding of the University of Stellenbosch's Institute of Futures Research (IFR). It says the increase will be caused by an additional 350 000 work-seekers every year for the next 16 years. It will add at least 4% to 1980's 30% unemployment rate.

The IFR estimate is based on the assumption that SA's population will increase from 28.6-million to 45-million by 2000. The potential size of the economically active population will grow to 17.6-million. It is currently estimated at between 10-million and 12-million.

Skills

The rise in unemployment will occur in spite of projected 4.8% annual economic growth, and assuming that there will be no shortage of capital and skills, says the IFR.

The government's ninth economic development programme (EDP) adds credibility to this bleak projection, saying that "both unemployment and inflation will remain unacceptably high even at the end of the programming period in 1987".

The jobless will be made up mainly of people who cannot be accommodated in the modern sector of the economy and who are forced to live in the rural subsistence and informal sector.

But the IFR warns that skills shortages are currently critical. More than 4 300 black executives will have to enter the market every year up to the year 2000.

According to the EDP, the government is aware of the problem and is trying to provide sufficient job opportunities. Policy recommendations include new approaches to regional development and greater emphasis on the promotion of small businesses.

Workers on short time after double blow of GST and tough HP curbs

Crisis stalks car industry

335 ~~19~~ S-Times 19/8/24

FOUR major motor manufacturers have been forced to reduce working hours by the double blow of increased GST and tougher hire-purchase terms.

Vehicle sales slumped in July and after draconian economic measures this month, the outlook has deteriorated. The crunch hits not only manufacturers but component makers and dealers and salesmen.

Amcar (formerly Sigma), General Motors and Nissan are known to have been losing millions before the big crunch. Now they and others are on short time, and there are widespread fears that some motor-makers will either have to close or rationalise (See Page 9).

Some manufacturers are agitating for reduced local content. This would be an additional blow to the component industry.

Companies, which have bought up to 60% of new cars,

have been hit by falling sales and rising interest rates and tax. At the same time, consumers are squeezed in numerous areas.

The Government has promised to cut spending — spelling further gloom for the motor industry.

Slashed

The soft rand has increased the cost of imported components and motor manufacturers will be hard pressed to pass these on by way of higher prices.

Nissan, Amcar and Ford have slashed production, and General Motors is back on a normal working week after six weeks of short hours.

These companies employ 14 200 production line workers.

The shortage of components as a result of the German strike reduced General Motors production. GM has laid off more than 800 workers, but hopes to re-employ most now that components are coming in from Germany.

About 3 000 workers at GM were put on a four-day week for six weeks between July and August, but the company is again working a full shift. Daily production has been trimmed.

Daily

Renault is reviewing the position daily. Volkswagen hopes to keep working at full pace to build up stocks of the Golf to be launched in the next two months.

Luxury producers BMW and Mercedes-Benz will continue at current levels to reduce backlogs.

Toyota, which produces Corolla and Cressida, will also hold production levels. Alfa Romeo has been working a four day-week for the past year.

By Don Robertson

So far, only at GM have workers been laid off.

Since August 1, Amcar has been working a four-day week, but management is uncertain how long this will last.

Hardest hit

Nissan is working only three days this week, says Nellis Strydom, industrial relations director. The position will be reviewed in the next few days. About 3 000 employees have been put on short time.

The entire work force of 4 200 at Ford was put off work at three plants on Friday two weeks ago and again a week ago.

In July, car sales fell to 20 123 — down 37.8% from the bumper June figure of 32 382. Light commercial sales fell 29.5% to 9 271 from 13 161. These figures are about 18% down on the average monthly sales total for the year.

Hardest hit in July were Amcar, General Motors and Volkswagen, sales declines ranging from 59.9% to 43.1%.

Volkswagen was hit by a slump in sales of the Jetta-Golf range. The company

says it has run out of old-style Golfs ahead of the launch of a new range.

Amcar ascribes the decline in sales to a shortage of popular makes, including the 323 and the 626 models.

Govt free-wheelers

A FREE-spending Government increased its car purchases by 33% in the first seven months of this year compared with a 17% increase in the private sector.

More pain lies ahead for the motor industry if the Government reduces its spending, as promised.

The Government bought 5 317 new cars in the first seven months compared with 3 989 in the same time last year. Private sector purchases rose to 166 000 (142 000).



UNEMPLOYED: Johannesburg is still plagued by unemployed people who spend most of their time sitting on park benches.

21/8/84 (138) C-Times

1 000 workers lose jobs

335

Labour Reporter

ABOUT 400 full-time workers and 600 seasonal workers had lost their jobs as a result of the closure of the Ceres Fruit Juices and Canning Company, the Food and Canning Workers' Union said yesterday.

In a statement the union said workers had received no severance pay and the company had said it would consider severance pay for permanent workers only by October.

It also claimed that most seasonal workers would receive no money from the Unemployment Insurance Fund as they had not been continuously employed for more than eight months.

The union called on employers to pay severance pay to all workers and on the government to provide assistance from the UIF, thereby ending the "iniquitous situation" whereby seasonal workers were not entitled to benefits.

In the statement, Mr Jan Theron, the union's general secretary, said the closure was a "hard blow" to working people in Ceres and they would have difficulty in finding jobs. He added that the number of workers in the industry in the Western Cape had dropped by 5 000 since 1981.

Company spokesmen could not be reached for comment yesterday afternoon.

3-day talks on civil rights

Staff Reporter

A THREE-DAY conference starting tonight at UCT will feature politicians from most of South Africa's political spectrum and several foreign guest speakers who are civil rights experts.

Guest speakers include veteran American civil rights leader Mr Bayard Rustin, a former colleague of Martin Luther King jun; Professor Heribert Adam from Canada; Dr John Groom, co-director of the Centre for the Analysis of Conflict in the United Kingdom; and Mr Bernard Charles, president of the Institute for Mediation and Conflict Resolution in New York.

During tonight's public meeting in lecture room 2A of the Robert Leslie building, Mr Wynand Malan, National Party MP, and Mr Alex Boraine, Opposition MP, will discuss the need for adjustments in the present system.

Tomorrow at 4.30pm Mr Rustin will speak on the American civil rights movement and at 8pm Dr Nthato Motlana, chairman of the Soweto Committee of Ten, and Mr Hassan Howa, a United Democratic Front patron, will discuss the accommodation of the needs and aspirations of the majority of South Africa's population.

On Thursday at 8pm the Chief Minister of Kwazulu, Chief Gatsha Buthelezi, will present an Inkatha view of pragmatism in South African politics, and a panel discussion with all five speakers will be held that night at 9pm.



Mr Wynand Malan



Chief Gatsha Buthelezi

No dole for Ceres' 600 retrenched workers

Labour Reporter

ABOUT 600 canning workers, who have been retrenched following the closure of the cannery at Ceres Fruit Juices and Canning Company will get no relief from the Unemployment Insurance Fund.

Most of the workers are excluded from the UIF in terms of a Government regulation because they work less than eight months a year.

The Food and Canning Workers' Union, which represents the 400 regular and 200 seasonal workers, has described the situation as "outrageous".

"WORK REGULARLY"

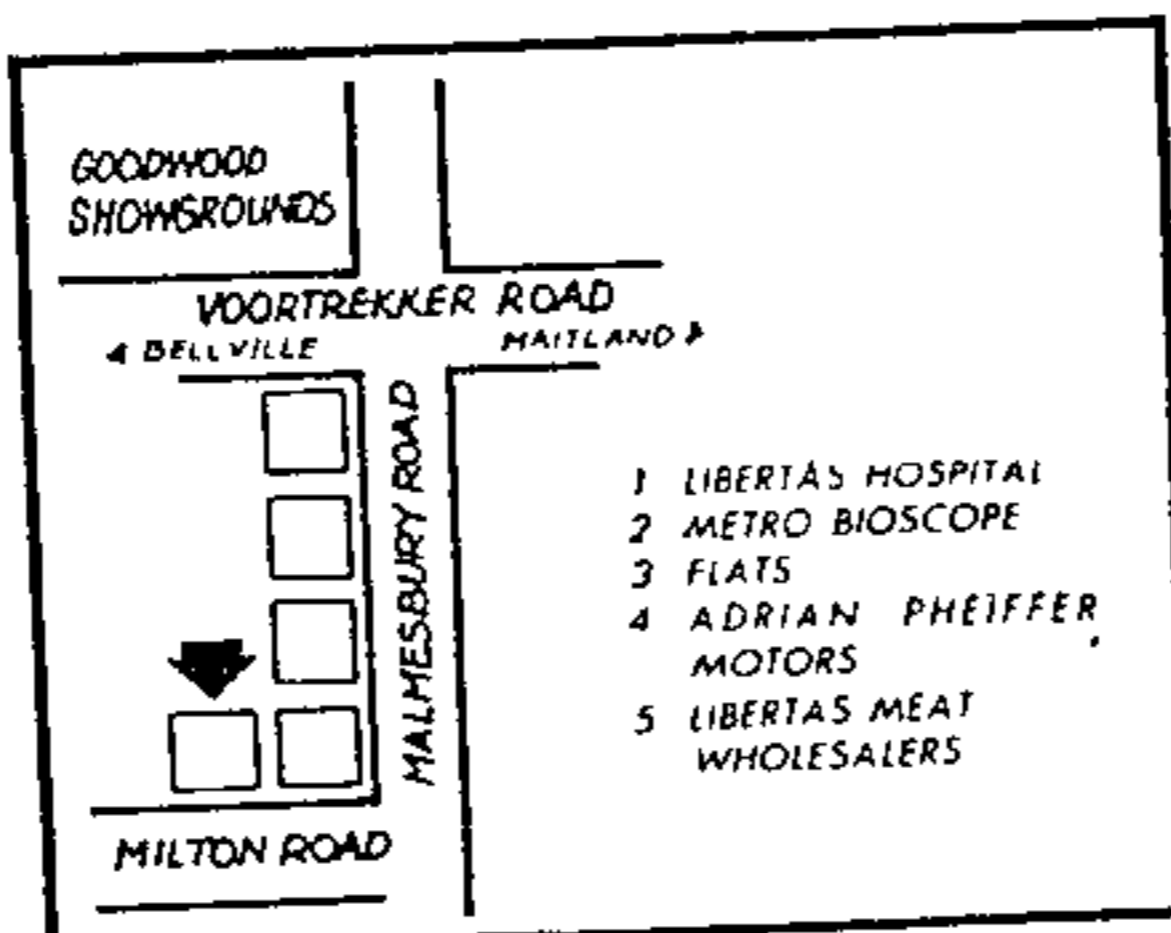
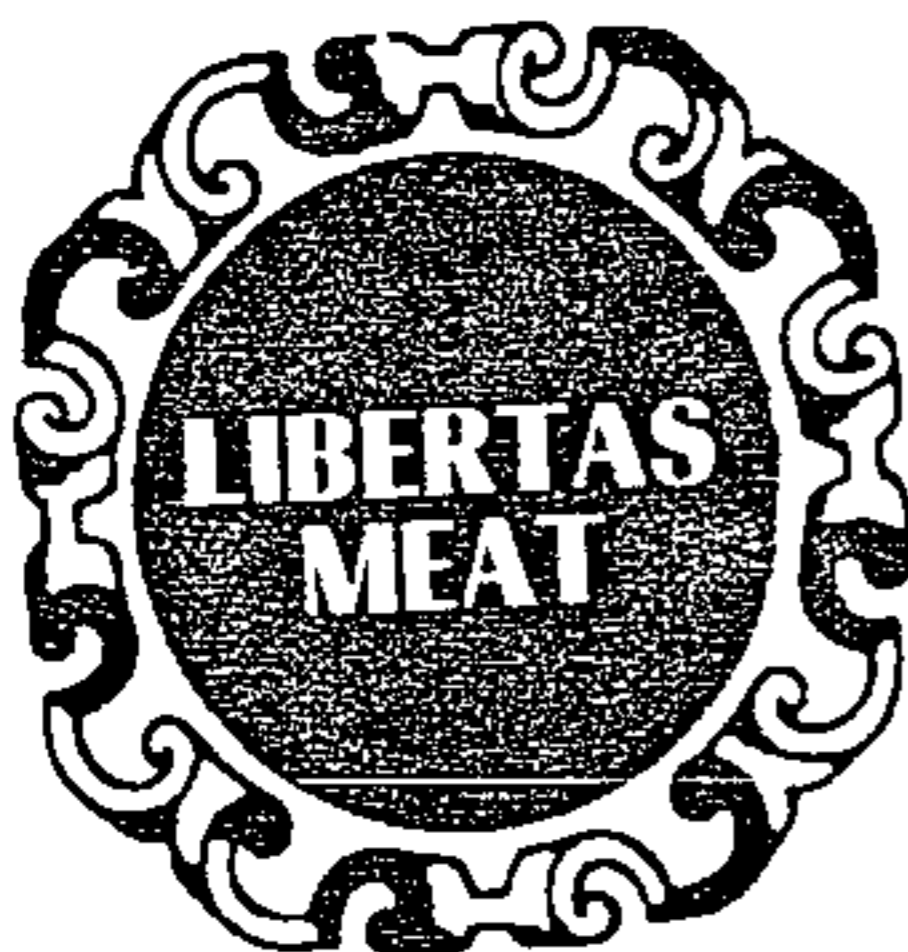
"The closure of the cannery highlights the situation of seasonal workers, who make up most of the workforce in the canning industry and work regularly from one season to the next. The Government does not allow them to belong to the UIF unless they work for eight months continuously.

"But the fruit and vegetable canning season is seldom as long as eight months," said the union's general secretary, Mr Jan Theron.

The union has called on the company to pay severance pay to all the workers and to the Government to end the "iniquitous system".

Mr W E Marais, managing director of the company, was not available for comment today.

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Car plant to close for 38 days

24/8/84 (335) ~~10/8~~ E. Post

JOHANNESBURG — Pretoria's motor giant Amcar Motor Holdings (formerly Sigma) is to lay off 315 workers and cease production for a total of 38 days because of reduced demand.

The steps had become necessary because of the effect over the past eight weeks of reduced credit facilities and increased general sales tax on the motor vehicle market, the company's director of human resources, Mr Mof Lemmer, said in a statement issued here.

He said the company's hourly work force would be reduced by 315 on the last-in-first-out principle, while production facilities would close for four weeks from August 27 and for a further 10 working days in October.

"These actions are unfortunately necessary if the company is to succeed in reducing its cost structure in response to the fiscal measures that have been implemented," Mr Lemmer said.

"These actions are being taken after full discussions between management and the National Automobile and Allied Workers' Union."

Affected employees would receive the statutory notice, redundancy benefits and additional benefits in terms of the company's supplementary unemployment fund.

Mr Lemmer said the company would also assist employees to obtain unemployment insurance fund benefits.

"The lay-off periods to be implemented, as agreed upon in consultation with the union, will enable us to reduce the number of employees being retrenched," he added. — Sapa

CISKEI Job lot?

Although Ciskei has made considerable progress towards reaching its target of creating 15 000 new jobs a year — set by the Swart Commission report — its efforts make little headway in lowering the unemployment rate.

Latest figures from the Ciskei People's Development Bank show a total of 7 880 new jobs created in the 12-month period to March 31, mostly arising from investments financed by the bank.

To this should be added "about 1 000 new jobs" created over a comparable period by the Department of Agriculture and the Cis-

kei Agricultural Corporation. Some 930 jobs were generated by the Ciskeian Small Business Development Corporation and 3 000 jobs created by a recently initiated soil conservation programme.

The total number of jobs created, a little under 13 000, still falls short of the Swart Commission's target. The estimated unemployment rate, within Ciskei's borders, remains around 120 000.

According to the bank report, total investments generated in Ciskei rose to R275,2m to end-March 1984. The industrial component of investment rose 82% from R84,7m to R154,3m.

The number of bank-financed industries rose during the year by 40 to 104, and cumulative job opportunities to a fraction under

20 000.

When contrasted against figures contained in the Swart Commission report, it is evident the bank has some way to go towards meeting at least one of the objectives set in President Sebe's "10-point plan", namely "the creation of a job and a home in Ciskei for all Ciskeians, wherever they may be."

Though the annual rate of growth may appear close to target, migrant workers and commuters working outside the Ciskei contribute an estimated 50% towards Ciskei's gross national income, according to the Swart Commission. It also estimated that some 60 000 Ciskeian men worked outside the borders "either permanently or temporarily as contract labour."

The Ciskeian government is hoping its abolition of company tax, a wide-ranging programme of land reforms and the deregulation of small business will accelerate job-generating investments to achieve the president's objectives. The necessary amendments have been approved in Parliament and are expected to be gazetted shortly for implementation in April.

Subsidising loans

The estimated bill for concessions — incurred as a result of subsidising loans to an effective 80% below long-dated government stock — will amount to R34m during the current fiscal year. By contrast, revenue generated by company tax amounted to only some R200 000 in 1982/83 and is unlikely to be more than "R1m or R2m this year", according to a bank spokesman.

Industrialists opting for the tax-free route will sacrifice their current subsidies to a degree yet to be formulated. Those choosing to continue receiving the interest subsidies will continue paying tax until the Ciskeian exchequer has recouped from them an amount equivalent to the effective subsidy (a second formula which is yet to be calculated), after which the company will also pay no tax.



Unemployment ... trying to fill the gap

Empty buses pinpoint rising unemployment

335

S. Times 26/8/84

By Amrit Manga

UNEMPLOYMENT in Bophuthatswana is increasing as workers are laid off by cash-strapped industry and business.

An indication of the severity of the recession is given by an expected 10% drop in commuter traffic to neighbouring industrial areas in South Africa.

Beau Sutherland, chairman of the Bophuthatswana National Development (BNDC), says the 10% decline will mean 900 000 fewer workers travelling from Mafikeng and Ga-Rankuwa to Rosslyn, near Pretoria, every month.

Carpet

"Although exact figures on unemployment in the homeland are not available, the expected decline in commuter traffic is a fair indication of the number of retrenched workers.

"South Africa will repatriate thousands of retrenched workers to Bophuthatswana and simply sweep the problem under the carpet. Bophuthatswana will bear the brunt of unemployment."

To make matters worse, expenditure by the BNDC and the private sector for 1984-85 will fall short of the projected R200-million. This



Fewer passengers on their way to work

will add to the huge pool of work-seekers returning from neighbouring industrial areas.

"The projected increase of R5-million on the R195-million spent in the 1983-84 financial year was optimistic under current economic conditions," says Mr Sutherland.

Investment by the BNDC in industrial development in the current year is not expected to increase by more than R8-million on the 1983-84 figure, according to the corporation's annual report. However, it is expected to take up the biggest share of total investment.

The private sector is expected to commit R80-million

to industrial projects.

Last year the private sector contributed R60-million to the total of R90-million in industrial development.

Mr Sutherland says: "Industry will remain one of Bophuthatswana's major creators of employment and training.

"Expected improvement in the economic climate in the second half of 1984 will have to be reviewed and so will investment in industrial development which was expected to amount to R120-million this year."

Resorts

The only significant increase in investment by the BNDC this year will be in hotels and resorts. Almost R20-million has been budgeted for them, an increase of R17,6-million on the previous year's figure.

But the increase will only offset the expected reduction in private-sector investment in hotels and resorts of R33-million on the 1983-84 figure of R58-million. Total invest-

ment in hotels and resorts in the current year is expected to be no more than R45-million — down more than R15-million on the previous year.

In the year to March 1984, the BNDC investigated 300 applications for financial assistance and approved R3-million, creating 1 500 jobs.

Confidence

The managing director of the BNDC, Wynand van Graan, says the public showed confidence in the development efforts of the corporation, the share issue being oversubscribed by 27%.

"The possibility of a further share issue is under consideration," says Mr van Graan.

Operating income of the BNDC increased by 50% from R17,4-million in 1982-83 to R26,1-million for the year to March 1984. There was a 26,4% increase in operating expenses.

Picks and shovels for the jobless

By ALEC HOGG
and RUTH GOLEMBO
THE Government has
created 57 000 new
"pick-and-shovel" jobs
in a massive attempt to
combat rocketing un-
employment.

It is claimed to be the most
successful jobs drive in
South Africa's history.

As recession-hit companies
lay off thousands of work-
ers, the Government has
launched a public works
programme reminiscent
of the great depression of
the '30s.

It is poised to pour tens of
millions of rands more
into its battle to reduce
the level of unemploy-
ment.

These millions will go into
labour intensive public
works projects in the rural
areas and the homelands.

The projects, which involved
an initial budget alloca-
tion of R27,5-million dur-
ing the 18 months to
March 1985, have been
spectacularly successful,
outstripping the original
target by 17 000 jobs.

The cost of each job is about
10 times cheaper than the
national average.

The projects include weed
eradication and soil and
water conservation and
have so far been focused in
rural areas where unem-
ployment bites deepest.

The Director-General
Finance, Dr Joop de Loor,
said: "The numbers are
still not as large as we
would like, but at least an
encouraging start has
been made."

With unemployment rocket-
ing as manufacturers lay
off more and more work-
ers daily, the Government
is certain to allocate even
more money to the
scheme.

Welcomed

Professor Francis Wilson,
head of the School of Eco-
nomics at the University
of Cape Town, yesterday
welcomed government aid
in solving the unemploy-
ment problem.

"One of the key papers at the
recent Carnegie confer-
ence on poverty was on
unemployment and how it
can be eased by creating
public work programmes.

"The State has a major re-
sponsibility in providing
employment and the crea-
tion of work programmes
is only one way in which it
can help.

"Everyone is calling for less
State expenditure, but to
my mind it is not how
much the State is spending
but what it is spending the
money on. Creating jobs
for the unemployed is
positive expenditure," he
said.

Head of the Action Commit-
tee which is behind the
projects, Mr Jan Dreyer,
told the Sunday Times:
"We must do something to
curtail inflation in order
to sustain long-term
growth.

"SA cannot continue in the
present situation where its
inflation rate is three and
four times that of its
major trading partners.

"But given the unique cir-
cumstances in SA, one
must also attach special
importance to those peo-
ple who lose their jobs in
the short-term.

"This type of project must be
given a much higher prior-
ity than in the past. I can-
not put a figure on the
money which will be spent
in future, but the success

□ To Page 2

State creates 57 000 jobs to employ blacks

□ From Page 1

of the current projects and
the deterioration in the
economic conditions tells
us something."

The latest figures released by
the Central Statistics Ser-
vices show that this month
around 7,8 percent of the
six million working blacks
were jobless.

Calculations this month
showed that around seven
percent of the one million
economically active
coloureds were out of
work. And among

coloured women the
figure was as high as 8,5
percent.

In its broad economic policy,
Pretoria now appears
dedicated to attacking in-
flation and has recognised
it as the number one prior-
ity for sustained, healthy
economic growth.

But, as has been shown in the
UK and the US, anti-infla-
tion packages invariably
led to wide-scale unem-
ployment. This factor can-
not be underplayed in a
country with an as poten-
tially explosive political
situation as South Africa.

Reserve Bank governor causes tremor

Call for Public Service job cut

Mercury Correspondent

PRETORIA—The suggestion that retrenchments in the Public Service could contribute to the 'critical need for cutting back on Government spending' has caused a nervous tremor among public servants.

This and a supporting suggestion that certain Government services could be terminated were made by the Governor of the S A Reserve Bank, Dr Gerhard de Kock, at the annual meeting of the bank in Pretoria yesterday.

And there are those in the trade union movement who claim that big staff cuts and big savings are possible in the service without risking a work pile-up.

Salaries paid to Gov-

ernment workers from the Central Revenue Fund, according to the Minister of Internal Affairs, Mr F W de Klerk, amount to more than R5 000 million a year — about 20 percent of total Government expenditure.

The chairman of the Federation of SATS trade unions, Mr Jimmy Zurich said yesterday: 'We have done it in the railways. It's been Parkinson's Law in reverse and it has worked.'

Tremendous

Mr Zurich said in the past two years the staff of the railways had been reduced by nearly 40 000, to about 239 000 — 'and the railways are still running and in fact, productivity has increased'.

Staff who retired or

died were not replaced, and the extra workload was carried by a smaller and increasingly more productive staff. The personnel cuts, Mr Zurich said, had saved the railways tens of millions of rands a year in salaries.

'There is no doubt about it — we have a monster of a Public Service, and the opportunities for staff cutting and getting through the same volume of work with fewer workers must be tremendous.'

The president of the Public Servants' Association, Dr Colin Cameron, said raising productivity in the service was a major priority. This was reflected in the fact that an outside organisation would probably be called in soon to review productivity.

Sapa reports that Mr de Klerk last night denied reports that large-scale salary improvements were taking place in the Public Service.

In a statement issued in Pretoria, he pointed out that the entire amount being spent on the improvement of conditions of service for public servants and educationists during the current financial year merely represented 3 percent of the total personnel expenditure.

Completed

He added that, as opposed to the normal pattern in the past, no provision had been made during the current financial year, ending on March 31 next year, for a general salary ameliora-

tion for public servants.

He said the specific occupational adjustments for chaplains, legal personnel and management personnel and the upgrading of the educational dispensation, fell strictly within the framework of the occupational differentiation programme, which had to be completed out of necessity to obviate 'untenable market backlogs and disparities'.

Mr de Klerk said he felt it was necessary to clarify the situation in the light of media reports which could leave the impression that large-scale salary adjustments were being made during the current financial year while the country was experiencing unfavourable economic circumstances.

original 29/8/84

Big jump in W Cape unemployed expected

335

Staff Reporter

UNEMPLOYMENT in the Western Cape is expected to soar early next year when the effects of recession are felt, according to a Department of Manpower spokesman.

This is in spite of a 30 percent drop in unemployment in the past year.

The prediction is in line with countrywide estimates of unemployment rising from 10,6 percent of the labour force in 1983 to 21,9 percent in 1987. This projects an estimated 2,4-million people out of work by then.

"The figures for the Western Cape have been relatively stable over the past years, with a substantial drop in unemployment this year. In August 1983 there were 7 172 unemployed whites, coloured people and Indians in the Western Cape, with 4 973 cases recorded this year in the same month," the spokesman said.

UNREGISTERED JOBLESS

"These are the available figures for workers who have registered as unemployed with the department. It is difficult to estimate the number of people without jobs who have not registered."

The spokesman said figures for unemployed blacks stayed relatively constant at 500.

"At the moment the figures are fairly constant, but we expect grave problems next year," he added.

UNFAIR DISMISSAL

Employers on the line

Industrial relations in SA have undergone a revolution in the past five years. Labour legislation introduced in response to the Wiehahn Commission's recommendations has seen to that. In the process, a new and vigorous generation of trade unionists has emerged. Strikes are up — and escalating each year — and litigation reaching the Industrial Court is at an all-time high.

One area of employer-employee relations that has been highlighted to an extent never seen in the past is that of dismissal. Specifically: when is dismissal unfair? The matter has become highly sensitive, with newly-aware labour bodies challenging employers at every turn; and even the most sophisticated managements have floundered. This is unfortunate since, worldwide, it is accepted that unfair dismissal is sufficient cause for a strike.

That fact is being felt at home. Statistics compiled by leading South African industri-

The new breed of union has begun to focus on the concept of unfair dismissal as one in which many employers have proved vulnerable. Many Industrial Court hearings have gone in their favour. Businessmen are learning that this is an area in which they have to act with great circumspection and sensitivity.

al relations consultant Andrew Levy show that, in 1979-1983, 34% of all strikes were triggered by wage disputes. But a high 24% were caused by dismissals which employees felt were unfair — and, in the last year, measured from July to July, strikes over dismissals increased to 28% of the total.

These figures should be enough to set alarm bells ringing for employers. Tradi-

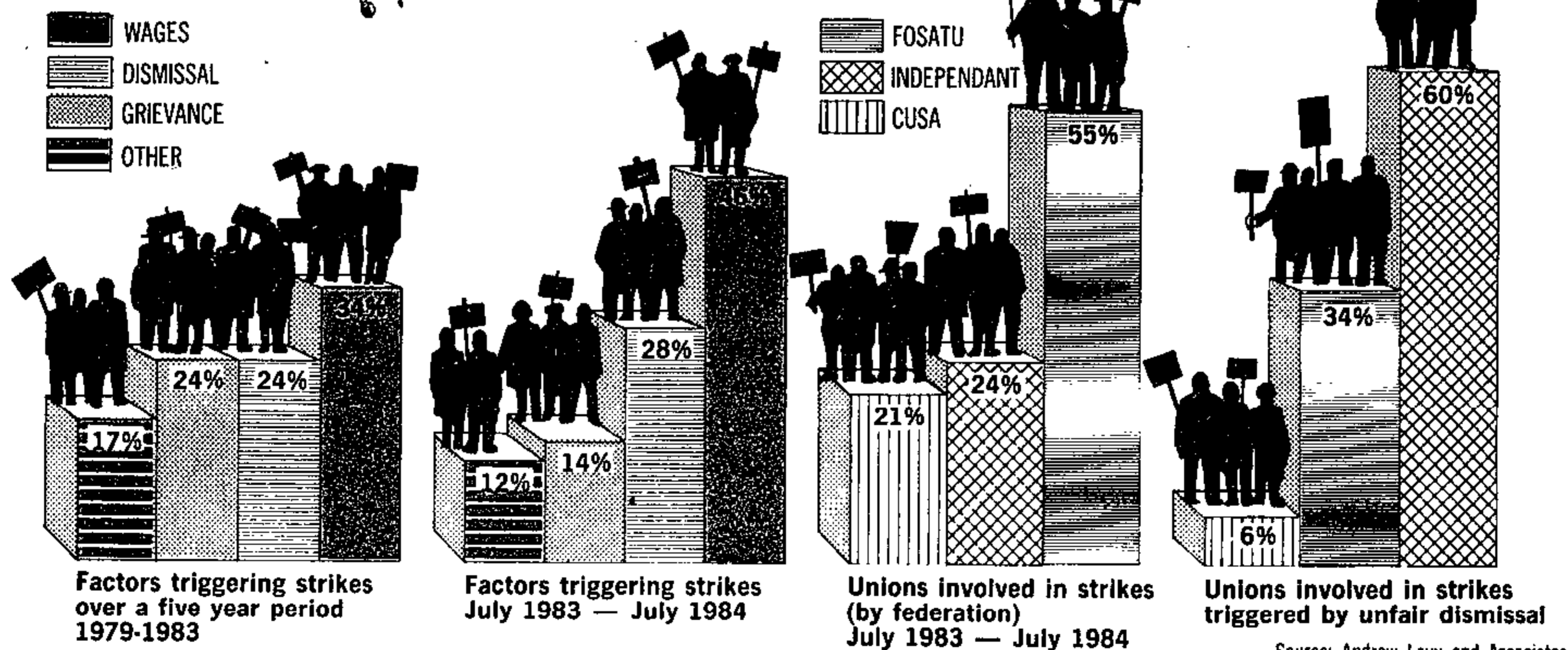
tionally, it is management's prerogative to dismiss. It is also commonly held that it is unnecessary to have strikes over dismissals; after all, management and workers have a common interest in uninterrupted production. Why, then, the rising trend of strikes over dismissals?

Obviously, not all strikes triggered by dismissals can be traced back to unwarranted and high-handed decisions. But even when dismissal is warranted, clumsy handling of this most sensitive of management functions is all too likely to lead to adverse worker reaction.

Dismissal is one issue on which the emerging unions have proved deadly serious — perhaps naturally so. Organising largely among unskilled black workers, much of their strength lies in numbers; and they don't want to lose it.

Underlying much of the debate about dismissal are two principal notions: that the

THE ANATOMY OF SA STRIKES



Epol to lay off 264

By ERNEST NKABINDE

ABOUT 237 black workers of Epol Milling Company in Vereeniging will be retrenched from September 8 because of the present economic situation.

About 27 white workers will also be retrenched.

According to the managing director of the company, Dr M Griesel, the dairy mill plant has been closed down and its production taken over by other branches of the company on the Reef. Epol is a subsidiary company of Premier Group.

"We have been watching the performance in this plant for some time and it was found that the sales have dropped sharply because of the economic situation in the country as farmers are selling their stock because of the drought. It was decided then to close down the plant," he said.

The company has 565 workers and 264 will be retrenched as the company will only manufacture mealie meal from September 30. The weekly paid workers will be paid out on September 8 and the monthly paid workers on September 30.

The company is trying to place some of its workers in other companies in the Vaal Triangle.

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relationship between employers and employees is not one of equals; and that the common law contract of employment (allowing either management or workers to terminate service, provided notice is given) does not offer workers sufficient protection.

Employers are clearly in a more powerful position, and in most situations are able to replace workers fairly easily. But for many workers, loss of a job has far more serious consequences. In SA this situation is uniquely exacerbated in that the majority of dismissed workers also face the prospect of losing their urban residential rights — and stand little chance of finding work in the homelands if this happens.

Most countries have introduced protective systems for workers. In some, legislation requires justification for dismissal. In others, like the US, considerable reliance has been placed on collective bargaining agreements which lay down the essential requirements. And in yet others, employers have introduced disciplinary procedures in terms of which they undertake not to dismiss without cause.

Many countries use more than one device to ensure fair dismissal. It is acknowledged that the incidence of wildcat strikes has been reduced in those countries which have instituted such systems.

Recognition agreements

SA labour law does not contain specific provisions against unfair dismissal. But many unions have signed recognition agreements with employers which stipulate procedures which must be followed when dismissal is being considered. And in a number of landmark judgments the Industrial Court — which uses fairness as its criterion for judging disputes — has ruled that unfair dismissal can constitute an unfair labour practice.

The most commonly adopted line of action for unions in cases of alleged unfair dismissals has been to apply to the court for a *status quo* order. This means that affected employees are reinstated in terms of Section 43 of the Labour Relations Act; and they simultaneously apply to the Minister of Manpower to appoint a conciliation board to judge the merits of the dispute.

Status quo orders are temporary — usually valid for 90 days unless they are extended. But while they are in force employers are obliged to either physically re-employ workers covered by the order, or pay their wages. Application for a conciliation board ensures that if the dispute is not settled within that forum it will go to the Industrial Court for final determination. Most applications in these situations allege that the dismissal was an unfair labour practice.

If in the course of a Section 43 application a union can show that, on balance, the dismissed workers suffer greater inconvenience than their employers, the court will generally grant the order if it finds the dis-

RETRENCHMENT 'RULES'

Most countries acknowledge that employers may terminate employment for economic and technological reasons. But termination should occur with the least possible prejudice to the worker, it's argued. SA has not codified the criteria that should apply in these circumstances — but the Industrial Court has given some guidelines. Employers must have:

- ☐ Notified a representative union at the earliest opportunity of the intention to retrench;
- ☐ Met a representative union or employee body before retrenching, to discuss possible alternatives — such as layoffs, short time and transfer — as well as to agree on selection criteria. If there is no consensus on the criteria, employers must adopt objective ones such as a last-in-first-out basis for retrenchment unless they can give good reasons for departing from them. The agreed criteria must be fairly applied.

If a representative union is not involved, employers must have:

- ☐ Considered possible ways to avoid retrenchment, such as transfers, eliminating overtime and working short time;
- ☐ Consulted with employee representatives on criteria to be applied in selecting employees for retrenchment;
- ☐ Ensured that the criteria, as far as possible, do not depend solely on the opinion of the person making the selection, but can be objectively checked against such factors as attendance records, job efficiency, experience or length of service;
- ☐ Given sufficient prior warning to employees who may be affected and their representatives;
- ☐ Ensured that selection is made fairly in accordance with the criteria adopted, and considered any representations employee representatives may make; and
- ☐ Consulted affected employees.

missal was not justified. More than one employer has been known to settle out of court if the *status quo* order is used in tandem with an unfair labour practice allegation in a conciliation board application. Dismissals which occur while a *status quo* order is in force are prohibited by law.

Victimisation for union membership, or participation in union activities, is the prime example of situations in which the law prohibits dismissal. The very fact that the law favours employees in these circumstances indicates how gravely victim-

isation is viewed. Such cases are heard in criminal courts, as the concept is entrenched in statute. The State usually brings the application — but instances of private prosecution have been recorded. If victimisation is proved the courts can rule that the dismissal is void. Reinstatement can be ordered.

"Constructive dismissal," the term applied to employers who use tactics designed to coerce employees to resign, is closely linked to victimisation. Although no cases of this nature have come before the

WATERY WOES

Black workers have been the main beneficiaries of Industrial Court rulings in cases involving allegations of unfair dismissal. But there are growing signs that white workers are also beginning to seize upon the protection offered by the court.

Take the case of the female horticulturist dismissed by the Welkom municipality. The woman was responsible for a number of the city's parks. During the drought householders were prohibited from watering their gardens and the municipality itself made use of sewerage water.

One day, according to evidence heard in the Industrial Court, she noticed a municipal hosepipe draped over the wall of a private home belonging to Welkom's director of parks. When she asked the black worker attending the hosepipe who had given him instructions to water the garden, he replied: "The big baas." She ordered the pipe to be removed and reported the incident to her superior.

When the director found out about the event, she alleged that he became most aggressive towards her and denied that

he had issued an order to water his garden. He claimed he had instructed the worker to water the pavement outside his home.

However, soon thereafter the horticulturist said she found a private hosepipe attached to a municipal tap in the same park. She impounded it, established that it belonged to the director, and reported this to her superior. Later, after an inquiry held in terms of the municipal by-laws, she was dismissed on the grounds that she had failed to obey instructions.

The woman consulted Johannesburg labour lawyers Cheadle, Haysom, Thompson. They took the matter to the Industrial Court alleging that the charges against her had been "trumped up."

The municipality did not defend the action and the court granted the woman temporary reinstatement in terms of Section 43 of the Labour Relations Act. The Minister of Manpower is currently considering establishing a conciliation board to hear the dispute.

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Women's jobs in danger

DOZENS of women street cleaners employed by the Soweto City Council may soon lose their jobs, unless the debt-ridden municipality

raises more funds to keep them on the staff.

The women learned this week, to their shock, that the city council intended laying

off some of the staff at the Cleansing Department because of a shortage of funds. The SOWETAN could not establish yesterday how

many workers would be affected, but the Cleansing Department's staff is estimated at 100.

The Soweto Council is expected to decide the fate of the street cleaners — mostly women driven into the job by the recession — at a special meeting next week.

The street cleaners told The SOWETAN that they suspected that the council by retrenching them, was trying to avoid paying them bonuses at the end of the year.

A senior Soweto Council official yesterday confirmed that the hard-up municipality may be forced to retrench some of its Cleansing Department staff. He said, however, the final decision rested with the council.

Big cutback as new car sales plummet

Mercury
4/9/84
335

Motoring Reporter
MOTOR manufacturer Amcar, formerly Sigma, has laid off 315 workers, 66 salaried staff and has shut down its production line in Pretoria for four weeks.

The company confirmed yesterday that a further 10 days would be trimmed from the October working schedule by working short weeks.

In July, Amcar's sales figures dropped by 60 percent over June from

4 620 cars to 1 851.

'The measures are to adjust supply in line with the lower demand,' said a company spokesman.

On leave

He said the action, though regrettable, was a necessary part of the company's programme to reduce its cost structure to levels commensurate with present market demand.

Amcar employs 1 300 salaried staff and 3 000 hourly-paid staff.

Another company that will join Amcar in cutting back is Ford, which will close its operation from September 10 to 14.

'We are all going on leave,' said a Ford spokesman.

He said no decision had been taken beyond then, but the situation was being monitored: 'It flows out of the present economic situation. We do not see it improving before the end of the year.'

Other manufacturers

have also trimmed their working week.

In Port Elizabeth, General Motors has been working a four-day week for the past nine weeks.

In a statement, GM said: 'For the past two months because of the German metal workers' strike and the current economic situation, we have been reviewing the situation on a continuing basis.

'We have been working short-time for the last nine weeks and experienced a temporary lay-off of employees. The possibility of further action cannot be discounted at this time. However, any such action will be reviewed with the trade unions.

A Nissan spokesman said the company had shed 2,5 hours a week, while BMW had stopped working on Mondays, this week being the third.

Alfa Romeo has been working a three-day week.

Overtime

Toyota S A and VW S A are working a full week.

A Volkswagen spokesman saw no reason to reduce time as they were running on pre-timed schedules and building 430 units a day.

'In fact, we're working overtime in some areas. We have fairly strong orders and we are building stock of Golf 2.'

Mercedes-Benz is also working a normal week.

Some of the manufacturers were following the June-July 1984 trend over the July 83-July 84 period with a sales drop of as much as 65 percent.

Renault's figures were down 46,5 percent, VW 38,5, Alfa Romeo 37,3, Peugeot 62,9, Mitsubishi 65,8, and GM 20.

PE car plants to lay off 554

Post Reporters E. Post
7/9/84

A TOTAL of 554 workers, including salaried employees, will be retrenched at the Ford Motor Company and General Motors SA in Port Elizabeth today.

The retrenchment figures released today were 425 at Ford and 129 at GM.

Mr Fred Ferreira, director of industrial relations at Ford, said in a statement it was regretted that this drastic measure had to be taken.

It had become necessary because of the combined effects of the recently introduced economic measures which were depressing the South African economy in general and the motor industry in particular.

"We see virtually no prospect of improvement in the short and medium term," said Mr Ferreira.

Vehicle sales in August were expected to follow the low trend started in July, when the figures were well below the market average of the first six months of this year.

He said the decision to retrench workers had been taken in consultation with the unions.

Preference would be given to the affected workers should vacancies arise or should improved conditions allow recruitment of additional labour.

He said no further measures were planned at this stage.

Mr Lou Wilking, managing director of General Motors, in announcing the retrenchment of 129 employees, said no additional retrenchments were planned.

He said GM was working on the assumption that things would be "looking up" by the middle of next year.

They had also taken every possible measure to minimise the impact on the motor industry by working a four-day nine-hour week.

Volkswagen South Africa employees are currently working a full five-day week.

The communications manager of Volkswagen, Mr Graham Hardy, said today there were no plans to retrench workers "in the foreseeable future".

However, the situation would be monitored closely, he said, and could not be taken lightly.

● The regional secretary of the National Automobile and Allied Workers Union (Naawu), Mr K. Ketteldas, said that during the past few weeks Naawu had made representations to the motor companies urging them to consider alternatives to retrenchment.

"We raised our objection to retrenchment and asked the companies to take stock of the devastating social implications retrenchment would have in the current economic circumstances," he said.

Many families would be severely hit.

The motor industry should not forget its social responsibilities to its employees, Mr Ketteldas said.

Any further moves would have to be discussed between the workers and Naawu, he added.

● Mr Bill Hayward, director of the National Association of Automotive Components and Allied Manufacturers (Naacam), said today that it was still too early to assess the effect the retrenchments would have on the motor component makers and related industries.

He said that five of the 30 industries linked to the motor industry in the Port Elizabeth-Uitenhage area had been affected and were working short time.

600 retrenched in PE, Leyland also expected to lay off workers

Car jobs crisis

argue 7/9/84 ~~335~~ 335

By KEN VERNON and PIPPA GREEN, Staff Reporters
ALMOST 600 people have been retrenched by General Motors and Ford, and car industry workers in the Western Cape are waiting for news of layoffs at Leyland plants.

Ripple effect

Mr Brian Robinson, director of industrial relations at Volkswagen, said his company had not retrenched any workers and did not expect to in the near future.

Today's layoffs have deepened the gloom in Port Elizabeth. The ripple effect of car sales goes beyond the car manufacturers — component suppliers are also beginning to feel the pinch.

Guestro Industries, a subsidiary of the Dorbyl Group, says its Uitenhage plant, which supplies parts to the industry, is to lay off 54 workers in coming weeks.

Mr John Ryan, marketing manager for the headlight manufacturer Hella SA, said that so far his company had not had to retrench workers, "but we expect to reschedule production downwards soon."

Makers of batteries and tyres, especially retreads, expect to sell more as pressed consumers opt to keep their cars on the road rather than buy new models.

The Port Elizabeth companies' moves today push up to almost 1 200 the known number of workers made jobless in the recession-hit South African motor industry in less than a month.

In a black Friday for the Eastern Cape's "motor city", Ford announced that they had laid off 425 hourly and salaried staff, and General Motors said they had retrenched 129 workers.

Two days ago Leyland's manufacturing director, Mr G Morris, said that the company management in Cape Town had been negotiating with the trade unions involved and that the workers would know by the end of the week what had been decided.

But today senior company officials were said to be unavailable for comment.

"List of employees"

However, Mr Joe Forster, regional secretary of the National Automobile Workers' Union (Naawu), said Leyland shop stewards had been given a list of employees facing retrenchment today.

The union's retrenchment agreement with the company allows worker representatives to make special application on behalf of those who might suffer undue hardship, and provides for retrenchment pay.

Last month Nissan South Africa retrenched 244 contract workers, and Amcar (formerly Sigma) laid off 330 employees.

The move at Ford comes in addition to a planned shutdown of the production facility next week, forcing all staff to take a week's leave.

Economic climate

General Motors will continue to work a nine-hour day in a four-day week, said its public relations officer, Mr Mike Killeen.

Both Port Elizabeth companies said the retrenchments had been forced on them by the economic climate, which has hit new-car sales drastically.

Mr Fred Ferreira, industrial relations manager at Ford, said the employment situation would be monitored weekly, but no further layoffs were expected "at present".

Mr Killeen said General Motors did not expect further retrenchments.

Big motor companies lay off 654 workers

335
C. Times 8/9/84

Own Correspondent

PORT ELIZABETH. — A total of 554 workers, including about 20 salaried personnel, were retrenched by Ford Motor Company and General Motors in Port Elizabeth yesterday.

The retrenchments were made mainly in the production departments of the two companies.

The only car manufacturer in the Western Cape, Leyland South

Africa, yesterday laid off 100 workers at its plants in Epping, Blackheath and Elsie's River.

The company's manufacturing director, Mr Graham Morris, said the retrenchments were inevitable after workers at the plants had been on short-time for about six weeks.

There was little hope that the industry would show an improvement in the near future, and the retrenchments also meant that the remaining employees could now work a normal week, Mr Morris added.

Mr Fred Ferreira, Ford's director of industrial relations, said in a statement yesterday that Ford South Africa had retrenched 425 workers, including 20 salaried personnel.

"We regret that it has been necessary for us to take this drastic measure, but it has been necessitated by the combined effects of the recently-introduced monetary and fiscal measures which continue to depress the South African economy and the automotive industry in particular," Mr Ferreira said.

Mr Ferreira said Ford South Africa saw no prospect for improvement in the short and medium-term.

He said the decision to retrench workers had been taken in consultation with the unions. Preference would be given to affected workers should vacancies arise, or should improved conditions allow for the recruitment of additional labour.

No further measures were contemplated at this stage in addition to the retrenchments and the one-week annual vacation announced last week. The situation, however, would be monitored closely and reassessed on a weekly basis, Mr Ferreira said.

Mr Lou Wilking, managing director of General Motors South Africa, where 129 workers were retrenched yesterday, said no additional measures were planned. To minimize the impact of the retrenchments, General Motors was working a four-day, nine-hour week.

General Motors, he said, was working on an assumption that things would improve towards the middle of next year.

MOTOR FIRMS

MAY
LAY
OFF
680

By MONO
BADELA

MOTOR industry workers in Port Elizabeth are panick-stricken — they are living in fear of re-trenchment.

According to the National Automobile and Allied Workers' Union, the giant car manufacturing company Ford will re-trench 500 workers today, and the union's talks with General Motors — which is planning to re-trench 180 workers — ended in a deadlock this week.

Ford is to shut down its entire Port Elizabeth operation, affecting about 6 000 workers, for five days from Monday next week.

However, it has been established from reliable sources that 2 000 workers — 10 percent of which are salaried staff — are likely to be retrenched soon.

Workers at the factory were reported to be panicking the whole week — many expressed fears that they would be laid off soon.

However, Ford's public affairs officer J Hill said: "We have not taken a decision whether we should retrench workers, and it is still too early to comment."

He said the plant's closure followed in the wake of the below average July vehicle sales and the anticipated low August sales.

Both Ford and General Motors have been working a four-day week for some time now.

Warning on the effects of many jobless in SA

Argus 10/9/84 (335)

Financial Staff

THE Government's economy axe could worsen unemployment and increase the number of discontented youths on township street corners, a leading Cape Town businessman has warned.

"The pessimistic view the lower income groups have of the future should not be depressed to the point of hopelessness," Mr DJ Loch Davis said in his chairman's address at the annual meeting of the Southern Life Association today.

"South Africa suffers from massive unemployment on one hand and an acute shortage of skills on the other.

"Increasing the numbers of disaffected youths on the street corners of the townships can have very serious implications, especially in view of the volatile situation in many areas of the country."

Skills training

South Africa's resources should be used to create as many jobs as possible. Investment capital should be channelled into labour intensive fields, but skills training should also be one of the highest national priorities.

Skills training, however, depended on material received from the formal educational system. It was disquieting that there was still unrest in black schools and that white South Africa was generally ignorant of the issues involved.

"The symptoms of disorder, stone-throwing, arson and rioting mark the disease of discontent with inferiority and impatience at the apparent lack of

progress in the vital areas of education and skills training."

Spending a head on black education was still only a fraction of that spent on white education. The private sector knew it could be truly effective in contributing to economic growth and a stable society only if the problem of black education was seriously addressed by the Government.

"The man in the street has been told that if he does not tighten his belt now, more painful restrictions will be necessary in the future," Mr Loch Davis added.

He said South Africans would respond more readily if the Government were also seen to be controlling its spending.

Thousands laid off as slump hits builders

Labour Reporter

Hard times are looming in the civil engineering and construction industry with retrenchments and cutbacks in the wake of a dwindling number of contracts.

Several major construction companies have been laying off contract workers since May but the real crunch came last month with severe Govern-

ment spending curbs.

The general secretary of the 13 000-member Building, Construction and Allied Workers' Union, Mr Aaron Nthiny, said more than 2 000 union members had been retrenched since the beginning of the year. Most members lost their jobs at the beginning of June when a number of contracts were completed.

The union had been able to negotiate severance pay with only one company — Frankpile South Africa — but by far the majority of those retrenched had been given notice either a week or a only a day before dismissal, he added.

Civil engineering concerns have been particularly hard-hit by the Government cutback in spending in August which has led to a drastic reduction in new projects.

A number of Pretoria and Reef companies have been forced to retrench up to 50 percent of their staff in recent months.

Habitech (Pty) Ltd has retrenched a quarter of its employees since August, including eight permanent staff members, one a graduate.

Mr A A Pitt, director of manpower resources for LTA (Pty) Ltd, said it was common cause that the construction industry tended to "lag the economy". Retrenchments would occur more as a result of attrition than any widespread strategy as fewer contracts became available, he said.

MILLIONS

Mr Andy Shoredits, president of the Master Builders' Association, said retrenchments would severely hamper progress in the building industry as skilled artisans were not likely to return and millions of rands spent in training would not be recovered.

However, a spokesman for Murray and Roberts said the building and housing industry, as distinct from the civil engineering and construction industry, was still very busy and there was no shortage of work.

More staff cuts feared

MANY building companies in Pretoria and on the Reef have retrenched up to 50% of their staff — thus affecting hundreds of unskilled, semi-skilled and professional people — in an attempt to beat the economic crunch.

Experts in the building industry have predicted that worse is still to come, particularly in the Pretoria area where Government cutbacks in spending have caused a dramatic decrease in new projects.

One Pretoria building company has retrenched 25% of its workforce since August. Those retrenched include seven professional people, a university graduate and 60 site workers.

Another company has laid off 20% of its workers over the past two months "because there is just not enough work". This firm's staff has shrunk by about half since the beginning of the year.

Mr Andy Shoredits, president of the Master Builders' Association, said retrenchment had now become a general phenomenon as both private investors and the government shelved plans.

"The crunch has really

occurred since the government cut down on spending," he said.

Retrenchment would severely hamper progress within the building industry, as skilled artisans were not expected to return, he said.

The millions of rands spent on training these people would not be recovered, and the labour-force built up since the lay-offs in 1976 would be lost, he said.

More retrenchments are expected as building projects currently under way near completion.

"Your average project lasts about 18 months and, with nothing new coming up, there will be no work available once that 18-month period is over," Mr Shoredits said. — Sapa.

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forced to retrench

PRETORIA — Building companies in Pretoria and on the Reef have been forced to retrench up to 50 per cent of their staff in an attempt to beat the economic crunch.

Unskilled, semi-skilled and professional people have been involved in the layoffs.

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More retrenchments were expected as building projects currently under way neared completion.

"Your average project lasts about 18 months and with nothing new coming up there will be no work available once the 18 months is over," Mr Shoredits added. — SAPA

Dollar passes mark barrier

FRANKFURT — The US dollar was fixed above three marks in Frankfurt yesterday for the first time in the history of floating exchange rates.

Foreign exchange markets, however, still fought shy of marking the currency firmly above the psychologically important hurdle.

The dollar was set at 3.0048 marks at the daily fixing, at which an official exchange rate is agreed upon, reflecting supply and demand.

This was sharply up on Monday's 2.986 and the highest since February 9, 1973, when it was worth 3.15 marks under the system of fixed exchange rate parities which ended on March 19 of that year.

In afternoon trading it eased again as US markets opened, briefly falling as low as 2.9945 marks before recovering to roughly three-mark parity.

Foreign exchange traders predicted no major short-term fall in the dollar against European currencies.

In Paris, it set a fifth consecutive record at the fix reaching 9.2295

Gabon head prepared to meet Botha

DAKAR (Senegal) — Gabonese President Omar Bongo was quoted yesterday as saying he was ready to meet the South African leader. Mr P. W. Botha, provided Mr Botha came "with proposals that would lead to a just and durable peace in Southern Africa".

Mr Bongo made the statement in an interview published by the government owned Le Soleil newspaper.

Mr Bongo said that any proposals from Mr Botha "should take into account the multiparty conference on Namibia as well as the Lusaka accords."

"For the time being there is no question of a meeting because no request has been made for one."

In Cape Town, Mr Botha's spokesmen were unable to comment immediately.

There have been reports that Mr Botha was considering a trip to Zaire, Ivory Coast and another, unidentified African state. He visited several European capitals earlier this year, indicating South Africa was moving out of its international isolation imposed because of the country's racial policies.

The Lusaka accords



MR BOTHA

ary 16 in the Zambian capital, Lusaka.

Speaking about SWA Namibia, Mr Bongo said: "This problem has to be regulated in the context of UN Resolution 435. But if in order to reach an agreement, it is necessary to open a direct dialogue between Namibians and South Africans, one should not be afraid to do it."

Resolution 435 calls for UN-supervised elections and a transition to independence for SWA/Namibia, which has been administered since after World War I by South Africa under a mandate from the defunct League of Nations.

South Africa and the US say self-rule cannot be granted to the nearly

talk to!

event of a dispute.

Provisions for the Minister or Director General of Environment Affairs to act as arbitrator in a deadlock have been included in amendments to the Forestry Act promulgated this year.

It is the culmination of a long struggle by growers to obtain better prices. They have long argued that they have been at the mercy of a small but powerful group of buyers.

Their disenchantment is exemplified in a comment in the annual report of the SA Timber Growers' Association (Satga): "Notwithstanding buying companies showing good and greater profits, dividends and retained earnings with corresponding increases in share values, growers were unable to recover increased costs in the form of adequate price increases."

Says Satga chairman, Craig Anderson: "Hitherto it has been a case of that's the price, take it or leave it."

Satga has also recently formed an association of timber co-operatives to conduct price negotiations on behalf of growers outside the federation of timber growers' associations. This is because some of the major buyers were represented through federation constituents. Says Anderson: "We found it extremely difficult to sit down and discuss prices with the interest of buyers represented through our own delegation."

The buyers' previous pricing policy may also have harmed their own interests. It is estimated that SA needs 39 000 ha of new afforestation each year. But from a high point of 25 500 ha in 1975/76 timber plantings have dwindled to around 10 000 ha in 1981/82 — largely because growers have found planting uneconomic.

Anderson says a better deal on prices would "encourage a flow of growers back into the industry."

Though growers were dissatisfied with the general level of price increases for the various grades of timber last year, Anderson feels there is a better chance of getting a "reasonable" price this year. The local economy might still be in recession but the export climate, he notes, is very good.

MOTOR INDUSTRY Cutting the fat

Despite predictions that motor vehicle sales this year will be third highest ever, manufacturers are cutting their labour forces.

One source attributes this to a correction of the boom situation in 1981 when manufacturers took on extra staff to achieve production at almost any cost.

"They now realise that employment levels have reached a point much higher than can be justified," he says. "It also reflects a growing ability by management to make better use of its labour. This must continue if the industry is to survive."

The figures seem to bear him out. Some

CAVEAT VENDOR

Accounts overdue in the textile industry have risen to 40,8% for the first six months of this year from 25% for the same period last year; the footwear industry's to 20,2% from 13,7% and; the building industry's to 28,4% from 16,2%.

The information comes from Kreditinform which has recently intro-

duced a computerised weekly debtor monitor service. MD Ivor Jones says, "The number of liquidations is taking on serious proportions, and repayments of debts have become obstacles, especially for credit managers in smaller firms with limited capital resources and overextended credit facilities."

35 430 workers produced 405 386 vehicles in 1980. By 1983 the labour force had risen to 47 402 while production declined fractionally to 405 139 (see graph).

This year the ratio should come more into line with that of 1980 when about 43 000 workers are expected to produce 417 500 vehicles. Several plants are also working short time.

Amcar has stopped production for three weeks this month. when it re-opens it may continue on a four-day week basis.

Ford laid-off 425 workers recently and also shut down its three manufacturing plants for a week. "The engine plant and the Sierra plant in Struandale will re-open on a four-day week basis while the Neave plant will open on an eight-hour five-day week," says Fred Ferreira Ford's director of industrial relations who is, himself, on "forced leave."

Retrenched

General Motors (GM) has also retrenched staff. "GM has laid-off 129 workers and will be working a nine-hour four-day week until further notice," says MD Lou Wilking.

The only eastern Cape motor manufacturer unaffected by lay-offs or short time at the moment is Volkswagen (VW). The main reason VW is able to keep its staff at present levels is that it is launching two new models later this month.

"We have reallocated our resources to gear up for the introduction of a new Golf and Passat range," says MD Peter Searle.

Some members of the industry did, however, see the writing on the wall earlier in the year.

"Alfa Romeo has been on a four-day week from January to avoid having to lay-off staff," says MD Vito Bianco. "The first six month sales for this year were good but as demand declines we will reduce production level to retain our staff," he says.

Mercedes-Benz conservatively predicted sales for this year and has not retrenched

any staff so far. "We have been working a full five day week all year and we have no plans to do otherwise," says a spokesman.

The FM could not reach Nissan for comment.

Things are quite different for market leader and star of the SA motor industry, Toyota. "We haven't laid-off any staff and have no plans to do so," says PR manager Flip Wilkin.

He attributes this to good management and the fact that Toyotas are selling well. "We don't foresee a dramatic drop in sales of our products for the rest of the year," he says.

Another reason for the belt-tightening is that although this year's sales should be good, a high proportion of it has already been achieved in the first half of the year leaving little potential for the second half.

Most severely affected is the passenger car market which is feeling government's August austerity measures worst. Average monthly sales figures for the first six-month period this year were 26 500 units but it is expected the second six month's figures will hover around the 20 000 a month level.

"The impact of stringent monetary measures means accelerating decline in consumer spending and reduced demand for vehicles," says Nico Vermeulen director of the National Association of Automobile Manufacturers (Naamsa).

"The present slump in the industry is very serious from a growth and employment point of view and is bound to affect the broader spectrum of motor industry component suppliers," he says.

Vermeulen says that assuming there is no short-term relief. "SA's motor manufacturers will face increasing pressure in the next 12 months to streamline their operations," he says.

"SA has been talking about rationalisation for the last 20 years but so far it has only achieved proliferation," says Amcar

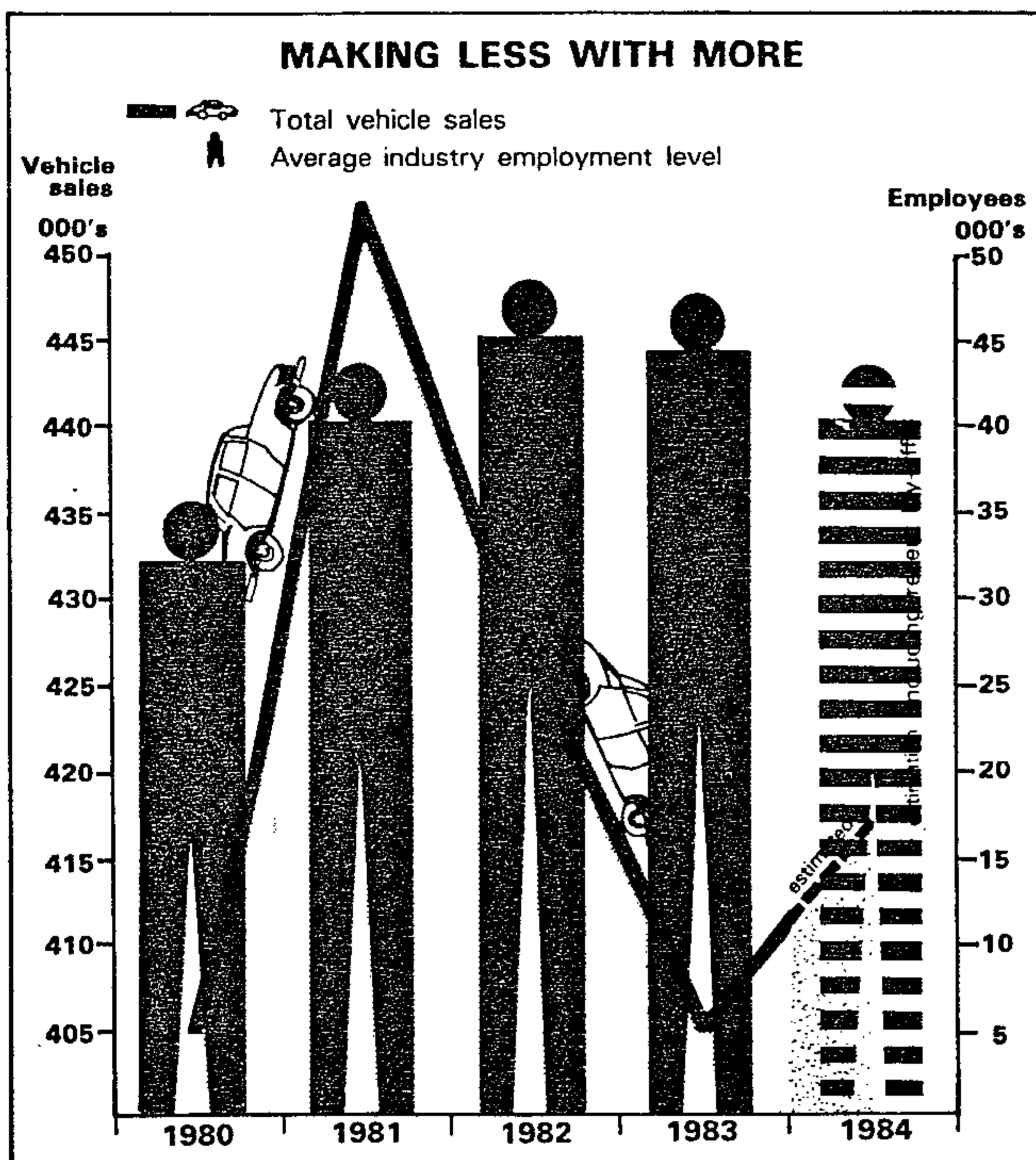
ANOTHER SUN?

Sun International (SI) may buy the Hilton Hotel from the Lesotho government.

Eugene Joannides, SI's director of strategic planning and development, says the Hilton is a "better property" than the Maseru Holiday Inn, which came to the group when the Holiday Inns-SI-Southern Sun restructuring took

place.

He says SI has been given no time limit on the option to buy. The hotel is presently being managed by another party and, like all hotels in the country, has no grading. However, it would probably qualify for more stars than SI's Maseru Holiday Inn.



"Historically, the investments were made only to show goodwill and in an attempt to rationalise the industry," says TCOA MD and executive chairman of Highveld and Southern Leslie Weiss. "The loss of our shares will have no effect on present operations."

The Competition Board's move is intended as a first step towards its recommended deregulation of the industry. This will involve the lifting of price controls, the abolition of vertical integration between the TCOA and distributors and alterations to the rationalisation scheme which grants licences to merchants only on condition they serve all sectors of the market.

The board holds that wholesaling is under the control of the producers through their association, the TCOA. In accordance with the board's recommendations, says director Nick Vermeulen, and management agreement TCOA might have with Southern or Highveld "would have to be ended at some point in the future," when, it is hoped, the board's other recommendations might also be implemented.

SHIP REPAIRS This time lucky?

Ten years have passed since a ship repair yard was first proposed for Port Elizabeth — and the promoter, Algoa Bay Dockyard Development Company, remains optimistic the scheme will materialise.

After its 10th annual meeting in Port Elizabeth last week, it announced that negotiations were proceeding with an unnamed "European organisation" to carry out the last preliminary design studies, which will bring the project ready for tender and construction. This is the eighth occasion in seven years that the company has indicated construction of the yard is due to begin.

However, a lengthy statement signed by managing director Henry Combe and chairman Konstant Bruinette once again left crucial questions unanswered.

Ciskei

Documents handed by the company to the Ciskei several weeks ago indicated that Combe was endeavouring to raise R750 000 from the Ciskeian government. They showed the company assumed its yards — one for ships of 350 000 t and the other for ships of 150 000 t — would be 100% occupied within three years of the start of the project.

But it will be the world's 183rd yard able to accommodate ships of 50 000 t-plus, when business is sagging. The company's own consultants warned that occupancy in yards able to handle ships of 150 000 t and upwards would decrease from 69% in 1987 to 45% in 1992; while yards for ships of 250 000 t and more, predicted Drewry Shipping Consultants of London, would be 13%

MD Spencer Stirling. He believes there is a need for rationalisation but says: "Mergers between companies would be highly complex as all SA motor manufacturers have overseas associates."

One area where Stirling foresees more co-operation between manufacturers is in the utilisation of existing plant. "If one manufacturer needs extra capacity, for whatever reason, instead of adding it on he could negotiate with another manufacturer who has spare capacity."

He says the same principle could be applied to the component side of the industry such as the Wesglass operation which is jointly-owned by several vehicle assemblers.

if the TCOA goes ahead with management agreements presently being discussed with the associations. TCOA expects them to be completed by the end of this month.



Coal distribution ... who pulls the strings?

COAL Vertical backfire

In a bid to loosen the Transvaal Coal Owners' Association's (TCOA) dominance in coal distribution, the Competition Board is negotiating the disposal of its 30% shareholding in distributor bodies, Southern Coal Traders' Association and Highveld Coal Traders' Association.

But this may not have the desired effect

Bankruptcies loom for Cape's building industry

THE Cape building industry can expect many bankruptcies in the year ahead as a result of suicidal tendering and "murderous" competition.

This is the view of Professor Wilsey Kilian, professor of building management at the University of Cape Town.

"The industry didn't really feel the first part of the recession but it will hit them now," he said in an interview.

Latest figures, for the second quarter of 1984, showed building prices rising at an annual rate of 14 percent as a result of the mini-boom, a worsening of inflation from the rate of 10,5 percent in the first quarter and average rate of 4 percent for 1983.

And the escalation of building prices was likely to slow down and drop to virtually nothing by mid-year.

Fear to lose jobs

"Productivity in the building industry will go up because workers fear to lose their jobs."

There would be better management because there would be less work and fewer sites to manage.

The poorest workers were usually the first to lose their jobs so that the level of skills in the industry increased and productivity rose even if nobody worked harder.

Materials would be more readily available as work tapered off from the middle of next year.

"If work becomes scarcer there will be absolutely murderous competition which will force tender prices down."

The only factor that could help a number of builders would be if a large percentage of jobs came along with fixed prices, then there

To Page 2.

By TOM HOOD,
Property Editor

Angela 15/9/84

3335

Bankruptcies loom in Cape building

From Page 1.

might not be so much of a reduction.

"As in other industries, we are going to see bankruptcies in the building industry, largely through high interest rates coupled with suicidal tendering."

High interest rates now made the effective price of a house the monthly repayment figure for a bond.

This caused selling prices to fall to accommodate that figure. But to the buyer the effective price had gone up as a result of high mortgage rates.

A year ago Professor Kilian warned that many investors could burn their fingers in the stampede to buy sectional title flats and let them to tenants.

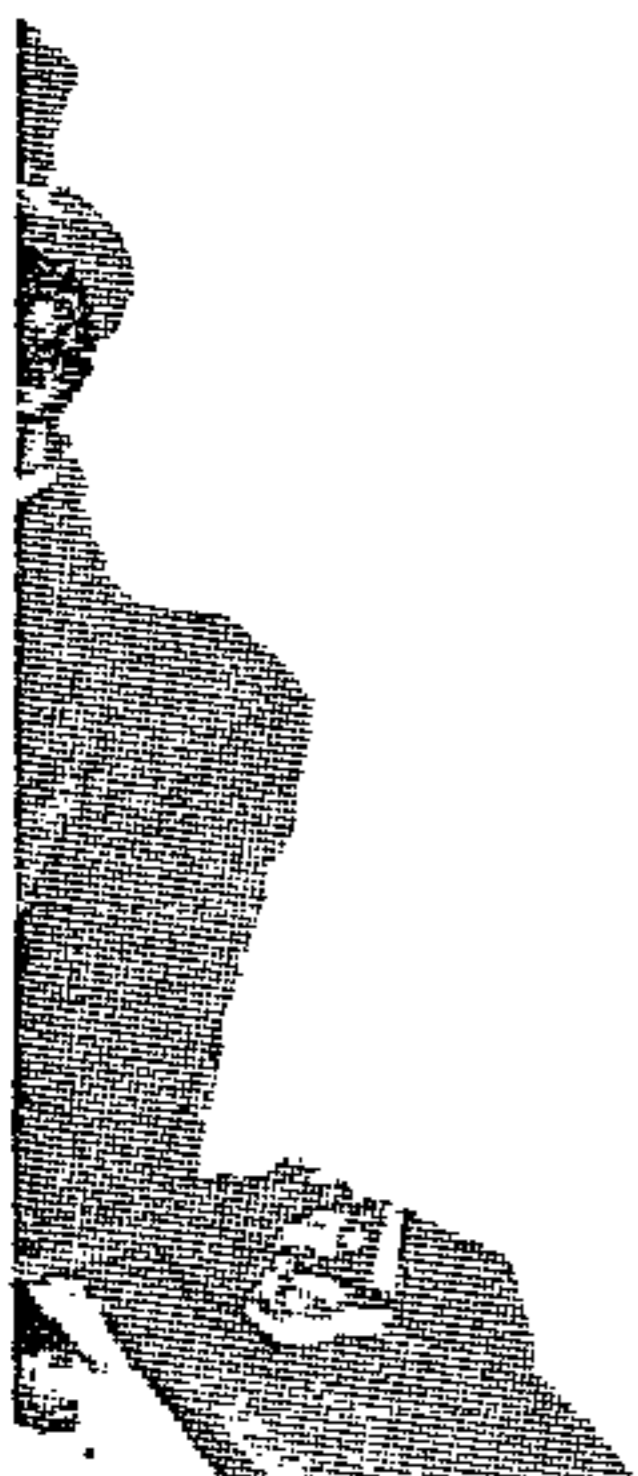
This meant a good flat costing only R60 000 was no longer a good investment proposition. At that price the maximum monthly rent today was about R500 but the money was costing about R1 000 a month.

Least hit would be the many buyers from South West Africa who bought flats for cash.

Although houses prices in the higher income bracket were dropping, there was still a strong demand for houses costing around R50 000.

Many people in the higher-income bracket had over-reached themselves and were moving down-market, becoming competitors for middle and lower-priced houses.

For the man wanting to build a house, however, the drop in building prices is a welcome change from four years ago when prices were rocketing at a rate of 32 percent in the fourth quarter of 1980.



Railways to rev rates in bid to gain more traff

Weekend Argus
Financial Correspondent

THE South African Railways hierarchy is determined to refashion railway rates on a more equitable basis as a result of the imminent introduction of a levy on heavy duty trucks, Dr Bart Grove, general manager, SA Transport Services, said in an interview here.

The system of rates, which are labyrinthine, has hindered the railways for many years, hastening its decline as a competitive transport body.

Dr Grove said for many years SA Railways battled to be a viable statutory body that did not require Government handouts. But it was up against unfair odds from the start.

In the financial year to March 31 1985, it expected a R888-million loss on passenger services, of which R430-million would be compensated by Government.

The balance would be recouped from cross-subsidisation and the closing of certain uneconomic branch lines. The final deficit, however, was estimated at just over R100-million.

"Other measures such as the closing of more unprofitable branch lines, including many in South West Africa/Namibia, and the introduction of the levy on private road hauliers will help put the railways in a very healthy situation.

"We are quite prepared to enter a more competitive environment, provided we are compensated for the socio-economic service we render, and provided we are allowed to close more of the uneconomic branch lines."

It was seen in May 1982 that things were moving in the wrong direction.

"Our revenue was on target with our estimates but, quite suddenly, it started to decline.



Dr Bart Grove, general manager of SA Transport Services.

We reduced staff from 279 000 to 240 000, purely as a result of wastage and no further recruitment.

"More cuts on the same basis are planned and it is hoped that by 1986 the target of 230 000 employees will be reached.

"Since 1981-82 our capital investment has come down by 40 percent and our operating expenditure, while it has gone up with inflation, cost of capital, wages and exchange rates has, in real terms, come down by six to 10 percent.

"I think that is a real achievement; but we are not through yet. Export volumes have been increasing for almost a year, especially those of minerals, coal and ferro-alloys as a result of the improvement in the economies of our trading partners.

"While Government has decided to curtail expenditure, which we have been doing for the past two years, we cannot do it to a great extent. But we will cut back on operating and capex. Instead of halting projects, we will most likely slow their development."

Capital expenditure in 1985-86 will be cut by at least 10 percent to R1,6-billion and operating costs by four percent to R7-billion.

Hamstrung since it was established in 1910, the Railways' terms of reference were to open up the inland areas by

building railway lines and stations. Under the Act at time, it was to provide transport.

As a result of its specific tariff policy, it charged high rates on high valued imported goods and low rates on low valued commodities.

The result of this policy, based on what the traffic could bear — was the development of a strong measure of cross-subsidisation; for example, subsidised passenger and freight traffic.

The result was a competitive structure which had to be continually re-adjusted to meet the needs of the day. The advent of road transport, competition became severe and the railways lost much business.

Private hauliers

Although it had the same structure and rolling stock, transport virtually any commodity, its share in the transport market fell from 62 percent in 1981 to 38 percent this year. This meant 62 percent of all traffic was lost to private road hauliers.

"With the construction maintenance of its infrastructure, the battle for traffic is easily won by road hauliers, who do not make, we consider to be, a fair contribution towards the construction and maintenance of roads.

"That amounts to a loss of competition. We feel strongly about it and it is an aspect that should be considered before there can be full competition."

In the last session of Parliament, a Bill was passed empowering local authorities to make a special levy on private road hauliers to enable them to compensate for the cost of construction and maintenance of roads.

Dr Grove said the levy, introduced, would place railways in a more competitive situation.

Brokers forecast increasing

1000s TOTAL SALES

Thousands paid off, others on short-time as manufacturers review their positions

Motor industry in turmoil as recession bites

15/9/84 Star

By Alan Russel

Only one of South Africa's 11 motor manufacturers is in full production of its entire range of cars amid speculation that at least one manufacturer may be reviewing its position in the South African market.

All other manufacturers are either shut down for varying periods, working short time or curtailing production of certain models as reports of takeovers strengthen.

Manufacturers have resorted to massive redundancies and have cut back on salaried staff with more cutbacks expected if the position does not improve soon.

TAKE-OVER

Speculation in the industry is that Nissan South Africa, based in Rosslyn, is the target of a takeover bid with parent Messina taking a hard look at its loss-making investment.

Insurance giant, Sanlam and financial giant Anglo American, are reportedly the main parties interested in taking total control of Nissan.

CUT-BACK

Nissan has suffered heavily in the present recession and has adopted a three-day week after earlier cuts to a 42½-hour week. Black hourly-paid contract workers have been laid off, salaries staff have been retrenched in all levels and, although market share has held up, outlook for the immediate future is bleak.

Nissan's managing director, John Newbury, is now in Japan.

But details of his visit are not available.

Amcar Motor Holdings (formerly Sigma) makers of Mazda, Nissan and Peugeot cars, has closed its plant for six weeks. Salaried staff will take an early week's leave on Monday. Hourly-paid black staff have been laid off and there has been some retrenchment of employees.

The Amcar plant, the biggest in the Southern hemisphere has been working well below capacity although the company was moving significantly towards recovery after three disastrous years.

Some quarters in the industry believe Amcar is open to producing for another manufacturer. In recent weeks it has been suggested another Japanese range could be switched to the former Sigma plant in a rationalisation of interests.

Amcar already operates on the principle of marketing its three present ranges independently.

Speculation in the eastern Cape revolves mainly around intentions of Ford where salaried staff have been put on leave after some redundancies and hourly-paid workers have been paid off.

Again, the talk here is of closing certain sections of the operation and some form of merger with another manufacturer to rationalise output.

General Motors, also suffering from staff cuts and reduced production, has made no secret that it would consider a South Africa partner. This is partly due, however, to pressure from disinvestment groups in the United States.

Amcar's group managing director, Mr Spencer Sterling, recently noted in an address to the Institute of the motor industry that some form of production and marketing rationalisation was overdue.

SMALL MARKET

He said about 11 car makers and 14 commercial vehicle manufacturers were competing for a market of about 400 000 vehicles a year.

In Australia, a market of some 750 000 vehicles a year, there are only five makers and authorities still consider this too high. The aim was to reduce them to three by 1990.

In the past 10 years, Mr Sterling said, the cost of tooling new cars and light commercial vehicles in the Republic under the Phase V local content regulations had escalated from R3 million to between R30-R40 million, depending on the size, complexity and origin of the model range.

Competition at retail level was vicious. Acceptable profits and profitability had become extremely difficult in the motor industry in most cases and totally impossible in some.

CO-OPERATION

On co-operation and rationalisation between manufacturers, Mr Sterling said: "I believe this development is more than possible".

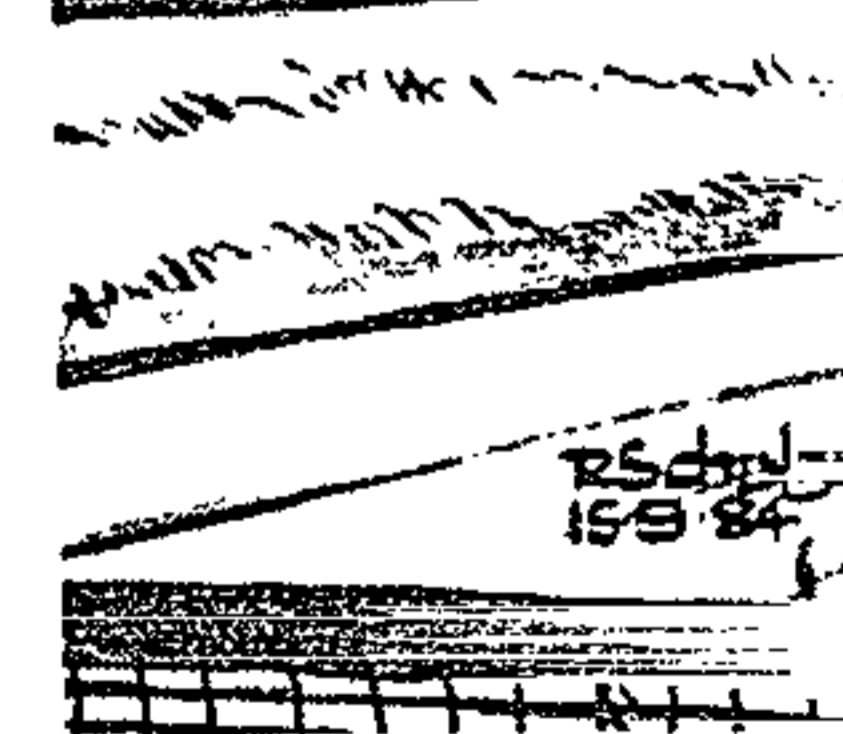
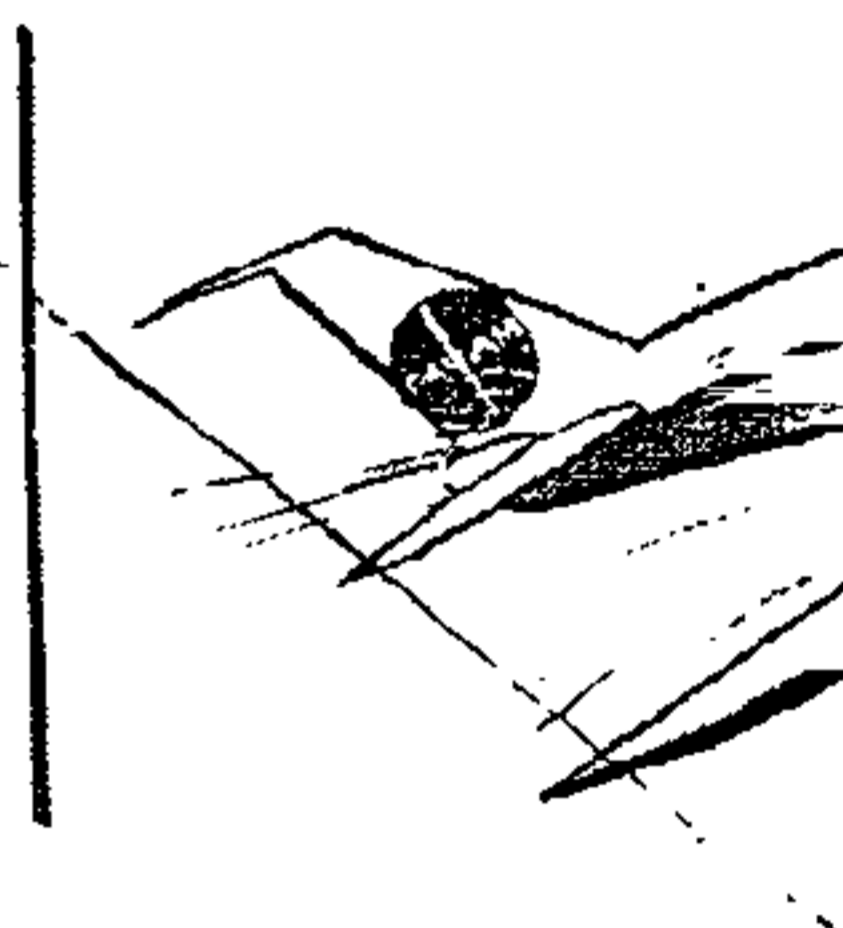
"In fact I believe it is highly probable. But once again, the exact form and timing cannot be predicted. Suffice to say the pressures are escalating and, sooner or later, something is going to give."

Pan Am

By Trevor Walker

Pan American is experiencing phenomenally successful flying out of Johannesburg to the United States, despite fall in the rand and the general weakness of the economy.

Mr Doug Davison, director of Pan American World Air



Sugar now triple the free market price

By Trevor Walker

The government has seen raise the price of South African sugar to three times that open market in London.

The price has been increased 24 percent in the last 12 months and one cannot but feel for Mr Hennie Viljoen, president of the SA Federation of Drink manufacturers asks why the soft drink

Potential exchange losses

Unionist told to leave — then . . .

'My boss tried to kill me'

TRADE UNION work cost Elias Skosana his job and nearly his life in a bizarre series of events apparently designed to bump him off.

A year ago Mr Skosana joined Fosatu's Transport and General Workers Union, and approached a number of his fellow drivers to sign up with the union.

He says that on August 7 he was called to the company's office and told he was being

**CP Correspondent
DURBAN**

dismissed because he had made the other drivers join the union.

He was told to leave the premises immediately.

The next day a security guard from the firm visited him and said he had been sent to tell him that if he was seen in or near any of the company buses again, he "would be shot".



Elias Skosana: "My former boss wants me dead."

A few days later he was driving home in his car when he had a puncture. He caught a bus which belonged to his former company and went to Pine-town to buy a tube.

"When I got off at the bus rank, I met my former employer who asked me

aggressively why I had told the other drivers to join the union.

"He then took out a gun and fired four shots at me.

"I ran away, so he didn't hit me."

Later Mr Skosana collected the spent cartridges and handed them over to the police.

A few weeks later, says Mr Skosana, he was near the company offices when his former boss tried to run him over with his Mercedes.

Mr Skosana has laid charges against the company official, and his lawyers have also begun industrial court action to get his job back.

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Strikes will increase, study predicts

By Andrew Beattie

333 Stw Pretoria Bureau

There will be a rapid growth of trade unions in the transport industry and a corresponding increase in the number of strikes, says the National Transport Policy Study (NTPS).

The findings were announced today in Pretoria.

The NTPS is being undertaken to provide information to assist the National Transport Com-

mission (NTC) in formulating recommendations for the rationalisation of transport policy.

The work for the study is being done by a group of consultants on behalf of the NTC.

According to statistics, workers in South African transport-related unions constituted a small percentage of all unionised workers. However, the motor industry in particular was one of the hardest-hit by strikes.

Although unions in

South Africa were much smaller than in Western Europe or Japan, their rapid growth was unavoidable, the report found.

Transport industries could expect consolidation and strengthening of the unions, tougher and more sophisticated bargaining and a wider scope of worker grievances and expectations.

At the same time employer groups lacked cohesion and organisation in the bargaining process.

They would have to work collectively if they were to cope in the future.

The study also found that there was considerable difficulty among employer and worker groups in understanding dispute procedures in terms of the new labour laws.

The NTPS recommended the development of a system of collecting and sharing information that would assist in planning and implementing sound labour relations.

VW hopes new Golf will regain market

16/11/84 335 C. Times 17/11/84

Own Correspondent

VOLKSWAGEN says that in what is probably the country's most serious recession, it is launching a new car which is helping stave off short working hours and unemployment in its own plant and among some component suppliers in the area.

In a statement, the managing director, Mr Peter Searle, says the company hopes its new Golf will regain lost market share.

Workers are on overtime to produce the vehicles, being launched in Johannesburg.

The launch will be attended by Dr Carl Hahn, chairman of the board of Volkswagenwerk AG, who arrived in Port Elizabeth this weekend to visit the plant in Uitenhage.

"The expected demand for the new car will stabilize the company's workforce of some 7 000 people," he says.

Volkswagen is well placed to endure the recession without having to decrease its workforce

and cause further unemployment in the Eastern Cape, he says.

"Although the present recession, high interest rates and difficult hire purchase terms are affecting every South African motor manufacturer, those with brand new models to introduce will be less affected than others," he says.

Modern facilities

The company has revamped almost all its products in the past 18 months. Apart from its Citi Golf and the Golf Pick-up, nothing will be in production in October in the same form as a year ago.

And by early 1985, most of its 20-year old plant and facilities in the factory will have been replaced with more modern facilities.

Volkswagen's current R200-million expansion programme has seen more than R70 million committed to the development of the new Audi and Golf range, and a further R50 million is now

being spent on a paint plant.

In the manufacturing and assembly halls more than R85 million has been and is being invested to modernise the plant, to increase capacity and to improve product engineering and quality assurance facilities, he says.

"We have invested heavily to introduce first the new Audi 500 and now Golf II. But this move will now give us an advantage in the present depressed state of the market."

Passat and Microbus ranges also have new, more powerful engines.

Mr Searle says Golf II is expected to make the same impact on the local market that it had on the German market when it was launched there a year ago.

"The South African car market is a fashion market, and the competition in the small and medium class — representing some 70 percent of total sales — is particularly fierce."

RDM 17/9/84 □ □ □ (335)

COMMON sense dicates that unemployment increases during a recession.

Which is why official statistics indicating that the unemployment rate on the Witwatersrand has dropped since 1981 should be viewed with suspicion.

According to the Central Statistical Services, the unemployment rate in the Witwatersrand metropolitan areas in March 1984 stood at 6,6%.

This is compared to 6,7 % in March 1983 and (admittedly from a different sample) 8,8 % in July 1981, which is quite close to the peak of the business cycle.

The government's official unemployment statistics have long been criticised by social scientists as being inadequate and attempts to quantify real unemployment have produced figures ranging from two to three million.

But the official figures might well indicate one major trend in the current recession — as job opportunities dwindle, so does the number of job-seekers.

You don't spend money on busfare and wait for hours in queues for jobs that are not going to materialise.

This deep unemployment — large numbers of people unemployed but who have stopped looking for work — is not recorded by official figures.

Nor, for that matter, are the workers laid-off from good jobs in the modern sector who find their way into low-paying menial work. Either way, they are classified as employed.

Finally, there are the contract workers who, when retrenched, are simply endorsed out of the metropolitan areas back to the homelands where unemployment is at its worst.

In this way urban unemployment is exported and is not reflected in the official figures of unemployment on the Witwatersrand.

RAM 17/9/84 (335)

Payroll tax a threat to jobs, says clothing industry boss

By ROBERT GREIG

A PAYROLL tax would worsen unemployment and threaten existing jobs, the clothing industry has warned the government.

The chairman of the National Clothing Federation, Mr Mike Getz, said recently that imminent payroll tax — "this latest reaction of the central authorities to the acute economic problems we face" — threatened "the very basis of present and future socio-economic priorities".

"The creation and motivation of job opportunities for our under-employed population could be seriously undermined.

"We believe that this contradiction is an unfortunate result of the absence of a consistent policy towards the en-

couragement and development of job-providing industries".

The payroll tax has been accepted in principle by the government as one of three tax means of raising money for local authorities, clothing industry sources say.

The other forms of tax are on capital investment and turnover.

Further details of these have not been released, nor when the taxes will be introduced.

Mr Getz predicted a moderate decline in clothes manufacturing in 1984, compared to 1983's 8% volume decline in clothing sales and 14% decline in manufacturing volume.

He said the industry's prospects depended on:

- A cost structure that would help devel-

op manufacturing industries.

Rents were high by Western standards and extremely high for the small, complex domestic market. "Realistically, they may well be too high for sustained growth of consumption in real terms.

"The gap between average income growth and the rise in forward costs a square metre is widening," Mr Getz said.

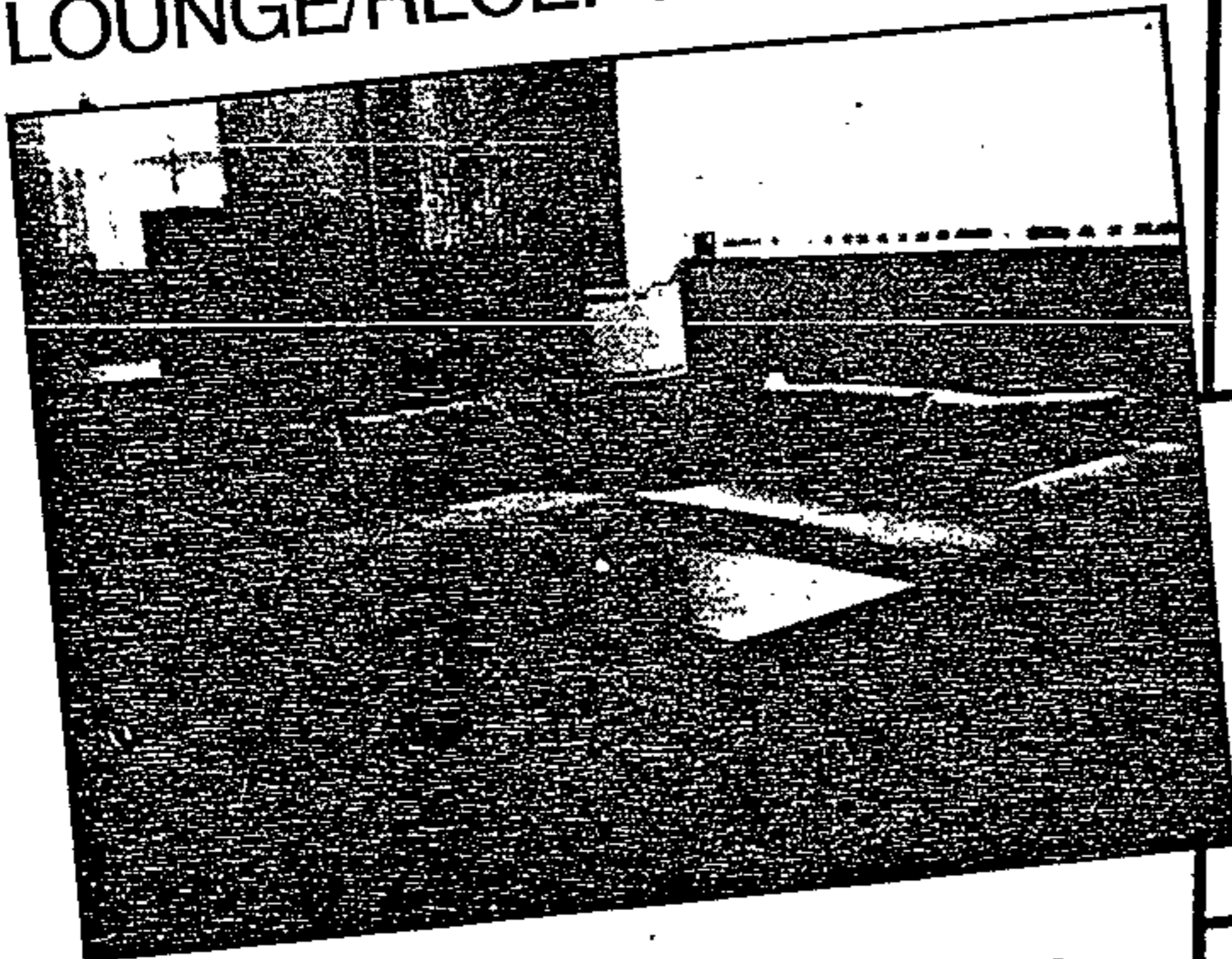
- An up-to-date foreign trade policy.

Mr Getz said: "It is important to understand that SA's preoccupation with the price of gold masked a far more serious problem.

"This is the lack of awareness in both the private and public sector that we are presently approaching world markets with an ageing and vulnerable mix of commodities and products."

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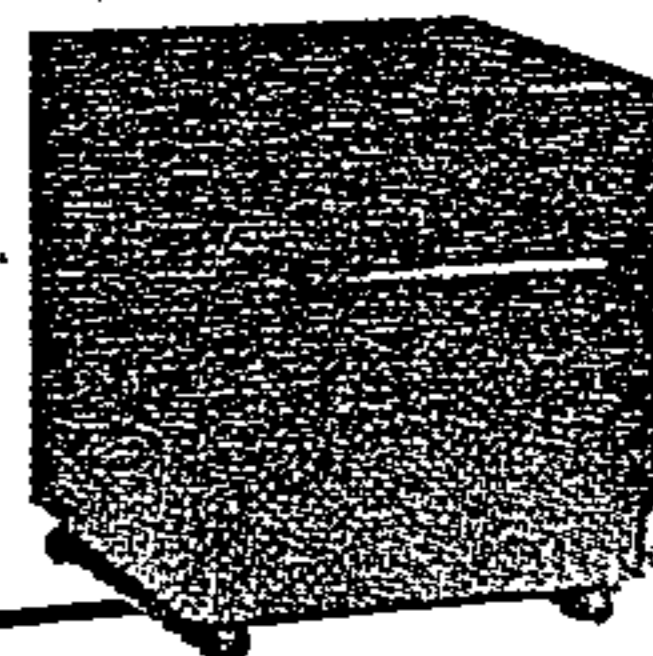
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Unemployment problem here to stay — expert

9/9/84 (335) Stan

Pretoria Bureau

South Africa has a permanent structural unemployment problem and not merely a temporary problem of cyclical unemployment, an expert on black migration and urbanisation said yesterday.

The Human Sciences Research Council's deputy president, Dr P Smit, said at a CSIR conference on research for development that it was not far-fetched to suggest that South Africa had a problem of permanent unemployment.

Dr Smit said research was urgently needed into demographic changes and systems of social se-

curity to accommodate those changes.

South Africa's population would reach 45 million by the end of the century. The black population would contribute 80 percent to that growth and the whites' total contribution would about 13 percent.

PROVIDE

At the same time, the Government could not provide a pension scheme for the growing black population, and urgent research was essential to develop some kind of scheme for them.

As well, the formal economic sector was not in a position to provide jobs for everyone.

More research was needed on the roles of the informal sector of the economy, because available information indicated that sector could not cater for the uneducated and unproductive.

Dr Smit said that, while the economic recession was frequently given as a reason for unemployment, many of the 10 million workless in Europe were in that position because of technological developments.

"The developed countries of the world are undergoing a technological revolution which has implications of more importance than the industrial revolution," he said.

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"The developed countries of the world are undergoing a technological revolution which has implications of more importance than the industrial revolution," he said.

Anglo subsidiary takes EL firm

19/9/84 335 D. Dispath

By ANDRE JORDAAN

EAST LONDON — An Anglo American subsidiary, Labour Intensive Industries Trust, has taken over W. J. Palmer, a Bowls Road galvanising, electroplating and light metal pressing concern.

The new managing director, Mr Chris Hoggins, said the aim was to improve the quality and range of products of the concern which was established about 50 years ago and which had been run by the children of the original Mr W. J. Palmer largely as a jobbing concern on the electroplating side, with a production run of tin cans for the black market on the metal pressing side.

Mr Hoggins said he saw great potential for the company which has facilities for hot-dip galvanising and copper, brass, nickel, chrome, cadmium and silver electroplating.

At present, much of this work was going to

Port Elizabeth because local customers were not happy with the quality but this could be reversed if the quality and quantity requirements of local industry could be met.

"If we can get quality and service sorted out, we may well help to attract other industries to the area," Mr Hoggins said.

"It's a chicken and egg situation. Industries won't come here because the service industries are not here and the service industries won't come because the big industry is not here."

Mr Hoggins said that, in addition to the present jobbing work, they would seek production runs and had already made contact with two local furniture industries to do chrome-plating of office and kitchen furniture.

"We want to bring in all the local business so that nothing leaves East London. If we have to

expand to do this, then well and good," he said.

W. J. Palmer employs about 40 people at present, but Mr Hoggins said the labour force would be increased if his plans succeeded.

Mr Hoggins, a mechanical engineer, moved from Zimbabwe three weeks ago. He said he had spent his working life in various aspects of the steel industry and his last job was as effective deputy head of Zimbabwe Iron and Steel where he had worked for the past 15 years.

"The reason I left Zimbabwe is because conditions, both work and social, were atrocious," he said.

"I was keen to get hold of a small company like this where I would be in total control and deal with all aspects like marketing and sales. It's a tremendous challenge.

"East London is a marvellous, friendly place and I would like to live, work and grow here."

Textile chief glum on hopes of job creation

Financial Reporter

THE textile and clothing industries hold out little hope of making a serious contribution to increasing employment, says the chairman of the Textile and Clothing Advisory Council.

At the council's recent annual meeting in Cape Town, Mr Ernest Wilson said: "Regrettably, I do not see our industries as making a significant contribution to the provision of new jobs in the '90s and in the 21st century."

"The wind of change has been at gale force in our industries for three years and few if any of our organisations have not been radically affected by the new ball game where productivity, efficiency and flexibility are the name of the game."

"Those of us who remain in business in clothing and textiles will be in high technology, highly sophisticated and automated industries in capital rather than the labour-intensive sector."

The anticipated growth in the economy will not result in the creation of a proportionate number of extra jobs, but will merely improve marginally the current employment level.

"This is a factor of which Government does not appear to be sufficiently aware as it pursues its free trade policies and the short-term advantages of homeland investment."

"The year had been dominated by uncertainty and nervousness, with mini-booms followed or pre-

ceded by doldrum recessions."

There had been a call from the distributors for greater flexibility in the manufacturing sector, for shorter lead times and for more positive innovation in design and development.

"In paradox to these needs was the need for critical asset management due to the prohibitive cost of money, resulting in manufacturers keeping raw material stocks to a minimum. Added to these problems are the prospects of sharp cost increases in raw materials against a backcloth of lower anticipated consumer spending."

There had been a marked slowing down of imports, both of clothing and textiles, prompted mainly by the devaluation of the rand.

"I would emphasise, however, that this is only a short-term respite and that the industries' endeavours to secure reasonable protection through tariff revision cannot afford to be relaxed."

Sectoral reports to the meeting mentioned that both wool and cotton prices would increase. Stability was also foreseen for synthetic fibre prices because petrochemical prices were denominated in dollars.

In fabrics, the cotton and synthetic weaving sectors had shown a steady improvement, but employment remained below the 1981 level.

Worsted weavers reported a sustained improvement over 1983, due partly to the replenishing of stocks which had previously been at very low levels. Sales had increased by 30% in the first

seven months of 1984, compared with the same period of 1983, but were still 15% below those of 1981.

There was uncertainty about the future and fear of weakening demand in 1985 in view of the increased wool price. The cotton and synthetic weavers were also fearful of weakening demand leading to the cancellation of orders.

In the knitted fabrics sector, output had declined steadily since 1981 because of a fashion swing from knitted to woven fabrics. Moreover, the sector had not experienced any mini-booms. However, some speciality lines had sold well and there was a strong demand for cotton knits.

The clothing industry reported that there were demands from retailers for shorter lead times so that stock turns could be improved from the current three or four times a year. But lead times and delivery delays by the industry's suppliers made the prospects of achieving this remote. Orders placed with the clothing industry appeared to be realistic in relation to consumer demand.

The wholesale trade was faced with problems arising from a lack of liquidity and high interest rates. There was difficulty in maintaining turnover because of resistance to higher prices at all levels of the distribution chain.

Multiple-store retailers were experiencing erratic sales and little growth was foreseen. The demand was for more basic fashion merchandise. Reliability of deliveries and of quality was important.

argus 20/9/84

LABOUR

335

SA has 'permanent unemployment problem'

Argus Correspondent

PRETORIA. — South Africa has a permanent unemployment problem and not merely a temporary one of cyclical unemployment, according to one of the country's leading experts on black migration and urbanisation.

Dr P Smit, deputy-president of the Human Sciences Research Council, said at a conference on research for development at the CSIR that it was not far-fetched to suggest that South Africa had a problem of permanent or structural unemployment, and not merely a case of cyclical unemployment.

Dr Smit warned that research into demographic

changes and systems of social security to accommodate these changes were urgently needed.

South Africa's population would reach 45 million at the end of the century.

Urgent research

The black population would contribute 80 percent to this growth and the whites' total contribution would be only 12 to 13 percent.

At the same time the Government could not alone provide a pension scheme for the growing black aged population, and urgent research was essential to develop some kind of scheme which met the aspirations of these people.

It had to be clearly stated that the formal economic sector was not in a position to provide jobs for all of the fast-growing mass.

Much research was needed on the roles of the informal sector of the economy, because available information indicated that this sector could not provide services for the uneducated and unproductive, but only for those who were already productive.

There were also doubts whether the uneducated and unproductive could "economically" be included in national industry, according to Dr Smit.

THE FRAME DISPUTES

Fairness questioned



In the second of two articles, the *FM* examines the background to the legal battles between the National Union of Textile Workers and the Frame Group.

Union recognition at the Frame Group's five-mill factory complex at New Germany is at the heart of its dispute with the National Union of Textile Workers (NUTW). Retrenchment has also emerged as a major issue. Frame's retrenchment policy has been challenged in a series of court cases which have proved to be just as complex and drawn-out as the recognition battle itself.

Frame has been retrenching on a large scale at New Germany since the beginning of last year. Hundreds of employees have been affected. The group cites the recession, the introduction of more modern production methods, and attempts to improve efficiency and contain overheads to combat inflation as reasons for the programme.

Frame introduced a new retrenchment policy earlier this year which was negotiated with the Textile Workers' Industrial Union (TWIU) — NUTW's rival for recognition at the New Germany complex. It operates on the following principles:

- Unskilled employees are retrenched on the basis of last-in-first-out (lifo); but where possible, are offered other jobs within the group.

- Acceptance of the offer is voluntary. However, if transfers are not possible, or are turned down, the workers are retrenched. Workers who accept transfers do so on the understanding that they are regarded as "last in" in their new departments — and are thus first in line for retrenchment; and

- All other employees are required to un-

dergo competency tests. In their case, retrenchment is on the basis that the least competent are retrenched first. Where vacancies exist, offers of transfer within the group are made in order of scores in the competence tests. As with unskilled workers, refusal of a transfer, or lack of a suitable vacancy, leads to retrenchment.

Length of service is not a criterion unless workers of equal competence are involved — in which case lifo is applied. Any workers who refuse to take competency tests are regarded as having accepted retrenchment.

NUTW takes strong exception to Frame's retrenchment programme. Union general secretary John Copelyn says it is "subjective" and "grossly unfair" for the following reasons:

- His union was not consulted even though NUTW members are affected by it;

- The coupling of transfers with lifo in their new departments has meant that some workers have moved only to be retrenched soon thereafter. Copelyn argues that this reflects a high degree of cynicism on the part of management as they would have to have known beforehand that they intended to retrench in the new department;

- The measurement of competency can only be a highly subjective process and allows management to retrench at will without sufficient justification;

- Frame has not tried to introduce alternatives to retrenchment such as reducing overtime or working short time;

- Management has not given retrenched workers any undertakings to re-engage them; and

- Unskilled employees have mainly been affected by the retrenchments placing ex-

tremely heavy burdens on skilled workers.

Frame Group joint managing director Selwyn Lurie denies Copelyn's allegations. He says that when NUTW members first challenged the group's retrenchment policy in court, counsel acting for them conceded that, given the state of the recognition dispute between NUTW and Frame at that time, it was not unreasonable for the group not to have consulted the union. Lurie also says that when workers are transferred this is done with the object of avoiding immediate retrenchment and in the hope that their employment with the company will continue as long as possible. However, if retrenchment subsequently becomes necessary in the new department, the workers already employed in that department would feel aggrieved if lifo was not used. He emphatically denies Copelyn's allegation about management cynicism.

Lurie states that employees' competence is easily assessed objectively by the tests used by the group. If Frame was to accept NUTW's claim that lifo is the only objective criterion for the selection of all employees for retrenchment, the group would find itself with an inefficient workforce as workers with greater ability would have to be retrenched at the expense of those who are less competent.

Lurie says Frame only retrenches as a last resort. Night work has been cut back and short time worked for many months. In addition, the group's mills have been shut down for short periods at various times in order to avoid short time and retrenchment. Workers took unpaid leave during those times.

Further, he says, given that competence is one of the criteria used in the selection of employees for retrenchment, it would be

unreasonable to expect Frame to offer the first right of re-employment to retrenched employees at the expense of other, and possibly more competent, new recruits. He denies that the retrenchment of unskilled workers has burdened skilled workers. Skilled workers had previously been idle at some stages but now certain unskilled operations had been allocated to them making them more productive and allowing the group to retrench some unskilled workers.

NUTW members have challenged Frame's retrenchment programme in court. Industrial Court action has taken the form of applications for reinstatement by 10 workers retrenched in October last year by Consolidated Frame Cotton Corporation (CFCC), a Frame company which owns the Frametex, Seltex and Pinetex mills at New Germany.

Three of the workers, one of whom was retrenched within days of being transferred to a new department, had had unbroken service of 20 years. Of the remaining workers, one had served for 19 years, one for 12 years, one for 11 years and the rest two to three years each. The retrenched workers also applied for the appointment of a conciliation board to consider whether the retrenchment policy constituted an unfair labour practice.

Reinstatement applications

When the reinstatement applications came before the Industrial Court, CFCC opposed them on the grounds that the court did not have the power in law to order reinstatement in situations involving retrenchment; and that its policy is not unfair in a capitalist society. CFCC argued that the word "reinstate" implies placing workers back in their previous positions.

Because the positions had been made redundant, and therefore no longer existed, it was impossible to do so. The court, however, upheld the union's argument and ordered the company to either reinstate the workers or pay their wages — pending the final outcome of the dispute. CFCC has taken the Industrial Court's decision on review to the Supreme Court. The case is due to be heard on November 16.

Meanwhile, CFCC has been obliged to pay these workers in terms of the Industrial Court's reinstatement ruling — which has been extended a number of times. However, in May this year, CFCC stopped paying after taking the court's continued extension of the order on review. The workers are now considering whether to prosecute the company for refusing to comply with the reinstatement order.

In part, CFCC bases its application for a Supreme Court review on the fact that the retrenched workers refused to be represented on a conciliation board appointed by the Minister of Manpower at their request.

The workers did so because the Minister did not authorise the board to consider whether the company's retrenchment policy constituted an unfair labour practice.

NUTW's Copelyn ... alleging that Frame's retrenchments are unfair

Failure by the board to settle the matter would therefore bar the Industrial Court from considering whether an unfair practice was in fact involved — and its temporary reinstatement order would lapse. Copelyn has criticised the Minister for interfering in a matter which is best settled by the union and management.

Acting on legal advice the workers have taken the Minister's terms of reference for the conciliation board to the Supreme Court on review. The case is due to be heard on November 15, the day before the Supreme Court review of the Industrial Court's reinstatement decision.

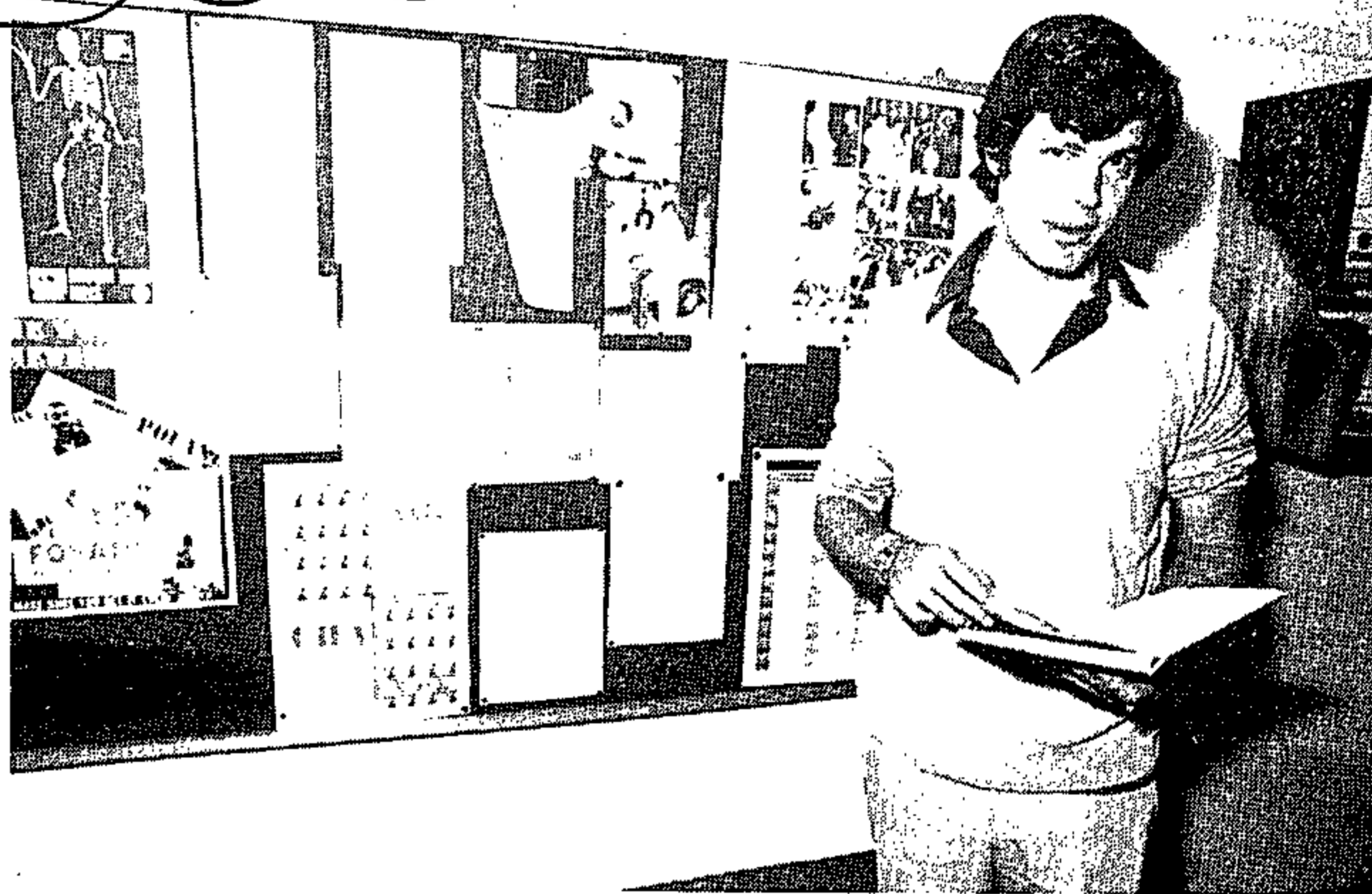
Several other disputes over the retrenchment of NUTW members have also reached the courts.

BLANKET AGREEMENT

A new national industrial council agreement which raises minimum levels in the urban areas on average by over 16%, and by over 15% in the decentralised areas, has been concluded for the blanket industry.

The agreement was reached after protracted negotiations between the National Textile Manufacturers' Association (NTMA), the Trade Union Council of SA-affiliated Textile Workers' Industrial Union (TWIU), and the Textile Workers' Union (Tvl), an affiliate of the Council of Unions of SA. It runs until January 1986.

TWIU general secretary Norman Daniels said he thought the increases were satisfactory, particularly in the light of the recessionary conditions prevailing in the textile industry. The agreement would assist greatly in stabilising the industry, he said. NTMA chairman Selwyn Lurie concurred.



One involves 25 workers retrenched by CFCC who applied to the Industrial Court to be reinstated as well as for a conciliation board to consider the dispute. CFCC applied for an interdict to the Supreme Court preventing the Industrial Court from hearing it, using much the same arguments as in the first retrenchment case. The case was heard on August 31. Judgment has been reserved.

A conciliation board was appointed for 19 of the 25 workers — again without including consideration of the retrenchment policy as an unfair labour practice in the terms of reference. The board deadlocked at its meeting on September 10, but in this case too the workers intend taking the Minister's decision on review. The Minister's decision regarding the remaining six workers is expected shortly.

A similar reinstatement application was brought by NUTW on behalf of six members retrenched by CFCC's associate company, Consolidated Woolwashing and Processing Mills (CWPM) at its Pinetown mill. This mill falls under an industrial council and therefore in terms of labour law the dispute was referred to it. The council upheld CWPM's contention that its retrenchment policy is not an unfair labour practice.

Frame's legal battles are complex and their ultimate solution may still be far in the future. Whatever the price in union bitterness — and the group has argued that where recognition is concerned employers should be able to choose to test a union's strength, if necessary by weathering a legal strike — the various disputes could lead to legal clarification of some disputed provisions of labour law.

Both Frame and the union should, however, be aware that their continuing confrontation involves the danger of violence which could spread to industries and areas not involved in the union or group battles.

Atlantis Diesel sacks entire shift

Labour Reporter

AN entire shift of production workers has been laid off at Atlantis Diesel Engines.

A spokesman for ADE said today that two supervisors and 146 production workers on the nightshift — the entire production staff — had been retrenched.

Less than three months ago ADE announced it was introducing a second shift because of "increased demand".

ANOTHER 100 WORKERS

The company then employed an additional 100 workers.

The spokesman said today that part of the new shift had been discontinued "because of a downturn in the trucking industry".

The company had been "extremely reluctant" to retrench the workers, most of whom came from Atlantis, he said.

A spokesman for a civic body in Atlantis said unemployment had hit the area, earmarked as an industrial decentralisation point.

"Everyone is so tense here because no one knows who will lose their jobs next," he said.

He added that many people owed up to R900 in rent because of unemployment.

At least four other Atlantis firms had retrenched workers in the past few months and two had gone on to short-time, he said.

148 workers laid off

Mail Correspondent

CAPE TOWN. — Atlantis Diesel Engine (ADE) in Atlantis laid off 148 employees of its night shift staff — 8,5% of its total production labour force — at the weekend because of the down-turn in the truck industry.

The night shift at ADE had been introduced last year to meet increased production requirements but part of it

had to be discontinued last week because of a down-turn in orders from the truck industry which stemmed from the overall economic climate, the managing director of the company, Mr H Beckurts said yesterday.

The company would have to monitor the production situation on a daily and weekly basis to judge whether further retrenchments would be necessary, he said.

(140A)(143) (335) FM 28/9/84

(192) Companies attempt to maintain or improve profit levels by, among other remedies, the more productive use of labour.

Naawu is not convinced by management's arguments, which it sees as failing to address retrenchment as a long-term social and economic problem. The union sees a conflict between the industry's economic decisions and its social responsibilities. Time will tell whether the union, in its deliberations, will be able to find mutually acceptable solutions.

RETAIL TRADE

An OK agreement

(31) (139) (138) (51) A national agreement which raises workers' wages by R54 on the anniversary of the date they were first employed by the company has been concluded for 23 000 OK Bazaars employees earning less than R700/month.

The agreement with the Commercial Catering and Allied Workers' Union of SA (Ccawusa) and the National Union of Distributive Workers (Nudaw) was reached last week in what is understood to be the first mediation conducted for parties in the retail trade. It comes into effect on October 1.

The joint Ccawusa/Nudaw negotiations with the company started in early August. According to OK's industrial relations controller, Keith Hartshorne, a dispute was declared on September 3 over the company's insistence on re-introducing the anniversary date increment system instead of an annual across the board increase. During the mediation the unions accepted the company's contention that the anniversary sys-

tem would enhance its cash flow positions and enable it to improve its pay offer.

Ccawusa general secretary Emma Mashinini tells the FM the company had declared the dispute after the unions had expressed dissatisfaction with OK's pay offer and questioned whether the workers would accept the anniversary date system.

The settlement of the dispute appears to have given OK faith in the mediation process, although Mashinini does not share this sentiment.

Says Hartshorne: "The fact that we settled in one day is remarkable when you consider that we were in dispute and that the gap between us and the unions was fairly wide. We think a fair settlement has been achieved and are happy that it was reached through negotiation rather than through the courts or industrial action. Mediation was very beneficial in this situation and we believe it helped the workers."

Mashinini, on the other hand, says: "We would rather try to avoid mediation and arbitration. We would rather settle our affairs on our own."

Mashinini says the settlement brings the minimum starting wage for OK workers to about R339/month. Last year, after declaring a dispute with OK, the unions won a R45 across the board increase of which R35 was paid in December and R10 in April. This agreement was reached at a conciliation board 10 days before Christmas. According to one observer, OK was keen to avoid a repeat performance as it obviously made the company jumpy about coping with festive shopping.

LABOUR LEGISLATION

Homeland tangles

(165) (102) The methodical progress being made towards realisation of the Verwoerdian dream of independent homelands for SA's blacks is beginning to play havoc in the labour arena. Confusion about the state of labour legislation in SA and the homelands (independent and self-governing) is endemic and is creating major problems for government officials responsible for implementing the laws as well as for industrialists, workers and trade unionists.

An investigation conducted by Alan Whiteside of Natal University's Economics Research Unit reveals that in many instances the homelands have adopted labour legislation dating back to the Forties and long considered archaic. In other cases they are assiduously implementing labour legislation repealed by SA and no longer applicable to them. Even more disturbing is Whiteside's finding that some have no labour legislation on their statute books at all.

The problem of the disparity between SA's labour laws and those of the homelands was first identified by the Riekert Commission which recommended that the

National Manpower Commission should be kept informed about the situation. Whiteside's research, which is being conducted under the auspices of the Human Sciences Research Council (HSRC), is aimed at doing just that. Whiteside has already examined the differences in labour legislation and is in the process of looking at the difficulties arising from them. He intends meeting with homeland ministers and labour officers to get their views.

According to Whiteside, some homeland administrations, like the KwaZulu government, have taken active steps to update their legislation.

Employment and safety

In SA, for example, the Basic Conditions of Employment Act and the Machinery and Occupational Safety Act cover matters relating to employment and occupational safety. Both were enacted in 1983. But neither is applicable in any of the homelands. KwaZulu, for example, is still implementing the Factory, Machinery and Building Work Act of 1944 and the Shops and Offices Act of 1964.

Says Whiteside: "An industrialist locating in Isithebe would therefore be governed by these two acts and the regulations that go with them. Yet an industrialist locating at Mandini a few kilometres away is governed by the SA statutes."

The differences are significant. In terms of the Basic Conditions of Employment Act (BCEA), casual workers are entitled to work a maximum of nine hours 15 minutes a day. Under the Shops and Offices Act they may work only eight hours 30 minutes. The Shops and Offices Act also states that females may not work later than 1pm on more than five days a week whereas the BCEA contains no restriction for this type of work.

"Industrialists would like to obey the law," says Whiteside, "but they are confused by the fact that they are governed by different acts and varying regulations in the two territories. It is confusing too for the factory inspectorate, which, under law has jurisdiction in SA and the black states."

Labour relations is another confused area. In SA they are governed by the Labour Relations Act of 1956 — the old Industrial Conciliation Act. Transkei has its own Industrial Conciliation Act, which makes no provision for trade unions or employer organisations. Bophuthatswana also has its own act. Although it does provide for trade unions, it requires them to be registered and headquartered in the territory. Venda's act, passed in 1982, also does not provide for trade unions.

KwaZulu's affairs are even more tangled. In 1981 it passed the Industrial Conciliation Amendment Act, a derivative of the former SA legislation. But a 1970 SA proclamation had already declared that the Industrial Conciliation Act, in its own or revised form, would not be applicable in any of the black states. "Hence the KwaZulu government has perpetuated an act



Ccawusa's Mashinini ... doubts about mediation

By GERALD REILLY

Pretoria Bureau
UNEMPLOYMENT figures have increased sharply in the past few months and the trend seems set to continue until the end of the year — and probably into the new year.

This is the view of economists at the Bureau for Economic Research at the University of Stellenbosch, who are supported by figures supplied yesterday by the Commissioner for Unemployment Insurance, Mr J L Scheepers.

In the first eight months of this year, he said, benefits paid out by the Unemploy-

ment Insurance Fund (UIF) increased by nearly R6-million — compared with the same period in 1983 — to R136-million.

During the same eight-month period the UIF's income was R125-million — R16-million less than in 1983. Applications for benefits totalled 212 000.

In Pretoria, during June, the number of applications

received by the fund for unemployment benefits was 23 000. In July this figure rose to 26 000 and in August to 30 000.

Mr Scheepers said funds invested totalled R238-million, and there was no need at this stage to sell off any of the UIF's assets to meet increasing demands for benefits.

The chief economist at the

Stellenbosch bureau, Dr O D J Stuart, said unemployment was likely to continue rising, certainly until the end of the year and probably into the first few months of 1985.

He expected little improvement in the employment scene until the expected economic recovery about the middle of next year.

Other economists said that although the official black

unemployment figure assessed by Central Statistics Services was about 450 000, if the number of under-employed workers was taken into account the figure would stretch towards two-million.

They said about 250 000 new black workers entered the labour market each year, and many of them added to the country's growing unemployment problem.

A factor that contributed strongly to the rising number of unemployed, it was said, was the decline in consumer spending which resulted in a decreased demand for goods and services at retail, wholesale and factory levels.

RDM 28/9/84 (335)

Ranks of jobless 'likely to swell until next year'

Short-time workers to forfeit leave

D. Disputes
29/9/80
(335)

PORT ELIZABETH — Firestone South Africa employees affected by the company's decision to cut production to a four-day week until the end of the year will forfeit leave for the days of lost production.

Mr Peter Morum, managing director of Firestone, which introduced a four-day production week this week, said salaries would remain unchanged but workers concerned would have to take a day's leave each week.

The position will be reviewed at the end of the year.

He said the company had decided to shorten the working week rather than retrench staff. Going onto short-time was felt to be the least disruptive way of dealing with the present economy and the fall in the new vehicle market in particular.

Mr Morum said the import of tyres, particular-

ly from the Far East, had also hampered demand.

Other tyre industries — while affected by the motor industry slump and monitoring developments — are continuing to produce under normal conditions.

The Goodyear Tyre and Rubber Company's director of public affairs, Mr Mike Selley, said the rubber department would continue producing on a full five-day week, and the steel department would operate on a seven-day week.

He expected that normal production would continue until the end of the year at least.

Mr Dennis Neer, national secretary of the Motor Assemblers and Component Workers' Union, said the union was investigating the situation in the motor industry and allied industries in the Eastern Cape and would release a statement next week. — DDC.

Tek retrenches 150 workers

By
ANDRE JORDAAN
Business Editor

EAST LONDON — Tek Corporation has retrenched 150 workers in its audio production complex which is to be closed by November.

The managing director, Mr Mike Bosworth, said yesterday that as a result of the effect of the government's austerity measures on the consumer durables market, Tek's white goods factory had put its 60 workers on a four-day week. The factory came on stream in May this year, producing chest-type freezers.

Mr Bosworth also disclosed that Tek's plastics division, which is partly concerned with the manufacture of items for the depressed TV and audio industries, was expected to put its 40 workers on short time by November.

The good news, Mr Bosworth said, was that sections of Tek's industrial electronics division, which manufactures printed circuit boards, were working 24 hours a day, seven days a week.

In addition, a current R5 million investment programme in new television manufacturing technology would give Tek a competitive advantage in the TV market and was expected to result in extra time being worked in the TV plant.

Mr Bosworth said that the govern-

ment's austerity measures, which included tighter hire purchase controls, had had a "very marked impact" on the consumer durables market. He described the measures as draconian.

"In our sector of the economy, retail sales are down 50 per cent," he said.

On the closure of the audio complex, Mr Bosworth said he had been negotiating for three years on the need to protect the local audio products industry against imports from the Far East.

He said the audio market had become a "fashion industry" where the emphasis was on the external appearance of the equipment and this necessitated expensive retooling by producers.

Mr Bosworth said the current high interest rates made it impossible for businessmen to ride out a recession. "The high rates have tended to make businesses react quickly to anything that looks marginal. The cost of capital becomes prohibitive," he said.

The 150 lay-offs had been done in a "quiet and co-operative" manner. The need for the retrenchments had been explained to the workers' committee, which had been consulted in the selection process and the special payments to be made.

Mr Bosworth said Tek was investing R5 million in computerised equipment in

the television manufacturing section which represented a jump of almost six years in technology.

He did not expect a drop in TV sales because of the need for people to replace sets. "A TV set is one product you cannot delay replacing," he said. "There has been a marked increase in the replacement cycle."

Mr Bosworth said the investment programme would be completed early next year but Tek was already producing "unique" sets with a number of new features.

"We made the investment at a difficult time, but it was timeous in terms of the market place. The new sets have features which will accommodate any new developments in the next 10 years," he said.

The workers laid off had all been black but there had been "a fair degree of attrition" of white staff when it became known over the past six months that the audio division was to be closed.

He was hopeful that areas of audio production could be reopened in future. "We are looking at certain elements of car stereo," Mr Bosworth said.

There was also a possibility that sophisticated TV technology could be put to work in the audio market if that market showed a shift towards higher technology.

East London company *E. Post* retrenches *2/10/84* 150 workers

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— Sapa

RAM 3/10/84 (325)

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The workers laid off had all been black but there had also been "a fair degree of attrition" of white staff. — Sapa.

200 Hoover workers on four-day week

EAST LONDON — Workers at the Hoover factory here have been put on short time as a result of declining consumer demand for the company's home laundry and floor care products.

This was confirmed yesterday by the managing director, Mr Ted Ashdown, who said 200 employees had been working a four-day week since the beginning of September.

Mr Ashdown said the downturn in consumer demand had been particularly noticeable since the rise in GST in July and the imposition of severe monetary policies by the government in August.

He said the company had not found it necessary to retrench workers since

the start of the current decline. "I sincerely hope retrenchments will not be necessary, but it is quite conceivable. I think there will be a small retrenchment towards the end of the year," Mr Ashdown said.

He said it was difficult to say when an upturn in the market would occur. "The consumer, almost for the first time, has realised that he has been indulging in a massive spending spree.

"Although there has been an overdose of the medicine required to rectify the situation, it is going to be a while before consumers start buying again. I think it is unlikely to happen before the middle of 1985," Mr Ashdown said. — DDR

Board sacks workers

ABOUT 312 black employees of the West Rand Development Board —

mostly migrants — have been retrenched and more are to follow following the transfer of functions to the "black local authorities."

Mr Philip Dlamini, the general secretary of the Black Municipal and Allied Workers Union representing the workers, confirmed the retrenchments and said that they will keep "a watchful eye" to see

By JOSHUA RABOROKO

how many others will be retrenched.

Mr C J Bezuidenhout, chief of the WRDB also confirmed that the workers were retrenched and paid their monies. This followed the board's transfer of some of its functions, like water reticulation and electricity to the black local authorities.

There was a possibility that they could be

employed by the Soweto, Diepsmeadow or the Dobsonville Councils.

Mr Nico Malan, Soweto City Council's town clerk said that the council had a full staff complement in the construction section, but that there might be jobs in the other sections open for those retrenched by the board.

Mr Dlamini said his union was concerned about the issue and will take it up with the different councils. "We

would like to be involved in the discussions of such matters before the boards or councils take steps like retrenchments."

The union was critical of the gratuity offered to black employees who did not qualify to be on pension schemes. "We have heard of a lot of misery caused by such treatment of employees," he said.

Mr G Mathebula, one of the employees retrenched, told The SOWETAN that he was

"very distressed" with the little money he received from the board after being in their employment for over 10 years.

"I will be forced to look for another employment. I am dissatisfied with the board's decision because I have not received my pension money," he said.

He disclosed that there were indications that more workers will be retrenched soon, but this was not confirmed by the board's officials.



Mr G MATHEBULA: Retrenched by WRDB.

'SA made all

Mercury 5/10/84 (335)

Explosion in jobless blacks forecast

Mercury Correspondent

JOHANNESBURG—South Africa faces the alarming prospect of an explosive growth in black unemployment in coming decades, according to a researcher at the Unit for Futures Research at the University of Stellenbosch.

In a paper to be presented at the Conference on Racial and Economic Development at the University of the Western Cape next week, Dr A Roukens de Lange points out that only 39,3 percent of black work seekers are likely to find formal sector employment in the year 2010.

If economic and employment conditions such as have been experienced since 1975 persist, the percentage of the black labour force employed in the formal sector will drop from the 1980 level of 61,5 percent to 52,8 percent in 1990 and 45,1 percent by the turn of the century.

By contrast, the percentage of unemployed among whites, coloured and Indians will remain 'more or less under control'.

Subsistence

Dr Roukens de Lange attributes the alarming projected rise in unemployment among blacks to both continuing black population growth as well as an employment growth rate that is lower than that for any of the other population groups.

According to his calculations, those not productive in formal sector employment fall into the 'peripheral sector' — which includes unemployment, informal employment, subsistence agriculture and 'non-employed' (discouraged workers who are carried by the community).

'The major part of the burden of the unemployed and the non-employed will, under a system of grand apartheid, probably have to be borne by the black states, and this burden is increasing rapidly.'

This would result in a tremendous pressure to migrate to the urban centres.

Burden

Dr Roukens de Lange notes that the continued rapid growth of the black communities poses major threats to both the black community itself and to the stability of the country as a whole.

'A large, poor, malnourished, unmotivated, under-employed and unskilled population poses an enormous welfare and development burden on the rest of the country.'

'Undoubtedly this will lead to increasing polarisation between black and other population groups who will fear being swamped and pulled into an abyss of socio-economic and environmental ruin along with the black masses.'

He argues that with the economy in South Africa performing poorly, with declining or even negative employment rates and with diminishing ties between black urban and rural people, 'the vision and execution of the grand apartheid plan is likely to collapse'.

hom 5/10/84 (19) (335) peak would have been 40,000

Poor state of car market blamed

14-day shutdown forced on Nissan

By PRISCILLA WHYTE

NISSAN is stopping vehicle production for two weeks from Monday.

This reflects tough conditions facing the motor industry.

Mr Nelis Strydom, Nissan human resources director, said yesterday: "It is the first time such an extended period of short time has had to be instituted and it is due to the poor state of the vehicle market."

The increase in general sales tax, the stringent Government measures on hire purchase and high interest rates had affected vehicles sales, making closure of the Rosslyn plant, north of Pretoria, necessary.

Nissan is controlled by the Messina group which is expected to be taken over shortly by Sanlam.

The motor company normally carries a stock equal to about 45 days' production.

No figures were available last night on how much the shut-down is likely to cost Nissan.

The company, however, still claims to be holding its 12,5% market share in the passenger and light commercial vehicle market.

The shut-down will affect 3 750 employees out of a 4 884 work force.

Mr Strydom said the decision to work short time had been taken because, according to an agreement with the United Motor and Allied Workers' Union, it was preferable to lay-offs.

Earlier this year about 650 workers were laid off at the Rosslyn works.

During the first six months of this year 255 vehicles a day were being produced by Nissan. In the second half of the year this has dropped to 205.

No figures were available on capacity utilisation of the Nissan motor plant.

The plant is highly labour-intensive. Mr Strydom said the present economic constraints meant mechanisation could not be implemented at this stage but in the long term its advantages would be considered.

Mr Flip Wilken, public relations manager of Toyota, said last night: "We expect September vehicle sales to be lower than August when some 30 173 vehicles were sold, 16,2% down on August last year and 21% down on the monthly average for this year."

Mr Brand Pretorius, marketing director of Toyota, said recently that Toyota expected the industry

total for the year to reach 423 000 units, representing a 4,4% increase on 1983 and the third-best year ever.

In the McCarthy group's recently published annual review its chairman, Mr Brian McCarthy, predicted that the vehicle market would shrink by 16% this year because of Government's restrictions on economic activity.

He said the measures introduced recently were already causing economic activity to decline and this downward phase was likely to become more severe.

"There seems no doubt that unemployment will increase and belts will need to be tightened. This will be an unavoidable price to pay if, in the long-term, the inflation rate is to be brought more into line with that of our main trading partners."

The McCarthy Group is the country's largest motor vehicle distributor.

"The group is now forecasting that the total vehicle market will fall by 16% and the motor cycle market will decrease by 11%."

Amcar Motor Holdings laid off 315 hourly-paid workers early in August.

Production lines were stopped for four weeks with another 10-day closure scheduled for this month.

5/10/84 335 E. Post

Rent relief for 323 retrenched workers will be considered 'on merit'

Municipal Reporter
APPLICATIONS for rent relief for 323 retrenched motor industry workers in municipal houses should be considered on merit by Port Elizabeth's Department of Housing.

This was recommended by the Director of Housing, Mr M F Molyneux, in a report to the Community Services Committee today.

Mr Molyneux said each case of unemployment should be treated on its merits and the portion of rental or instalment to be paid and arrears to be paid back over a period, calculated accordingly.

The department was requested by the regional

secretary of the National Automobile and Allied Workers' Union to consider rent relief for the 323 members of the union retrenched by two Port Elizabeth motor manufacturers.

A total of 554 workers were retrenched.

Mr Molyneux said in his report to the committee that although the representations were made on behalf of the members of the union, the conditions applied equally to non-members.

The conditions were, in fact, more widespread.

While the City Council was expected to be sympathetic, it was also an agency entrusted with administering the City Council's housing scheme.

● Tenants in Forest Hill who were inadvertently overcharged by the City Council when buying their homes earlier this year may be refunded.

This was recommended to the Community Services Committee in a report by Mr Molyneux after dis-

cussions with the council's legal officer and Mr Paul Botha, the Town Clerk.

The report said a total of 34 houses had been incorrectly assessed.

Of the 34 tenants, 13 had signed deeds of sale. Seven of the 13 deeds were also signed on behalf of the City Council.

Of the seven deeds signed by both parties, three tenants were undercharged and four overcharged.

Mr Molyneux recommended the status quo be

maintained with regard to those deeds signed by both parties, except that those overcharged be refunded.

The remaining six tenants were undercharged.

Mr Molyneux said although the tenants could be asked to sign new deeds on a technicality, he recommended the status quo be maintained.

The other 21 affected tenants who had taken out "option to purchase" forms which were found to be incorrect, would be asked to sign new forms.

PE ambulance ceremonies scheduled

Municipal Reporter

THE new headquarters of the Port Elizabeth division of the Cape Ambulance Rescue Service is to be opened officially on December 10.

The ambulance service, which was housed at Northern Fire Station in Sidwell, moved to its headquarters at the old Citroën factory adjacent to the Livingstone Hospital on September 12.

The new double-storey building accommodates the control, administrative and staff facilities, a workshop and parking for the vehicle fleet.

The Regional Ambulance Training School is also housed in an adjoining building.

The Community Services Committee of the City Council will consider a recommendation today that the Mayor, Mr Ivan Krige, open the new complex.

● A parade celebrating the 125th anniversary of Port Elizabeth's Fire and Emergency Services is to be held on the Market Square on November 24.

The matter comes before the Community Services Committee for formal approval today.

The department, established in 1859 with the appointment of the first paid fireman, will also exhibit emergency vehicles and equipment.

Mr Krige will inspect a guard of honour.

● In his monthly report to the committee, the Chief Fire Officer, Mr Brian Estment, said there were three deaths in fire-related incidents in August this year. Three people were rescued from fire.

In five other incidents, 54 injured people were rescued, but six lost their lives. There was one major fire in which R80 000 damage was caused.

Opening betting for Fairview

Racing Editor

STONEY RIDGE opened favourite at 15/10 for tomorrow's R8 000 Chubb Computer Media Cabinet Handicap over 1 200m at Fairview. The race opens the jackpot.

The full betting for the eight-event programme is:

FIRST RACE

15/10 Unsurpassed
5/2 Day of Decision
3/1 Mr MacKnight
5/1 Uncle Sonny, Morgon
8/1 Consternation, Old Groaner, First Call

SECOND RACE

15/10 Burning Decision
5/2 Coalport
4/1 Star and Garter
5/1 Rebel Leader
8/1 Question Time, Camargo, Fly Lady Fly, Rain In Spain, Snowland, Tropical Breeze

THIRD RACE

13/10 Queen's Booty
2/1 Unscathed
4/1 Up My Street, Pleasantry
5/1 Counter
8/1 Sir James, The Interrogator, Torus, Plutonium

FOURTH RACE

3/1 Autobiography, Eye Luv, Vite Vite
4/1 Neon Rainbow, Really Yours
5/1 Fuzzy Boy
8/1 Leader Reef, Meet The Mafia, Merry Andrew, Spanish Charger, Ever So Much.



rd Airport from Cape Town this afternoon on seven-game tour of South Africa. They will be XV. Among those who arrived this afternoon (in and flyhalf), HECTOR SILVA (coach) and Mr n of tour was to give the younger players a each them to play under pressure.

2-hour
power
out for

Schoeman to probe Press complaints

Secretary of State on their employment prac- next year.

Cinema change

Mall Reporter

THE Vistarama cinema in Johannesburg, opposite the Carlton Centre, is to change hands next month.

Romay Films managing director, Mr Heinz Kallenbach, announced yesterday his company was selling the cinema to Captive Films with effect from November 1.

Vistarama will remain in being, though probably not as an "art house" featuring Continental films, with which Romay has made its reputation.

His own company, said Mr Kallenbach, would continue to distribute its product through Ster-Kinekor and independent outlets.

Asbestos company to lay off 537 staff

Mall Reporter

THE Griqualand Exploration and Finance Company (Gefco) is to cut back on production at their asbestos mines in the north-western Cape, resulting in a reduction of about 537 jobs.

Announcing this yesterday, Mr Pat Hart, the managing director of Gefco, said the company would do "everything possible" to find the

workers — 500 blacks and 37 whites — jobs elsewhere in the group.

Mr Hart said the 10% cut in production resulted from the failure of world demand for asbestos to improve.

"Latest indications are that the demand has remained static and the very high holding cost of fibre stocks has compelled us to make this cutback," he said.

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, government officials said yesterday.

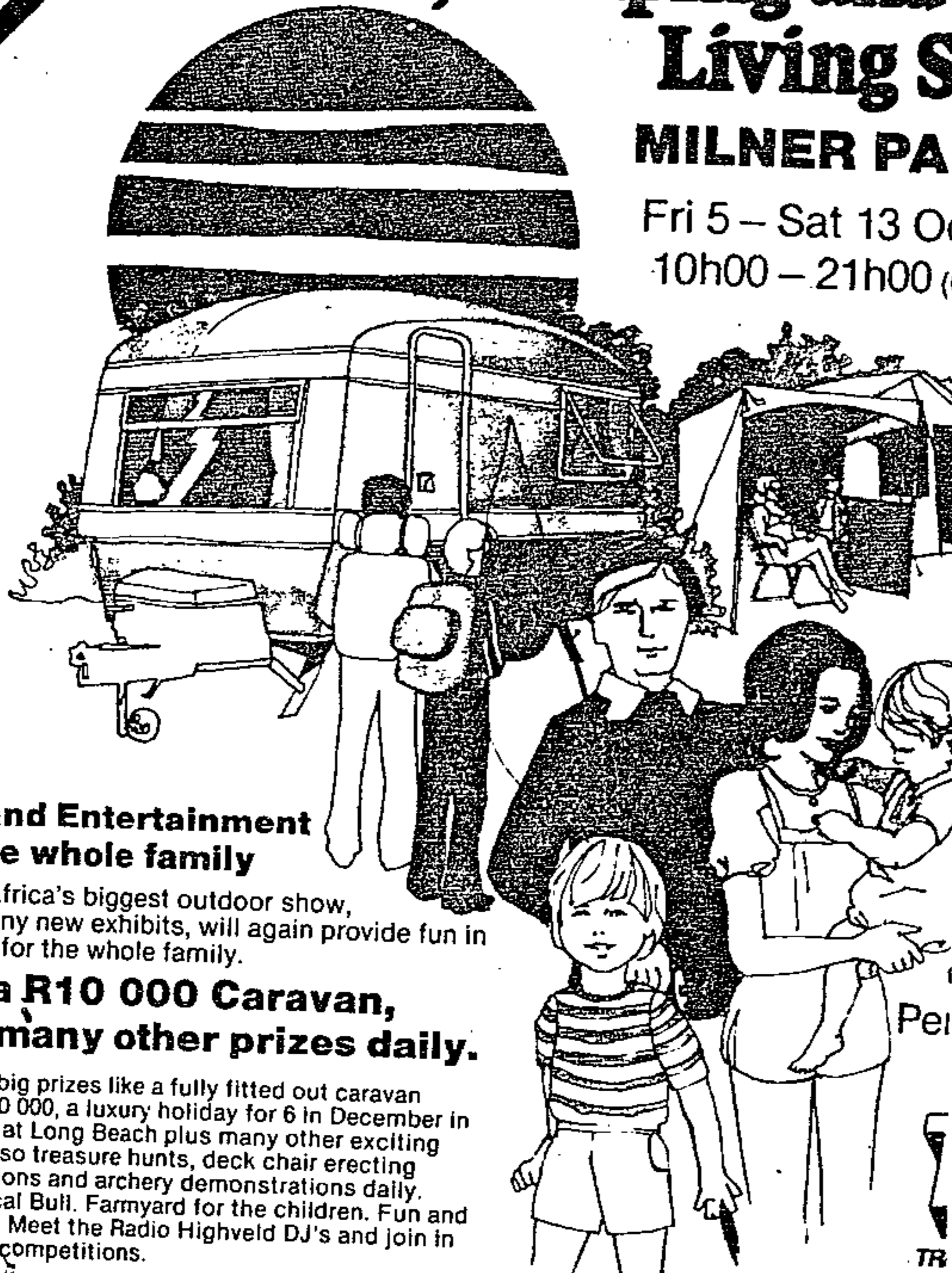
MR/MRS HOLIDAYMAKER
SAVE MONEY

See the latest in
Camping and Outdoor
Equipment at the

**Caravan, Camping and
Living S**

MILNER PAI

Fri 5 — Sat 13 Oc
10h00 — 21h00 (c



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South Africa's biggest outdoor show, with many new exhibits, will again provide fun in the sun for the whole family.

**Win a R10 000 Caravan,
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Win big, big prizes like a fully fitted out caravan worth R10 000, a luxury holiday for 6 in December in a cabana at Long Beach plus many other exciting prizes. Also treasure hunts, deck chair erecting competitions and archery demonstrations daily. Mechanical Bull. Farmyard for the children. Fun and more fun. Meet the Radio Highveld DJ's and join in the braai competitions.

2/10/84 6/10/84

Shortage forces closure at Ford

335

Own Correspondent

PORT ELIZABETH. — A delay in the supply of imported transmissions for its Sierra range has forced Ford to close its Struandale assembly plant for one week from Monday.

Mr Brian Pitt, the managing director, says the transmissions shortage has been caused by a supply problem at source. The situation will keep the plant on a three-day week when it is reopened.

Mr Pitt says the closing of is not due to the economic situation.

About 1 100 employees have been affected by the shutdown. Hourly workers will be paid for four days next week in terms of the Industrial Council Agreement. Salaried personnel not required to work will be asked to take leave.

Mr Pitt says September's car sales figures, due to be released next week, show a continued drop on previous months.

"With the expected lower September figures, Ford anticipates depressed production planning. If necessary, short-time will be worked in preference to further retrenchments."

Ford retrenched 425 workers, including salaried personnel, on September 7 and shut its entire Port Elizabeth operation from September 10 to 14.

● In Uitenhage, Volkswagen's communications manager, Mr Graham Hardy, says VW will work a four-day week on its microbus assembly line from Monday.

He says drop in demand for the microbus has led to rescheduling of production. About 120 employees will be affected by the short week.

● General Motors' manufacturing and vehicle assembly plants in the Eastern Cape have been at a standstill for a week. The company will remain on short-time production when it re-opens on Monday.

About 2 500 workers have been affected by the shutdown, blamed by GM on the country's economic situation.

The Motor Assemblers & Component Workers Union (Macwusa) has condemned motor and allied industries for retrenching workers in order to maintain profits.

The national organiser, Mr Fikile Kobese, says companies have been applying ridiculous retrenchments and other measures since general sales tax increased to 10% on July 1.

Corobrik (335) cuts back ~~1973~~ production

By Frank Jeanes 9/1/84

The recession is biting into brick production, with the country's major producer, Corobrik, making big cutbacks in output at six Transvaal factories and 13 plants nationally, as well as retrenchment in the past two months of 750 workers.

This was said by Mr Cedric Savage, managing director of Corobrik's holding company, Toncoro, at the commissioning of the first tunnel kiln at the group's new Rietvlei factory near Pretoria, which will eventually bring a further 80 million bricks a year to the market.

"Unit sales in the Transvaal are about 13 percent lower than the same period last year and stockpiling is occurring at most of our factories," he said.

"With the cost of money at 25 percent, it is not possible to stockpile for any length of time and it has become necessary to either close or substantially reduce output of certain plants."

Given these conditions Corobrik is showing considerable faith in the future for, despite the slump and money freeze, it is proceeding with plans for a massive build-up in brick production.

Apart from the R30 million spent on Rietvlei, the group is going ahead with new factories at Avoca in Durban and at Koelelenhof near Stellenbosch in the Cape, representing a total development cost of about R42 million.

The Corobrik expansion has been a boon for German brick-making plant company, Keller, which installed the Rietvlei production lines and electronic control equipment.

Keller and Corobrik have signed-up for plant installation at Avoca and the German group is also tendering for the Cape project.

RAM 8/10/84

335

THE Black, Allied Mining and Construction Workers' Union (Bamcwu) will launch a national anti-asbestos campaign this week.

The union, involved in the strike at Penge this year, has since launched a full-scale inquiry into the high incidence of lung disease at the mine.

Meanwhile, the Griqualand Exploration and Finance Company (Gefco) — owner of Penge — is to cut production by 10% at its asbestos mines in the north-western Cape, leading to about 500 fewer jobs for blacks and 37 for whites.

Sowetan 11/10/84 335

Scheme to aid jobless Sowetans

A BLACK company is to start a massive scheme aimed at helping thousands of unemployed Sowetans.

Training workshops will be held weekly at the Funda Centre,

Diepkloof, and participants will be assessed for placement in various big companies. At present, the company will be training males with a junior certificate or matric pass.

Mrs Doris Thinane, of

the Relevance Management Services, which will be running the scheme, said the programme will enable the participants to pursue various careers in the job market.

The first workshop

starts this Thursday, and those interested in participating are requested to contact the company as soon as possible. The session starts at 10 am.

For more details contact Mrs Thinane or Mr Arthur Umlaw at 933-2092, 933-1837.

Argus 12/19/84

NATIONAL INTERNATIONAL

35

10 000 jobs axed as motor trade slumps

Argus Correspondent

JOHANNESBURG. — At least 10 000 jobs have been axed in the motor trade in the past three months in the worst slump in new car sales in more than six years.

Also, the majority of the 45 000 workers still engaged by the big motor assembly plants have been forced on to short-time in a wide-scale slowdown of production as the cash squeeze hits demand by consumers.

The National Association of Automobile Manufacturers disclosed today that new car sales last month plunged to 14 767 — down 43 percent compared with a year ago and the lowest since July 1978.

Small lorry and bakkie sales, at 8 173, were down 28 percent against September last year and sales of heavy commercial vehicles were 30 percent down, at 908.

Toyota, which increased its position as market leader, was one of the few big manufacturers apparently unscathed by the overall slowdown.

Mr Nico Vermeulen, executive director of Naamsa, said the cutbacks had resulted in at least 3 000 jobs be-

ing axed at the motor assembly plants since the increase in GST to 10 percent slammed the brakes on sales three months ago.

The total redundancy toll inside the motor trade has swelled to at least 10 000 as the chain reactions caused cutbacks in the labour forces of component suppliers and retail companies.

The nose-dive in sales accelerated as a result of high interest rates and the squeeze on hire purchase sales caused by the higher deposits and shorter repayment periods ordered by the Government.

He sounded a warning that the whole stability of the motor industry was now under pressure because of the severity of the impact of fiscal and monetary measures.

Employment problems were also mounting as the industry was forced to scale down its initial estimates of 1984 production levels.

The authorities also needed to weigh other economic costs of the slowdown. He calculated that millions of rands were being sacrificed as lower sales hit GST collections.

ADJOINING WING

The fire apparently began in an adjoining wing let to Mr and Mrs A Cassiem, who were at home.

Mr Khan, a car salesman, said the fire had destroyed the interior of the house and the family had lost all their possessions.

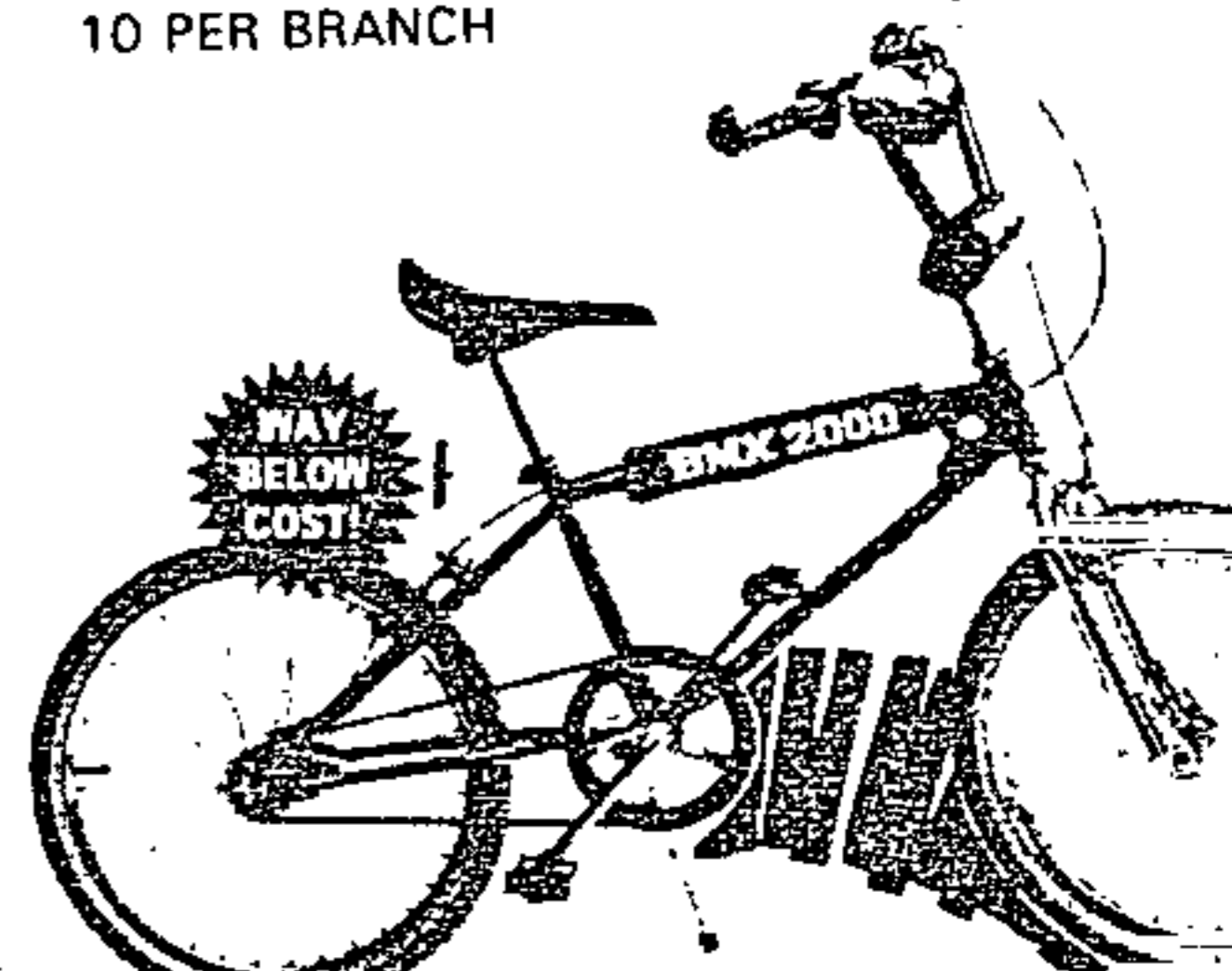
"I found a tracksuit in the boot of my car and am wearing that now," he said.

fun'n Fall

BMX 2000 BICYCLE

FEATURES. Kick stand, metallic finish, chain protector, tensile fork chrome, full colour, white wall tyres

10 PER BRANCH



Key Industrial Court ruling will affect rights of migrant workers

by Carolyn Dempster, Labour Reporter

A key ruling which has wide ramifications for the employment status and rights of migrant labourers was handed down by the Industrial Court this week, nearly two years after the dispute was declared.

The judgment, by Mr J A Erasmus, additional member of the Industrial Court in the dispute between the Metal and Allied Workers' Union (Mawu) and Screenex Wire Weaving Manufacturing, comes eight months after the court hearing.

Ten migrant workers, who lost their employment on December 9 1982 when their contracts were not renewed, were not "retrenched", the court found.

Mr Erasmus ruled that the workers should not be reinstated on the basis of an unfair labour practice. But because the company had not given the migrant workers due warning, they should be awarded back pay.

On this basis, the court determined that five of

Workers are losing "all faith" in the Industrial Court as a means of righting wrongful actions by their employers and are likely to turn increasingly to other means.

This is the warning issued by the Metal and Allied Workers' Union (Mawu), who this week hit out at the court's judgment on the Screenex Wire Weaving Manufacturing case as "disappointing and dissatisfying".

Nearly two years after the dispute, and eight months after the end of the trial, the court had issued a judgment which contained inaccuracies and seemed to remove from migrant workers "much of the measure protection they enjoyed from the law", said the union.

The most worrying aspect of this was that the rights of migrant workers to be represented in negotiations by their trade unions had been removed at a stroke.

In effect, the judgment placed migrant workers outside the protection of the law and denied them

the applicants be awarded three months' salary, three of the applicants should be given two months' salary, and the two remaining applicants the equivalent of one month's salary.

Mawu originally charged that the Alrode company had committed a series of unfair labour practices in:

- Failing to meet and negotiate with a representative trade union.
- Retrenching 10 employees on December 9

full trade union rights. It also made them second-class members of the Industrial Council.

The court had failed to give any judgment as to whether the company's refusal to negotiate with the union was an unfair labour practice; referred to non-existent legislation (the Black Workers Areas' Act) and had accorded white workers special status in the case, Mawu claimed.

It was becoming increasingly clear that the court had drawn back from the progressive role it had played since 1979 in establishing some rights for workers, said the union.

In the light of recent judgments handed down by the court and the Minister of Manpower's refusal to appoint independent boards in dismissal disputes "Mawu believes that unions will have to re-evaluate their entire attitude to the Industrial Court".

South African workers would have to ask themselves if they could still benefit from the court, Mawu added.

the hearing, it was determined that the affected workers had been employed by the Alrode company for periods ranging from two to 12 years.

Screenex admitted that on December 9 1982 the 10 employees had been informed that their migrant labour contracts would not be renewed and their reference books were signed off — resulting in immediate retrenchment.

The company also ad-

mitted to the allegations that it had not applied fair retrenchment procedures in that it failed to give proper prior warning of the retrenchments, failed to consult a representative trade union or worker representatives, failed to afford the retrenched adequate opportunity to find alternate employment, did not apply the principle of Last In First Out (LIFO) and did not offer any alternatives to retrenchment.

However, Mr Erasmus did find that, where annual migrant labour contracts were not going to be renewed after the first renewal, "there rests an obligation on the employer to give the employee reasonable notice that it is not going to renew the contract".

The court found that the expiry of the contracts through the natural passage of time did not constitute retrenchment. Because the employees had not been retrenched per se, the loss of employment could not be said to be an unfair labour practice, said Mr Erasmus.

"There can only be a question of retrenchment when a valid contract exists and the worker is perforce retrenched due to the fact that his job has either become redundant, or there is insufficient work to warrant his further employment," he added.

New strategies needed to beat unemployment

By Carolyn Dempster, Labour Reporter

A slowdown in economic activity, declining production and a "considerable increase in unemployment" characterised the manpower scene in 1983, according to the National Manpower Commission's annual report released in Pretoria yesterday.

Recessionary conditions during the year had a negative effect on unemployment which peaked in June 1983, says NMC chairman Dr Hennie Reynders in the report.

'Dynamism that is found in few other countries'

Labour relations in South Africa are currently exhibiting a dynamism found in few other countries, the chairman of the National Manpower Commission, Dr H J J Reynders, said in Pretoria yesterday after releasing the NMC's 1983 annual report.

While the report records that the number of strikes dropped by about 15 percent, and the country experienced relative industrial calm during 1983 in comparison to 1982, membership of registered trade unions rose by 62 294.

Dr Reynders ascribed the decrease in strikes to the recession and rising unemployment.

But viewed over the past few years there had been an upward trend in the number and intensity of strikes, with an accompanying consolidation in the labour arena.

Other factors which contributed to a greater degree of industrial

peace were:

- The development of effective channels of communication between the parties concerned.
- The greater expertise, knowledge, discipline and control shown by the emerging unions.
- The better understanding and greater expertise of employers regarding labour relations.
- The increased use of the statutory dispute-settlement machinery.

Dr Reynders said it was important to note the Department of Manpower had continued with its policy of non-intervention.

However it must watch over the public interest and the legislation had been amended to meet this need.

"It appears to me the time is becoming opportune to rewrite and revise the Act in its entirety with a view to consolidation and rationalisation, and greater clarity," added Dr Reynders.

According to the Current Population Survey (CPS) more than half a million blacks, coloureds and Indians were unemployed in September 1983, and the number of registered unemployed whites rose by 25 percent in the year October 1982 to 1983.

About 86 000 fewer people were employed in non-agricultural sectors in comparison to 1982.

The problem was "particularly serious" in the Eastern Cape, Natal, Western Cape and the Northern Transvaal areas, states the report.

Dr Reynders also draws attention to the "structural phenomenon" of the unemployment problem.

"This means that unemployment in the long term can only be overcome through structural adjustments to the South African economy," he warns.

Strategies had been developed by the NMC together with the Economic Advisory Council to alleviate cyclical unemployment, and 15 000 people in the self-governing states had already been provided with employment in drought relief assistance programmes, he said.

Black education growth rate rises

This year will be the first time that the number of black matriculants outstrips white Std 10 students if the growth rate shown in 1983 is maintained, according to Dr Hennie Reynders, chairman of the National Manpower Commission.

The commission's 1983 annual report shows that the number of black matriculants increased by 28 percent in 1983 and the number of students at tertiary institutions rose by 27 percent. He said this was an important develop-

ment in the provision of skilled manpower.

The number of black students at residential universities increased by 46 percent and students interested in technical education rose from 4 308 in 1982 to 4 974 in 1983.

About 5.5 percent of the total workforce registered for in-service training courses in the year. Investment in training facilities and equipment totalled about R2 500 million.

RDM 18/10/84

335

Slump and jobless fears cut strikes

A TOTAL of 336 strikes and work stoppages were reported in 1983 compared to 394 in 1982.

Although this reflected a greater degree of industrial peace it should be seen against the background of recession and fear of unemployment, the NMC chairman, Dr Henrie Reynders, says in the report for 1983.

Other factors involved were, however, greater understanding and use of collective bargaining and statutory machinery, and more balanced demands by younger trade unions.

Last year's strikes and work stoppages involved about 65 000 workers and resulted in a loss of nearly 125 000 man-days, compared to 365 000 in 1982.

"The average duration of these strikes, as measured by the 1,9 lost man-days per striking worker (2,6 and 2,4 in 1982 and 1981 respectively) and their extent as measured by the 23,4 lost man days per 1 000 workers, should not give rise to undue concern," Dr Reynders adds.

The number of strikes, 199, showed a marked increase during the last three months of 1983.

"The increase in the number of strikes should be seen as a long-term trend resulting from economic development in general, the development of the black population group in particular, and their realisation of their bargaining position and the normal operation of the labour market." — Sapa.

Business Day/MANPOWER

Industry bears jobless brunt

NEGATIVE real economic growth last year resulted in many more jobless, says the National Manpower Commission.

About 86 000 (1,7%) fewer people were employed in the non-agricultural sectors in 1983 than in 1982, the chairman, Dr Hennie Reynders, adds in the organisation's annual report.

Although most sectors had decreases in employment the government, insurance and electricity sectors took on more people.

In manufacturing 81 700 jobs were lost.

It is worth noting that the manufacturing, construction, transport, communication and commerce sectors which were responsible for increases in employment in 1981-82, showed relatively sharp decreases in 1982/83, and that employment in the Government and services sectors showed a sustained increase.

All branches of manufacturing had large absolute and percentage employment decreases, with the exception of the liquor and tobacco

industries, which showed small increases.

The largest jobs decrease was in basic metals (13 500), motor vehicles and transport equipment (10 100) and textiles (9 300).

Toward the end of last year there were signs of smaller decreases.

The number of registered unemployed whites, coloureds and Asians rose by 9,9% in the 12 months to October 1983, while a downward trend in unemployment started in May 1983, although it was still relatively high.

The number of registered unemployed whites was 25% higher in October 1983 than in the same month in 1982.

The report said the number of registered black work-seekers was not an accurate reflection of the unemployment situation among blacks.

"It is interesting to note the number of registered unemployed blacks is less than 10% of the number of those unemployed according to the Current Population Survey."

The number of unemployed blacks rose from 455 000 in November 1982 to 456 000 in November last year.

"It would appear, at least in as far as this trend is influenced by the business cycle, that the turning point of the economic cycle has been reached and that a further improvement in the unemployment situation can be expected."

Dr Reynders drew attention to the employment creation strategy announced by the Government last year.

"More specifically, it should be mentioned that from a policy viewpoint it is of the utmost importance to remember that the unemployment problem is to a certain degree a structural phenomenon.

"This means that unemployment in the long term can only be overcome through structural adjustments to the economy."

Apart from the employment creation strategy, this matter was already receiving attention in various ways, one being the expansion of the formal and informal small business sectors.

Others were the introduction of schemes for the training of work-seekers, and the introduction of incentives on a regional basis to stimulate the development of certain depressed areas. — Sapa.



HENNIE REYNDERS... manufacturing is the hardest hit.

Threat to jobs mars clothing pay deal

By ROBERT GREIG

CHRISTMAS spending in the Western Cape is likely to rise after a new wage agreement in the clothing and knitting industry, but jobs are in danger.

The agreement, effective from December 13, will put R10 million, including holiday pay, in the pockets of 62 000 workers up to July 1985.

But industry spokesmen warn that reduced consumer demand and rising costs could mean that smaller employers might have to lay off staff.

In terms of the agreement, announced yesterday by the Industrial Council for the Clothing Industry (Cape), minimum wages of qualified machinists will rise to R64 a week from December 13 — a 12,5 percent increase. Qualified machinists form the bulk of the industry's work force.

In 1985, their wages will rise to R72 and on July 1, 1986, to R77 a week.

In the two years to December 1986, machinists will receive a cumulative increase of 32,7 percent, of which 15,5 percent will be in 1985.

The agreement includes higher termination pay and increased Sick Fund and Provident Fund contributions.

Signatories are the Cape Clothing Manufac-

turers' Association, the Cape Knitting Industry Association and the Garment Workers' Union.

"All these increases will inject tens of millions of extra spending power into the economy of the Western Cape over the next two years," said the chairman of the council, Mr A M Rosenberg.

"Holiday pay will be calculated at the new wage rates, and the thousands of workers in the industry earning wages in excess of the minimum rates will benefit, as the wages negotiated tend to ripple through the industry, affecting all wage-earners."

Employers and employees alike welcomed the agreement. They also warned that the coming year would see increased unemployment, especially among smaller firms less able to absorb higher costs.

The general secretary of the Garment Workers' Union, Mr L Petersen, said it was "a very good agreement". But he added that widespread unemployment was expected next year.

The chairman of Sear-

del Investment Corporation, Mr Aaron Searl, said the terms of the agreement were justified. Searl employs 10 000 workers in the Western Cape.

He said employers had a responsibility to lift the level of wages. However, he warned that the time had come when the industry could no longer absorb increases unless productivity improved.

Mr Searl said the increase was "double-edged" in that it would probably affect the fortunes of smaller firms.

Mr R Malcolm, managing director of Bonwit, which employs 2 200 workers, said the agreement was fair. He said it was company policy not to lay off staff.

A spokesman for Asso-com, Mr Vincent Brett, said from Durban that though he was not fully acquainted with the industry, "it would appear that employers and employees are forcing themselves out of existence".

"Such an increase, with the downturn in the economy, is likely to exacerbate unemployment," he said.

2 Cape Times, Fri

Oct. 1984

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Stev

C. Herald 20/10/84 321
10 000 motor

workers axed

AT least 10 000 jobs have been axed in the motor trade over the past three months in the worst slump in new car sales in more than six years.

Also, the majority of the 45 000 workers still engaged by the big motor assembly plants have been forced on to short-time in a widescale slowdown of production tracks as the cash squeeze hits demand by consumers.

The National Association of Automobile Manufacturers disclosed last week that new car sales last month plunged to only 14 767 — down 43 percent compared with a year ago and the lowest since July 1978.

Statement today on VW plans

335 22/10/84
By CATHY SCHNELL

VOLKSWAGEN have called a Press conference for early this afternoon in the wake of reports that the company plans to retrench hundreds of workers.

The communications manager of Volkswagen, Mr Graham Hardy, who announced the Press conference, was unable to comment on any aspects of the company's plans.

He said top-level management meetings were being held this morning.

A report in the Eastern Province Herald today said it was expected that in addition to retrenchments Volkswagen would lay off the remainder of its staff for three days in an initial attempt to cut costs.

It was reported that the most conservative estimate was that 500 workers would lose their jobs.

Hints of a production cut at Volkswagen came last week from Mr Hardy, who said there was "every possibility" that there would shortly be a cutback in the production line.

A meeting of Volkswagen executives on Friday to "take certain decisions" was cancelled.

Volkswagen are already working a four-day week on their Microbus line.

The motor industry in the Port Elizabeth metropolitan area is at present in the doldrums and working short-time.

Ford today went on to a three-day week.

The public relations manager for Ford, Mr Harry Hill, said this move would affect all 3 500 of the company's hourly-paid workers.

He said the disastrous new car sales figures for September had forced the cutback.

General Motors announced on Thursday last week that it would close for four days next month — from November 13 to 16.

About 2 500 hourly-paid production employees will be affected.

It is hoped that details of the Volkswagen announcement will be carried in the City Late edition of the Evening Post today.

● Meanwhile, it is learnt that the "aid package" for the Eastern Cape region sought during the meeting of local leaders with Mr Chris Heunis, Minister of Constitutional Affairs and Planning, on Friday included requests for a 20% increase in the existing 20% subsidy on rail tariffs for outward-bound traffic; the introduction of a 4% preference on tender prices submitted on public sector projects by local industrialists and the introduction of an investment allowance subsidising interest repayments on local investment of up to R7 million by 40%.

Monday 22/10/84 (335)

Natal Survey

Jobless totals hide the truth

DURBAN's unemployment figures at the end of July dropped by 22,7 percent over July 1983 according to figures from the Department of Manpower.

But the department says the figures cannot be considered a true reflection of the unemployment position as the law does not make it compulsory for an unemployed person to register and many unemployed people do not re-register with the department after their unemployment benefits have become exhausted.

The total number of whites, coloureds, Indians and black job-seekers registered with the department was 27 683 compared with last year's total of 40 817.

Unemployment among Indians was the highest of the four groups last year, but the department says the situation eased considerably, dropping from 7 044 to 2 853 this year. Figures for Coloured and Blacks were also lower.

Unemployment among whites — 2 913 — increased by 478 over the previous period.

The growth of new factories in the province slowed and was only 3,6 percent, well down from 1982 figures of 7 percent and 4,9 percent in 1981. There were 213 new factories registered bringing the total to 6 392.

Unemployment figures were lower in the main industries with clothing and footwear improving slightly in the last six months. A steady demand still exists for machinists in clothing and a fair de-

mand for trained workers in footwear.

Building has been hit by the current recession. Large contractors do not appear to have been adversely affected.

Increased gst and amended hire purchase regulations have affected the motor industry and the department says conditions are not anticipated to improve soon.

Engineering is having a difficult time, but the marine division has received some relief with a contract to build a fleet replenishment ship for the S A Navy.

Unemployment figures at the end of July were (last year's figures in brackets): Engineering: 236 artisans and 364 operators (401 and 872); Building: 151 artisans and 125 operators (365 and 301); Clothing: 234 (825); Motor: 158 (266); Footwear: 98 (267).

Retrenchments loom at VW

22/10/84 C-Times 335

Own Correspondent
PORT ELIZABETH. — Volkswagen is expected to retrench hundreds of workers today at the start of what could be the blackest week this year for Port Elizabeth and Uitenhage.

A range of reliable sources said they believed retrenchments would take place from the top to the bottom of the Uitenhage organization. It is also believed that soon after the announcement of retrenchments, Volkswagen will lay off the rest of its staff for three days in an auxiliary effort to cut costs.

Approached yesterday for reaction to rumours among Volkswagen workers that massive retrenchments would be announced this week — probably today — Mr Ronnie Kruger, Volkswagen's public relations

director, replied: "No comment."

Early last week it was speculated that Volkswagen was already considering retrenchments after a prolonged sales slump which has hit every major motor manufacturer.

The most conservative estimate yesterday was that at least 500 Volkswagen workers would lose their jobs, although some sources believe the scale of retrenchments could be far greater.

The shock Volkswagen move — if it materializes — comes at the height of speculation that the Ford Motor Company of South Africa is in the final stages of negotiations which will see production of its Escort models shifted from Struandale, Port Elizabeth, to the Transvaal.

The loss of the Escort

production lines would be a heavy blow to Port Elizabeth and Uitenhage.

It is believed that should Escort production be halted in Port Elizabeth, a number of motor manufacturing support industries will in turn have to consider moving some of their Eastern Cape plant to the Reef.

Moves to Reef?

At least one big enterprise has indicated that should Ford take the decision to move to the Reef, it would be compelled to shift a large number of its staff and some of its plant to the Transvaal.

Ford is said to have been engaged in negotiations with Amcar, manufacturers of Mazda, over a merger which would see Ford produce its Escort range in the under-utilized Mazda plant near Pretoria.

On Friday, Mr Brian Pitt, managing director of Ford said: "No decision has been taken. It is unlikely that we will decide before early November."

Michigan man

He did confirm that Mr C John Roberts, Ford's world-wide public affairs director, based in Dearborn, outside Detroit in Michigan, had visited South Africa last week.

Mr Roberts had been in the country to help work out the best way of dealing with problems — from a public relations viewpoint — created by speculation that Ford was to move some of its plant out of Port Elizabeth.

Some observers believe this is a firm indication that there is a very strong likelihood that Ford is seriously considering making its first move out of Port Elizabeth.

A meeting between motor industry chiefs in the area and Mr Chris Heunis, Minister of Planning, and Dr Dawie De Villiers, Minister of Industries and Commerce, took place on Friday and could result in action by the government to make vehicle-manufacturing more viable in the region in the future.

Mr Heunis was said to have been deeply concerned at the information given to him.

'680 at Volkswagen will be workless from Friday

335 ~~180~~ E. Post 23/10/84
By CATHY SCHNELL

Volkswagen is to retrench about 680 workers from Friday, the company announced at a Press conference in Uitenhage yesterday.

In addition, certain sections of the factory would be closed for 2½ weeks from October 29 to November 13, both dates inclusive, said the managing director of Volkswagen South Africa, Mr Peter Searle.

Retrenchment numbers have not yet been finalised because certain negotiations are still in progress with employee representatives.

Volkswagen's total work force is about 7 000.

Mr Searle said the the production line of the newly introduced Golf 2 had not been affected by these moves and would remain on a five-day week. However, the press shop would go on to a four-day week and other production lines would shut down for 2½ weeks and thereafter work a three-day week.

Salaried staff were being asked to work a voluntary 10% longer work day with no extra pay and all salary increases were being frozen until further notice.

The position would have been more serious but for the demand for the new Golf 2 which was strong within the constraints of a difficulty market, Mr Searle said.

Sales had dropped by half between June and September this year.

Mr Searle said it was very much regretted that the motor industry had been singled out for special attention on several occasions this year, over and above all other dampening measures taken by fiscal and monetary authorities.

Earlier in the year an *ad valorem* duty was introduced on vehicles. The recent reduction in hire purchase repayment period, coming on top of increased taxation, both direct and indirect, of the individual and the highest

interest rates in the country's history, was "an ill-advised and badly timed measure", he said.

When the first signs of a serious downturn in the industry occurred, it was hoped the company could weather the storm with a contingency plan of possibly taking an early shutdown in December, thereby preserving jobs if the market dropped further.

The recession, however, had affected the motor industry far more adversely than originally expected and more immediate measures had to be taken.

Mr Searle said he deeply regretted the effect on retrenched staff and their dependants and was well aware of the serious socio-economic effect it would have on the local community because Volkswagen was the main employer in the region.

Before the retrenchments were announced, Volkswagen was already working a four-day week on its Microbus line.

Ford yesterday went on to a three-day week.

General Motors announced on Thursday last week that it would close for four days next month.

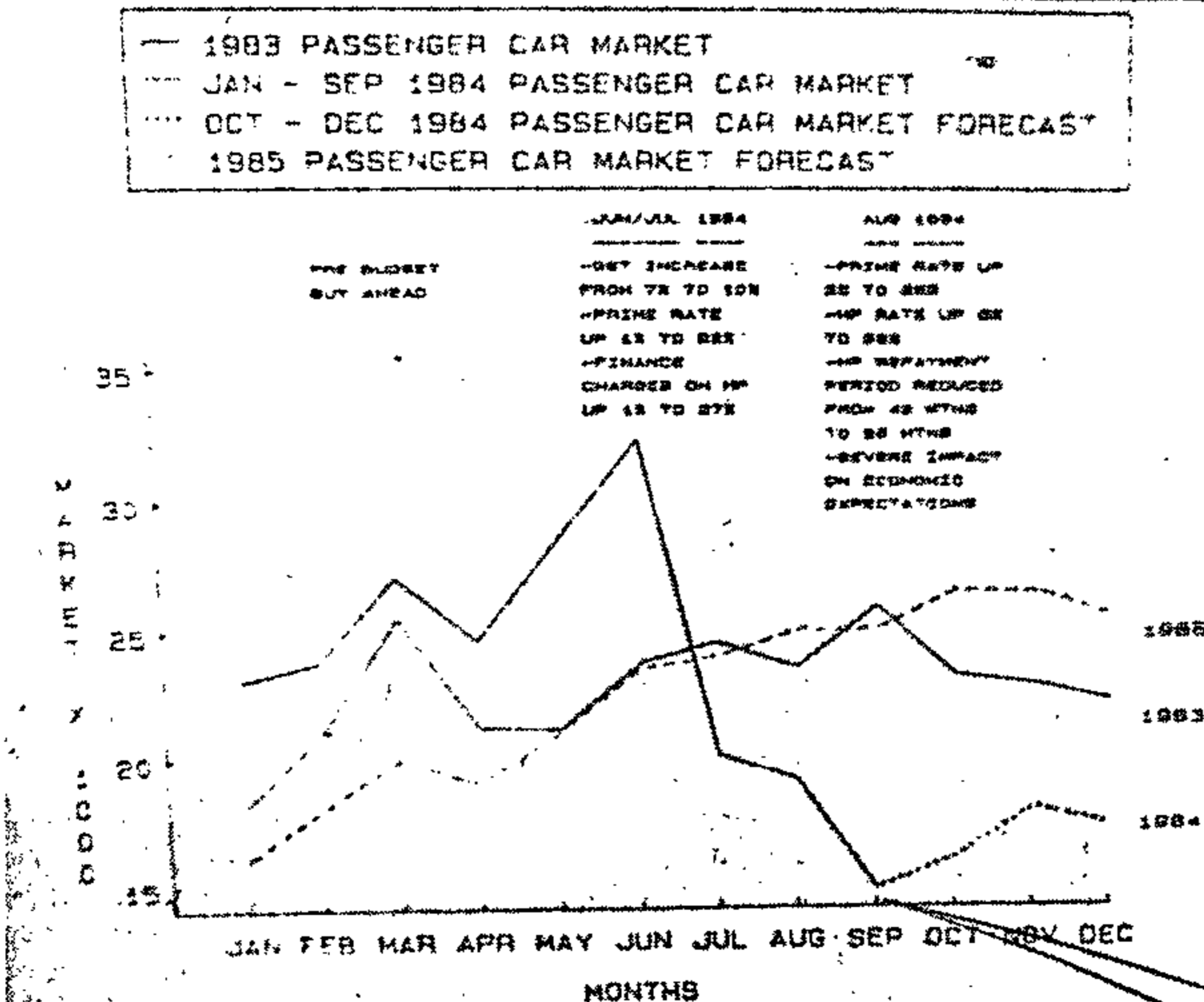
Last month, 554 workers — both salaried and hourly paid — were retrenched from these two companies, Ford putting off 425 employees and General Motors 129.

After announcing the retrenchments on September 7, Ford also shut down its entire Port Elizabeth operation for five working days from September 10 to 14.

The same day the managing director of General Motors, Mr Lou Wilking, announced that the company would go on a four-day week from October 9.

● Yesterday's move by Volkswagen came at the height of speculation that Ford is in the final stages of negotiations which will see the production of its Escort models shifted from Struandale in Port Elizabeth to the Transvaal.

MONTHLY PASSENGER CAR MARKET DEVELOPMENT 1983, 1984 AND 1985



VMSA - SALES PLANNING DEPARTMENT



Motor industry still

taking a hammering

Financial Reporter

THE recession is continuing to hit the motor industry.

● Volkswagen announced yesterday that it would lay off about 680 people from October 26 and close sections of its Uitenhage factory for two weeks from October 29 to November 13.

● Mr Brian McCarthy, chairman of the McCarthy group, told the annual meeting in Durban yesterday that car sales could drop by up to 25% over the next nine months.

● Market talk was still that some kind of Ford/Sigma deal was in the offing.

A statement from VW yesterday said production lines of the newly introduced Golf 11 were unaffected by its cutback moves and would remain on a five-day week.

The press shop would, however, go on to a four-day week, while other production lines would shut down for two weeks and then work a three-day week.

VW said, according to Reuter, that its salaried staff were being asked to work a voluntary 10% longer workday with no extra pay, and all salary increases were being frozen until further notice.

The recession had affected the motor industry far more adversely

than originally anticipated, VW said, adding that the position would be more serious if demand for the new Golf was not as strong as it had proved.

The new car market declined to 14 767 units in September.

In June it was 32 382 units but this was heavily distorted by rush buying ahead of the big GST rise.

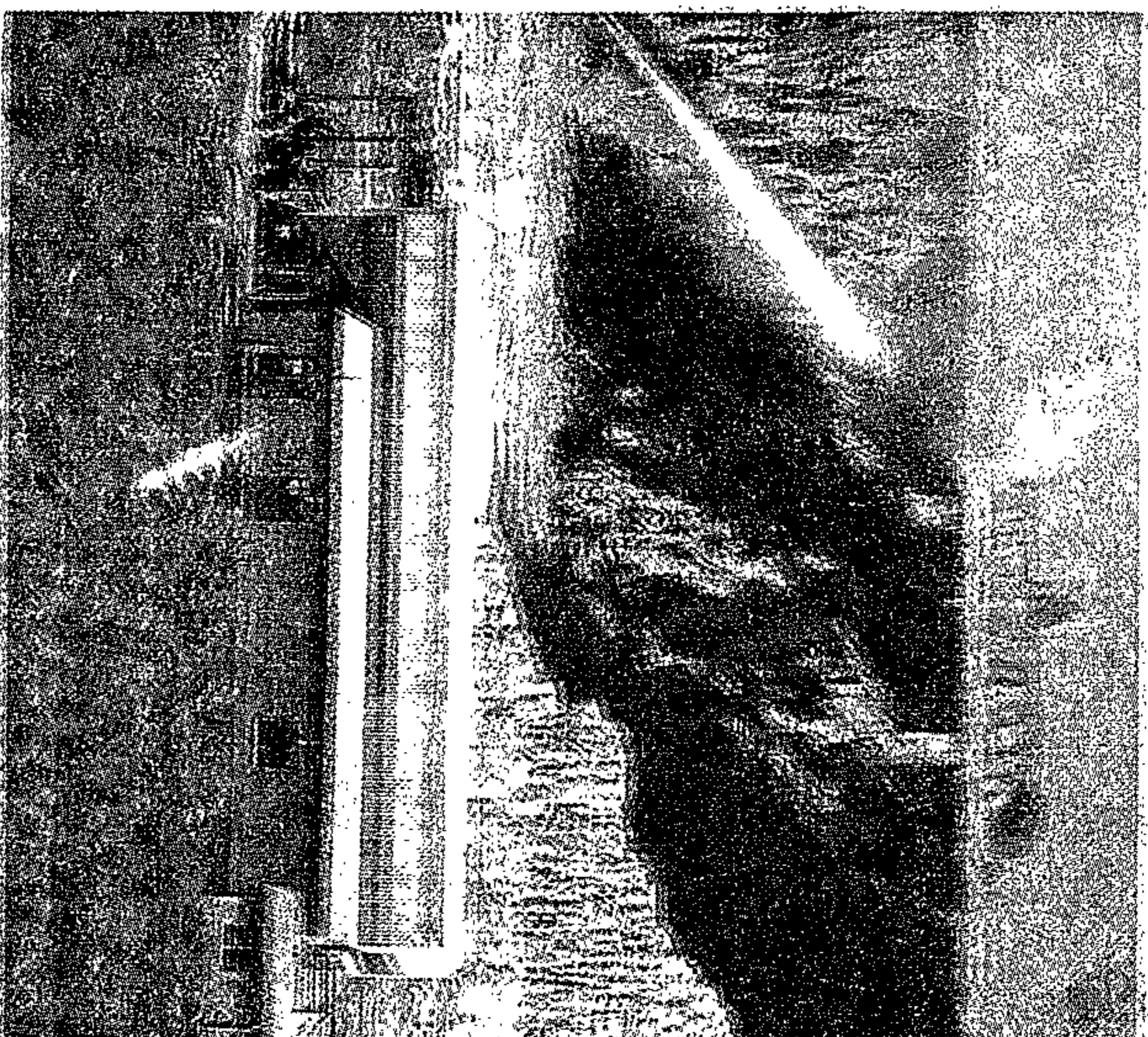
Mr McCarthy said yesterday in Durban that prospects for the motor industry were even grimmer than at the time of his annual statement last month.

Then, he predicted that car sales throughout the country would drop by 16% over the period of the group's financial year from July this year to June 1985.

Now he believed sales would drop a minimum 20% and possibly 25%. Motorcycle sales were forecast last month to drop 11% but now he predicted a slump of between 22% and 25%.

Official figures released yesterday revealed that September motorcycle sales fell by 14.3% in August.

Mr McCarthy said that in the McCarthy group's first quarter, from July to September, sales fell in sympathy with the overall drop in national sales — 27% for cars and 15% for commercial vehicles.



A water monitor gun dissolves gold-bearing slimes for treatment at East Rand Gold and Uranium. Ergo has revised production estimates for the year at 19-million tons from 19.86-million. Forecast gold production has been dropped to 5 500kg (previously 5 610kg), uranium to 148 tons (160) and sulphuric acid to 510 000 tons (525 000).

Air-conditioning company cuts ³³⁵ staff, production ^{E. Post}

Post Reporter 24/10/84

LACK of life-giving local construction projects and stalled production in the motor industry have forced an air-conditioning concern in Port Elizabeth to retrench 10 workers and slash working hours.

This was confirmed today by Mr David Ward, manager of the Port Elizabeth branch of Improvair, who said 10 skilled and unskilled workers had been retrenched and 70 employees placed on a four-day week. The total staff was 220.

"We couldn't see the future level of business warranting the level of our staff," Mr Ward said.

"You can't employ more people than you have work for."

The construction industry provided the company with a lot of short-term jobs which, over the last few months, had dried up rapidly, Mr Ward said.

"We are worried," he said. "We have been feeling the pinch in Port Elizabeth over the last three years."

Declining profitability and recession in motor manufacturing, Port Elizabeth's major industrial sector, had seen construction projects involving air-conditioning and fire detection work grind to a halt, he said.

"We do a fair amount of small business with the motor companies," Mr Ward said.

"As soon as they close up, so do we and everybody else."

The company's response was to seize jobs wherever they arose, taking work in Windhoek, Garankuwa, Pretoria and Somerset East.

At the same time the company retained its Port Elizabeth base.

It was unlikely that the company would "get out of short-time" by Christmas.

5, 1984

Mercury 25/10/84 335

Steel industry in trouble as 70 000 jobs go

Mercury Correspondent

JOHANNESBURG—An increasing number of retrenchments by steel and engineering firms is threatening to shrink the metal industry even further.

It has already shed more than 70 000 jobs since the recession began, and is one of the most sensitive to recession in the economy.

It has been plunged deeper into recession by the slump in motor sales, which has hit component suppliers, and a general cutback in spending by the Government, big companies and consumers.

Mr Sam van Coller, the executive director of the Steel and Engineering Industries Federation of South Africa (Seifsa) said there were an increasing number of retrenchment exercises on the go.

This was borne out by

the Metal and Allied Workers' Union (Mawu) which said there had been an 'exceptionally high' number of retrenchments since May, the last time the metal industrial council released employment figures.

Mr A de Jager, secretary for the council, said there had been 377 815 workers in the industry in May — a drop of more than 70 000 since the industry had recorded a high of 453 966 in May 1981.

Terrible

The number of whites employed has shrunk by more than 20 000 in that time. The number of blacks — who make a much higher proportion of the work force — has fallen by more than 45 000.

Mr van Coller said most of the retrenchments had taken place about 18

months ago and for a while the industry had reached a plateau of about 380 000 jobs.

'But at the moment the market is looking terrible. The general picture is that we are at the start of another period of widespread retrenchment.'

'The auto assembly industry is in trouble, the Government is cutting back on capital expenditure, the South African Transport Services has cut back, companies are cutting back on large capital projects, and so on.'

A Mawu spokesman said employers were using the retrenchments to push productivity and were retrenching on the basis of performance rather than last in, first out.

'It looks as if a permanent restructuring of the industry is taking place,' he said.

170 brickmen retrenched

25/10/87 C. 7 mins 335

Staff Reporter

THE brick industry, particularly in the Western Cape, has been hard hit by the economic recession resulting in the Cape's largest brick manufacturer making cutbacks at two of its plants and about 170 workers being retrenched.

This was announced yesterday by Mr Graham Bounds, managing director of Corobrick, who said that production at a third plant may soon be cut back.

The cutbacks had been caused largely by the decline in the new residential housing market. For the first time in several years the company was faced with a surplus of bricks rather than a shortage.

While the year had begun with a full order book, many of these orders had been cancelled or duplicated with several other companies.

The company's sales last year reached a record 235 million units as a result of the Western Cape's biggest building

boom, but compared with its increased capacity, sales were now 17 percent below current production levels.

This was worse than the national average which was currently about 13 percent below capacity, indicating that the Western Cape was one of the hardest hit areas in the country.

"We are bitterly disappointed that after the efforts of so many of our staff to meet market demands, the situation has turned around dramatically, forcing us into a situation whereby cutbacks are necessary," Mr Bounds said.

On the retrenchments, Mr Bounds said that the company had where possible relocated employees at other plants within the group, keeping the number that had to go at a minimum.

The company had a seven-week stockpile in spite of current interest costs and intended to maintain this stock level as a cushion against a sudden upturn in demand.

Recession raises spectre of tidal wave of jobless

By Carolyn Dempster,
Labour Reporter

There is a real danger of a tidal wave of unemployment as the recession bites deeper and companies resort to structural rationalisation and retrenchment.

Over the past three months, official unem-

As the economic position worsens, employers are turning to retrenchments and rationalisation as a means of survival. And it seems that these cutbacks could be permanent. Unofficial estimates put the number of unemployed of all races at three million — and rising — and many jobless black workers face the prospect of slow starvation in the homelands. The situation raises important social and political implications.

members as never before.

Mr Des East, general secretary for the Motor Industry Combined Workers' Union, said the union had experienced a sharp increase in demands for benefits from all over the country.

Membership had remained stable but this was only because of an



Albert Street, Johannesburg means hope and despair to different people — sometimes hope that you will be called from a long queue and given a job — but mostly despair that only a barren homeland beckons.

ployment figures have climbed alarmingly and the grim prognosis is that the worst is still to come, with really sharp cutbacks over the next few months and in the New Year.

The number of registered black unemployed recorded by the Department of Manpower has risen dramatically — from 29 602 in June to 30 744 in July. A further 3 370 became unemployed in August when a total of 34 114 were registered.

But this is only a fraction of the total number of retrenched or unemployed workers, many of whom have not registered with the department.

THE FIGURES

The Central Population Survey, conducted by Central Statistical Services in June this year, put the black unemployment figure at just under half a million — 5 000 more than in June 1983 when unemployment peaked.

White, coloured and Indian unemployment figures have not shown such a dramatic increase but it is accepted that the first to lose their jobs are the unskilled or contract workers.

Unofficial estimates place the total figure for

the townships. But action had emerged in said a clear pattern of on violence, Mrs Duncan Addressing a meeting

swing was anticipated in mid-March 1984.

"Companies retrenched heavily but they didn't slash away at their staff component and there certainly wasn't the degree of re-structuring, retrenchment and rationalisation which we are seeing now," said a spokesman for the Metal and Allied Workers' Union (Mawu).

It would appear that employers no longer regard the cutbacks as moves to maintain productivity and profit levels but are thinking more in terms of rationalisation in the long-term and survival in the short-term.

The Industrial Council for the Iron, Steel, Engineering and Metallurgical Industry records a drop in the number of jobs from 385 000 in May 1983 to 332 000 in May this year — and from 454 000 in November 1981.

Since August, Mawu has seen the loss of more than 2 000 members through retrenchment — about five percent of the total membership of 34 000 — with up to 1 000 more retrenchments threatened in December and January.

In cases where the union has managed to negotiate agreements covering severance pay, workers have at least had

But made up of former West Council already con- out that Soweto City

Major companies who have already retrenched include Union Carriages, Dorbyl, Defy, Siemens, GEC, Scottish Cables and Lauf Lumenite.

By far the worst hit has been the motor manufacturing industry. Since June most of the major motor manufacturers have resorted to short-time, plant closure and, finally, retrenchments in an attempt to grapple with the economic squeeze.

About 4 500 workers in the motor and components industries have already lost their jobs with a further 5 000 jobs threatened before the year end, according to the National Association of Automobile Manufacturers of South Africa (Naamsa).

The motor unions are now fighting for their

active retrenchment. If rumours of Ford's impending transfer of certain of its operations from Port Elizabeth to the Pretoria area were true, about 3 000 union members at three components factories would stand to lose their livelihood, he added.

Another facet of the retrenchments which signifies that the rationalisation currently under way is likely to be permanent is a swing away from employer compliance with the "Last in, first out" principle.

DEMANDING

According to union spokesmen, employers are increasingly demanding that retrenchments be effected according to performance, so that skilled employees are retained.

Mr Ike van der Watt,

general secretary of the South African Boilermakers' Society, said the unions were fighting this. He believed that retrenched workers had a slight chance of getting their jobs back when the upswing came.

His union had suffered a drop in membership from 54 000 to 48 000 in the past three months, he said.

He attributed the sudden sharp cutbacks partly to the "false optimism" which employers had sustained for so long.

"They were waiting for an upturn at the beginning of the year and it didn't materialise. Now there is an over-reaction to the situation," he said.

Mr Reinald Hofmeyr, director of industrial relations for the Barlow Rand group, agreed that there was unlikely to be

massive re-employment when the economic situation improved thousands would remain jobless.

Cutbacks in State spending and the shelving or postponement of massive construction projects are also taking their toll.

A spokesman for the Electricity Supply Commission (Escom) said negotiations were under way to postpone construction of the multi-million-rand Majuba power station by two years.

A spokesman for Steinmuller, one of the key contractors involved in the negotiations, said that up to 10 000 jobs could be lost if the entire project were postponed. A definite decision will not be made until November 7.

While the retrenchments have continued apace, employers have

learned, through industrial action and the Industrial Court that the issue needs to be handled with kid gloves.

From experience gained in the past few years, unions have learned to negotiate settlements including severance pay benefits.

But a judgement handed down by the Industrial Court recently holds an ominous note for migrant labourers. In terms of the Screenex judgment, failure to renew a migrant worker's contract does not constitute retrenchment.

Unions fear that many employers are now waiting for the end of the year and the expiry of contracts to get rid of hundreds of employees who they can no longer sustain economically.

Time running out for Joremi, a wife and young son

"Asinamali" — we have no money. We cannot pay.

This is the cry that resounds in the urban townships. In the rural areas there is no-one to cry to — and no-one to hear anyway.

At the offices of the Black Sash, the retrenched and unemployed form a substantial proportion of the crowds that gather daily. Joremi Joseph Siluma (25), an Ndebele from Bethal was one of the hundreds patiently waiting for relief and some help this week.

A contract worker with a small construction company, Joremi was retrenched in July and told there "is no more work". He doesn't feel bitter, most of his colleagues were also retrenched at the rate of a couple each week as things got worse. He left with some benefit stamps entitling him to unemployment pay from the Industrial Council for the Building Industry, but he doesn't think they will last beyond November.

At home he has a wife and one son to support — they are relying on whatever he can find. But at the Black Sash offices he was frightened and desperate. After a three month fruitless search for work he doesn't know where to turn next.

For every Joremi there are hundreds of workers in the same position. Some have served 30 years with the same company and are then told to leave without notice, without pay. Most have families of five or six to support and the prospect of returning "home" to a barren rural existence is no answer.

Bid to reduce axings at VW

E. Post 25/10/84
Post Reporter

NEGOTIATIONS between the National Allied Automobile Workers Union (Naawu) and Volkswagen management are continuing today in a last-minute bid to reduce the number of people to be retrenched tomorrow.

On Monday, Volkswagen announced that 680 employees would be retrenched at the end of the week.

Mr Brian Robinson, the industrial relations manager at Volkswagen, confirmed today that negotiations had been held yesterday and were continuing today.

So far no decision has been taken on whether Volkswagen will follow Ford's example and close earlier than usual for the Christmas break, according to the community relations manager, Mr Gavin Cowley.

He said the people to be retrenched would know who they were tomorrow. Discussions were still under way as how best to break the sad news to them, Mr Cowley said.

He said the company had used the "lifo" (last in, first out) principle in determining who would be retrenched.

Mr Les Ketteldas, regional secretary of Naawu, was not available for comment.

Naawu was also scheduled to hold a meeting last night to discuss the possible implications of the negotiations between Ford and Pretoria-based Amcar.

Business Day

Imports hurting pump industry

Industrial Editor

HUNDREDS of jobs are being lost through the importation of industrial pumps.

The Pump Manufacturers' Association says a recent market research survey shows an extraordinary number of pumps are imported each year, either as basic units or as part of other equipment.

A spokesman for the association, which represents 22 companies, said yesterday the imports equalled the production capacity of several pump manufacturers.

Local production could create up to 600 new jobs.

Professor Nic Wiehahn, the director of Unisa's Business Leadership School, said unrestricted imports meant the loss of jobs, development opportunities and export potential.

He said: "It is time that representation from the local industry was made to Government to consider a degree of protection."

Lack of protection amounted to encouraging disinvestment as most local pump manufacturers were subsidiaries of overseas companies.

When they saw their SA market share drop because of unfair competition from subsidised imports overseas companies would think twice about increasing investments in local operations.

Prof Wiehahn said a strong local industry would offer more opportunities for skilled workers.

Although the import market



NIC WIEHAHN . . . degree of protection needed

share could support an estimated 600 workers this figure could double or even treble.

"A diminishing market for local manufacturers not only kills local incentive, but creates an unhealthy climate for training and job creation," he said.

"If we are to meet the aspirations of a rapidly changing labour market, maintain stability and provide the number of jobs and skilled opportunities, drastic measures are necessary to protect our local markets."

Don 25/10/81 335

Steel industry cuts over 70 000 jobs

By PHILLIP VAN NIEKERK
Mail Reporter

AN INCREASING number of retrenchments by steel and engineering firms are threatening to further shrink the metal industry, which has shed more than 70 000 jobs since the recession began.

The industry is one of the most sensitive to general conditions of recession in the economy.

It has been plunged deeper into recession by the slump in motor sales, which has hit component suppliers, and a general cutback in spending by government, large companies and consumers.

Mr Sam van Coller, the executive director of the Steel and Engineering Industries Federation of South Africa (Seifsa), told

the Rand Daily Mail retrenchments were increasing at the moment.

This was borne out by the Metal and Allied Workers' Union (Mawu) who said there had been an "exceptionally high" number of retrenchments since May, the last time the metal industrial council released employment figures.

According to Mr A de Jager, secretary for the council, there were 377 815 workers employed in the industry in May — a drop of more than 70 000 since the industry recorded a high of 453 966 in May 1981.

The number of whites employed has shrunk by more than 20 000 in that time, while the number of blacks — who make up a much higher proportion of the workforce — has fallen by more than 45 000.

O. Dispatch 13/10/84
**Management denies
Supa Food strike** *335*

EAST LONDON — The staff reduction at Supa Foods factory in Dimbaza was due to the downturn in the economy, Mr P. Busby, managing director of the company, said yesterday.

Mr Busby denied claims by some workers that there had been a strike in the production section.

Workers claimed the strike was caused by the abusive language used by a manager to workers at the factory, but Mr Busby said his factory had been operating normally throughout the week.

"We have never had a strike since we started operating in Ciskei," he said.

He could not say how many employees had been retrenched yesterday — DDR.

in Bessick shows the



ment and Mrs. Sloera Hanna, the carnival

Chest's carnival drive

Staff Reporter

THE acting mayor of Cape Town, Mr Leon Markovitz, officially opened the Community Chest's Carnival fund-raising drive at a function at the Civic Centre on Tuesday night.

The carnival, which will take place next year on February 28 and March 1 and 2, forms a large part of the Chest's income towards the next target amount — R2,1-million.

This year the carnival, always held at Maynardville, raised R325 000 for welfare care and services in the Western Cape.

The foreign communities of Cape Town always make a substantial contribution to the target with last year's figures at R22 000 from the Scandinavian stand, R17 500 from the Dutch, R14 500 from the French, R11 600 from the Italian, R10 000 from the Belgian and R9 000 from the German stand.

With the carnival drive now open, Mrs Sloera Hanna, the carnival

170 brickmen retrenched

25/10/88 C. 7 June

Staff Reporter

THE brick industry, particularly in the Western Cape, has been hard hit by the economic recession resulting in the Cape's largest brick manufacturer making cutbacks at two of its plants and about 170 workers being retrenched.

This was announced yesterday by Mr Graham Bounds, managing director of Corobrick, who said that production at a third plant may soon be cut back.

The cutbacks had been caused largely by the decline in the new residential housing market. For the first time in several years the company was faced with a surplus of bricks rather than a shortage.

While the year had begun with a full order book, many of these orders had been cancelled or duplicated with several other companies.

The company's sales last year reached a record 235 million units as a result of the Western Cape's biggest building

boom, but compared with its increased capacity, sales were now 17 percent below current production levels.

This was worse than the national average which was currently about 13 percent below capacity, indicating that the Western Cape was one of the hardest hit areas in the country.

"We are bitterly disappointed that after the efforts of so many of our staff to meet market demands, the situation has turned around dramatically, forcing us into a situation whereby cutbacks are necessary," Mr Bounds said.

On the retrenchments, Mr Bounds said that the company had where possible relocated employees at other plants within the group, keeping the number that had to go at a minimum.

The company had a seven-week stockpile in spite of current interest costs and intended to maintain this stock level as a cushion against a sudden upturn in demand.

Three men

Retrenchments rise as recession bites deeper

By Carolyn Dempster,
Labour Reporter

The recession has brought on heavier retrenchments, and the number of unemployed is rising rapidly.

Over the past three months widespread layoffs, severe cutbacks and company rationalisation have brought a sharp increase in unemployment figures.

The official figure for registered unemployed stands at 64 226, but unofficial estimates place it at closer to three million.

According to the Department of Manpower, the number of registered unemployed people from all population groups rose from 58 896 in June to 59 766 in July, and jumped to 64 226 in August.

The huge disparity between official and unofficial unemployment estimates lies in the fact that official figures reflect only

those unemployed people who have registered with the Department of Manpower in South Africa.

The unofficial figure takes into account the unemployed and under-employed in South Africa's urban and rural areas, including homelands and the so-called independent states.

The vast majority of retrenchments, especially among the ranks of the unskilled and semi-skilled black workers, will not be recorded.

In a single month the number of registered unemployed rose by 5 000 and unionists and employers say the worst will be felt in the months ahead.

"Being laid off is devastating enough to whites; to blacks it is often the end of the line," said Dr John Burns, executive director of the Manpower Manage-

ment Foundation.

Unemployed whites can scour the country job-hunting, but unemployed blacks are usually forced to return to a homeland.

The Institute of Industrial Relations records more than 13 000 retrenchments so far this year.

These are mainly in the manufacturing, motor and heavy engineering sectors, and unskilled blacks are most affected.

But for the first time in a decade, white skilled workers and senior executives are also being retrenched and paid off.

Almost 570 000 "pick-and-shovel" jobs have been created by the Government, but this is hardly sufficient to stem the rising tide of unemployed, with another 30 000 work-seekers expected to enter the job market in 1985.

● See Page 9.

More will be axed by Ford

26/10/84 E. Post
By CATHY SCHNELL

IT has been reliably learnt that Ford will retrench between 300 and 400 salaried and hourly paid workers next Friday.

This could bring the number of people retrenched at Ford during the past two months to more than 800.

Negotiations to reduce the number to be retrenched will be held between Ford management and the National Automobile and Allied Workers Union (Naawu) on Monday, Naawu's regional secretary, Mr Les Ketteldas, confirmed today.

Mr Ketteldas said Naawu had been advised that retrenchment would take place within the next two to three weeks.

He had heard about 200 people were to lose their jobs.

The director of industrial relations at Ford, Mr Fred Ferreira, declined to comment at this stage.

Mr Ketteldas said it was unacceptable to Naawu that Ford could follow up with more retrenchments so soon after their last mass retrenchment. It showed a lack of planning on management's behalf.

On September 7 Ford retrenched 425 employees and shut down its entire Port Elizabeth plant for five working days.

Earlier this week Ford announced that it would close two weeks early for the Christmas break this year — on November 30 instead of December 13 — and re-open on January 7.

Mr Ketteldas said the three-day meeting with Volkswagen this week, to reduce the number of

people to be retrenched today, had proved fruitless.

A total of 680 employees will be retrenched. Those who will be put off will be named today.

Mr Ketteldas said unless restrictions were lifted on hire purchase rates, the present unhappy situation might deteriorate further.

The Government should drastically reconsider its recently introduced fiscal measures, which were restrictive, especially on the motor industry.

The social implications of wide-scale retrenchment were already bad and would get much worse if the situation continued, he said.

To date about 1 234 Port Elizabeth motor industry employees have been retrenched within the past two months.

Today the Ford branch of the executive committee of Naawu issued a statement on recent Press reports speculating that Ford is in the final stages of negotiations with Amcar, a move which see the production of its Escort models shifted from Struandale in Port Elizabeth to the Transvaal.

In the statement, Naawu expressed its "outright condemnation" of "secret negotiations between Ford and Amcar without consultations with the workers and said such a move was "a sure recipe for an industrial relations disaster".

The present discussions between Ford and Amcar clearly undermined everything the union was struggling for, the statement said.

The Naawu branch pledged its full support for the efforts by Amcar and Ford to find a just solution to the problem and demanded:

- That there be full consultation with the union by both companies on the implications of the negotiations on its membership at both plants.

- A guarantee that no jobs would be eliminated as a result of these rationalisation plans.

- Full information on the plans of both companies for the next 10 years on investment and the implementation of new technology.

The branch said it had noted the belated outcry from civic, business and political leaders on the possible transfer by Ford of certain of its production facilities to the Transvaal.

It was "surprising" that some of the people in high civic and political offices publicly declared that the automobile companies in the Eastern Cape were fulfilling their social responsibilities required of them and were playing a meaningful role in the well-being of the community.

The statement said the current situation proved that their faith in the good intentions of these companies was misguided.

Corobrik expects to cut production

Own Correspondent

DURBAN. — The giant brick manufacturer Corobrik expects to have to cut production in Natal further and possibly lay off more workers within the next few months because of the slump in the building industry.

The company had already reduced production and laid off "a number" of workers at its plants in Northern Natal, according to Tongaat-Corobrik Group managing director Cedric Savage.

Trend

"The trend is there and we can expect it to get worse over the next six months.

"We've had to cut back at some of our upcountry plants like Vryheid from a two-shift to a one-shift operation.

"We expect 1985 to be a tough year, and further reductions in production could happen," he said.

"In Natal, the market is still relatively strong, compared to the rest of the country, and we think we will have relatively good demand until after the builders' Christmas

holidays.

"After that we expect a rapid reduction in demand".

Production was already greater than demand in Natal and "a limited quantity" of bricks were being stockpiled, Mr Savage said.

"But up here the increase in the stockpile is comparatively slow compared to places like the Western Cape. We are looking at closing a factory in Paarl we commissioned a year ago and putting it in mothballs".

On the unforeseen strength of the Natal market, he expanded: "One of the development markets has been alterations and additions to private homes.

"The residential market is still proportionately high in Natal".

Mr Savage's outlook was not altogether bleak.

"We expect the beginning of an upswing about August next year and interest rates to start dropping in February — by how much is anybody's guess — and a recovery should follow about six months later.

Mercury 26/10/84 (335)

Cutbacks expected in brick industry

Mercury Reporter

THE giant brick manufacturer Corobrik expects to cut production in Natal further and possibly lay off more workers within the next few months because of the slump in the building industry.

The company already has reduced production and laid off 'a number' of workers at its plants in Northern Natal, says Tongaat-Corobrik Group managing director Cedric Savage.

'The trend is there and we can expect it to get worse over the next six months.

'We've had to cut back at some of our up-country plants such as Vryheid from a two-shift to a one-shift operation.

'We expect 1985 to be a tough year, and further reductions in production could happen,' he said.

'In Natal the market is still relatively strong, compared with the rest of the country, and we think we will have relatively good demand until after the builders' Christmas holidays.

'After that we expect a

rapid reduction in demand.'

Production was already greater than demand in Natal and 'a limited quantity' of bricks was being stockpiled, Mr Savage said.

'But up here the increase in the stockpile is comparatively slow compared to places such as the Western Cape. We are looking at closing a factory in Paarl we commissioned a year ago and putting it in mothballs.'

Of the unforeseen strength of the Natal market, he said, 'one of the development markets has been alterations and additions to private homes.

'The residential market is still proportionately high in Natal.'

Mr Savage's outlook was not altogether bleak.

'We expect the beginning of an upswing about August next year. We expect interest rates to start dropping in February — by how much is anybody's guess — and a recovery should follow about six months later.

'We've found that upswings usually happen sooner than you expect them.'

27/10/84 (335) (7) **Govt urged to apply import controls**

JOHANNESBURG. — The government should apply import controls rather than monetarism which is likely to lead to unemployment and social unrest, says Mr Natie Kirsh, chairman of Kirsh Trading Group (KTG).

His assessment of economic prospects in the group's annual report contains one of the sharpest attacks on the government since its imposition of strict monetary controls on August 2.

"Government, it seems to me, is overly concerned with one aspect of the economic scene — the balance of payments.

Correct answer

"For an economy such as South Africa's, import controls rather than rigid monetarism are, I firmly believe, the correct answer to balance of payment problems.

"Import controls, for South Africa, are far more suitable than mass unemployment.

"If government continues along its present path, we may well have a sound balance of payments position, but by then the economy could be in ashes — not to mention racial unrest, starvation in the homelands and significant white unemployment for the first time since World War II.

He also says current anti-inflationary measures will not achieve much as they are aimed only at severely curbing demand.

"Businesses will go bankrupt and jobs will disappear but, in my opinion, prices will rise as businesses fight to increase margin to offset lower throughput.

Inflation

"The current high levels of interest are far more likely to fuel inflation than bring it down. At this stage, government should be paying attention to the protection of jobs and lower interest rates will help to do this."

He expresses the fear that the government's financial priorities are wrong, thus leading the economy into greater trouble.

"The unfortunate consequences will fall most heavily on the poor and the unemployed — in the South African context, on the blacks.

"With government as strapped for cash as it is, there is little prospect of it providing much, if anything, in the way of relief for the starving and needy."

Mr Kirsh says that KTG for its part did not wish to add to the growing numbers of the unemployed.

"Thus, should it become necessary to retrench we will, wherever possible as a matter of considered policy, put staff onto an hourly paid basis and work short time in an effort to lay off as few of our employees as possible.

"The only thing that is

certain is that unless government policy changes, trading conditions will become worse, particularly in the area of consumer durables, an area of special importance to Russells and Dion.

"Add to the problems already mentioned, the imponderables of the gold price, the exchange rate, the rate of inflation, and the continuing drought, you have a situation in which it is difficult to plan ahead with any certainty, and one in which any attempt to predict profits with an acceptable degree of accuracy is impossible."

However, KTG with its broad base and its wide product mix, should be better placed to weather the economic storms than many other groups.

"Of major importance is the dominance of food in Checkers and Met-cash. Thanks more than partly to this, turnover for the first quarter in these two divisions is up on last year and only slightly below budget. We are budgeting for increased profits this year from Checkers and Met-cash divisions," he says.

Bleak

But for Russells the immediate outlook was bleak.

"This is largely the result of government's ad hoc measures of recent months.

"First, there was the undue delay in raising

Ladofca levels when market interest rates demanded this. Then there was the sharp 43 percent increase in GST, accompanied by six weeks notice which gave rise to a disruptive spending spree, financed at unrealistic Ladofca rates which has, of course, been succeeded by a prolonged spell of reduced consumer demand.

"Finally, there is the confusion and large additional cost created by the new hire-purchase regulations.

"That there are now three different scales of deposits and three different repayment periods for different classes of goods poses severe, and totally unnecessary, strains on management and systems."

Goals

The private sector was happy to do what was required for the common good.

Consequently, no contribution to group profits from the Russells division was expected this year.

Dion was also beginning to feel the effects of the recession and the consumer squeeze, so its contribution to overall profits was not expected to be as high this year as last year.

Dee Bee was expected to again have improved profits but Boymans and Union Wine were likely to follow the downward trend. — Sapa

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'Car men quit over fears plant will close'

From KEN VERNON
Argus Bureau

PORT ELIZABETH. — Ford Motor Company executives are resigning because of fears that the Neave production plant, employing more than 2 000 people, will close, according to company sources.

However, this has been denied by Ford.

Rationalisation talks between Ford and Anglo American's Pretoria-based Amcar have been under way for weeks.

Employees of Ford have been warned not to speak to the Press, but it has been reliably learnt that if the talks are successful production of the Escort range at the Neave plant will be discontinued.

INQUIRIES

If the popular Escort disappears from the market it will be replaced by a Mazda/Escort combination to be produced at the Amcar plant in Pretoria.

Inquiries about the outcome of the Ford-Amcar talks have disclosed dissatisfaction among Ford executives about the way the talks have been conducted.

"No one really knows whether they will be axed ... in a few weeks, so everyone is looking at ways to get out while they still have a chance of finding work," said one executive.

The company has confirmed that it would be retrenching more employees, probably at the end of the week.

The director of industrial relations at Ford, Mr Fred Ferreira, said further lay-offs would take place, but declined to give details.

Thousands more jobs are on the line

RDM 29/10/84

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THE metal industry, having lost more than 70 000 jobs at the beginning of the recession, is now heading into another phase of retrenchment which could cost the jobs of tens of thousands of workers.

Thousands of workers have been retrenched or are working short-time as a result of the slump in the auto industry.

Instead of returning to the employment levels of 18 months ago, most sectors of the economy, with the one major exception of the mines, are cutting back still further on jobs.

The country faces a possibly catastrophic unemployment problem, the dimensions of which are almost impossible to measure.

Just how many are out of work?

LABOUR WEEK by PHILIP VAN NIEKERK

Before the recession began, unemployment was already high, a result of steadily increasing "structural" unemployment throughout the 70s.

By the end of 1981 there were about two-million unemployed, according to Mr Charles Simkins, of Cape Town University. A year later he had edged this figure up a few hundred thousand, while Professor Jeremy Keenan, of Wits University, put the figure at three million.

The official Central Statistical Service's figure has hung around the half-a-million mark for what seems a very long time.

Today the actual unemployment figure is anyone's guess — and depends on whom you include as "unemployed", though aca-

demie estimates of three million are probably not too far off the mark.

One can arrive at some form of estimate by taking the high structural unemployment figure, as found at the height of the boom, compound it with retrenchments and a shrinking total workforce brought about by the slump and add to that hundreds of thousands of school-leavers coming onto the job market.

One does not need precise figures to know there are a lot of people out of work.

☐ ☐ ☐

THE retrenchments in the metal industry have led the Metal and Allied Workers

Union (Mawu) to question whether the industry will ever reach the same employment levels again. "It looks like a permanent restructuring of the industry is taking place," a Mawu spokesman said this week. "At the end of a recession, they tend to rehire fewer than were retrenched during a recession."

This is not just because machines are replacing people, but that employers are demanding more elbow grease from their employees.

Primed by the latest word on productivity, management is requiring fewer workers to do the same amount of work, says Mawu.

What might also be a cost-cutting exercise is the proportionately high drop of white workers employed in the industry: more than 20 000 in three years.

By DAVID CAPEL
and GAVIN EVANS

THE economic recession has ravaged a wide section of South African industry, with Government statistics indicating that in June more than 500 000 people were registered as unemployed — among them 488 000 blacks.

Professor Jeremy Keenan, of the Department of Anthropology at the University of the Witwatersrand, said the real total could be more than three million.

Mr Alan Mankoss, general manager of Dun and Bradstreet, a business information firm, says 16 085 companies were liquidated in the first seven months of this year and worse is yet to come.

Car sales, which provide a useful indicator of the health of the economy, have fallen dramatically.

General Motors is to close for four days next month, and Ford is to go on a three-day week from Monday.

Volkswagen says it will probably cut back production and has hinted at possible re-trenchments.

The shutdown at General Motors from November 13 to 16 will affect more than 2 500 hourly paid production workers, said the firm's acting managing-director, Mr Dave Sneesby.

Recession mauls SA industries

29/10/84

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Mr Harry Hill, public relations manager for Ford, said the change to a three-day week would affect all the company's 3 500 hourly paid workers.

The disastrous sales figures for September — fewer than 15 000 units — had prompted the move.

During the past few years the motor industry had been selling an average of 25 000 units a month.

When companies the size of Ford and General Motors reached that sort of situation, said Mr Mankoss, "a loss of confidence can be created".

"Normally, suppliers and retailers can come to commercial agreements over payments... but it depends when the banks pull out the rug... because in the end it is the banks who have to see that through," he said.

Many used car firms have also been struggling to make ends meet.

"Everybody is battling with banks, and sales and profit margins have been reduced," said Mr Raymond Artzen, manager of Louis Botha Motors.

"In the beginning we closed one branch and there-

fore had to lay off staff, but because we carry our own finance, we're not doing that badly."

Mr Russel Limba, manager of the used car section at Stewart Bromfield Motors, said that in the past they were doing about 20 deals a day, but they were now down to half that number.

He said both salaries and wage-earning staff were being laid off.

In the steel industry more than 70 000 have been made redundant since the recession began, and the slump in car sales has plunged the industry into deeper trouble.

Mr Sam Van Coller, executive-director of the Steel and Engineering Industries Federation of South Africa (Seisa), told the Rand Daily Mail retrenchments were increasing.

Metal parts manufacturers across the Reef are among those companies battling to stay afloat, a snap investigation showed yesterday.

The freight industry is also among those hardest hit — largely as a result of the drop in imports. At least one large freight company has re-

trenched staff and others are believed to be taking other counter measures.

Metal parts companies on the East and West Rand — particularly those involved in production for the automobile industry — are suffering under the economic strain, and several have re-

trenched staff in recent months.

The Rand Daily Mail has established that:

4 We're living on instalments from previous years and months, and we're trying to see out the recession in this way. — Mr Michael Salant, manager of Westgate furnishers.

● A large cross-section of companies have either cancelled or significantly reduced overtime.

● The huge Defy Corporation has had to retrench staff in certain salaried and "indirect" positions in an effort to weather the storm buffeting the industry.

● The number of unemployed people from all races has risen steadily this year compared with figures for the same time last year.

A survey of metal parts manufacturers on the East and West Rand yesterday showed that while none are actually going to the wall most are feeling the burden of the downturn and are taking measures to counter the lean times.

Meanwhile Defy, manufacturer of appliances such as washing machines, fridges and stoves, has said that although it is feeling the pinch

had embarked on a "cost containment programme" to weather the downsizing.

It has also laid off staff — largely on the Reef — although a spokesman for the company would not give figures. He said the freight business in general had been affected, but although his company was finding things hard, it wasn't going to the wall.

A spokesman for a metal

Another metal parts manufacturer told the Rand Daily Mail his firm had retrenched six workers over the past few weeks and was facing significant economic problems.

Another company spokesman said he expected to be carried through until Christmas — "then anything can happen".

All the companies surveyed said they had either reduced overtime signifi-

ers had reacted by reducing stock holdings.

As far as retrenchments were concerned, Mr Collie said Defy had no intention of laying off staff. If the situation warranted it the company would consider various other steps before retrenchments were even considered.

"It's an extremely serious situation", Mr Collie said, "but we certainly don't intend folding our tent."

The furniture industry had been affected more than most, said a spokesman for Joshua Doore.

This is because they are dependent on hire purchase agreements, which have been made more difficult by higher deposit rates and shorter repayment terms. The spokesman said that between 5% and 8% of workers in the industry had been laid off, and sales and profits had fallen.

The manufacturing section of the industry had suffered the greatest hardships because they could not reduce their stocks as easily, he said.

Mr Michael Salant, manager of Westgate furnishers, said that in May and June, prior to the sales tax increase, there was a surge in

buying, with people rushing out to replace their old furniture. Since then, however, the bottom had dropped out of the market.

"We're living on instalments from previous months and years, and we're trying to see out the recession in this way."

"At the moment we're hanging on to our present staff, but in the future we might have to retrench," he said.

The jewellery industry has not fared too well, either.

Sales have fallen and a large numbers of workers have lost their jobs, said Mr Max Kaye, manager of Sterns' Kerk Street branch.

"Layoffs have affected the industry generally. We haven't laid off anyone yet, but we're not replacing any one either."

Meanwhile, the Central Statistics Centre of the Department of Manpower yesterday issued the following figures for the number of people registered as unemployed in June this year — the latest available figures. Last year's figures appear in brackets:

Whites 14 128 (13 731); Coloureds 11 308 (18 137); Asians 3 858 (7 613).

The above figures reflect only the number of people registered as unemployed. Sample figures from Statistical Services reveal the following figures for blacks, Asians and coloureds for June, with last year's June figures in brackets (no sample figures for whites were available):

Blacks 488 000 (483 000); Coloureds 63 000 (75 000); Asians 18 828 (20 830).

A spokesman for the Department of Manpower said a "very small" percentage of blacks had registered as unemployed, and the figures for the total number of blacks unemployed were therefore much higher. The department did not have these figures.

This was confirmed by research done by the University of the Witwatersrand's Prof Keenan, who says that more than 25% of people who would take work if they could are unemployed.

Also, Government statistics did not take into account unemployment in the independent homelands, where in many areas 50% of people were out of work.

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More jobs are axed as slump hits industry

Argus Correspondent

JOHANNESBURG. — The recession has already put more than 13 000 people out of work and will continue to take its toll as commerce and industry battle to survive by laying off staff.

In the last three months unemployment has risen sharply and the Institute of Industrial Relations records more than 13 000 retrenchments so far this year — mainly in the manufacturing, motor and heavy engineering sectors, with unskilled blacks the major victims.

And, for the first time in a decade, white skilled workers and senior executives with good service records are also being retrenched.

Lay-offs in the Cape Province have been in line with the rest of the country with nearly 2 000 workers losing their jobs in the canning, mining, transport and engineering industries in the last four months. Lay-offs have been accompanied by indications that more are to follow.

Latest victims of the recession are 170 workers who are to be retrenched by Corobrik, the Cape's largest brick manufacturer.

The official national figure for registered unemployed stands at 64 226 but unofficial estimates place it nearer to 3-million.

According to the Department of Manpower, the number of registered unemployed people from all population groups went from 58 896 in June to 59 766 in July and jumped to 64 226 in August.

Devastating

In one month registered unemployed rose by 5 000 and unionists and employers believe the worst is yet to be felt in the months ahead.

"Being laid off is devastating enough for whites. For blacks it is often the end of the line," said Dr. John Burns, executive director of the Manpower Management Foundation.

While unemployed whites can scour the country for jobs, unemployed blacks usually lose their right to remain in the job market area and are forced to return to a homeland.

Although an inadequate indicator of the true extent of unemployment, Unemployment Insurance Fund claims and pay-outs are also rising. Since June payments have gone from up R7,5-million to R9-million in August.

Ignorance of the benefits and the fact that it is not applicable to seasonal or contract workers mean that thousands of unemployed people have no recourse to the fund and are forced into a hopeless situation.

● In Port Elizabeth General Motors and Ford retrenched 559 workers last month, while car industry workers in the Western Cape are waiting for news of lay-offs at Leyland plants.

● In Ceres 600 workers were left jobless in August with the closure of the cannery at Ceres Fruit and Canning Company.

Halved

● Namaqualand has been similarly hit with about 500 white and coloured workers being retrenched in the mining towns of Nababeep and O'Kiep this year because of a slump in the world copper price.

● In East London the Ciskei Transport Corporation halved its fleet and retrenched 449 workers.

● Atlantis Diesel Engines have paid off 148 workers with indications that more lay-offs are to follow.

● About 170 workers are being retrenched by Corobrik, the Western Cape's largest brick manufacturer, following cut-backs at two plants near Stellenbosch.

Sales in the Cape are now 17 percent below production levels — worse than the national average of about 13 percent below capacity — indicating that the Western Cape is one of the hardest hit areas in the country.

Ford ³³⁵ confirms further layoffs are due

By CATHY SCHNELL

FORD today officially confirmed that it would be retrenching more employees, probably at the end of this week.

The director of industrial relations at Ford, Mr Fred Ferreira, said further layoffs would definitely take place, but declined to comment on how many would lose their jobs.

Mr Ferreira said he expected the National Automobile and Allied Workers Union (Naawu) to make representations to management soon.

It was reported in the Evening Post on Friday that Ford would retrench between 300 and 400 salaried and hourly paid workers this Friday.

This could bring the number of people retrenched at Ford during the past two months to more than 800.

Last week the regional secretary of Naawu, Mr Les Ketteldas, said these proposed retrenchments showed a lack of planning by management.

Ford retrenched 425 employees on September 7 and shut down its entire Port Elizabeth plant for five working days.

Last week Ford announced it would close two weeks early for the Christmas break this year — on November 30 instead of December 13 — and would re-open on January 7.

● Volkswagen retrenched 680 hourly paid and salaried employees on Friday, the end of one of the blackest weeks the motor industry has seen for a long time.

Jobs: ⁽³³⁵⁾ ^{E-Post} hard time ^{20/10/84} predicted for school finishers

By KEVIN UDEMANS

PORT ELIZABETH matriculants can expect a difficult time finding jobs next year because of the present economic situation, according to most of the city's personnel consultants and agencies today.

Few companies have approached the agencies to ask for matriculants to fill posts available at the beginning of next year and many consultants do not expect a big demand.

Most consultants, however, expect companies and matriculants to approach them at the end of November or beginning of December.

Mr Leon Brugmann, the director of Personnelline, and Mr Bruce Harran, managing director of Unique Personnel, both said that under normal circumstances it was not easy to get a job, but with the present economy it was going to be even more difficult.

Mr Rory Davies, manager of Drake International in Port Elizabeth, said: "Companies which have their own personnel training facilities will continue to employ matriculants and others who are not experienced. But even they will most probably be cutting down on the number they will be taking on next year."

Not all looked at the situation in the same way.

Mrs Maureen Gasson, owner of the Central Employment Consultants, said that despite the recession she had already placed some matriculants for next year and did not foresee such a grim future.

"I am an optimist and I look at the new year optimistically," she said.

Mrs Gasson said if a young matriculant found himself without a job at the end of January next year then he should rather, if he could afford it, spend the rest of the year studying.

"Many matriculants want a holiday before they start working so they only apply for jobs late in the year or early in the next year but I recommend that they apply now and rather forfeit the holiday," she said.

The Evening Post approached several banks to ask them how the availability of jobs for matriculants had changed this year compared with last year.

Mr D Gendall, personnel manager of Barclays National Bank, Eastern Cape, said labour turnover this year had been very low and this was one of the factors which influenced the number of people they took on at the end of the year.

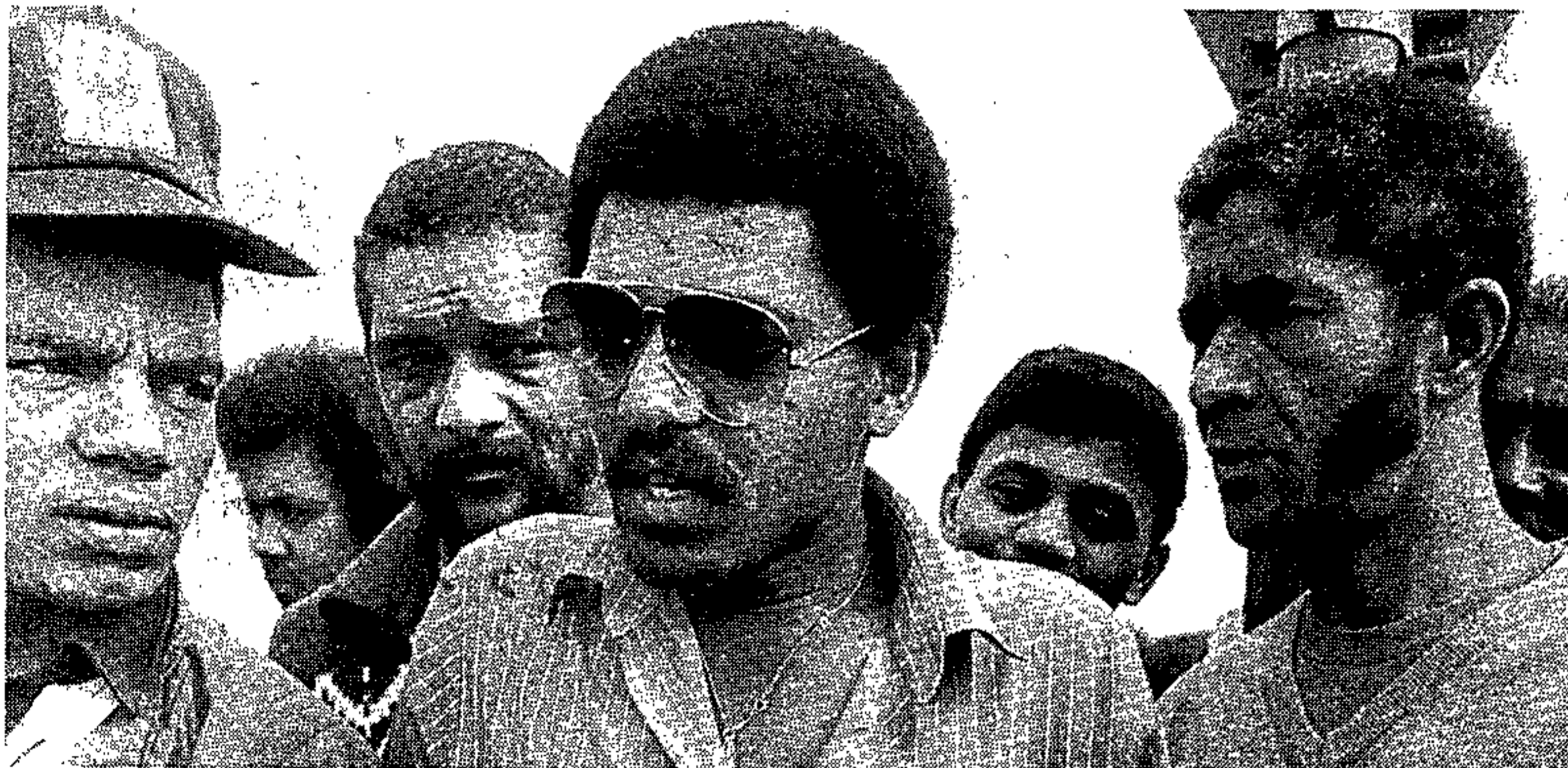
"There are definitely far fewer jobs this year," he said.

The Trust Bank's regional manager, Mr Johan Smit, said the number of matriculants they would be taking on would be the same as last year.

"Next year's quota, however, has already been taken up and we have chosen them on the condition that they pass their matric examination," he said.

Mr L Brandt, branch manager of the main Port Elizabeth Volkskas branch, said they would only fill vacancies which they had but, at this stage, he could not say how many there would be.

The face of retrenchment



Mr Tommy Watson, centre, after hearing today that he had been laid off at the Atlantic Diesel Engine plant. "I didn't know I was going to be retrenched," he said.

Atlantis Diesel Engine lay off over 300 workers

Labour Reporter

ABOUT 300 Atlantis Diesel Engine workers were laid off today immediately after reporting for work.

Workers streamed out of the factory clutching retrenchment forms. Many said they were "shocked" by the sudden move.

Mr W F Rautenbach, ADE's chief executive (marketing), said "just over" 300 employees comprising salaried staff and hourly-paid workers were told when they arrived at work that they were being retrenched.

Mr Rautenbach said the "works council" at ADE had been informed yesterday that retrenchments would be implemented today.

The affected workers were not told until today.

"This is a very distressing exercise and one forced upon

us by the economic climate. The general weakening in the economy has resulted in a substantial downturn in the automotive sector," he said.

ADE, which manufactures diesel engines for tractors and heavy commercial vehicles, expected to build 22 000 engines in 1985 — about three quarters of the "normal going rate in a normal year", he said.

First to leave

"As a result, management has had to take a serious look at its cost structure and implement this retrenchment programme."

Mr Rautenbach said there had been no discrimination "on the basis of race or colour" when implementing the retrenchments and "wherever possible, long service was taken into account."

Hourly-paid workers — the first to leave — said they had no idea they would be laid off today.

One man said he had started work and "then they came and took all my tools away and said I must go collect my money."

Another worker, Mr Trevor Bathus, who pays R200 a month rent for his Atlantis house, said he felt "bloody bad" about the move.

Mr Tommy Watson said he had moved from Cape Town two years ago to work in ADE.

"My house costs me R20 a week here. How can I keep a family now?"

Mr Peter Cookson, who worked for the firm for three and a half years, said: "Every time it's the same story. They

say there will be no retrenchments then they lay us off. I am the breadwinner in my family, supporting my mother and four children who are at school. I pay R28 a week rent."

Turned down

Mr Cookson, an artisan, said he was offered a job as a labourer, which he had turned down. "I can't go back to a wage of R2,10 an hour."

Another man, who did not want to be identified, said while South Africans were being laid off "people from overseas are working here".

Many workers complained that when rumours about retrenchments were strong, management had denied them.

Rumours

Mr Rautenbach said the works council had asked management "some months ago" whether rumours of retrenchment were correct and "at that stage the answer was no".

235 to be retrenched by car firm tomorrow

335
E. Post
1/11/84

By CATHY SCHNELL

FORD is to retrench 235 salaried and hourly-paid employees tomorrow.

This will bring the number of people retrenched at Ford during the past two months to 660.

The director of industrial relations, Mr Fred Ferreira, said Ford had tried to avoid further staff reductions.

However, the need to further adjust production schedules to meet current demand levels had necessitated this action. Those who had lost their jobs would be told tomorrow, Mr Ferreira said.

On September 7, Ford retrenched 425 employees and shut down its entire plant for five working days.

Today's retrenchments bring the number of motor industry employees to lose their jobs in two months to 1 469.

Meanwhile, a delegation of Port Elizabeth Naawu shop stewards will meet with its union stewards from all the main cities in South Africa in the Transvaal this month to discuss negotiations between Ford and Amcar.

The regional secretary of Naawu, Mr Les Ketteldas, is at present in the Transvaal in connection with the negotiations.

This was confirmed by the national secretary of Naawu, Mr Fred Sauls, who added that, so far, little information about the negotiations was available.

Last week Naawu criticised the "secret negotiations" between Ford and Amcar as being without consultation with the workers and said such a move was a "sure recipe for industrial relations disaster".

The director of the Port Elizabeth Chamber of Commerce, Mr Tony Gilson, said he had no doubt the situation would get worse before it got better and that many more people would get hurt before the economy recovered.

Meanwhile local employment agencies have been flooded with people applying for work.

Atlantis Diesel retrenches over 300

Staff Reporter

ATLANTIS Diesel Engines (ADE) yesterday retrenched over 300 employees, including about 150 salaried staff, reflecting the continuing economic downturn in the motor industry.

The lay-offs at ADE follow those in several other companies in the motor manufacturing as well as the motor component industries.

Yesterday Mr W F Rautenbach, chief executive (marketing) at ADE, strenuously denied claims that the company had recently taken on foreign employees who would keep their posts at the expense of local employees. He added that for every foreign worker employed in a skilled position at the company a local worker was being trained to fill his post.

Staff who had been retrenched would be paid severance pay, accumulated leave pay and a "compassionate separation allowance" that ADE had decided to give workers as a voluntary gesture.

Ford will retrench 235 staff

Argus Bureau

PORT ELIZABETH. — Ford Motor Company said in a statement today it was to retrench 235 hourly paid and salaried staff tomorrow.

But those to be affected will learn of their plight only when they pick up their cheques.

On September 7 Ford retrenched 425 workers and closed down its operation for a week.

The timing of today's statement means that many Ford workers will spend an uneasy night wondering if tomorrow

will be their last day of work — with Christmas looming and alternative employment scarce.

The public affairs manager of Ford, Mr Dirk Pieterse, said today he did not think the method of dealing with the retrenchments was callous.

"This is the way it is always done" he said.

He said workers would be paid lieu of notice, adding that Ford always issued a statement about retrenchments as soon as possible after a decision was taken.

The retrenchments will bring

the total number of workers laid off in the Port Elizabeth motor industry to 1 469 in two months.

Meanwhile a national shop stewards' meeting of the National Automobile and Allied Workers Union is to meet in Johannesburg this month.

They will discuss the "rationalisation" talks between Ford and Anglo American's Amcar.

Last week Naawu criticised the "secret negotiations" between Ford and Amcar as being a "sure recipe for industrial relations disaster".

By YVONNE
STEYNBERG

FOR the first time since 1967, one of Port Elizabeth's biggest charitable institutions, the Afrikaanse Christelike Vrouevereniging (ACVV) is planning to set up soup and basic food kitchens to meet the demand for food from the many unemployed white workers and their families in the city.

The ACVV runs a large and well-equipped community centre in Sidwell, the area where the retrenchments of white workers from the motor and related secondary industries has had the biggest impact.

Overcrowding and poverty is becoming rife there because the unemployed are gravitating back to the area.

The first kitchen will operate in Sidwell. The ACVV also has large centres in Kensington and Forest Hill.

Since the worsening of the economic situation in

Soup and food kitchens for jobless whites planned in PE

the Eastern Cape, the ACVV has doubled the money spent on its relief fund, but now finds that it cannot cope with the food demands made on its resources, particularly in Sidwell.

Basic food kitchens, distributing soup, milk and bread, were last run by the organisation in 1967 in the old South End, where, at that time, poverty was rife because many of the inhabitants were waiting for resettlement as a result of

the Group Areas Act.

"We are meeting to finalise plans for starting the kitchens in Sidwell because we cannot keep up with the demands for food parcels with our present resources," said Mrs Judy du Toit, executive council member of the ACVV, active in the Sidwell area.

She said the kitchens would be in operation as soon as possible and definitely before the Christmas season.

Mrs Du Toit said many families who were now without an income could no longer afford rent and invariably moved back to relations or acquaintances in Sidwell.

"They have pulled themselves up out of those surroundings, but now overcrowding in small homes and plots is once more leading to distressing slum conditions," Mrs Du Toit said.

In March last year the Evening Post, after a tour of Sidwell with ACVV social workers, featured the appalling conditions prevailing in certain parts of Sidwell where families of up to five and six shared miserable backyard shacks with no lights or basic facilities.

"Unfortunately these conditions exist again and it is getting worse daily, with all the inherent problems of alcohol abuse, overcrowding and family tensions, leading to child abuse and family break-ups," Mrs Du Toit said.

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Argus 2/11/84

1 600 jobless — and relief fund dries up

Argus Bureau

PORT ELIZABETH. — The National Automobile and Allied Workers' Union relief fund — set up to help retrenched workers waiting for unemployment benefits — has run dry.

The announcement by Mr Freddie Sauls, the national secretary of Naawu, today coincides with the retrenchment of another 235 workers by Ford Motor Company.

Mr Sauls said that all available money in the fund had been used up — "but the union will continue to honour its pledge to retrenched members who contributed to the fund, by using money from other sources".

11 CENTS

Union members had been contributing 11c a week to the fund, but the large number of retrenchments — more than 1 600 in the motor industry in the past two months — had proved too great a drain.

He said the fund had been launched to bridge the six-week gap between retrenchment and the beginning of unemployment benefits.

"If a person has worked for a year, he will get 45 percent of his salary for just two months. If he has worked three years, he has a six-month-cushion."

ROM 3/11/84 (402)
Lay-offs
hit
motor
industry

PORT ELIZABETH. — The ripple effect of the recent retrenchments within the motor industry has begun.

Local motor retail outlets are laying off staff and at least two component manufacturers are to go on short time.

Pioneer Ford have retrenched 10 of their 160-member work force and have decided not to replace those who resign.

From January to June this year, car sales averaged 927 a month. In September, the number of car sales dropped to 392.

Nissan is to retrench within the next few weeks, it is believed.

Mr Gakiem Abrahams, regional secretary of the Motor Industry Combined Workers' Union, said successful negotiations this week had averted the retrenchment of 120 workers at a component manufacturing company, Dorbyl Automotive Products. But there would be short time instead.

Silverton Radiator Services engineering branch and Welfit Joinery were also on short time.

Ford retrenched 235 employees yesterday — bringing to 1 469 the total number of retrenchments within the motor industry over the past two months.

It was learnt yesterday that 660 people — about 10% — of Ford's workers have been laid off in the past two months. — Sapa.

Unemployed man's wife is three months pregnant

2. Post
3/11/84

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By MIKE LOEWE

MR GEORGE SMITH, 20, is unemployed and has a pregnant wife. He spends his days making pom-poms and looking for work.

Retrenched two months ago from Welfit Oddy, a company which makes vehicle bodies and trailers, he lives with his wife, Susarah, in a converted stoep in his mother's tiny one-bedroomed house in Algoa Park, Port Elizabeth.

Interviewed in a State waiting room for unemployed people in the Eben Dönges Building this week, he started off saying he had been laid off because of a reduction in staff.

In the Smiths' one-bedroomed home, his mother, Mrs Cornelia Smith, his wife and a neighbour spoke of the injustice of unemployment and its degrading effect on family life and human relationships.

Mrs Smith, 53, receives a monthly disability grant of R150. Her son, who left Diaz Primary School because he felt he had to support his mother, earned R70 a week.

The family cannot survive on Mrs Smith's disability grant alone.

"Now that my son is unemployed we eat less fruit, less meat and cannot afford cheese," Mrs Smith said.

She and her daughter-in-law said Mr Smith was depressed "almost every day".

"He shouts at me and Susarah," his mother said. "It's like that if your wife's pregnant and you can't get a job.

"He walks up and down, or sits on the swing with his nephew, Donovan.

"He can't go fishing on the harbour wall like he used to because he hasn't got the money for a licence and policemen are always there. He eats more bread now that he is at home constantly and because he is restless.

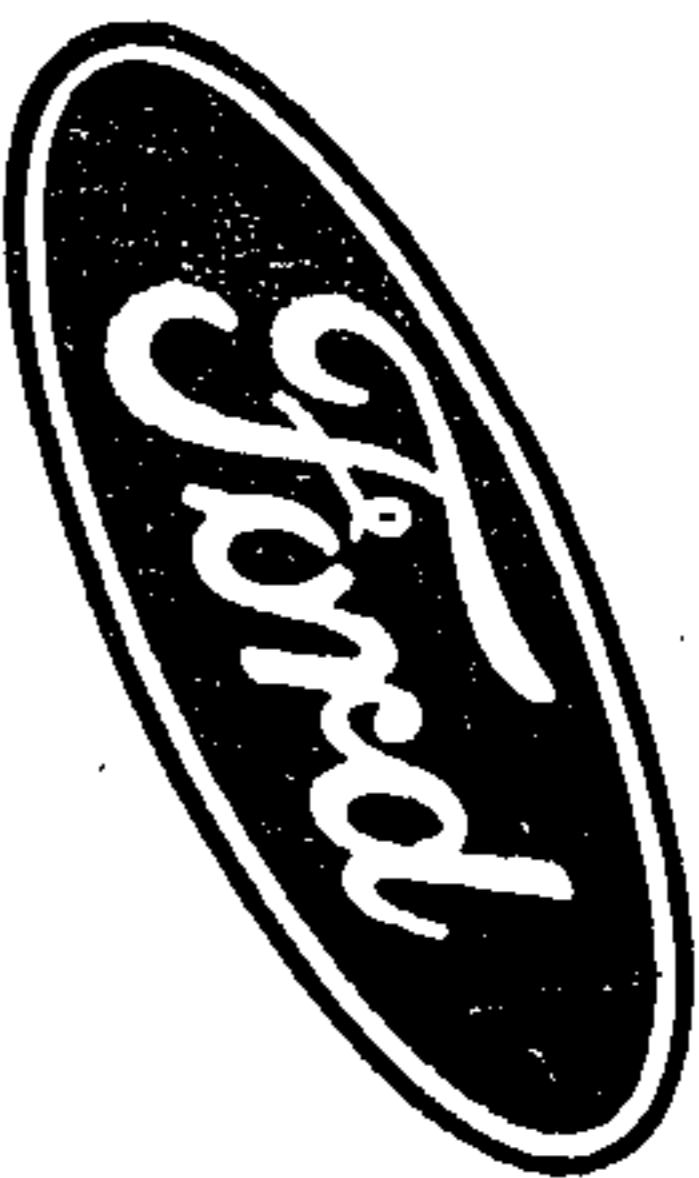
"He cuts boxes and makes pom-poms," she added, fetching a handful of the spiky woollen balls.

Mrs Susarah Smith said she loved her husband and that their marriage was "all right". She is three months pregnant, but has not seen a doctor for a checkup.

Her mother-in-law said: "If I get the money I will see to it, but first we need to spend the money on food and transport so my son can look for work."

A neighbour, Mrs Mary-Anne Bowen, said she had offered to take Mrs Smith to a clinic, but "Susarah was too embarrassed to go because her clothes had become too small".

Mrs Cornelia Smith said: "I wish he could get work, even if he has to sweep floors or pick up stones. As long as he gets work."



A BETTER IDEA?

But where do the motorworkers go?

SOUTH AFRICA'S motorworkers face a bleak future as the wheels gradually come off one of this country's major industries.

A total of 1 234 workers have been laid off in the past two months — and a further 400 are expected to lose their jobs today at Ford.

Countless families are

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By ~~Bob~~ MONO
BADELA

headed for a bleak Christmas — and even bleaker time beyond that.

Times of hardship lie ahead. Many of those retrenched have told City Press they are already battling to survive, and have little hope of finding new jobs. Last week, at the giant Volkswagen plant near Uitenhage,

680 workers were laid off.

They joined the 425 retrenched by Ford in September and the 129 laid off by General Motors.

Last week, Ford announced that another 400 workers would be retrenched this week — bringing to 800 the number of people retrenched at Ford during the past two months.

National Automobile and Allied Workers' Union secretary Les Ketteldas told City Press the union had been told the retrenchments would take place within the next two weeks.

Things are far from bright, too, for the thousands lucky enough to escape the big axe.

Every Friday afternoon, they

go home with badly reduced pay packets following the motor companies' decision to work a three-day week.

Last week Ford also announced that it would close for Christmas two weeks earlier than usual — on November 30 instead of December 13.

Workers will now have a five-week break, which will mean even more financial hardship.

Ford industrial relations director Fred Ferreira said they had decided to close early "in an attempt to adjust to the significant decrease in the demand for cars".

But, as Mr Ketteldas pointed out, the present unhealthy economic climate is making re-

trenchments all the more difficult for the families involved.

"Those hardest hit are workers who have recently joined the motor industry, because unemployment benefits can only be claimed by those who have been with the industry for more than three years," he said.

When the motor industry suffered a downturn, other sectors were affected as well.

Mr Ketteldas said the Government was partly to blame for the crisis in the motor industry.

"Unless the Government lifts measures restricting hire purchase agreements on car sales, more workers will lose their jobs," he said.

No work, no cash — and nowhere else to go



LAST WEEK, 680 shocked and bewildered workers filed out of the Volkswagen plant in Uitenhage. They had been retrenched and had very little to look forward to.

They walked quietly, with very heavy hearts, away from the jobs which some had held for more than four years.

The men told City Press they had started work that morning not knowing they would be retrenched.

During the day they were given letters telling them they would no longer be needed.

They were comforted by their colleagues. But it was little comfort — where else do you get a job in times like these?

Their colleagues had problems of their own, anyway. Initially 1 600 workers were supposed to be laid off, but Naawu had managed to trim

this to 680.

Still there were the questions: Who "escaped"? And who was next?

The retrenched workers each received five days' severance pay for every two years of completed service, and the cash equivalent of leave still due.

One of them, Samuel Ralane, 48, a father of seven children, told City Press he was the breadwinner in the family, "with a very sick mother."

"I feel very sad. I did not expect it. I knew it only today.

"I have been working continuously for three years without missing a day.

"Now, I have no record," he said — and wept.

But the irony of it all is that this year's car sales are expected to be the third highest ever — more than 12 000 up on last year.

Kwazulu families face starvation as migrants lose jobs

ENTIRE rural families are severely malnourished and on the verge of collapse in parts of Kwazulu as a result of retrenchment of migrant workers. This is one of the findings of an unpublished study on the effects of the recession on black households.

University of the Witwatersrand sociologist Ms Georgina Jaffe researched the effects of loss of income on households largely dependent on migrant labour in two rural regions of Kwazulu — the upper Tugela basin and Nqutu in northern Natal.

'Strategies for survival' included the redistribution of formal and informal income and social pensions, the release of assets such as savings, the sale of commodities and livestock, the withdrawal of income from dependants and the stopping of payments such as school fees, burial society contributions or instalments on purchased goods.

Left jobs

Most of the retrenched workers surveyed had not applied for Unemployment Insurance Fund (UIF) payments. Some had left their jobs without the necessary documentation. Others lived a long way from the UIF application office and did not have the money to travel there.

Many were illiterate and could not cope with application forms and the bureaucratic procedure necessary to qualify for UIF payments.

Bureaucratic problems also resulted in only 38 of 66 'commuter' workers of pensionable age receiving pensions,

RURAL BLACKS AND RECESSION: LIVING ON MEALIE MEAL

and only two of the 32 migrants, despite the fact that pensions "constituted the only possible source of cash income in the most impoverished rural areas".

Another survival strategy was to use up savings. Savings among the commuter households studied averaged R500 per household at the time of dismissal. Seven months later this was down to less than R70.

The migrants, on the other hand, generally had no savings.

Both groups also sold commodities such as clothing, furniture and household items as well as livestock. Within months of their dismissal, 70% of the commuter households had sold off their livestock.

The migrants had fewer commodities to sell so most of them sold their livestock, often at half the value.

Contributions to dependants such as elderly relatives were stopped almost immediately after the dismissals, and within months as much as 12% of the sample studied had been forced to withdraw their children from school because they could not afford the fees. In the Nqutu area the poverty was so great that few children went to school in the first place. They were sent out to beg at local shops.

"Several workers mentioned that they were living on nothing other than mealie meal," wrote Ms Jaffe.

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4/11/74
S. Express

Porter calls for lower interest rates to prevent unemployment

By Financial Staff

THE chairman of Brian Porter Holdings, the Cape's largest motor dealer, Mr Brian Porter, has called on the authorities to allow interest rates to soften soon and avert widespread unemployment in the motor industry.

He said yesterday that the record interest rates had already achieved their objective of cutting consumer demand and imports and if they remained at these levels there was a danger of overkill to the economy.

South African car sales had fallen by 27 percent from July to September as against the previous year with Porter's own turnover down some 20 percent.

Sales

Porters with a staff of 2 000 had sales last year of R164,5m and a profit margin in line with most of the industry of two percent before tax.

Unless there is a sudden change in the economy, Mr Porter forecasts a substantial drop in earnings for the next six months and a loss cannot be ruled out. Earnings per share last year rose 63 percent from 23,4c to 38,1c.

Mr Porter says the banks which finance car sales are becoming far stricter in screening applications for loans. Few



Mr Brian Porter ... business confidence needs a boost.

consumers can afford new cars with interest rates at current levels.

A fall in interest rates would not only allow more loans to be granted but would improve business confidence.

Confidence

"I would regard the latter as particularly important. Confidence is waning particularly in areas such as Port Elizabeth which are reliant on the motor industry."

A fall in rates would also cut firms' costs and enable them to retain staff.

Mr Porter told shareholders at the general meeting in Cape Town yesterday that the group had forecast reduced demand for new cars in August. But the extent of the fall came as a major surprise.

The nationwide market share held by its franchises (Sigma, Volkswagen, Leyland, Mazda, Mitsubishi and Peugeot) had plummeted by over 40 percent in the three months ended September with demand for used cars falling in sympathy.

Revenue

The sharp drop in revenue had come at a time when the interest burden has risen to an unbearable level.

New and used vehicle stocks total some R16m and to alleviate the situation talks are underway for the sale and lease-back of two Cape Town properties — the Paarden Eiland workshop and premises in Bree Street.

The R4m cash injection will lower the debt burden and reduce the group's gearing ratio.

Last year the Porters paid nearly R2m in interest.

Unless otherwise stated, all financial news in this issue was compiled by Paul Dold and sub-edited by Godfrey Heynes.

Retrenchments bring harvest of hardship

By YVONNE STEYNBERG

Woman's Editor

RETRENCHMENT in the motor and ancillary industries in the Port Elizabeth and Uitenhage areas is the direct cause of the rapidly deteriorating and often appalling living conditions of white families now crowding together in areas like Sidwell.

When the breadwinner of a family is retrenched and has no immediate prospect of another income, the first thing to go is rent for a flat or house.

"People who have uplifted themselves to better conditions are forced to gravitate back to families and friends in older parts, and to double up in small houses, back rooms, shacks and sometimes even old cars in back yards," Mrs Judy du Toit, executive member of the Afrikaanse Christelike "rouevereniging" (ACVV), which is helping people in Sidwell, Algoa Park and Forest Hill, said.

These living conditions lead directly to a breakdown of family life.

"Men who are deprived of their roles as breadwinners to their families resort to drink and sometimes drugs to escape the reality of their position.

"This in turn causes a rapid deterioration in family life — and the innocent children always suffer the most," Mrs Du Toit said.

Last year in March when I visited families in the Sidwell area with a ACVV social welfare worker, I saw at first hand what can happen when families are forced to crowd together in unhygienic, stuffy backyard shacks, often without electricity and toilet facilities.

Pictures taken at that time appear on this page — Seeing is believing.

Wherever we called there seemed to be bewildered, big-eyed children, dejectedly trying to play in dusty, smelly alleyways.

And while men are out looking for work, some women bravely try to keep children and the room neat



Mrs JUDY DU TOIT.

and tidy.

"Conditions are now far more upsetting and are worsening weekly as more retrenchments are made," Mrs Du Toit and Mrs Retha van der Merwe, chief social welfare worker of the ACVV, said.

Children who had to move away from their familiar surroundings now have to travel long distances to their former schools, and often the family cannot bear the additional expense of bus fares.

Food becomes a prime necessity and the ACVV has doubled its emergency relief fund during the last few weeks.

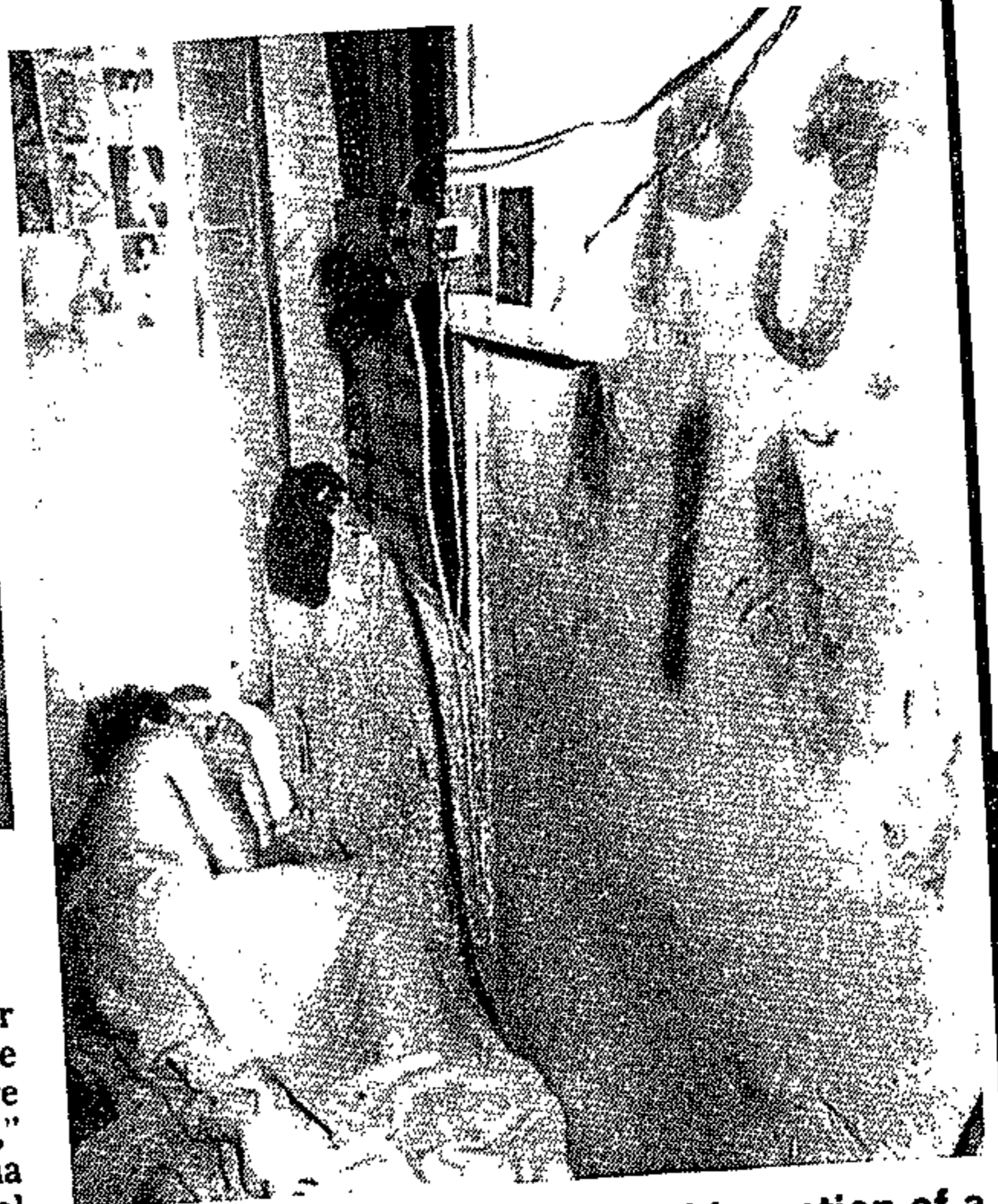
However the organisation still cannot cope with the demand, so soup and basic food kitchens will now be started.

The cost of supplying other types of food is high because most families lack refrigeration facilities and can only use tinned foods.

"To help the family to retain its pride we always tell them that when they earn money again they can try to give us some portion of the cost back," Mrs Du Toit said.

To assist families with the many problems caused by such major upheavals, social welfare workers and counsellors are working round the clock, and volunteers will be needed to help at the soup kitchens.

The last time soup kitchen



An unemployed man sleeps in his section of a backyard shack — perhaps dreaming of the glamour of the pin-ups on the wall of his squalid surroundings.

ens were run by the ACVV was in 1967 when poverty was rife in South End before the area was evacuated because of the Group Areas Act.

To assist destitute families more work groups for women have been started. They will sew, knit or make handcraft articles at the ACVV community centres.

The kitchens will also be available for women who are good bakers or sweet makers — all very saleable goods to bring in some money for the families.

Coupled with the breakdown of family life is the increased necessity for day-care centres for children, and after-school care centres where children can do their homework under supervision.

The ACVV has put their community centres at the disposal of the people in the areas where they are situated for this purpose.

The community centres have also become gathering places for families now sadly lacking recreation.

"Sidwell has no public swimming pool, skating rink or large library for the children and families to use, so we try to bridge the gap," Mrs Du Toit said.

Any contributions, be it fresh food, tinned food, cash or old clothes, will be welcomed by the ACVV.

Old clothes are sold at nominal prices at the community centres, and there is always a long queue, Mrs Van der Merwe said.

Contributions can be sent or delivered (or will be fetched) to the ACVV offices in the Feather Market Hall.

Last year the ACVV supervised 65 undisciplined children, investigated 130 cases of extreme child neglect and assisted 130 families who were completely destitute.

Now the figures are escalating astronomically and the organisation hopes that the general public will become aware of the hardships endured by many families — often through no fault of their own.

A place where children are too hungry to learn

"THERE is no employment and nobody cares ... our future is very bleak and we are reliant on the goodwill of numerous church groups for our survival."

These are the words of one of the 2 000 people living in the Peddie resettlement camp in the Ciskei, to where they were moved in September 1982.

"We were taken from our farm in Alexandria, our belongings were put on to lorries and then we were dumped here. We had to sell the cattle we had in Alexandria, as there was no transport for them," one of the group said.

"We were promised that the Government would look

PETER AUF TER HEYDE

after us, but nothing has been done. If there is a job, we have to compete with the local townspeople and they get the job.

"There are even some families here, consisting of 10 people or more, where the only income they get is the bi-monthly R80 pension."

The Reverend Alf Dlamini, rector of the Anglican church in Peddie, said his church ran a vegetable scheme to help residents survive.

"We have 20 families who have a little plot on church grounds. They grow vegetables there for their home consumption. They sell the

surplus they produce.

"We are trying to create the conditions whereby these people can become self-sufficient ... but given the hostile environment in which they find themselves, this is virtually impossible.

"This is just one of the many projects that these people need to survive; I shudder to think what would happen without these projects," Mr Dlamini said.

There are three feeding schemes in Peddie, financed by the Anglican diocese of Port Elizabeth, the South African Institute of Race Relations and the South African Council of Churches.

The resettlement camp has a school, but there are no other facilities.

But, as Mr Dlamini explains: "The children are often just too hungry to learn anything. Another problem is that the parents often do not have enough money to pay for school books and again the people become dependent on others".

Peddie's residents are very critical of the South African and Ciskeian Governments.

"We were dumped in this place, nobody has cared for us and we don't know if we will not be moved again," one resident said.

"All the Ciskeian Government is interested in is the land they got from Pretoria, because they moved us from the white corridor, and the tax we pay.

"We even have to pay tax on our R80 pension. There is nothing at all for us here."

Mr Dlamini said the people in the camp were "exhausting the ecology".

"There is so little land that can be used for grazing: in two or three years there will be none left.

"If you look at the houses they are staying in, you will see that they still look OK, but I can guarantee that in one or two years these houses will all be rotten because of the weather," Mr Dlamini said.

He added that if the proposed removals of people presently living in Glenmore to Peddie was undertaken the situation could deteriorate.

"Then there will be even more people competing for the scarce resources."

There are more than 3 000 people living in Glenmore, where they resettled five years ago after being moved from Klipfontein and Coega.

"We were promised jobs, schools and proper houses, but now we are struggling to survive in this dusty place," one of the residents said.

"The Government has been forced to give us rations for five years now, because there are no ways in which we can earn money to buy food."

When the Government announced in June that Glenmore's inhabitants would have to move to Peddie, a residents' committee decided to resist.

"We do not want to go to Peddie ... there is no work for us there. Why must we be moved again?"

With no prospect of employment, and no income except their pensions, the future looks very bleak indeed for the people in Glenmore and Peddie.



UNCERTAIN FUTURE ... children of the Peddie Commonage area of the Ciskei

ADW 9/11/84 335

Industry incentive 'too late'

Industrial Editor

NEW incentives to stimulate industry in the Eastern Cape may have come too late to save hundreds of jobs.

While some businessmen in the region have welcomed the incentives others believe they are only of limited value.

The incentives were announced at the weekend by the Minister of Constitutional Development and Planning, Mr Chris Heunis, and the Minister of Trade and Industries, Dr Dawie de Villiers.

The new package includes four main points:

- An increase from 20% to 40% in the rebate on rail charges for outward-bound traffic carrying goods of approved industrialists;
- An interest and/or rental subsidy of 40% for 10 years on capital investment up to a maximum R7m if "meaningful" job opportunities are involved;
- A 4% tender preference on all pur-

chases by the Government, SA Transport Services, the Department of Posts and Telecommunications, local authorities and provincial administrations;

• A simplified incentive package for certain small industrialists with capital investments of less than R50 000, excluding land and buildings. The incentives include a R120 monthly wage subsidy for workers in such small businesses.

The Government hopes the new incentives will counter the string of crises assailing the Port Elizabeth/Uitenhage area.

Motor manufacturers, a major source of employment, are laying off hundreds of workers and operating three and four-day weeks as they reel under the effects of the recession and collapse of the vehicle market.

Their problems have filtered through to the dozens of feeder industries, such as tyre and component manufacturers. Many of them are also laying off workers, while others have had to close down be-

cause of lack of business.

The crisis has led to fears that major employers may quit the region for what they consider the greener pastures of the Transvaal. Ford is holding talks with Amcar, on the possibility of moving some of its operations to Amcar's Pretoria works, and there have been consistent, if denied, rumours that General Motors is also looking at a tie-up with another motor manufacturer.

Other companies are also eyeing the Transvaal. They consider the advantages of being close to their main markets outweigh the incentives that have existed to keep them in the Eastern Cape.

It is this growing feeling of disquiet that the latest incentives package is designed to combat. The chairman of the Regional Development Advisory Committee, Mr Louis Koch, welcomed the incentives and predicted they would reduce unemployment.

He said they considerably improved existing incentives enjoyed by the motor industry and would

encourage other industries to explore new markets.

Mr Tony Gilson, director of the Port Elizabeth Chamber of Commerce, said the package would help retain existing industry and encourage new investment.

Motor manufacturers were less optimistic, however.

The acting managing director of General Motors, Mr Dave Sneesby, admitted the package would help the motor industry but said it would not lift it out of the doldrums.

Ford's acting managing director, Mr Brian Rayner, said the incentives were encouraging but left room for improvement. One area that needed to be examined was concessions in the cost of steel for the industry.

A Volkswagen spokesman said the incentives would benefit small industry in the Eastern Cape but it was too early to gauge the effect on the motor industry until a full study was made of the extent and implications of the package.

RDW 9/11/84 (335)

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Stability of PE labour led to Aberdare move

Post
10/11/84
335

A RARE example of enthusiastic and positive faith in Port Elizabeth's future is provided by a R3,4-million relocation from the Reef to the city by Aberdare Cables Africa Ltd of its telecommunications division.

In addition, the Port Elizabeth-based cable manufacturer this week revealed plans to invest some R1,5 million in an associated optical fibre cable plant at Markman township.

Impact on employment in the area as a result of the decentralisation moves by the company, and its expansion into optical fibre cable manufacturer, is relative modest.

Only some 140 additional skilled and semi-skilled job opportunities will ultimately be introduced into the area by the moves.

"However, it must be emphasised that the quality and stability of the local labour force — and hence its far greater productivity — combined with the advantages of an abundant water supply, an established and highly proficient service industry, a well-

established infrastructure, and the ability to run round-the-clock shifts, makes relocation of industry to Port Elizabeth an altogether sensible step to take," said Aberdare managing director Mr Bev Pyke yesterday.

Currently underway with the final phases of the relocation programme, Aberdare began shutting down wholly-owned subsidiary Contronics Pty Ltd in Springs, and the telecommunications divisions of wholly-owned Aycliffe Cables (Pty) in Edenvale, before announcements of new industrial incentives for Port Elizabeth.

"But the incentives came as no surprise to us," said Mr Pyke in an interview.

"We would have been surprised had they not come. We moved here fully expecting to get additional incentives and are happy that we've got them so early."

The new incentive package had encouraged Aberdare to re-open its studies of further decentralisation,



By Louis
Beckerling
Business Editor

and depending on the outcome of these studies and rationalisation currently on the cards in the cable industry, further expansions to Port Elizabeth may be likely in the future, commented Mr Pyke.

"We've a premium to pay on virtually all the raw material we use. We have to rail in copper from Phalaborwa, aluminium from Richards Bay, steel and plastic from the Reef, and

get only lead through the port.

"But I believe we're efficient, and despite the deep depression in which the cable industry currently finds itself, and the premiums we must pay relative to the position of our competitors, we remain profitable."

An example of Aberdare's efficiency, said Mr Pyke, was that the shut-down of Aycliffe's telecommunications plant in Edenvale, which involved uprooting three major machines valued at some R2 million, was followed only two months later by the re-commissioning of the plant in the expanded Aberdare telecommunications factory in Markman.

"The result of putting the two operations under one roof at Markman is that we will increase the value of telecommunications cable produced by the expanded Markman plant by some R1,6 million," said Mr Pyke.

The wholesale removal from Springs in the Transvaal of Aberdare subsid-

iary Contronics, which manufacturers specialised instrumentation cable, was conducted in three phases. The final phase will be completed next month.

This division is being relocated to a factory adjacent to Aberdare's telecommunications plant.

"We took an option on the factory building in March, bought in June, and the first of the relocated Contronics machinery began full production this week," said Mr Pyke.

Plans by Aberdare to expand into the manufacture of optical fibre cables were at an advanced stage, said Mr Pyke.

"The machinery is on order and our first technicians will leave for specialised training from our overseas technical partners on November 23.

"The total investment visualised is some R1,5 million and installation and commissioning of the plant will proceed during the period February to June next year. The new plant will be up and running on September 1."

16/11/84 Martins 335

Effort to resolve unemployment

Political Reporter

ULUNDI—Two top-level joint Natal/KwaZulu committees are to be faced with the daunting task of dealing with the high unemployment in the two regions.

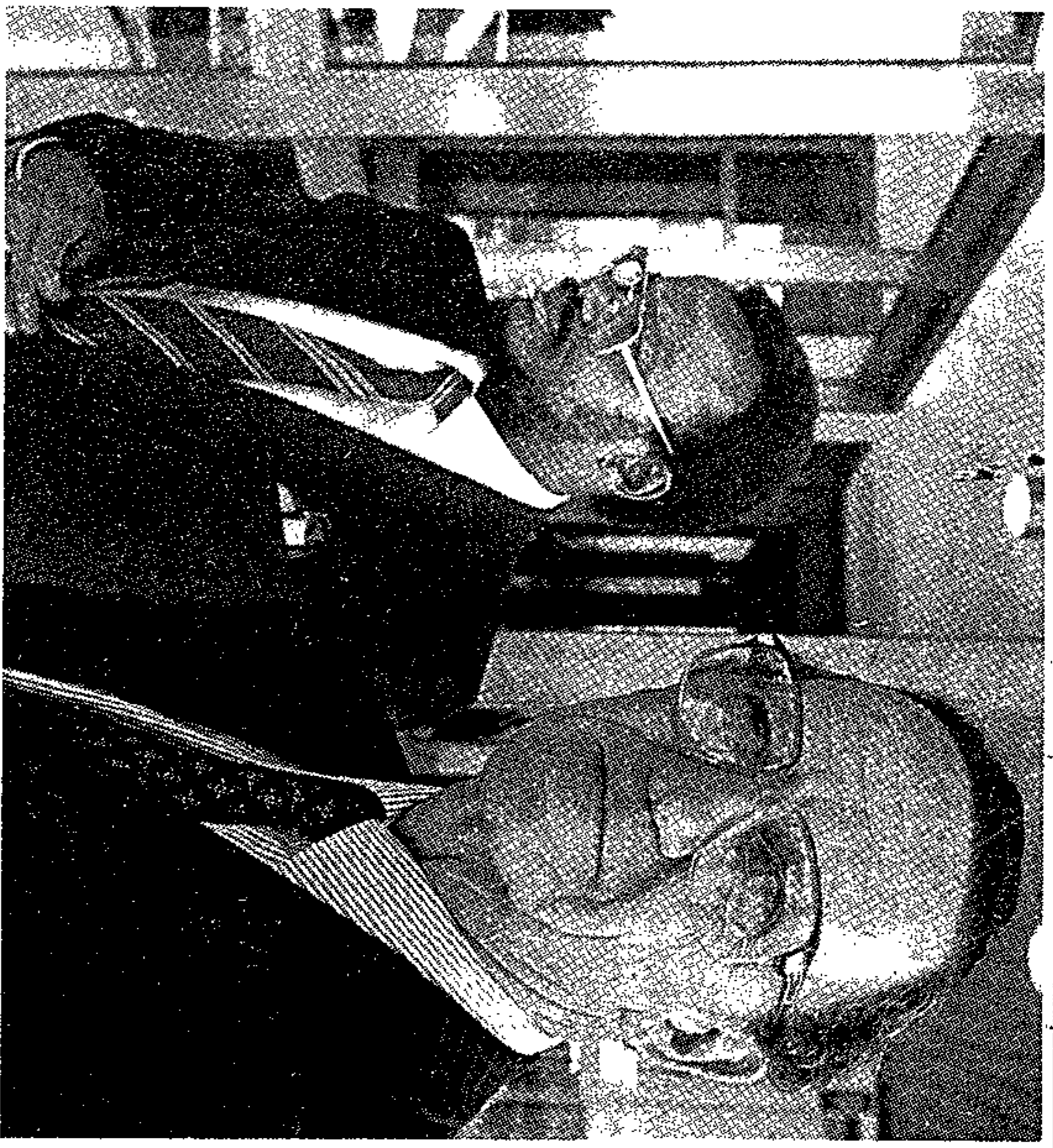
One estimate is that 200 new jobs a day have to be created between now and the year 2000 to maintain the present unemployment figure in the two regions. The region's unemployment has been recognised as the most critical issue facing it.

The intention to establish the two committees, to examine ways of alleviating the socio-economic problems of the regions and advising their political heads, was announced at the end of a two-day workshop between top Natal and KwaZulu politicians and public servants here yesterday.

Both the Administrator of Natal, Mr Radclyffe Cadman, and the KwaZulu Chief Minister, Chief Gatscha Buthelezi, welcomed the talks as 'useful and constructive'.

The arrangement will consist of a working committee of KwaZulu and Natal senior officials which will advise a steering committee comprising members of the KwaZulu Cabinet and Exco.

Committee members and the dates on which work is to begin have yet to be decided.



Chief Gatscha Buthelezi and the Administrator, Mr Radclyffe Cadman, at talks in Ulundi.

The fact that top level committees are to be set up underlines the determination of both administrations jointly to resolve urgent problems in the region, a joint statement said.

The workshop dealt

with future planning and development in the two regions.

The unanimous feeling was that they were inextricably linked economically, and whatever the political differences, the common problems had to be faced now.

There was some uncertainty on the future of the plans as the fate of sec-

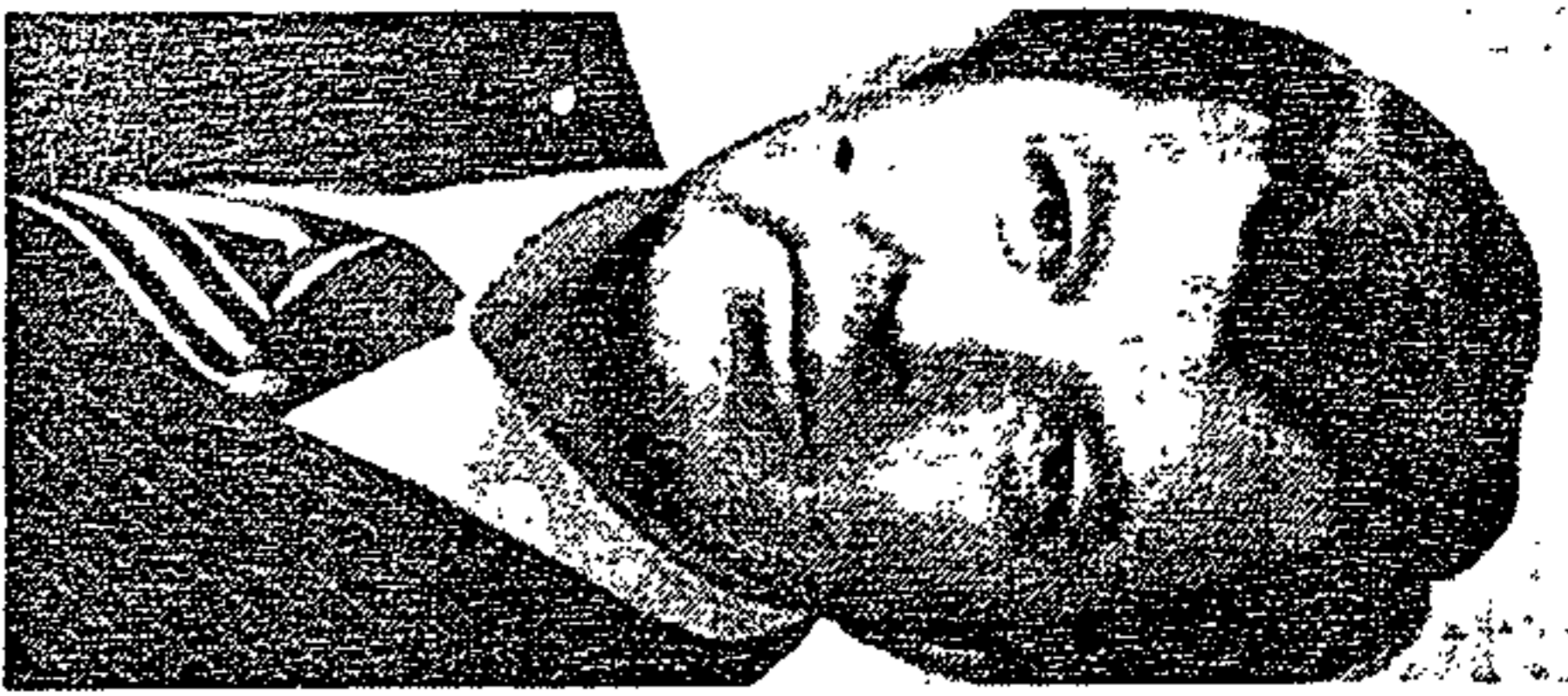
ond-tier government has yet to be revealed.

'But life goes on and we have to do what we can,' said Chief Buthelezi.

He and Mr Cadman agreed clearly on the future of provincial government should come soon.

'In the meantime, wherever possible, issues will be tackled together,' said the Chief Minister.

Whites blamed for tension on the factory floor Foremen block way to blacks



John Burns ... bugbears for blacks

By Angus Macmillan

THE clash between white foremen and aspirant black workers is one of the biggest barriers to black advancement in industry.

Lack of training is problem No 1, but black-white confrontation fills second spot, says John Burns, executive director of the Manpower and Management Foundation.

He pinpoints retraining of white managers and foremen, and an assurance by employers that their jobs are not threatened, as essential steps to defuse tension.

Group Areas

Dr Burns says: "Whites who impede this process do not belong in their particular positions."

"Although the Group Areas Act is the most comprehensive stumbling block for black advancement, it is not one which industry can overcome."

"It all but prevents development of black managers because no company is encouraged to advance staff who are geographically stat-

ic. Few, if any, of the laws that have been changed have encouraged the private sector to advance blacks."

Dr Burns bases much of his argument on the inadequacy of basic education for blacks and gives some figures on the lack of education of South Africa's economically active population.

Vary

According to Central Statistical Services, there were 6 030 000 economically active blacks in SA and the national states in June this year.

It estimates the total black population at 18 255 000, of whom 22 225 000 — 66% — are not economically active. Various government and private organisations give different numbers of the economically active population.

Twice as high

Dr Burns quotes 11-million as the total economically active population — including the other population groups — and says 30% of these people have no education, 36% have only completed primary school, and 4-million in the work force are illiterate. Central Statistical Ser-

vices puts black unemployment in June at 488 000. This figure is only 5 000 up on June 1983 and 0.5% down as a percentage of economically active blacks.

The Cape Town-based Southern African Labour and Development Research Unit says the figure is more like 2-million.

The University of South Africa's Nic Wiehahn talks of a percentage about twice as high as the Government's 8% estimate.

Unlike Britain or the United States where unemployment figures are reasonably accurate, South Africa's figures are always questionable.

Unemployment benefit payments do not reflect the number of jobless workers as many do not register. Unemployment statistics in rural areas and the national states are often way off the mark.

Surveys

Central Statistical Services draws its information from monthly population surveys. Its quarterly releases provide comparative figures back to January 1980. The latest release, whether its figures are accurate or

not, gives an indication of the effects of the recession in rural areas of the national states.

It puts unemployment in these areas at 18.1% in June, the highest since June 1983.

Next worse off are blacks in towns in the Cape who average a 17.3% unemployment rate. Cape cities fare worse than those in the other provinces with black unemployment above 12%.

Rights lost

Dr Burns adds an interesting observation on black unemployment and the effects of drought and recession.

He says: "Being laid off is devastating enough for

whites. For blacks it is often the end of the line. Unemployed whites can move around the country job-hunting, but unemployed blacks invariably lose their rights to remain in the job market area and are forced to return to a homeland."

It has been estimated that by the year 2000, only one in 10 of SA's work force will be white and about 1-million blacks will be in managerial positions traditionally filled by whites.

Although most whites are employed, about 50% of the black population has yet to enter the job market and will comprise 80% of the labour supply in the next 20 years.

300 000 school-leavers, graduates face grim employment prospects

Job crisis for new comers

Changing face of Port Owen

By Angus Macmillan

ABOUT 300 000 school-leavers, graduates and returning national servicemen will battle to find jobs next year.

The Government has frozen many job vacancies and big private employers are reducing their intake of green workers.

About 570 000 South Africans are registered as unemployed. According to the SA Labour and Development Research Unit at the University of Cape Town, the true unemployment figure is close to 2-million.

New work-seekers will add to the job queues.

Hardest

The less skilled will battle hardest to find work and only highly qualified professionals are assured of employment.

Unemployment is most acute in the economically devastated Eastern Cape, but jobs will also be hard to find at most coastal cities. Even on the relatively high-growth Reef, jobs will be difficult to find.

More than 139 000 matriculation pupils are writing their final examinations. Breathing down their necks are 185 991 pupils in standard nine and 283 466 in standard

eight. Many of them will enter the job market next year. There are 38 000 more pupils in these standards this year than last year.

The number of black pupils in standard eight, nine and 10 is a serious problem. A large proportion of more than 64 000 black matrics, 86 274 standard nines and 163 000 standard eight pupils are on the verge of looking for work.

On ice

The Commission for Administration, the Government's personnel department, says many vacancies have been put on ice. Its seven regional offices have few openings.

According to the commission's assistant director of personnel management, Etienne van Rensburg, there are some administrative jobs for matriculants on the Reef. At the coast, there is nothing.

Few jobs are available for most graduates. Many BA, BComm and BSc graduates will may have to settle for jobs beneath their skills.

Starting salary for a BComm in the public service is R13 500, for a BSc about R16 000 and for a BA about R10 700.

Mr van Rensburg says: "A lot of matrics and students have applied for jobs and we have plenty of applications in the pipeline. Many of them then wait to see their results."

Technikons

About 30 000 of 180 000 students enrolled at universities will look for work next year.

National service will take many of the 60 000 white male matriculants and graduates, but the Defence Force will release almost as many national servicemen on the completion of their two-year terms.

There are also more than 60 000 students at technikons this year, about a third of them in their final year.

Barclays, a large employer of matriculants and graduates, will turn down thousands of applicants for 1985.

To Page 3

Job crisis for thousands

From Page 1

June Wands, of the bank's personnel selection centre, says: "In normal times we have a flood of matriculants in December and January. This year, applications have poured in since July."

Barclays executive development programme for graduates received 900 applications this year, but only 15, or 3%, were taken on.

Computers

Construction giant Murray & Roberts will reduce its graduate and matriculant intake by about 16%.

Computer science graduates, engineers and accountants are among the few graduates who will not battle to find work.

A young CA commands R30 000 plus a car, computer graduates start around R24 000 and engineers at R15 000-R18 000.

Between March and May this year, employment in the mining industry fell by 5 600. Hotel employment was down by 1 000 in the year to March, and the transport industry employed 6 100 fewer workers in the year to May.

The retail trade's work force was down by 1 400 in the first three months of the year and the construction work force shrank by 1 600 between March and May.

A recruitment consultant says: "Employers are unwilling to train — and young whites in particular are unwilling to be trained."

100 jobs go as firm closes

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Staff Reporter

ABOUT 100 jobs have been lost through the closure of G W Stronck Construction, one of the biggest and oldest housing construction firms in the City's southern suburbs.

The firm's managing director, Mr G W Stronck, last week said he had decided to stop the operation as there was no market for new houses.

He was certain most other construction firms were being hard hit by the combination of high interest rates and the scarcity of mortgage bonds which had caused house prices to plummet.

Forced sales at a fraction of the price of a year ago were now determining selling prices in some suburbs and conditions were not expected to improve for at least a year.

All creditors of the firm had been paid out in full and the development company which held plots and industrial land throughout the Peninsula would continue in business.

argus 14/11/84 (335)

Clothing industry faces loss of jobs, Jocum warns

THE Cape clothing industry and its 61 600 employees face short time and unemployment in the second quarter of next year if the prime rate of 25 percent is not reduced "dramatically and soon," says Mr Simon Jocum, chairman of the Cape Clothing Manufacturers Association.

Mr Jocum told the association's annual meeting in Cape Town last night retailers were over-reacting to the economic situation by cutting back budgets drastically.

Business could get worse before it got better.

"However, should the Government react soon and positively, we shall see a revitalisation of the clothing industry in the third and fourth quarters of next year and we will be hard put to cope with the demand for our product."

PLAN FOR UPTURN

A plan for the upturn should be prepared now and he suggested the Government should:

- Set an example in fighting inflation by cutting its spending.
- Reduce the prime rate.
- Reduce duties on imported textiles if local textile factories could not deliver within a reasonable time.

In the past year the clothing industry had performed extremely well and bookings were pretty firm until the first quarter of 1985.

"This is because of our competitive nature and the low inflation rate of clothing prices. Retailers and consumers have benefited from our increased productivity and efficiencies."

Defending the new 16 percent pay rise, with another 16 percent at the end of next year, Mr Jocum said: "I believe the wage agreement to be fair, reasonable and reponsible."

"The cost of training is high. The cost of losing skilled workers to other industries is even higher."

Argus 14/11/84

More car workers to lose their jobs

335

Argus Bureau

PORT ELIZABETH. — General Motors is to retrench another 320 hourly-paid and salaried staff when the factory closes for the Christmas holiday.

In a statement the general manager of General Motors, Mr Lou Wilking, said because a turn-around in the depressed motor industry had not materialised, staff reductions had become necessary.

The retrenchments will take effect on November 21 and the next day the General Motors plant will close for an extended Christmas break of 7½ weeks.

The lay-offs will bring the number laid off by the major motor manufacturers in Port Elizabeth in the past two months to more than 2 000.

● The Argus Correspondent in Johannesburg reports that the troubled Kanhym meat and coal mining group is to lay off 1 300 workers — about 20 percent of the workforce — before Christmas. Kanhym had a loss of R10-million in the six months ended June.

NG Kerk in PE mobilises to help jobless

By SHIRLEY PRESSLY

THE Nederduits Gereformeerde Kerk, which has 28 congregations in Port Elizabeth, last night set in motion the machinery to help those suffering because of the recent retrenchments and short-time in the city, and is to open an emergency relief fund.

Fears were expressed at the well-attended meeting that the real hard times were still to come.

According to Ds C A Jordaan, minister with the portfolio for charity work in the NG Kerk Synod, the "floodgates will open early next year". Ministers and church elders from the areas which have been hardest hit, such as

Sidwell, Sydenham and Algoa Park, said they had not had time to do a full survey.

In Algoa Park there were between 150 and 200 members of the congregation on short-time and about 20 had been retrenched. Most of the workers on short-time were working three days a week.

Some of the workers who were on short-time earned less than their rent plus lights and water.

There was already a tendency for people to move to cheaper accommodation, or move in with family.

A social worker said that people were cutting down by paying only rent and the minimum on food.

The chairman of last night's meeting, Ds

H J de Vos, chairman of the Christelike Maatskaplike Raad, which is the social work and community services arm of the NG Kerk, said that at a recent CMR meeting concern had been expressed that unless the economy recovered there would be problems.

He said that, according to experts, the Government incentives for Port Elizabeth had been granted about a year too late to bring any improvement.

Mr De Vos said there was time to plan ahead — unlike the situation when there was a disaster like a flood.

Dr M H Vorster, director of the CMR, said the big problem lay with unskilled and semi-skilled workers.

According to the Department of Health and Welfare there had been an increase in the past week of those seeking social relief.

The Messenger of the Court had not reported a big increase in orders of the court.

The coloured and African communities had been harder hit than the whites.

The Department of Community Development reported an increase in arrears rentals, and for the first time in some years there was no waiting list for flats in Algoa Park.

Dr Vorster said that unless the labour market improved soon he predicted:

● Turn to Page 2

NG Kerk plans to help PE's jobless

● From Page 1

● Greater unemployment as school leavers and graduates flooded the labour market.

● A drop in living standards as a result of unemployment, short-time, inflation and the added expense of buying school uniforms in January.

● An increase in social problems with increased cases of depression, alcoholism and family conflict.

Mr Jordaan gave an example of a couple, unable to afford to connect their electricity, who had heated milk for their young baby over an open flame.

It was suggested from the floor that firms planning Christmas parties cancel them and give the money to the fund.

A social worker described the depression, hopelessness and feelings of worthlessness experienced by unemployed people.

She asked if men could not be employed at low wages on community projects, just

to give them something to do and restore their self-respect.

She also appealed to employers to give these men work — even at reduced wages — which would be accepted by them.

Dr Vorster suggested:

● Church elders and Vroue Aksie of the NG Kerk watch for problems to detect them early. Where they could not help they should involve the CMR.

● If unemployment increased, then Vroue Aksie, CMR and the ACVV should work together with soup kitchens, blanket banks, emergency pantries and clothing banks.

● The authorities could be approached for assistance with rents in needy cases.

Dr Vorster said most people who had been paid off still had their bonus money or could draw unemployment benefits — the real problems would be experienced early next year.

Last night's meeting was aimed at helping whites. A similar meeting for blacks in the NG Sendingkerk will be held on November 21.

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Jobless man found guilty of stealing bike

Pietermaritzburg
Bureau

A 30-YEAR-OLD man was remanded in custody after he was found guilty by a Pietermaritzburg magistrate yesterday of stealing a bicycle from a pavement and selling it for R60.

Kenneth McGougan of the Grange, Pietermaritzburg, pleaded guilty before Mr F Booysens to stealing the bicycle on November 8.

'I saw the bike lying on a pavement in Alexander Road and I picked it up and rode away.

'I went down a few streets and put the bike into the van of a friend

who had been following me,' McGougan said.

He told the Court that he sold the bicycle 'to a black person at Inchanga for R60'.

The money was used to buy groceries for the family of a friend who was unemployed, said McGougan, who was also unemployed.

He was remanded for sentence until December 14.

Two other men who appeared with the accused pleaded not guilty and were granted a separation of trial.

They will appear in court on November 21.

Society to cut staff by 30 percent

Mercury Reporter

THE United Building Society is to implement a 30 percent cut-back of staff in its Pietermaritzburg office as part of its 'rationalisation programme' for the new year.

Some of the staff have been offered alternative employment at the society's Durban office, but about 20 people will not be able to accept the posts.

Mr Martin Keyser, general manager of the UBS in Johannesburg, said the exact number of staff to be cut was not yet known, but believed that of the 100 personnel members, about 30 were to be affected.

The cuts will take effect from February next year.

Mr Keyser said the company had been forced to take the step because of the recession and as a result of the centralisation of the computer administration which is now being based in Durban.

He insisted the company was not retrenching people.

'It is not retrenchment, but part of a rationalisation programme which is affecting the whole country,' he said.

'All staff members will be given at least three months notice before they have to leave.'

He said of many of the people who would be unable to transfer to Durban would be married women.

No cut-backs are to affect employees of the UBS in Durban, although many staff members are to be transferred to different branches in the city.

Man found hanged

Mercury Reporter

AN UNIDENTIFIED prisoner was found hanged from his cell bars in Durban's Point Prison late yesterday.

A South African Prison Services spokesman said the coloured prisoner's name could not be re-

Chairman retires

Mercury Reporter

THE chairman of the board of governors of Michaelhouse, Dr Anson Lloyd, will retire on November 23.

Dr Lloyd has been a member of the board for 28 years and chairman for the last nine years.

The vice-chairman of the Tongaat-Hulett Group, Mr Walter Strachan, has been appointed the new chairman. Mr Justice Mark Kumleben will become deputy chairman and chairman of the finance committee will be Mr Don Guthrie, senior partner of Arthur Young and Company.

A farewell dinner in honour of Dr Lloyd will be held at the school on November 22. It will be attended by the board of governors, past governors, the rector, staff and their wives.

Trekking hippo has returned

Mercury Reporter

THE hippo which was sighted moving south from Richards Bay along the banks of the Umhlatuze River has given up its lonely trek.

It was thought the animal was following in the footsteps of Huberta, the legendary hippo which trekked south in the 1920's and was eventually shot near King William's Town.

Dubbed Huberta 2, the present day hippo has not been seen since Novem-

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C. Herald 17/11/84 (335)

Atlantis facing eviction threat

By Gary van Dyk

A HUMAN tragedy is being played out in the ever-lengthening unemployment queues in the giant west-coast township of Atlantis.

Hundreds of people are now on the dole in an area which once promised a life of milk and money to those who sought housing there.

But as the recession bites deeper, more and more factories are putting off workers and the big question being asked now is: "When retrenchment comes can eviction be far behind?"

UNEMPLOYED

I spent last Friday morning among the army of unemployed waiting outside the Department of Manpower offices in Atlantis. It was a depressing experience.

For, the overriding impression I gained was

that here proud men and women are being systematically stripped of whatever dignity they have left.

I saw young, upstart clerks rudely shouting at people twice their age and I saw them refusing to help people who did not queue properly.

Many of the applicants for unemployment benefits were qualified artisans who could not get work in Atlantis.

PAY

"It's very difficult to find employment here, and even if you do, they want you to do unskilled work for little pay," one of them told me.

"A lot of the firms coming out here bring their own people from Cape Town.

"You can see all the CA Kombi's that come into the place every morning. Why can't they give us those jobs? We

made the sacrifice to come and live out here."

MENIAL

One of the men in the queue, Mr Robert Johnson, told me that he had been coming to the office for five weeks.

"Everytime they have a different story," he said.

"I need my unemployment money to keep living. They just want to give us menial jobs. Being qualified means nothing to these people."

Another man standing nearby joined in: "It's like this every week, you can't handle all these people on one day," he said.

'PAY US OUR SEVERANCE!'

A DURBAN Wispeco steel window-frame plant came under heavy fire this week from the Metal and Allied Workers' Union.

More than 300 workers have been on a legal strike since November 2 after recent retrenchments.

In a statement yesterday Mawu said that the strike was called because the company refuses to negotiate any serious matters at plant level — particularly severance pay for retrenched workers.

The Wispeco plant is part of the giant Metcor steel and aluminium group.

The union says the company's Jacobs plant has embarked on a massive retrenchment program involving 20 percent of the black workforce, "but refuses to negotiate any form of severance pay".

On November 2, 80 hourly-paid and 15 monthly-paid workers were retrenched.

Mawu argued that Wispeco's action was unworkable, because collective

By ZB MOLEFE

bargaining had to take place at different levels depending on the issues to be negotiated.

"This is the pattern which has developed internationally," said the statement.

"The giant iron and steel employers' association, Seifsa, has suggested that matters such as severance pay could be handled at plant level.

"The right to discuss wages and employment conditions directly with employers is fundamental. The refusal of such a right can only lead to substantial industrial unrest," Mawu's statement said.

Similar union action was taken three months ago against Hart, also part of the Metcor group. Eventually the company agreed to negotiate with Mawu for long-service allowances for employees at plant level.

Wispeco managing director S Savage told City Press that a retrenchment procedure had been agreed on by all the parties concerned.

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A town's fate is on the line...

As the council stalls over black hostels

BOKSBURG is in danger of losing 20 000 jobs and a gold mine within a few years because it is refusing to allow the mine to house 6 000 black workers close to the white suburb of Sunward Park.

The ERPM mine is planning a R157-million expansion but is threatening to cancel the project — a move which would eventually lead to the mine's closure — unless it can house the workers in hostels on mine property.

Mr Clive Knobbs, chairman of Rand Mines gold and uranium division which manages ERPM mine, said of the council: "I don't think they realise the full significance of what they're doing."

He said Boksburg claimed the extra 6 000 black workers would congest the shopping centres, jam the streets and push up the crime rate. The council was insisting the workers be housed 15km away in the black township of Vosloorus.

But ERPM said the company could not afford the extra R9-million a year it would cost to transport the workers to and from Vosloorus. It said if Boksburg did not change its views, the company would have to shelve the expansion project and close down the mine within a few years.

"That means about 20 000 people in Boksburg will be without jobs," Mr

By MELANIE GOSLING

Knobbs said.

Local National Party MP Mr Sakkie Blanche, the man behind Boksburg town council's opposition to the hostel, said he believed ERPM was merely bluffing.

"It's all talk. They'll never close down the mine," Mr Blanche said.

However, if Mr Blanche is not taking ERPM's threats seriously, the townsfolk are, and Boksburg businessmen have attacked the council's decision.

They claim it would be "absolutely disastrous" for business if the mine closed down.

Meanwhile it appears even the council is having second thoughts. Management committee chairman Mr Piet Buckle said it had been "a little bit of an eye-opener" to hear ERPM's announcement of closing the mine and added that the council would have to meet with the company to discuss the matter.

Bluffing

"I don't know how Sakkie can be so sure ERPM is only bluffing. We've got to take their statement seriously," Mr Buckle said.

Even Sunward Park residents, who had previously handed ERPM a petition protesting against the proposed hostel, have now told the company they would not have done so had they realised the mine might be closed.

"They realise they will be the ones to suffer," Mr Knobbs said. "Mr Blanche won't listen to rational argument and is merely sprouting political ideology. I wonder how he will face the people of Boksburg when we actually do close down," Mr Knobbs said.

Mr Ray Swart, Progressive Federal Party spokesman on black affairs, said Mr Blanche's stand highlighted the "tragic nonsense" of Nationalist political ideology.

"It is sheer lunacy to risk the mine closing down and to increase unemployment at such a critical economic time just for the sake of political ideology," Mr Swart said.

MR JACK Jones sits playing chess against his son's microcomputer in his plush home in Johannesburg's northern suburbs or does a bit of gardening when the day begins to drag.

As often as possible he puts on his formal grey business suit and goes for job interviews.

He is an out of work managing director — a victim of the recession.

Nearly 50 years old, he has a wealth of experience in company management and a mechanical engineering degree.

But it didn't save him from being retrenched when the large company he worked for "rationalised" its operations.

He and the new chairman simply did not get on, and Mr Jones (who does not want his real name revealed) lost his R58 000 a year job, his R5 000 annual bonus, his Mercedes 280 and other company benefits.

After five months of unemployment, the father of three is remarkably optimistic — but then his financial settlement with the company was "generous" and he has not yet felt the economic pinch, apart from having to stop taking his family out to eat in fancy restaurants.

"But if I don't get anything in the next couple of months, it will be a problem," said Mr Jones, whose wife has a three-mornings-a-week job.

Then he will have to start selling his assets and if things get really desperate, he has an advantage many others don't have — he can go back to the European country from which he emigrated and claim social benefits; he could be a managing director on the dole.

The sales director of a Johannesburg company was less fortunate. When his company merged with another recently, he was told his job would be done by the other company's sales director.

The blow to his self-image was so acute that on his way to a meeting with his managing director, he stopped at home and slipped his gun into his pocket.

He never arrived at the meeting. He

How it feels to be fired. By a jobless former boss

The recession has hit the briefcase brigade. Scores of ex-executives are suddenly finding themselves out of work. And the problem for many is that no-one will hire them. What boss feels secure with an ex-boss working for him? MARION WHITEHEAD reports on the tribulations of the *nouveau* poor



was later found in his luxury company car at the golf course, dead, his gun beside him.

□ □ □

THESE men are not unique. They are part of an emerging class wryly being tagged 'the new poor' — a snide reference to the change in the economy since the boom that produced the *nouveau riche*.

These men are — or were — in the top 2% income bracket but this has not made them immune to the current recession which is unofficially estimated to have pushed the unemployed figure to 3-million in South Africa.

Most of these are unskilled black

workers whose plight is far more immediate and heart-rending than the unemployed executives.

The black worker who loses his job is a victim in a tragedy that can mean watching his children starve to death.

The more skilled people, professionals and executives, find their problems are more on a psychological level, say experts in psychology, sociology and personnel placement.

They are the ones who are too proud to ask for help and don't have the support of an extended family.

They are the ones for whom money, status and its social trappings are most important.

They are also the ones who will find it very hard to get another job.

□ □ □

MR CHARLES Rowlinson, a director at Renwick, one of the largest management placement consultancies in the country, says it is becoming increasingly difficult for retrenched executives to get similar positions.

"Many companies are reluctant to take someone even at a lower level as they are overqualified and a threat to the present structure of the organisation," he said this week.

Each day his company sees "numerous high calibre people" who have been retrenched, such as general managers, financial executives and engineers of all disciplines.

Boom

In the past 12 months Renwick has interviewed 4 000 executives and placed 1 000. In the boom of 1978-1981, it placed 1 300 executives each year.

Mr Rowlinson said that in a recession in South Africa people were made redundant more readily than in a traditional, long-term investment country as companies here emphasised short-term planning and quick profits because of the uncertain political climate.

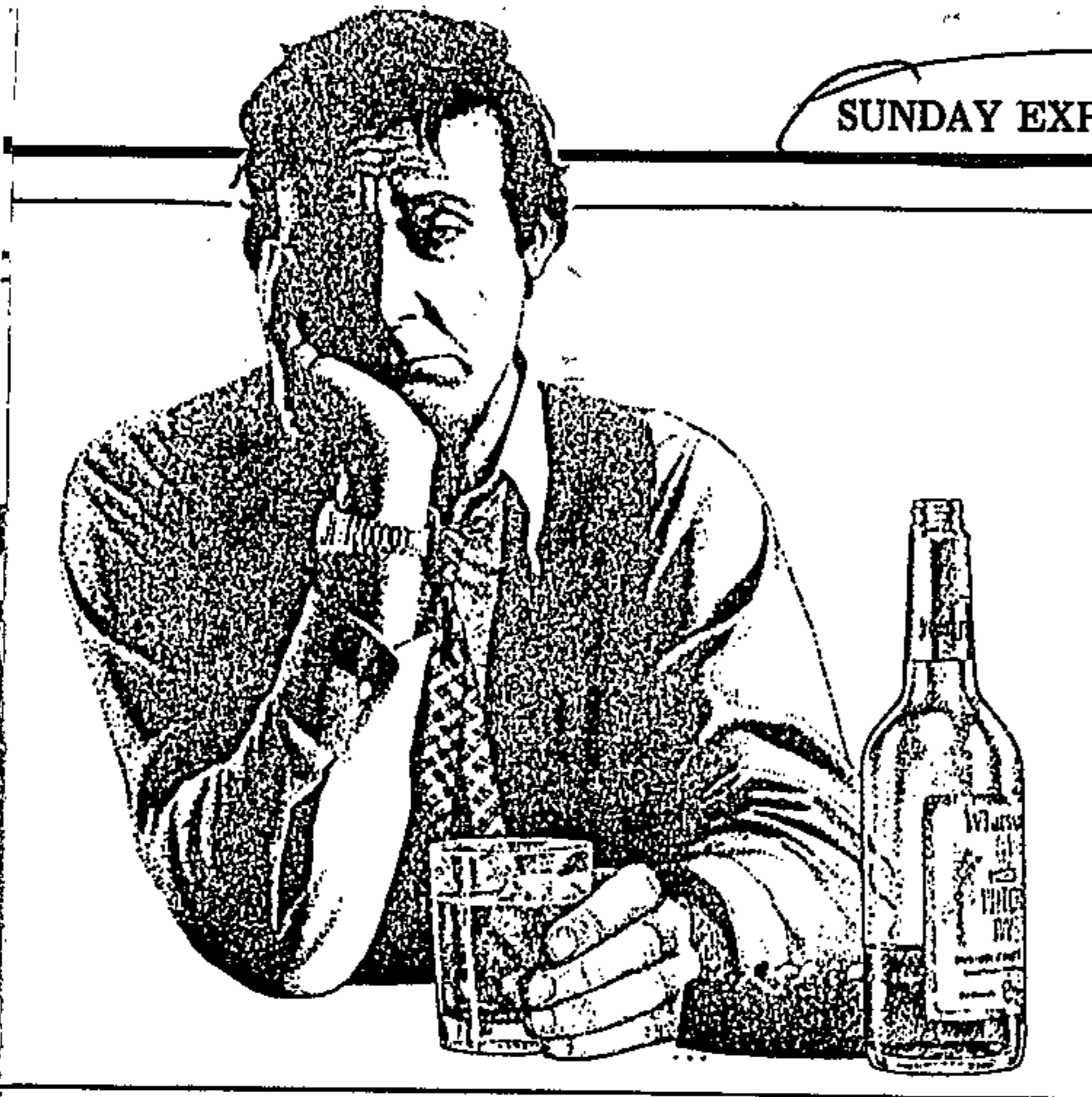
A relatively small business community with monopolies within the marketplace also meant the chances of finding another job near the top were small.

He does not believe South Africa will go back to the "dizzy days" of the 1978-1981 boom when six projects, each worth R1-billion, were going at the same time, generating thousands of jobs.

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AFTER the initial shock of losing their jobs, many people became optimistic about their new-found freedom.

That, however, gave way to depression and anxiety if they did not find work, wrote psychology honours student Mr Bruce Irvine in a paper submitted to the Carnegie inquiry into



poverty in Southern Africa earlier this year.

A kind of inertia that was psychologically debilitating followed as they felt insufficiently stimulated and undervalued.

Mr Jack Jones, however, is still optimistic about his future.

"I keep myself busy. It's essential."

He gets plenty of emotional support from his family and his friends. He has been open with them about losing his job — "otherwise people think it's because you embezzled money or something" — and they are understanding.

Help

Some have themselves been unemployed for periods of up to six months. His friends also try to help him find work through their business contacts.

Mr Jones has faced the disappointment of coming close to getting a job a couple of times, then seeing it fall through.

Loss of identity was another problem Mr Irvine said retrenched em-

ployees had to grapple with.

Said Mr Jones: "If I had worked just for the status of being an MD, I'd have those difficulties now. But for me the satisfaction was in creating a smoothly running, profitable company."

In his study, Mr Irvine used British models and interviewed factory workers in the Western Cape who had been retrenched during 1983.

The British research, however, showed that on a psychological level, the effects on ordinary workers and executives were similar.

Mr Irvine stressed it was important for an employee to understand why he had been retrenched. If he did not know it was for broad economic reasons, and believed it was because he was lazy or inefficient, this added to his feeling of worthlessness.

"Any real man can support his family. I used to be a real man, now I am worth less than a loaf of bread. Bread is more use to them than me," were the pained words of a worker interviewed by Mr Irvine for his study.

Discussion groups for retrenched employees helped them realise they

were not alone in their problems, Mr Irvine said.

Dr Ina Snyman, in a report for the Institute for Sociological and Demographic Research of the Human Sciences Research Council, said large-scale retrenchments of breadwinners had caused an increase in marriage conflict and child abuse.

"Strain on marriage relations also started to come about as a result of the role reversal in the breadwinning function. Like when women who had not worked before, or who had had good positions, were now the breadwinners and doing menial, low-paid jobs, while their husbands might not be considered for such work and would therefore be sitting at home without earnings," said Dr Snyman.

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IRONICALLY, Mr Jones has had to retrench staff himself in the past. But he said he had always done it gradually, through encouraging early retirement, reducing salaries and not replacing staff who left.

"I'm against the hiring and firing of staff, even if it means being understaffed in good times," Mr Jones said.

He said he would prefer another job as an MD, but he was open to offers and in the mean time would take on temporary executive assignments which is a growing trend in the United States.

□ □ □

PROFESSOR Heinz Prekel, associate director of the Unisa School of Business Leadership, said South Africa still suffered from a shortage of technical and managerial resources to create jobs — there were 42 workers to a manager compared to 16 workers a manager in developed countries.

That meant there had to be more managers, or the new technology had to be used intelligently to enable managers to handle more people.

He said a recession was a good time for companies to train staff to be more productive, or to train them for new positions using the new technology.

"Training is a long-term investment," Prof Prekel said.

By LESLEY LAMBERT

THE textile industry continues to be plagued by massive imports and relatively poor local consumption, but Mr Stanley Shlagman, executive director of the Textile Federation, believes things can only get better.

"The rapid increase in imports for the first eight months of this year has not been maintained. We are expecting a fairly marked drop in imports as the further devaluation of the rand takes its toll," Mr Shlagman said this week.

Fabric imported for the period January to end of August this year was 66% up in money terms and 48% more in volume compared with figures recorded during the same period last year. This represents an average price increase of 12%.

By contrast, the value of local textile sales increased a mere 7.5% over the same period while volumes went up by only 1%.

The Textile Federation feels the massive import increase has not been met by a comparable increase in consumer demand and that imports have cost the country R82.4-million compared with R52.3-million in 1983.

The main reasons for this increase stemmed from world over-production which has been excluded from highly protected markets and has sought an outlet in a poorly protected market such as South Africa, according to the Textile Federation.

Exports, on the other hand, have increased at a slow rate from 1979 to 1982. At the end of 1983 they were up by 22% and were estimated to increase by 35% this year.

The local textile industry rather than imports has borne the main brunt of the declining market.

13 000 workers retrenched

ABOUT 13 000 textile workers have been retrenched over the past year as a result of the decline in the industry, according to Mr Stanley Shlagman, director of the Textile Federation.

Employment in the textile industry reached a peak of 116 000 in 1982 and has dropped to about 107 800 this year, according to a report presented to the National Party parliamentary study group by the Textile Federation this year.

Reasons for the retrenchments included the general decline of the economy, the increasing ratio of imports as a percentage of total demand, and continuing improvements in producti-

Optimism in textiles despite the slump

TEXTILE AND CLOTHING IMPORTS (R-million)

	1978	1979	1980	1981	1982	1983	Jan-Aug 83	Jan-Aug 84
All textiles	362	408	530	782	788	705	433	705
Clothing only	45	47	68	136	123	98	—	—

During the 1981 to 1983 period, total local production dropped from 651-million square metres to 486-million square metres while imports rose from 22% to 24% of the total market consumption. In the main sector of wovens, local production dropped by 19% against a far lower 5% decline in imports.

Furthermore, although imports are more expensive in rand terms, local products are governed by the same factors.

"Raw material prices are internationalised and thus locally grown and

produced raw materials go up in rand terms because they are internationally quoted in dollars.

"So we have pressure on price by customers and pressures on cost arising out of factors which we cannot control," Mr Shlagman said.

He said even with reduced imports the textile industry would still have difficulties.

"The main retail distributors want shorter lead times to coincide with their over-the-counter sale periods.

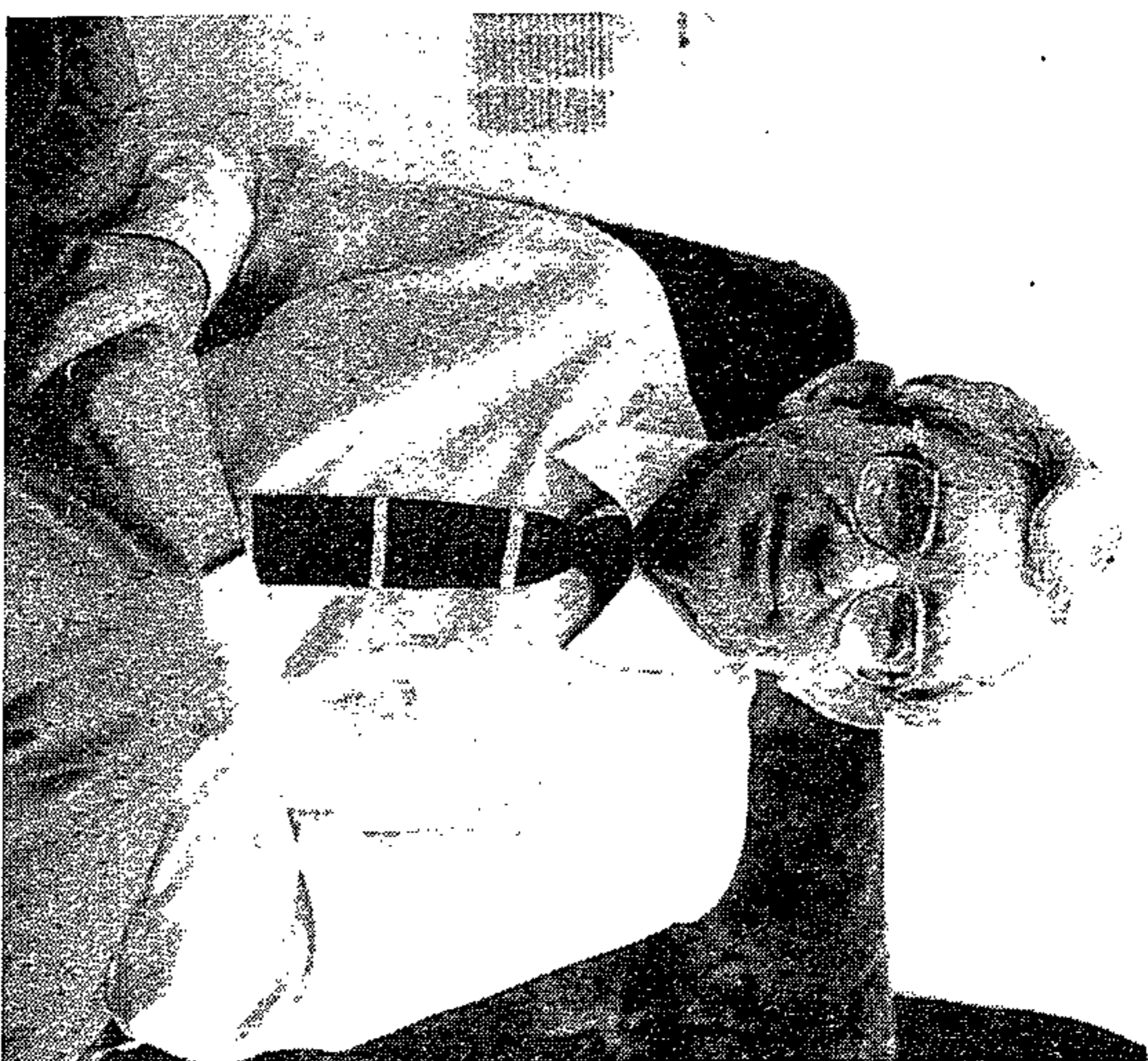
"They want to work on the lowest possible level of stocks and that would require a faster delivery service from the textile and the clothing industry.

"We are shortening our lead time but I doubt we could shorten it to the extent required by the retail industry," Mr Shlagman said.

He believes better communication between the manufacturing and retail sectors would enable them to say 'no' to unreasonable demands.

"The textile industry is governed by fairly rapid changes in fashion which is in itself enough of a problem. When you include the stringent demands for shorter lead times, we just cannot keep up."

The industry went into a rapid decline in 1983 mainly as a result of a weakened economy coupled with uncertainty in the level of consumer demand.



● Mr Stanley Shlagman — 'things can only get better'

The onset of the textile boom in 1979 saw private consumption expenditure (PCE) rise sharply and average real growth from 1979 to 1982 was 5.2%.

According to figures supplied by the Central Statistical Services the real growth in PCE on clothing and footwear from 1979-82 was 5.3% but by 1983 it had declined to -5.9%.

Similarly, PCE on household textiles showed an average real growth rate of 7.7%. By 1983 it had dropped to

2.9%.

A serious problem confronting the textile industry is the lag between changes in PCE and changes in demand for textiles.

The lag tends to exaggerate the effects of changes in PCE, and textile manufacturing has generally alternated between serious excess capacity and difficulty in maintaining adequate supplies to clothing manufacturers.

Projected trends outlined

THE Textile Federation has predicted that by the year 2000:

- The 1980 South African population figure of 29.3-million will grow to 47.4-million;
- Income, based on 1980 values, will rise from R35-million to R58-million;
- expenditure on household textiles and clothing will rise from R2,586-billion in 1980 to R3,371-billion in 1990 and to R4,226-billion in the year 2000.

According to the latest textile statistics released by the Textile Federation, physical output by the industry has dropped 20% since the record level in 1981.

Sales of total textiles in current terms are expected to increase by 8% this year.

Retail trade sales have been steadily declining since the record level in 1981. Estimates for 1984, however, place these levels just above those of 1981.

All rooibos tea 'probably contaminated' — 4 000 jobs in danger

By JEAN HEY
Consumer Reporter

THE rooibos tea industry is likely to come to a standstill because all brands are probably contaminated, says the chairman of the Rooibos Tea Board, Mr A J van Zyl.

He said today all rooibos tea was poured into the same silo before being divided and packaged under brand names.

"It is impossible that one brand could be contaminated and others not," said Mr van Zyl. The discovery of faecal contamination in rooibos tea meant the industry "will be brought to a standstill".

He estimated that at least 4 000 people relied on the rooibos tea industry for their livelihood.

One Cape Town distributor said today he had stopped packing and was sending staff home.

"Usually at this time of year the staff can look forward to bonuses. Now it feels as though an atom bomb has landed in my lap."

The Rooibos Tea Board is considering radiation as a method of cleansing the tea, but this would add an extra 50c a kilogram to the price.

Mr van Zyl said radiation would cost about 20c a kilogram and to this would be added the cost of

transporting the tea to the Transvaal for radiation.

The head of the division of radiation technology at the Nuclear Development Corporation in Pretoria, Dr H J van der Linde, said radiation was a safe method of cleaning food and was already used in South Africa on several foods, including bananas, strawberries and mangoes.

● Cape Town's Medical Officer of Health, Dr Reg Coogan, said city health inspectors had removed about 10 000 packets of rooibos tea from Cape Town shops.

The removal of rooibos tea from retailer's shelves was continuing today.

The tea was being kept in storage pending a decision on radiation.

Black matrices will flood job market

STAR 20/11/84

335

By Michael Chester

24 HOURS News Team

More black than white students would be passing their matriculation examinations and launching themselves towards top careers within the next few years, the National Manpower Commission forecast today.

The number of new black matriculants will almost double in the next decade.

And the surge of black school successes will come as the number of new white matriculants goes into a dramatic decline caused by a shrinkage in the average size of white families.

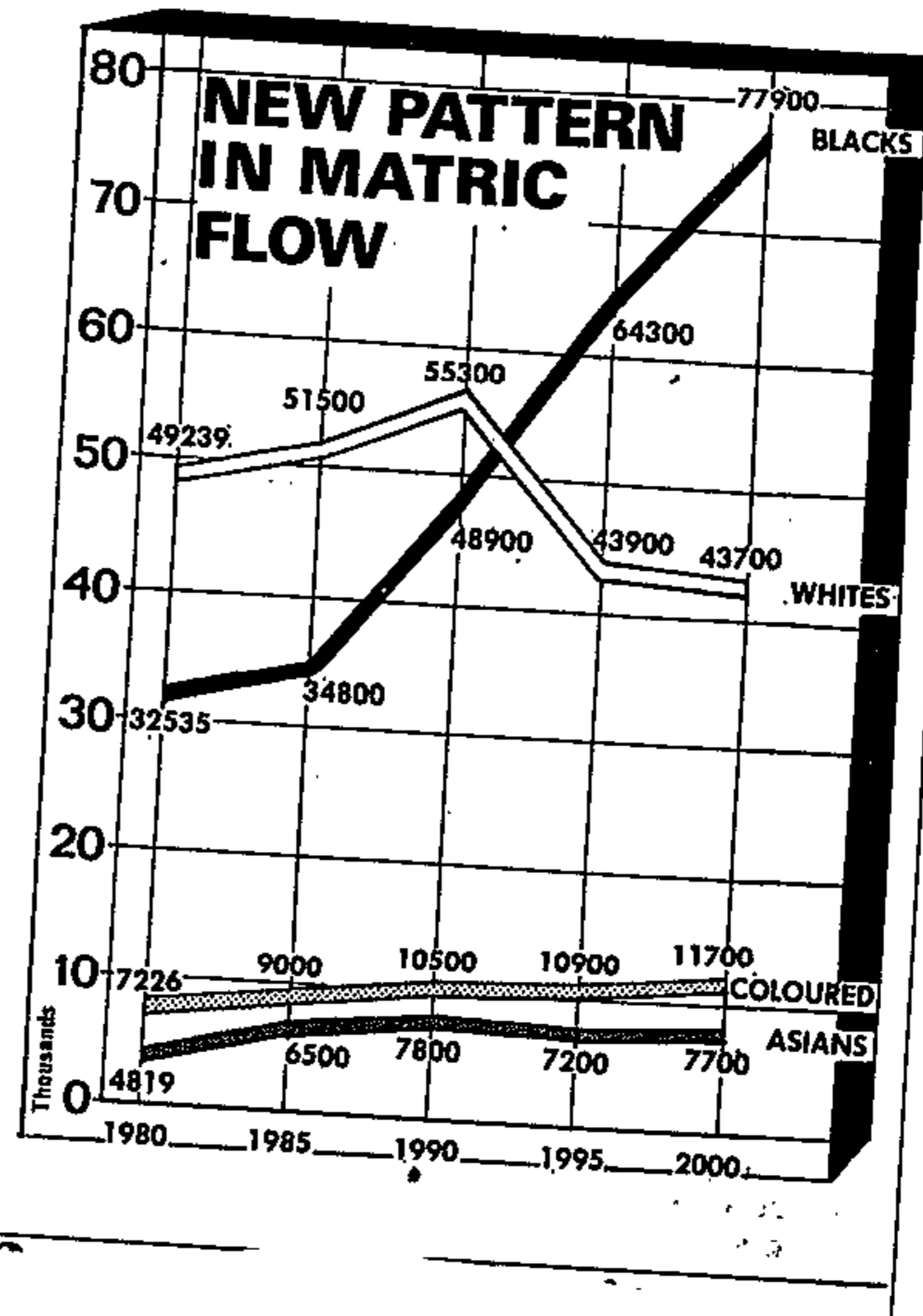
Dr Hennie Reynders, chairman of the commission, said the radical swing in traditional patterns should be regarded by employers as an early

alert to the changes in thinking that will be needed about recruitment and training in industry and commerce.

The number of new white matriculants would increase to 51 500 next year and to a peak of 55 300 in 1990 — but then it would decline as a result of the swing towards smaller white families that started in the 1970s.

By 1995 the white total would have shrunk to about 43 900 and by 2000 it would be down to 43 700.

In sharp contrast the black total would rise from about 34 800 next year to 48 900 in 1990, 64 300 in 1995 — and as high as 77 900 at the turn of the century.



Mercury 20/11/84 (335)

The

Sixteen North Coast families in fear of the future

Sugar workers to lose their jobs, housing

SIXTEEN families in company housing on a sugar estate at Doringkop near Stanger have been given notice to vacate it by the end of December. Their breadwinners have been retrenched by the giant Tongaat-Hulett group.

Some of them have been living in company quarters for more than 30 years and were among the original workers at Doringkop while the local mill was under the control of its former owners, the Illovo Sugar Company.

Their services were retained after the mill was taken over by the Ton-

gaat-Hulett group.

They are desperately worried about their future.

Mr Thumba Naidoo, a former turbine driver with the company, told the Mercury: 'Working and living at Doringkop has become a way of life

for most of us.

'Most of the retrenched workers are above 50 years of age and finding suitable alternative employment at this stage in our life is going to be very difficult.'

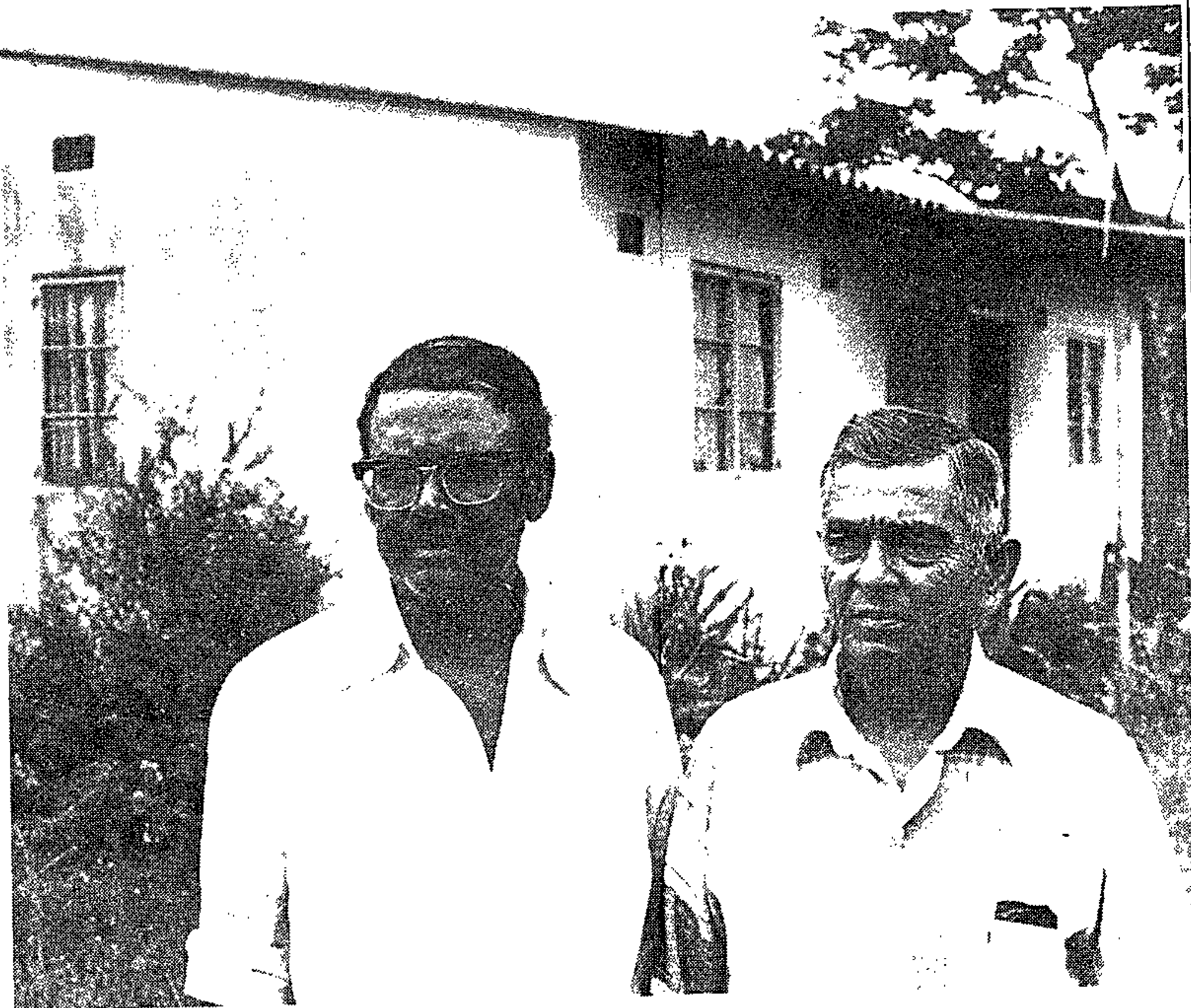
Mr Naidoo, 54, a father of five, said the workers had been given three months' notice of their retrenchment at the end of September and had been told to vacate their company houses by the end of next month.

Meanwhile an air of uncertainty hangs over the small Doringkop valley housing the workers and their families near the lifeless sugar depot.

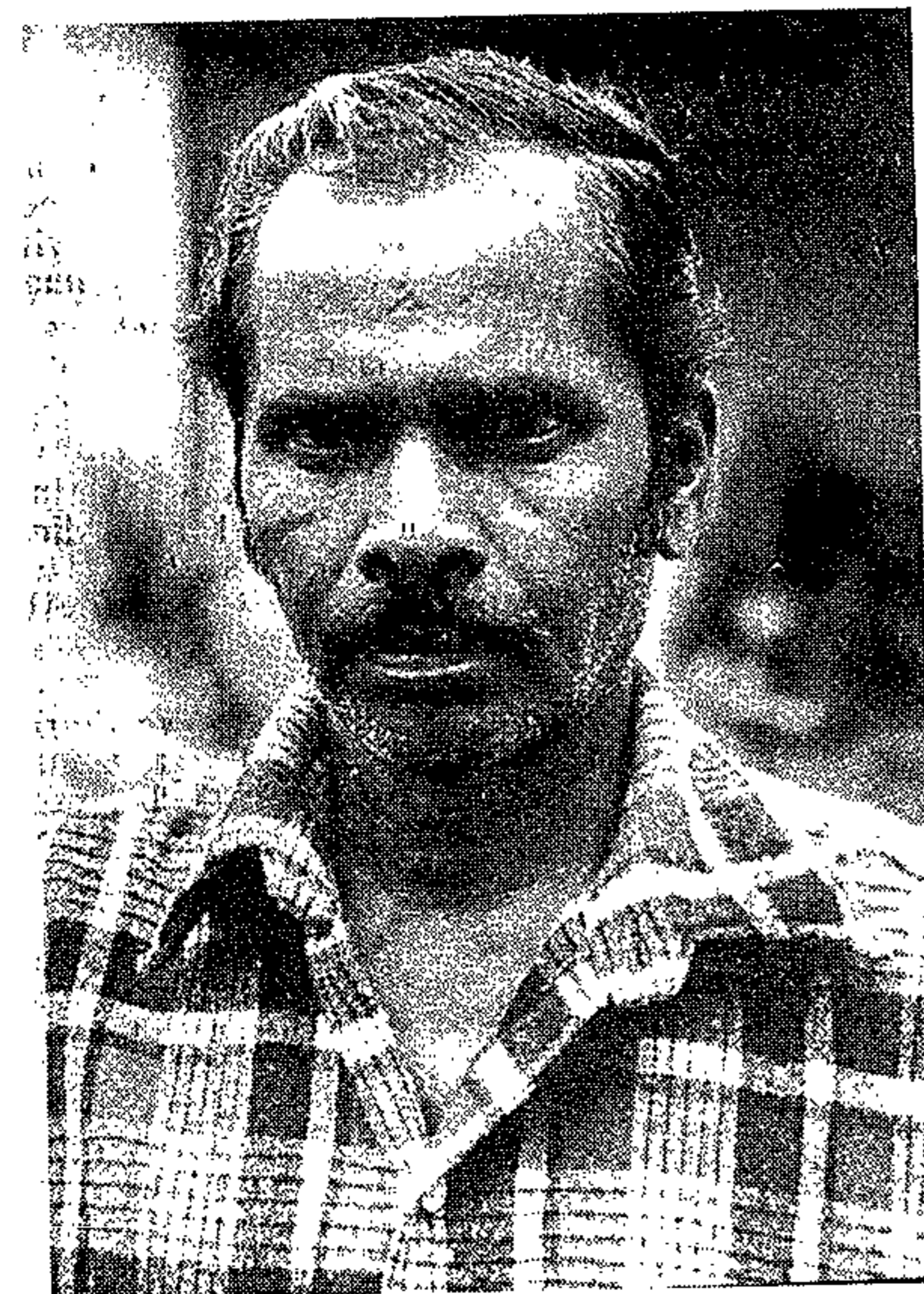
Tonga-Hulett group public relations spokesman Ron Phillips said yesterday that the workers had been retrenched after the shut-down of the tramway system of transporting cane — a common sight on sugar estates in the early days.

He said the workers had been given 'very favourable' retrenchment benefits and the company was doing everything possible to help them find alternative accommodation.

'We'll probably allow them to continue staying there at a nominal rental if the houses are not required immediately.'



Mr B Naidoo and Mr Y N Naidoo in front of a company-owned house on a sugar estate at Doringkop which the families of the retrenched workers have to vacate by the end of next month.



Mr Thumba Naidoo, who was among those retrenched at Doringkop.

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1 000 jobless as Atlantis Diesel Engines sales fall

CAPE TOWN. — More than 1 000 people — nearly half the work force at Atlantis Diesel Engines — have been retrenched in the past 12 months after a huge drop in sales.

Depressed conditions in farming and the motor industry have forced ADE to revise its forecasts for 1985 and produce only 22 000 engines — a drop of 25%.

The managing director, Mr Helmut Beckurts, said:

"In present conditions, ADE does not foresee a return to normal market conditions and volumes until well into 1986."

In the most important part of ADE's business — engines above 7 500kg — prospects were now 49%

down and current forecasts were for a total of less than 12 000 engines for 1984.

Current forecasts for the medium and heavy sectors of the commercial vehicle market showed a downturn of 14% this year and 26% next year against previous forecasts.

The agricultural sector would be heavily influenced by the present economic background and by weather conditions in the next month or two, said Mr Beckurts.

The retail tractor market forecast for 1984 was 7 000 units, about half of the usual amount.

However, the latest prediction was about 8 000 units, of which about 70% would be ADE-powered. — Sapa.

Printing company lays off 41 workers

By JEANETTE MINNIE

FORTY-ONE workers of the Printpak company in Industria, Johannesburg, were retrenched on Friday, allegedly without warning.

Printpak is a subsidiary of the Nampak group.

A spokesman for the Paper, Wood and Allied Workers' Union said the workers were told on Friday morning they would be without jobs from midday on Friday.

Fired workers included contract workers and two shop stewards.

The spokesman said that on Wednesday management asked for a meeting

with the union about retrenchments.

The meeting was held on Thursday when the union was "merely informed that retrenchments would take place and the matter was non-negotiable".

Management also "refused to provide information about who would be retrenched".

The managing director of Printpak, Mr Tony Rudston, said the company had been forced to retrench because of the recession.

Mr Rudston said retrenchments were a management prerogative and not an issue for negotiation with the union.

General Motors to retrench 320 workers

STAR 335
21/11/84 Own Correspondent

PORT ELIZABETH — General Motors plants here will close for an extended Christmas break of 7½ weeks today, but 320 of the 2 500 employees will not return to work.

The 320 workers to be retrenched are among nearly 2 000 car workers to have lost their jobs in the slump that has hit the Eastern Cape's car industry recently.

The public relations officer for GM, Mr Peter Sullivan, said the workers would receive normal holiday and service pay and a year-end gratuity.

Dearth of Christmas employment

Recession hits student jobs

STAR 21/11/84

335

By Susan Fleming

University students countrywide will feel the financial pinch this Christmas because of a serious shortage of holiday employment.

Spokesmen from six universities said yesterday that thousands of students who relied on holiday jobs to subsidise their fees would be without jobs this Christmas.

A Student Representative Council member at the Rand Afrikaans University, Mr Deon Opperman, said there was a "serious shortage" of employment available to students during the summer break.

Mr Opperman pointed out that the only jobs available involved door-to-door selling which was not popular with students.

"The situation is much worse this year and holiday jobs have become a serious problem. Apart from the shortage, employers seem to be offer-

ing lower salaries," he said.

A spokesman for the SRC at the University of the Witwatersrand (Wits), said that only 15 companies had offered vacation employment to students.

The spokesman pointed out that black students at Wits had been hit hard by the shortage of holiday jobs as many companies had earmarked work for whites only.

ONE EMPLOYER

At the University of the Western Cape, only one employer had approached the university to offer employment to students during the December holidays.

And, at the University of Cape Town, the university has advertised extensively in daily newspapers in a bid to find employment for students.

The public relations officer at Rhodes University, Grahamstown, Mrs Mary Burnett, said journalism and pharmacy students had experienced difficulty in finding employment.

"Usually newspapers and pharmacists offer jobs but this year there has been nothing."

She added that many students were worried that they would not be able to afford their university fees next year.

"Students who have never worked before and have no contacts in the business world are finding it particularly hard," she stressed.

She pointed out that students looking for employment in Cape Town and Johannesburg had found it "impossible".

Some students from Potchefstroom University are prepared to work "for next to nothing", according to the university's public relations officer, Mr Chris Windell.

Mr Windell said many students had to have practical experience to obtain their degrees.

"For example, pharmacy students have to work in a pharmacy as part of their course. Many of them are prepared to work for nothing just to get a job," he said.

General Motors to retrench 320 workers

STAR 21/11/84 335 Own Correspondent

PORT ELIZABETH — General Motors plants here will close for an extended Christmas break of 7½ weeks today, but 320 of the 2 500 employees will not return to work.

The 320 workers to be retrenched are among nearly 2 000 car workers to have lost their jobs in the slump that has hit the Eastern Cape's car industry recently.

The public relations officer for GM, Mr Peter Sullivan, said the workers would receive normal holiday and service pay and a year-end gratuity.

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750 workers to be laid off

SOME 750 employees of African Cables near Vereeniging are to be retrenched because of "difficult economic circumstances" currently prevailing in the country and at the plant.

This was confirmed to The SOWETAN yesterday by the company's managing director, Mr P J Muller, who said that this exercise would be taken as soon as discussions have been com-

pleted with workers and their trade union.

The company's envisaged action comes at a time when most companies have indicated a slump in their profits and have declared hundreds of their employees "redundant" due to drought, inflation and economic recession.

A spokesman for the Engineering and Allied Workers' Union said the workers were not satisfied with "losing their

jobs" and were trying to persuade management to devise other means other than retrenchment.

"We are at the moment negotiating and will possibly know our fate today. The retrenchment will come at a time when most of our members owe house rents in the Vaal and during the high rate of unemployment which is gripping the area," the spokesman said.

In a statement, Mr Muller said that the recent annual report of the company highlighted the difficult economic circumstances currently prevailing in the country.

"The company as a result is reviewing its scope and range of activities."

Mr Muller said that they have already advised their employees and their representatives of possible devel-

opments and how they will affect employees.

"Future meetings will occur in this regard, but the company would not like to anticipate the outcome of these things.

We have also advised them of a reorganisation of our product range."

As a result of the reorganisation, Mr Muller added, the services of some 750 employees would be declared redundant.

RDM 23/11/84 335

Tough market for job seekers

REILLY
Pretoria Bureau

THOUSANDS of national servicemen are going to find it tougher to get jobs next year because of the continuing recession and growing unemployment.

The SADF refused yesterday to reveal the number that will be released at the end of the year, but organised commerce and industry believes it to be more than 10 000.

And according to a spokesman for the Transvaal Education Department, 28 000 pupils are expected to matriculate in Transvaal schools this year.

Many of the boys would be included in the January national service intake, but a significant number would also be in the hunt for work.

The girl matriculant, too, according to personnel agencies, will find it more difficult to get the job of her choice than she did last year.

An executive of the PE Consulting Group, Mr Peter Fleming, said: "There will not be as many job opportunities as there were at this time last year."

Instead of having five job options to

choose from, the school or Army leaver may now only have two.

But there were enough opportunities for new workers although they might have to look longer and harder than last year.

They were in banks, building societies, commerce and industry and particularly in the Government service.

The Government had a vast number of opportunities for matriculants.

"The jobs are there. Although the work-seeking matriculant may not get exactly what he wants, there is absolutely no need for him to be unemployed," Mr Fleming said.

Other sources pointed out that in spite of the big staff increases in the Public Service Commission in the past two years, the commission was adhering to its normal recruitment programme.

An Assocom executive, Mr Vincent Brett, said the work-seeker next year would find fewer options than at the same time last year.

While there was a big demand for people with qualified skills, for the unqualified national serviceman conditions would be tougher.

335
20% more deaths among the jobless, says survey

London Bureau

LONDON. — There are about 20% more deaths among the unemployed than among people in work, a top-level investigation has shown.

These findings coincide with growing unrest on the Tory backbenches that the government is not making unemployment the priority it should.

The study, part of a five-year programme funded by the Medical Research Council and carried out by statistical scientists from the City University, analysed the death rate among 5 693 men out of work and a smaller number of wives of unemployed men between 1971 and 1981.

The investigation, led by Professor John Fox, head of the Social Statistics Research

Unit, discovered there were 328 deaths among the unemployed men and 173 among the women.

The result of the study, to be published in two weeks time, shows there were a total of 24 suicides, 153 deaths from cancer, 208 from circulatory illnesses and 41 from respiratory diseases.

Mr John Patten, Under-Secretary of State in the Department of Health, said Ministers would carefully consider the findings once they were published.

The Fox study, based on information provided by the Offices of Population, Censuses and Statistics, followed previous work which highlighted the effect of unemployment.

5 000 laid off this year

Another 540 motor workers lose jobs

By Carolyn Dempster,
Labour Reporter

Nissan is to retrench another 540 workers this week, and negotiations have begun over the fate of thousands of workers who stand to lose their jobs as a result of an imminent merger in the motor manufacturing industry.

News of the Nissan retrenchments was made public yesterday after prolonged negotiations between the United African Motor and Allied Workers' Union (Uamawu) and Nissan management.

Mrs Dora Nowatha, general secretary of Uamawu, said the union had managed to reduce the number of retrenchments from 870 to 540 and secure compensation benefits.

She said that although the union's previous agreement with Nissan stipulated that there be no retrenchments from the period July to December, the current lay-offs were unavoidable.

Govt urged: rationalise SA motor industry

By Harvey Thomas

English and Afrikaner finance have joined forces in calling on the Government to reduce the number of motor manufacturers, makes and models in this country.

Yesterday's call came from Dr Fred du Plessis, chairman of Sanlam, the company which has bought effective control of the Messina corporation.

STRATEGY

He said the number of motor vehicle manufacturers and the large number of models manufactured had to be reduced if a strong and healthy motor industry was to be established.

"We regard it as essential that the total industrial strategy be reconsidered by Government and also by the major motor manufacturing companies," said Dr du Plessis.

Mr Spence Sterling, managing director of Amcar (owned by Anglo American), last week gave the same message when he addressed the Consumer Council.

He said it was imperative the industry be rationalised, and called on Government to help.

Mr C V Strydom, industrial relations director for Nissan, confirmed the retrenchments but said he could supply details only at a later date.

Motorware, a motor components manufacturer, was to retrench 360 employees, most of whom came from the Rosslyn area outside Pretoria, said Mrs Nowatha.

Officials of the National Automobile and Allied Workers' Union (Naawu) yesterday met Amcar (formerly Sigma) representatives to determine the impact on jobs of the expected merger with Ford SA.

If Ford moves its entire vehicle production line to Pretoria, as has been mooted, it may mean the loss of more than 4 000 jobs for motor workers and component producers in Port Elizabeth.

Cutbacks

Altogether 5 000 workers in the motor manufacturing industry have been retrenched since January this year.

All the major motor manufacturers, with the exception of Toyota, have had to resort to severe cutbacks to fight the economic crisis and plummeting car sales.

General Motors has retrenched 449 workers so far this year, Volkswagen 680 and Amcar 1 180.

In Port Elizabeth, Ford has retrenched 1 150 workers so far this year.

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Over 3 000 were laid off this month

335
28/11/84
Soweto
MORE than 3 000 black workers have been retrenched from their jobs this month.

Trade unionists and employers have predicted that more workers will be laid-off when factories go on vacation for the Christmas holidays next month.

About 540 workers, members of the United African Motor and Allied Workers' Union, in Rosslyn near Pretoria, employed by Nissan,

have been retrenched by the company.

UAMAWUSA's assistant general secretary told The SOWETAN yesterday that they battled hard to reduce the number because management had originally intended to retrench 870 workers.

They have also managed to negotiate a wage agreement with management for the rest of the workers at the plant. The wage package in-

cludes improved working conditions and an attendance bonus.

He indicated that more than 360 employees at Motorware — Magnis Truck Corporation near Pretoria are to be retrenched, but "we are still locked in negotiations with management on the aspect."

A spokesman for the Fosatu-affiliate Metal and Allied Workers' Union (Mawu) said that more than 500 of its members at different companies have been laid-off this month following the country's economic recession.

"We are battling to negotiate a better deal for them with management. However, employers have indicated that they have no choice.

because of the country's economic recession," he said.

African Cables in Vereeniging is to retrench some 750 workers; in Port Elizabeth, Ford has retrenched 1 150 workers and Volkswagen in Uitenhage has retrenched 680 employees.

Nissan's industrial relations director, Mr C V Strydom, confirmed the retrenchments, but said he could only supply details at a later stage.

Meanwhile General Motors has retrenched 449 workers and will shut down for an extended 7½-week Christmas holiday. Altogether some 5 000 workers in the motor manufacturing industry have been retrenched since January this year.

That grim prognosis came from the director of the Motor Industries Federation, Mr Jannie van Huysteen, yesterday. At the same time Nissan announced it will retrench another 540 workers this week.

Mr Van Huysteen estimates that of the 45 000 workers in the industry, at least 3 500 have been laid off this year. Thousands of others are working short time two or three days a week.

Mr Van Huysteen said unemployment in the industry had escalated since July when demand for cars started to slide. The slide accelerated when the government imposed severe hire-purchase and other restrictions in August as part of its anti-inflation strategy.

Unemployment in the retail motor trade was also serious. Salesmen had been laid off and others who retired had not been replaced.

Compounding the trade's severe problems was the fact manufacturers had absorbed increased costs to the limit. Consequently, increased prices could be expected during the next four or five months.

A director of Mercedes Benz South Africa, Dr M. D. Marais, said three fac-

tors had combined to create the slump in the industry.

These were the steep decline in the value of the rand, higher interest rates and the increase in GST to 10 per cent.

"The situation in the industry now is grim and, regrettably, it is going to get worse."

Measures taken by the government to curb inflation, he said, were aimed at forcing prices down, but the opposite would happen, especially in the motor industry.

Dr Marais, an economist, forecast 1985 would be "the worst year in the country's economic history."

Inflation would continue to rise and the demand for most durable goods, including cars, would slump further, he said.

News of the Nissan retrenchments was followed by an announcement that negotiations have begun over the fate of thousands of workers who stand to lose their jobs as a result of possible mergers in the industry.

News of the retrenchments was made public after prolonged negotiations between the United African Motor and Allied Workers' Union and Nissan's management.

Mrs Dora Nowatha, general secretary of the union, said it had managed to reduce the number of retrenchments from 870 to 540 and secure compensation benefits.

She said that although the union's previous agreement with Nissan stipulated that there would be no retrenchments in the July to December period, the current lay-offs were unavoidable.

Mrs Nowatha also disclosed that Motorware, a motor components manufacturer, would retrench 360 employees, most of whom come from the Rosslyn area outside Pretoria.

Meanwhile, officials of the National Automobile and Allied Workers' Union have met Amcar representatives to determine the impact on jobs when the anticipated merger between Ford and Amcar materialises.

If Ford moves its entire vehicle production line to Pretoria, as has been mooted, it may mean the loss of more than another 4 000 jobs for motor workers and component producers in Port Elizabeth.

Already this year General Motors has retrenched 449 workers, Volkswagen 680, Amcar 1 180 and Ford 1 150.

In Port Elizabeth yesterday, Ford said they would not make any statement about the projected merger today or by the end of the month.

Reacting to strong speculation that the merger announcement would be made today — the last working day for Ford's factory staff this year — a company spokesman said he could only confirm that talks between the two companies were still underway. —DDC

PRETORIA — The worst slump since World War II has hit the country's motor industry — and the position is expected to deteriorate.

Motor Industry slump worsens

D. Bopapele

28/11/84

335

By PHILLIP VAN NIEKERK
ABOUT 400 workers at a Durban company, Wispeco, have voted to continue their legal strike over retrenchments which is now entering its fourth week.

Their union, the Metal and Allied Workers' Union (Mawu), has also announced plans to launch a national campaign against the approach to retrenchments of the giant Dorbyl-Metcor group, of which Wispeco is part.

ROM 29/11/84
**Durban strikers
vote to continue**

A statement by the Union yesterday said it had made "repeated" efforts to resolve the dispute with the company and had put forward a number of options, all of which had been rejected.

Wispeco workers also voted to refer various disputes, such as the alleged

steward, to the industrial council

The Rand Daily Mail was unable to get comment from Wispeco yesterday but in a previous statement Wispeco said that 95 workers had been retrenched under a procedure agreed on by all parties.

335

Nissan lays off over 500 workers

By DAVID FURLONGER
Industrial Editor

NISSAN has laid off more than 500 workers — two days after predictions it was on the point of recovery.

The company yesterday shut down production facilities for an extended Christmas-New Year break and laid off 540 hourly-paid workers.

Mr Neils Strydom, Nissan's human resources director, said the workers would be paid until the end of the year. Although production was being halted, the retrenchments were with effect from January 1 and workers would be paid full benefits until then.

Production at Nissan's Rosslyn plant, near Pretoria, will start again on January 16. Production was originally scheduled to close from December 7 to January 9 but has been extended because of the slump in the motor industry as a whole.

The lay-offs are the first among Nissan's hourly-paid workers since the industry began its decline in July. However, 81 salaried staff have been laid off since then and the plant has been working on short-time for some weeks.

Nissan will still employ 3 000 hourly-paid staff after yesterday's retrenchments, bringing to about 5 000 the number of motor industry employees laid off this year.

Worst hit have been workers in the Eastern Cape, where Ford, General Motors and Volkswagen have all cut staff.

The announcement of the Nissan lay-offs is unfortunately timed — coming in the same week as confident predictions over the company's future.

The confidence came from Sanlam's chairman, Dr Fred du Plessis, on Monday, when he explained why Sanlam was bidding for control of Nissan's parent company, Messina.

He said: "We chose to invest in Nissan rather than in any other motor manufacturing company because we were convinced there was a bright future for Nissan."



FRED DU PLESSIS... bright future for Nissan.

150 men lose jobs in PE building slump

By CATHY SCHNEEL
12/34

SEVEN building teams — 150 workers in all — engaged on developing Greenacres Village have been retrenched, reflecting the serious state of the industry in Port Elizabeth.

The vice-president of the Eastern Cape branch of the Master Builders' Association, Mr Waldo Beacon, warned today the situation would get worse and more retrenchments could be expected.

Building plans passed by the Port Elizabeth City Council this month were R6 million (50%) down on November last year.

Mr Rick McKiever, director of Greenacres Village, said the men employed there had been dismissed over the past six weeks because demand at the complex had dropped sharply.

Mr McKiever, a Port Elizabeth city councillor, told the Evening Post: "Business has quietened down to such an extent that there simply is no work for them."

He said he had laid the men off gradually in the hope that the business would pick up, but this had not yet been the case.

However, his firm would not close down prematurely. Conditions in the industry are reflected in building plans passed by the municipality.

Mr Bruce McKenzie, Port Elizabeth's chief building inspector, said 436 plans, amounting to just over R6 million, were passed this month, compared with 437 plans amounting to just over R12 million passed in November last year — a drop of about 50%.

Building plans for September and October this year were also roughly 50% down on the same periods last year.

Mr Beacon said today from George that there were fears in the industry the situation would get worse and that retrenchments would increase. Over the past eight months the supply of work had dwindled dramatically.

Enough pious talk, Toivo ^{STAR} tells UN ^{30/11/84}

By Andrew Walker,
The Star Bureau ²³⁶

NEW YORK — The Secretary-General of the South West African People's Organisation (Swapo), Mr Andimba Toivo ja Toivo, yesterday told the United Nations his organisation was tired of the world body's "repeated promises and pious words" about Namibian independence.

"What my people expect from the United Nations, at this critical stage of our struggle, is concrete and meaningful action, not mere words any more," he said, addressing the opening session on this year's General Assembly debate on Namibia.

The Assembly has before it five resolutions on Namibia, containing renewed calls for the imposition of sanctions on South Africa for its "continued illegal occupation of Namibia".

The resolutions also call for the immediate implementation of Resolution 435, the UN blueprint for Namibian independence.

"Now is the time for the United Nations, as a whole, to say enough is enough and to impose ... comprehensive and mandatory sanctions against South Africa, as an effective, peaceful way to bring her to book," said Mr Toivo.

Speaking on behalf of the 10-member European Community, Mr Robert McDonagh of Ireland said Resolution 435 alone provided the "universally accepted framework for a peaceful transition to independence".

"The Ten do not accept that the settlement plan should be delayed or set aside for extraneous reasons or for arrangements inconsistent with Resolution 435," he said in an apparent reference to the linking of a withdrawal of Cuban troops from Angola to the independence issue.

Bleak festive season ahead for families of short timers and retrenched

3. Post

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11/12/54

By WENDY FRAENKEL and
DEBBIE BOOYSEN

CHRISTMAS won't be quite the same for many Port Elizabeth families, especially those affected by retrenchments and short working weeks.

For many there will be no traditional turkey, Christmas pud and crackers, let alone a bottle of beer and braaivleis — for many it will be a frugal and unexciting meal with no-one to share it with but the immediate family.

Weekend Post this week visited several blue-collar workers and their families to see what kind of festive season they were expecting this year. Christmas cheer had certainly taken a turn for the worse in these areas.

A distraught Sidwell mother of five small children, Mrs Hannah Strydom, whose husband is working a two-day week and bringing in a third of what he used to, said their Christmas "would be a sad and lonely one."

"In the past we always travelled down to our relations in the Cape who we only see once a year anyway," she said, furiously biting her lip to hold back her tears.

"It was always so wonderful with all 20 of us getting together at my mother's house for Christmas dinner. She always cooked

meet.

One such person was Mr Frederick Dorak, 32, of Kensington, Port Elizabeth, father of three children.

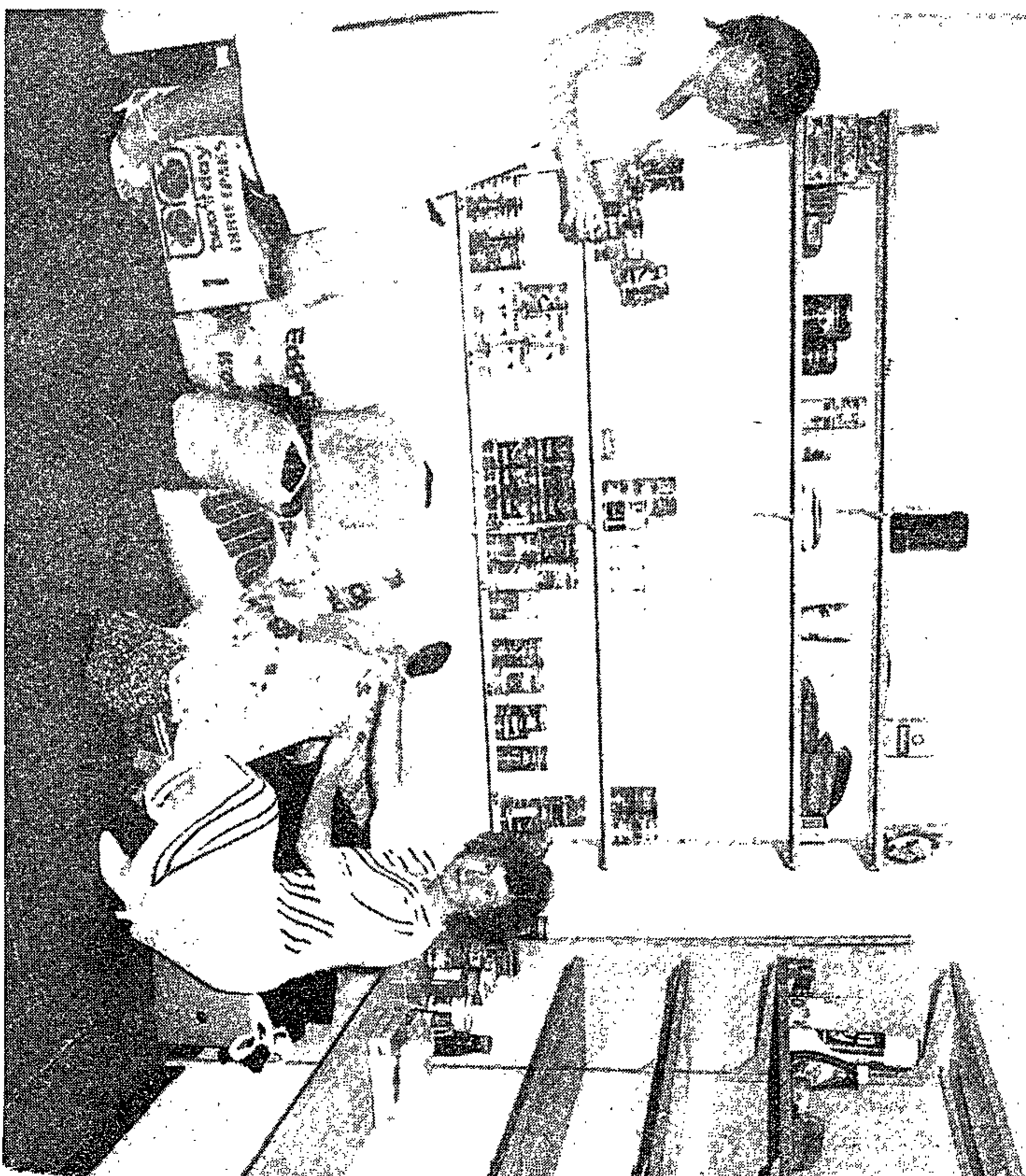
Five months ago he was laid off from his job as a toolsetter for a local motor manufacturing firm and he has not been able to find a job since.

"Luckily I know quite a bit about building and repairs so have managed to keep my head above water doing jobs of this nature for friends," said Mr Dorak, who was in the process of laying a cement drive for a friend when I interviewed him.

"Although these jobs only bring in about R300, if I'm lucky, it helps us to survive. I still have so many debts to pay off that I can't even begin to think about Christmas," he said.

He said he, his wife and children had always spent Christmas with their family in Knysna where he had spent a good deal of his time fishing with friends — this would certainly not be happening this Christmas.

A 55-year-old former quality controller for a motor manufacturing company, who preferred not to be named, said he had lost his job earlier this year and had been forced to work in friends' gardens to bring in a little money to buy food.



The shelves are bare at the Christelike Maatskaplike Raad's (CMR's) North End office, depot for the NG Kerk welfare organisation's emergency fund which aims to help white Port Elizabeth families in dire straits due to unemployment and short time. (Other churches in the NG church family are helping black families). Unpacking donations here are CMR social workers Miss DORET JOUBERT (left) and Mrs RITA WHITEHEAD. Contributions can be brought to the main CMR office in Mount Road or to the North End office, corner of Main and Crawford streets. Donations to the CMR Emergency Fund can be sent to Box 3217, Port Elizabeth 6000.

such lovely big lunches after which we moved all the furniture out of the lounge and danced.

"This year there will be no family Christmas and my husband, Pieter, myself and the children will probably just have a small braai in our back garden.

"I have tried to explain to my children that there will be no presents this year, but it is so hard of them to understand especially when they are so young."

Mrs Strydom, who was busy perming her next door neighbour's hair when I spoke to her, said that she was now doing some sewing, crocheting and knitting to bring a little extra money into the household.

Even the payments on the family's tiny two-bedroomed house — which they had been able to buy with the help of a good friend — were often skipped because there was no money for them.

A tearful Mrs Strydom was not looking forward to next year — her eldest child would be going to high school so it would mean new school clothing for him. The family were living under the constant fear that Mr Strydom might be the next to join the ranks of the unemployed.

Many breadwinners who have been re-trenched told Weekend Post that they had been forced to do odd jobs in the hopes of giving their families some sort of Christmas and in many cases just to make ends

"The man, dressed in a threadbare pair of overalls, who came to Port Elizabeth nearly 20 years ago from Italy, said that although he had no family to worry about it would mean that his Christmas would be lonelier than ever.

"Christmas has always meant having a braai with a few friends on the beach but this year there is no money, not even for a bottle of sherry."

A 23-year-old Sydenham woman whose husband has just been retrenched from his job of five years standing, said she expected a very miserable Christmas indeed.

"My husband is so upset that he has been drinking heavily ever since he was paid off and my two little ones and I have kept out of his way because we are scared he will beat us up," said the woman.

"He is just drinking up all the money I saved to buy Christmas presents and surprise food for the children."

But if retrenchments and shorter working hours meant a cut in Christmas rations, many who are still in employment also expressed concern over finances and said they would not be celebrating in any grand style this year.

A diesel locomotive driver told Weekend Post that he could no longer rely on overtime money. This meant that he did not earn the amount he and his family usually relied on to make it through the month.

"So we'll be spending only the necessary this Christmas and probably only on the immediate family. We can't spend more even if we wanted to, because relying on debt at the moment is out of the question."

He said he and his wife were fortunate to have only one small child to think of this Christmas. *EPST 11/2/84*

"How my workmates with four or five children are going to make it, I really don't know."

Cuts in earnings will also be affecting people employed in industry and commerce this holiday season.

Housewife Mrs Marlene Esterhuizen's husband is also working short time for a company manufacturing car-seats.

"So there's no way that we will be able to afford to spend much this Christmas," Mrs Esterhuizen said. "We've even had to cancel our Christmas holiday."

This was partly because the company her husband works for was also closing a week earlier than expected.

She said her three children were also not that small anymore and buying presents for them tended to become more expensive as the children grew older.

British-born Mrs Anita Lowe said the average working man could simply not afford to splurge at Christmas anymore.

She felt the cost of living in South Africa was now virtually on par with that of Britain.

Other residents said they would have to buy their children smaller, less expensive gifts, if they bought any at all.

Mrs Belinda Harris, mother of two, said: "We'd love to buy the little ones something special for Christmas, but what can you do when things are so expensive?"

Pensioners said they couldn't afford even to give their grandchildren presents after rent and medical expenses had been paid.

One pensioner, Mrs Antje Jacobs, said her pension was gobbled up by medical care for her serious health problems.

"If I have to be honest with you, I have nothing left after that. So what I'll be doing for Christmas presents for my two grandchildren I really don't know," Mrs Jacobs said.

And even cafe owners in these areas are feeling the pinch. Business is slow, markedly so, because in the past there was usually an increase in spending at this time of year.

One shopowner said that even items like slab chocolates, which were never a turnover problem, were getting old on the shelves.

o. Herald

1/12/84

(4#) (335)

... and those jobs

By Michael Doman

JOB prospects for school-leavers at the end of the year look bleak, as major employers will be taking on fewer new employees — another indication of the financial troubled times the country is experiencing.

Banks normally employ hundreds of matriculants, but personnel officers for Barclays and Standard acknowledged that the recession was causing them to reduce the number of employees taken on annually.

Miss Carol Balderstone of Barclays said: "We will only take on about 100 matriculants in December instead of the usual 200 to 250."

"This is for the simple reason that there have not been many resignations. People are hanging onto their jobs."

Standard Bank has changed their policy of appointing large numbers of new staff every year-end. They now only take on employees to replace others who leave.

Personnel manager of the United Building Society, Mr Tertius Snyman, said his company would not take on any employees until April next year.

"We are working in an economy which has slowed down. That has definitely caused problems," he said.

There are likely to be fewer jobs for apprentices in the civil engineering trade, too, according to Mr Desmond Nugent of Clifford Harris, a company which specialises in building roads and bridges.

"We took the decision some time ago not to take on apprentices in January next year because of reduced workshop capacity," he said.

BOOMING

"The whole civil engineering industry is not exactly booming and we can't have more apprentices than artisans. They have to work on a one-to-one basis."

Spokesmen for companies in the multi-million rand clothing industry, which offers thousands of jobs to unskilled people with all levels of education, said they would not necessarily be cutting their January to June intake figures.

Mrs Shirley Reid, personnel manager at BMD Knitting Mills in Diep River, felt the recession would not affect them much.

And Rex Trueform does not have a high labour turnover and will not be cutting down on staff intake.

"We only need staff as replacements if vacancies arise," said personnel officer Mr James O'Brien.

Argus 11/2/86 (35)

No shutdown in PE — say Ford and GM

Weekend Argus Foreign Service

NEW YORK. — Executives of General Motors and the Ford Motor Company in Detroit have strongly denied reports in South Africa that they are to close in Port Elizabeth.

Ford's Mr John Roberts said in Detroit: "I know about the rumours and the reports in the Press and want to say quite categorically that we have not reached any conclusion."

Mr Roberts denied vehemently that this meant that total closure of the Port Elizabeth operations was being discussed.

"It does not — and there is absolutely no basis for that assumption. Frankly, Ford and Amco are continuing discussions on a variety of questions."

"As soon as we have some conclusions we will make them known. We will not say what may or may not happen and raise unnecessary concerns."

At General Motors, Mr George Schreck, manager for international public relations, also denied the reports that GM was planning to close in Port Elizabeth.

"We have been in South Africa since 1929 and have seen many successes and some years when we lost. We did not close down then and will not do so now."

"The Government has taken action to correct the economy and it has hurt us severely — as it has the entire industry. We have had to lay people off. We don't know how long it will be before things improve."

Heavy rain causes 49 accidents in Roodepoort

West Rand Bureau

Heavy rain was the main cause of an unprecedented number of traffic accidents in Roodepoort at the weekend.

The municipal traffic department reported 49 accidents for the week ending yesterday. A spokesman said this was double the average.

Four people died when a mini-bus collided with a railway truck on Main Reef Road on Friday.

The police have not yet released the names of the victims, three coloured men and a boy. An unidentified black man was killed on the Western Bypass at the weekend.

In thirty-nine of the accidents there were no injuries.

Jobless claim unfair dismissal

By Tim Cockerell,
Star Line

As the recession claims more jobs, the jobless claim employers are resorting to methods of dismissal which are both "unfair and unjust".

Workers who thought their jobs secure have suddenly found themselves out on the street after missing work due to illness.

"You can't postpone sickness," said Mr Robert Leyde, whose employers, Trentyre-Bandag, dismissed him when he submitted a medical certificate for a spinal operation.

"I asked for a letter stating the reasons why I had been dismissed but



was told this was not necessary. My employers said the stores were in a mess and that I had been sick too often.

"I had been sick for five days in eight months," he said.

Mr Leyde told Star Line that his unemployment card stated he had been made redundant.

The day after Mr Leyde's dismissal, a colleague, Mr John Raftopoulos, was also fired

after being off work with bronchitis and sinusitis.

"My doctor's certificate was hardly looked at. I was told business had suffered because of my absence and that I was dismissed," said Mr Raftopoulos.

Both men feel they are the victims of unfair labour practice.

The managing director of Trentyre, Mr Steve Follard, said his branch manager had refuted the claims of the two men and that the matter had been taken up with the Department of Manpower. He had no further comment until the investigation was complete.

4.30 pm when a car con-

WU

Factory workers continue strike

3/12/84
395 Labour Reporter

ABOUT 400 striking employees of Wispeco, a window frame factory at Mobeni, unanimously resolved to continue their legal strike which entered its fourth week yesterday.

Mr Bobby Marie, a spokesman for the Fosatu-affiliated Metal and Allied Workers' Union, said the workers were protesting against the company's refusal to negotiate severance pay for employees who were retrenched recently.

'The union has made repeated efforts to resolve the dispute and had put forward a number of options but these have all been rejected by the company,' he said.

At a meeting this week, workers unanimously resolved to continue their strike action and instructed union officials to refer various other disputes to the regional Industrial Council for the Iron, Steel, Engineering and Metallurgical Industries, he said.

Mr James Milburn, regional manager of the company in Natal, said in statement to the Mercury that the 'dispute settling procedure' of the Industrial Council failed to resolve the dispute, and the company urged the union to take the matter to the Industrial Court to seek a peaceful and orderly solution.

New blow for car industry

Post
5/12/84



Price of fuel to rise: 83 workers at VW lose jobs

By CATHY SCHNELL

MORE retrenchments in the motor industry today accompanied the news of a fuel price increase to round off a bad year for Eastern Cape car plants.

Volkswagen in Uitenhage retrenched 83 hourly rated employees today.

This brings the number of people laid off in the motor industry over the past few months to just under 2 000.

The news of the latest retrenchments follows hard on the heels of the Government's announcement yesterday that an investigation be launched on how much to raise the price of petrol.

According to the public affairs manager of Volkswagen, Mr Ronnie Kruger, the severity of the current economic situation and the production requirements for next year had necessitated the retrenchments at the plant.

It was intended to retrench more workers, but after negotiations with the National Automobile and Allied Workers Union the number had been reduced to 83. The company retrenched 680 men recently.

Volkswagen production closes for the Christmas break on Friday. Salaried staff will work through to next Friday.

The director of finance at Ford, Mr Brian Rayner, today urged the Government seriously to consider some form of relief for the industry. It could, for example, be aided by abolishing the *ad valorem* tax introduced earlier in the year.

He said any action that would further increase the cost of motoring would be bound to have a detrimental effect on the industry, which had already borne the brunt of the Government's austerity measures.

However, with little known about the proposed fuel price at this stage it was not possible to assess the possible effects of a price increase on the industry, he said.

An increase in the petrol price is a culmination of one of the worst years the motor industry has experienced. Earlier setbacks were:

- Introduction of the *ad valorem* tax on some vehicles.
- Increase of GST by 4% to 10% in July discouraging purchases.
- Reduction of hire purchase repayment period and dramatic rise in interest rates.
- The decline in the value of the rand making imported materials more expensive.

The managing director of Volkswagen, Mr Peter Searle, said recently the motor industry had been "singled out for special attention on several occasions this year over and above all the other dampening measures taken by fiscal and monetary authorities".

Mr Kruger said in view of the severe deterioration of the rand against the dollar, it was not surprising the price of fuel would be increased.

He said it was not only the motor industry that would be affected by an increase in the fuel price. The price increase would filter through to virtually all commodities as oil products were used in their production and transport.

The financial director of General Motors, Mr Dave Sneesby, said it was obvious that any increase in the price of fuel would have a general inflationary effect on the country.

"If there has to be an increase we hope that it will be lower than the current inflation rate," he said.

● Announcing an investigation into an increase in the price of petrol in Pretoria yesterday, the Minister of Mineral and Energy Affairs, Mr D W Steyn, said it would be made in conjunction with the Ministers of Finance, Transport, and of Commerce and Industries.

Consumer organisations were invited to consult with the Department of Mineral and Energy Affairs.

He said the investigation would pay "due attention" to minimising the price adjustment as far as possible.

5/12/84

Defy workers fear closure of Durban factory

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Labour Reporter

WORKERS at the Durban plant of the giant Defy corporation are worried that a possible takeover of the company might result in the closure of the factory.

A spokesman said more than 500 workers would be involved if the factory at Jacobs was affected.

had to rationalise its operations because of the 'current depressed economic conditions'.

Defy's group managing director, Mr R G Newby, confirmed yesterday that takeover negotiations were in progress.

He declined to say if any of Defy's factories would be affected, but he added that a statement would be released before the end of the year.

Defy, which is one of the country's oldest and best-known appliance manufacturers, also has factories in Newcastle, with about 500 employees, and several factories in the Transvaal. At this stage it is not clear whether the Defy factory in Durban or those in the Transvaal would be affected.

Worried

The giant Federale Group's Tek Corporation has been involved in the takeover talks with Defy.

Mr Isaac Ngcobo, national treasurer of the South African Allied Workers' Union, said yesterday the union had been informed of developments at Defy, but it had been assured that only some of the workers would be affected.

'Our members at the factory are very worried. Some have worked for Defy for more than 20 years.'

He said the union had been told the company

Bid to stop eviction notices

Labour Reporter

THE House of Delegates MP for Stanger, Mr Yunus Moolla, has called on the Tongaat-Hulett group to withdraw notices served on 16 families occupying company houses on a sugar estate at Doringkop, near Stanger.

Mr Moolla, the Solidarity spokesman on local government and housing, said he had written to the company suggesting that the families be allowed to continue living there at a nominal rental.

'Most of them do not have alternative accom-

modation and will be left destitute if they are forced to vacate by the end of December in terms of the notice given to them three months ago,' he said.

Some of them have been living on the estate for more than 30 years and were among the original workers at Doringkop while the local mill was under the control of its former owners, the Illovo Sugar Company.

Their services were retained after the mill was taken over by the Tongaat-Hulett Group.

They were retrenched in October after the shutdown of the tramway system for transporting cane.

Mr Ron Phillips, the Tongaat-Hulett group's public relations spokesman, said everything possible was being done to help them find alternative accommodation.

If the houses were not required immediately, the company would consider allowing the families to continue staying there at a nominal rental.

They had been living in the company houses rent

free while they had been employed by the company.

Mr Moolla said that using people only for their labour and removing them from a stable family environment when their services were not wanted created many social and economic problems.

'I believe the whole question of security for people working on the sugar estates has to be microscopically examined. I am busy investigating the situation in my constituency and in due course will be recommending a

solution to avoid a recurrence of the insecurity and threats that sugar workers face,' he added.

Urban unemployment up, despite growth points

Financial Reporter

INDUSTRIAL growth in decentralisation points has not compensated for rising unemployment in the urban areas.

This is the view of Professor Trevor Bell, of the Rhodes University economics department, and Dr Vishnu Padayachee, of the Institute for Social and Economic Research of the University of Durban-Westville.

Writing in the latest issue of Development Southern Africa, the Development Bank of Southern Africa's quarterly journal, the researchers say nothing must be done to jeopardise the growth performance of the metropolitan areas.

They say unemployment rates have shown a cyclical, but rising trend, remarkably similar to those of the UK and other OECD countries.

"The evidence indicates that the rising trend in unemployment is primarily related to a slowdown in the rate of growth of the demand for labour, rather than any significant shifts in labour supply," they say.

However, the causes of the decrease in demand for labour are not readily apparent.

The researchers believe the major cause has been

the fall in the rate of economic growth. The three major forces underlying this downswing are:

- The rise in raw-material prices since the mid-sixties.

- The slowdown of the process of diffusion of technology by advanced industrial countries to industrialising Third World countries.

- The downward pressure on the relative price of manufactured goods because of rapidly increasing productivity and the resultant international competitiveness of newly industrialised countries (NICs) and Japan.

"These factors gave rise to a series of supply-side shocks which have moved the advanced industrial countries and therefore the world economy in a downward direction."

In South Africa this was alleviated to some extent by the expansionary, spending effects of two major gold booms.

The answer to rising unemployment does not lie in merely severely restrictive, deflationary monetary and fiscal policies.

"Such policies, though perhaps unavoidable for balance of payments reasons, tend to aggravate rather than cure problems of unemployment."

SOUTH AFRICA is sowing the seeds of a catastrophe in the rural areas ... and could soon be reaping civil unrest worse than the current strife in urban townships.

Researchers working in the various "homelands" are increasingly coming across signs of resentment and resistance to the authorities as more and more people are cast into beggary ... without jobs, land or proper food. Witwatersrand University's Professor Jeremy Keenan, who is in charge of a number of research projects in the rural areas, has noted a dramatic increase in the level of resentment and disenchantment.

This has gone hand in hand with massive overcrowding in the homelands over the past decade, as a result of influx control, forced removals and soaring unemployment. Altogether, researchers have estimated there could be three-million people out of work in South Africa.

In the past two years, the country has been hit by the worst economic slump in 50 years.

Workers have been laid off in almost every sector of a sliding economy. And, approaching one of the bleakest Christmases in years, a fresh wave of retrenchments is looming. However, the recession has merely exacerbated an already high structural problem, which saw unemployment rise steadily between the late Sixties and the Eighties.

This trend has been largely attributed to replacing people with machines in industry — and is particularly true of the agricultural sector, where the tractor and the combine harvester have displaced more than 400 000 jobs since 1970.

Almost three-million — about a third of all children in South Africa — are underweight and stunted for their age.

Dr Machupe Mphahlele, Lebowa's Secretary of Health, says half of the territory's 600 000 school-children suffer from malnutrition, with the situation likely to worsen.

Rural areas ripe for civil unrest

PHILIP VAN NIEKERK

However, there has been malnutrition in South Africa for more than 50 years. In 1970 — which was not a drought year — more than 50 000 children died of starvation in South Africa.

Prof Keenan says: "Drought is not by any means the major cause of rural poverty in South Africa. Most people in the homelands don't have access to land ... so they don't stand to be affected by the drought."

"The major cause of poverty is apartheid: structural unemployment, relocation of the unemployed in the homeland areas and the dispossession of land in the bantustans by big capital."

Mrs Sheena Duncan, national director of the Black Sash, believes that retrenched migrant workers who often stay in the city to look for work illegally — people with absolutely no stake in the system — should be causing the Government and the private sector sleepless nights.

One sign that the population is growing restive is the increased expenditure on homelands' security to police and control people. To fund this control, says Prof Keenan, the local authorities in the homelands have to tax more, setting up a vicious cycle of suspicion and hostility ... which must break some time.

Waiting for work in the job drought

INSIDE RDM 7/12/84

PHUTADIJHABA, the capital of the tiny southern Free State "homeland" of QwaQwa, is a rural township spreading in an almost unbroken line of huts and shacks for kilometres over the foothills of the Drakensberge.

Driving into the country one realises that rural is a relative term: there is very little agriculture on the hilly land.

Rusted motor cars are almost as common a sight as cattle and the soil is badly eroded, with large dongas scarring the landscape.

Drive through the ramshackle streets of the town — set against the background of a smaller relative of Table Mountain — and one soon enough reaches the centre of activity: the labour bureau.

Daily, thousands of men gather outside its barbed-wire security fence. They stand in queues or in groups or play makeshift draughts on the ground.

It is also one of two places you would expect to see a white face: the other is sipping a sundowner at the QwaQwa Hotel.

A white person getting out of a car at the bureau is like a magnet to hundreds of men: some wave their reference books in your face, others peer curiously from the back.

I explained that I was not offering jobs: I was just a journalist in search of the "human face" of the country's three million unemployed. How absurd it must have sounded.

PHILIP VAN NIEKERK

Yet they were prepared to co-operate and be interviewed.

Petrus Sibeko, a surly 21-year-old in a tattered checked shirt, said he had been waiting outside the bureau for two years.

His parents are dead, and he is assisted by his older brother, Edwin, a migrant worker in Welkom who digs roads for a living and sends him R40 a month.

Most of the men outside the bureau are young and — like Petrus — most of them belong to a growing group of people in the homelands who have never had work.

On the other hand, 52-year-old Jonas Mokwena resembles the words of a poem one remembers: "A tattered coat upon a stick".

Two-and-a-half years without work, he was retrenched from a construction company right at the beginning of the recession.

"Income?" he laughed. "I have no income."

"My eldest son is already looking after himself. I can possibly get R30 a month from him... Otherwise we are assisted by friends and the neighbours."

Jonas' life as a migrant worker began when his community was forcibly evicted from Grootvlei in the Transvaal in 1967 and moved to QwaQwa, in those days still the Witsieshoek location.

Since then — returning yearly from contract work — he has watched Phutadijhaba mushroom from virgin farmland as fresh

waves of removals have taken place from the farms and dorps of the Free State.

Since Jonas and his family arrived in QwaQwa, nearly 250 000 people have flooded into the already-overcrowded territory, increasing its population 10 times.

They are still coming. Klaas Dlamini moved in in September, fleeing the long hours, arduous work and R40 a month he earned on a farm in the Kroonstad district of the Free State.

He soon realised that Phutadijhaba was not the Garden of Eden he expected.

Klaas, his wife and four children — who are thin and underweight for their age — can live on his savings for two more months.

The Dlamini family fall into a bracket known in fashionable academic circles as the surplus people: without jobs or land or access to the cities, they are excluded from the country's economy.

In QwaQwa the surplus people are at the bottom rung of the class ladder. In the middle are those, mainly migrant workers, with jobs and at the top of the ladder are the bureaucrats, many of whom have conversely — and visibly — grown fat off the system which spawned them.

There are no cinemas, no dance halls, no computer game arcades in Phutadijhaba, so the bottled-up social life of the people



JOBLESS ... men wait patiently outside Phutadijhaba's labour bureau, ...

emerges at night in the speakeasies.

It was in the shebeen at unit 5491 that I was accosted by a smart-suited member of QwaQwa's bureaucratic corps.

The air was thick with smoke, Diana Ross was on the hi-fi, distorted and noisily competing with what seemed like a thousand drunken conversations and the good time gals were out-jiving everyone else.

"Hi," he swayed as he put out his hand to greet me, "I'm Desmond Tutu."

The grinning face became puckered as he geared himself up to make an important statement: "Don't let anyone tell you that the black man has been oppressed."

"Anyone can make it to the top if he works and is clever enough. Look at me and look" — he waved his hand in a dismissive gesture at one particularly obvious casualty of the night's imbibing — "look at these people. They don't want to

work. They just want to drink and have a good time."

He assumed that, as a white person, I would understand what he meant.

The next day I sat in the neat but cramped front room of the house of Geelbooi Motsielwa, half-way up a hill in a rural village on the outskirts of Phutadijhaba.

Three weeks previously, Geelbooi had been a team leader at Sasol II in Secunda and — being a natural leader figure — now acted as a spokesman for the other 14 former Sasol workers in the room.

The men, who had all been fired for taking part in the two-day stayaway, still carried membership cards of the Chemical Workers' Industrial Union in their top pockets. They had lost no time in forming a group to continue their fight from the isolation of their village.

They had taken their action together and now they all faced hardships together.

er: if Isaac's next payment did not go through, his furniture would be repossessed. Philemon's late brother's family had depended on him and would now have no support; from being a relatively high earner, Zed and his family would have to live on the R12 a week his wife earned in a china and glassware factory outside Phutadijhaba.

One man, Benjamin, spat on the ground when Sasol's name was mentioned. He would rather starve than work for such a company with such a despicable attitude towards its workers.

"The union stood up to management and fought for workers' rights," he said, "which is why they got rid of us. The stayaway was just an excuse to break the union."

Asked why they had taken part in the stayaway, one of the men said he had children at school: "As a parent I felt I had to support the call of Cosas".

What would they do if

they could not get their jobs back at Sasol?

One man could fix cars and would try his hand as a mechanic; others wanted work in QwaQwa, where they would not have to leave their families again ... even though wages in the growing decentralised industrial complex outside Phutadijhaba were very low.

Others said they would try their luck at the labour bureau.

Most of the men were determined — with the help of the union — to get their jobs back again. Quite simply, they did not wish to turn into surplus people.

Yet at that very moment, a few kilometres away at the labour bureau, a white kombi-load of Sasol officials was arriving from Secunda to sign on hundreds of new recruits.

A few days earlier the same kombi had carried off a pile of reference books for screening and checking on work records.

Now an official with a loud-hailer called out the names of the successful applicants, one by one.

Steve Ramagata, fired from Sasol two weeks earlier, had re-applied but was not successful. The clerk at the office told him that was because he was an "intimidator".

He was told the Sasol stamp in his reference book would ensure that he would never again get work.

If Steve now chooses to leave, to search for work illegally in Bloemfontein or Johannesburg, he faces arrest and imprisonment: if he stays he faces starvation for himself, his wife and his three children, aged nine, seven and three.

As I left Phutadijhaba in the late afternoon, dark clouds had gathered and a storm seemed likely.

Driving past the labour bureau nearly all the men had given up for the day.

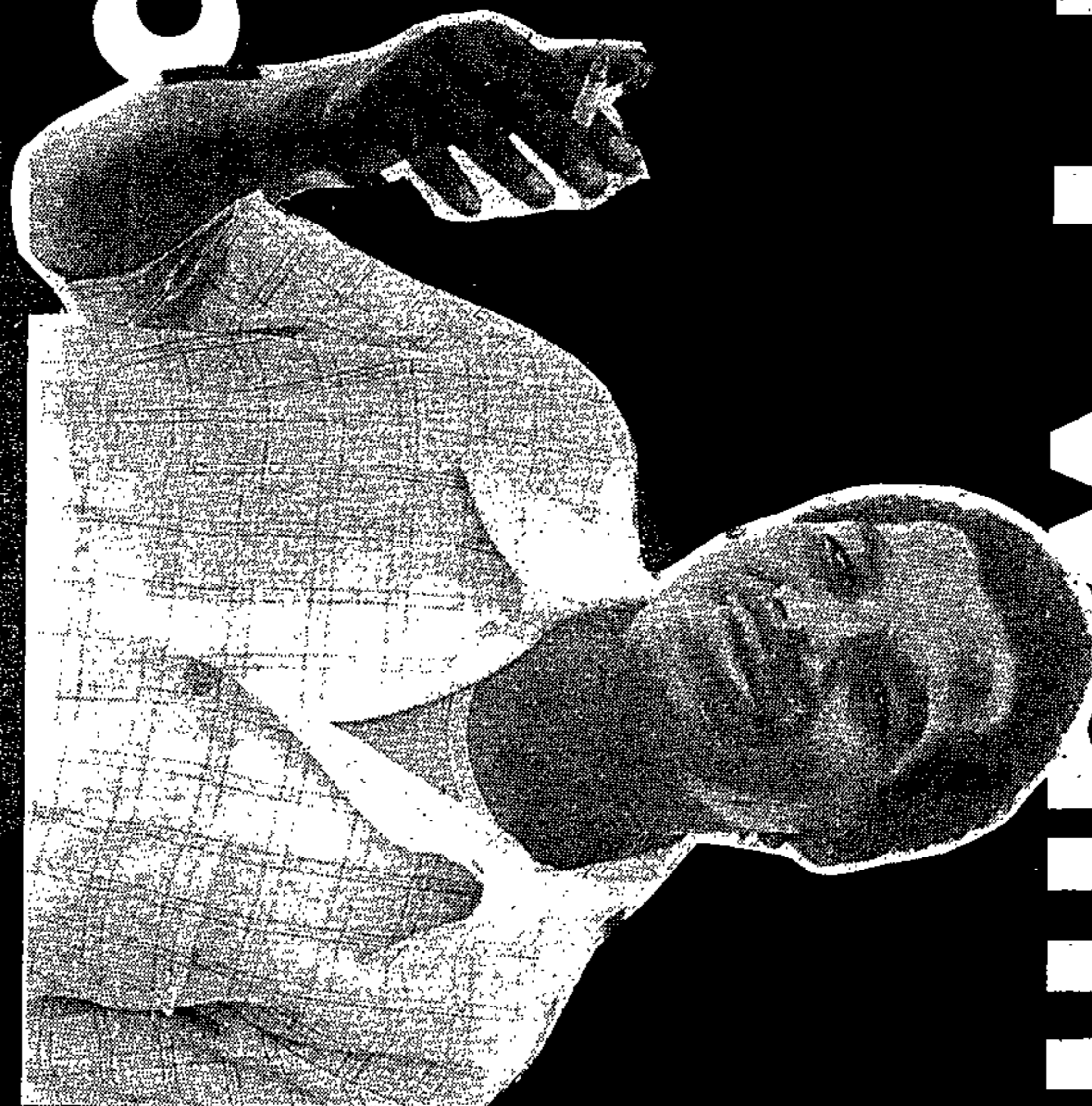
It was not the rain to end the drought they were waiting for.

RDM 7/12/84

O-Herald 8/12/84

(335)

All I want is a job



EVERY morning for almost a year Sammy Philander rose at 6 am, packed in his sandwiches and waved goodbye to his mother and young daughter, saying: "All right, I'm off to work."

But the 27-year-old painter labourer, pictured left, has been unemployed for the past 12 months. He spends his days outside the Labour Bureau in Parade Street Cape Town waiting for the permanent employment which by now even he realises is unlikely to come.

So like a prostitute, he strolls up and down the road offering his services for between R10 and R15 a day to the building contractors who come around in search of casual labour.

Sammy eventually confessed to his mother that he'd been lying all the time about working.

And he says: "She understood and sympathised. But not my stepfather. He complained that others in our home had steady jobs — why not me? He complained that I shouldn't expect to live off the breadwinners in the house."

"But I don't want that. I want to work. A good week for Sammy is being employed as a casual labourer for three days at R15 a day. That would bring in R45, most of which he says would go towards household expenses."

Sammy is no angel — he has spent some of his life "inside". And he confesses: "On Friday nights especially when I see the rest of the manne going out to enjoy themselves, I've often been tempted to steal again. I mean any young man likes to go out occasionally for a drink or to a disco. But I can't."

THE milk-and-honey days in sunny South Africa are over.

"10 000 jobs axed as SA motor trade slumps"... "No dole for Ceres' 600 retrenched workers"... "Job loss warning" scream the papers.

Daily, thousands of people representing all shades of the colour spectrum, are losing their jobs in one of the worst economic periods in this country since the Great Depression.

In July this year, Dr van der

Merwe, the Director General of Manpower, sounded the gloomy warning that 2,4-million South Africans would be unemployed by 1987, if an economic growth rate of 3,6 percent were projected.

Labour bureaux have become the most industrious places around, as "Sorry, no vacancies" has been adopted as the national theme in commerce, trade and industry. Tyrone Seale looks at some of the effects of the the situation.

Selling himself for R10 a day

JOSEPH Griffiths, 32, a bricklayer from Elzies River, had the joy of receiving R62 at the end of each week until three months ago when he was retrenched.

Since then, he says, life has been hell for him, his wife — a nurse, out of work — and their seven young

children, the eldest of whom is 11 and the youngest only eight months.

For example, last Monday morning, Joseph said, their furniture was repossessed.

Also, he owes the Divisional Council R360 in rent arrears.

In his quest for em-

ployment, there was one thing which counted heavily against him, he said.

"For the past seven years I've been in and out of jail regularly."

"Who would take on a man who looks like this?" he lamented as he rolled up his sleeves, baring the dozens of tattoos all over his arms. He also sported a large number of tattoos on his chest.

CHANGE

"I've gone to jail for breaking into shops twice — to keep my kids alive," he said. "Sometimes, when my wife asks me for money and my children want other things, I still get that urge to break in again, but I never do it. I want to change."

And so, because he had to put up with several written and oral "no employment needed" notices, Joseph joined the unemployed crowd outside the Labour Bureau in Parade Street, Cape Town.

For the past seven weeks, he has been



● JOSEPH Griffiths . . . "Life's been hell."

selling his skills for up to R10 a day. "It's not every day that there's work around here. Sometimes you get picked twice or three times a week, and sometimes there's work only once a week. What also happens is that people let you do the work first and then pay you next to nothing. "There's nothing you can do about it then."

THE FIGURES

BY June this year, at least 572 828 blacks — Africans, coloureds and Indians — were unemployed nationally, according to Central Statistical Services.

This meant that the unemployed formed about 2,6 percent of the total black population which was at least 21 898 409 at the time.

The Central Statistical Services (CSS) conducts monthly surveys on a sample basis to obtain current short-term information on the structure of the economically active African, coloured and Indian population groups. The most recent Indian and African sur-

● WE'RE in the market for jobs... a group of men wait patiently for casual jobs outside the Employment Bureau in Cape Town.



veys were conducted in June this year, while the latest available figures for coloureds go back to November last year. The surveys particularly keep a check on the unemployment figures in the different population groups. However, the survey regards the unemployed only as those who are registered with the Department of Manpower Unemployment Insurance Fund. It is generally accepted that the official figures are not accurate since it is known that there are several thousand workers who do not register at unemployment offices.

Jobless can mean wifeless

E. HERALD

8/12/84

BEING unemployed can play havoc with a man's marriage.

"It did with mine," said painter Achmat Salie, who has been without work for more than a year.

"I can't remember how many times my wife has threatened to throw me out," he said.

And he added: "Most of our arguments are about money. She blames me for not being able to find work. But I've tried. For months now I've been arriving at the Labour Bureau every morning before 7.30 am.

"But all I've been able to get is casual work — and then only sometimes."

Mr Salie said there was tremendous competition for this type of work between the dozens of others with similar predicaments.

FIGHT

"Often men fight with each other to get onto the back of trucks which occasionally stop here with offers of work.

"Once I saw a door of a van being ripped off as people scrambled to get on."

The Elsie's River father of three is also not happy with what he terms harassment by the police.



● **ACHMAT Salie**
— Labour Bureau
can't help us.

"I've been arrested twice and have had to spend weekends in jail simply for standing outside the Labour Bureau," he said.

"But this is the only place where we stand a chance of getting work. If we sit inside the building we'd go hungry. The Labour Bureau people can't help us."

'Most times we
fight over money'

400 back after five-week strike

Labour Reporter

THE five-week legal strike by 400 employees of Wispeco ended yesterday. But, according to a spokesman for the workers, they would refuse to work overtime until their grievances had been resolved.

The work stoppage, which seriously disrupted the company's production of window frames, started on November 2 after the company embarked on a retrenchment programme and dismissed 95 workers.

According to Mr Bobby Marie, a spokesman for the Metal and Allied Workers' Union, the dispute was over the company's refusal to negotiate severance pay with the union.

After a lengthy meeting this week the workers decided to return to work with immediate effect and instructed the union to refer the dispute to the Industrial Court.

In the meantime, they would be registering their protest by banning

overtime work and imposing a work-to-rule attitude, he said.

Mr Marie said the meeting also discussed the use of 'scab' labour during the strike: 'It was noted that these employees were paid far in excess of what black workers earned for the same jobs and that their presence on the premises could have seriously inflamed racial tension.'

Mr James Milburn, regional manager of the company in Natal, yesterday confirmed that 238 strikers arrived at the company's premises and indicated that they were prepared to return unconditionally.

'At a meeting held with shop stewards this morning, management were advised that the workers wished to return to work as normal and that the strike action had now been terminated.'

'Discussions will continue with representatives of the union in an attempt to resolve outstanding matters,' he added.

ingos 8/12/84

Mine retrenchments bring deep concern

By PIPPA GREEN

Weekend Argus Reporter

NAMAQUALAND community leaders are deeply concerned about the retrenchment of 600 workers at Oetha diamond mine near Oranjemund.

The isolated Richtersveld village, Kuboes, from where most of the workers come, is already depressed and the huge retrenchment has seriously affected the already poor community, according to a local clergyman.

The Rev Benny Faroe of the NG Sendingkerk, the largest church in the district, said the community depended entirely on the diamond mines for work.

"There are no other job opportunities here and the other mines cannot accommodate these people," he said.

Namex, which owned Oetha diamond mine, which went into provi-

sional liquidation on September 11, has laid off all except 88 workers, according to a National Union of Mineworkers organiser, Mr Howard Gabriels.

He said the workers had received no severance pay and had major problems obtaining unemployment benefits.

According to Mr Faroe, there is no public transport in the area, which is designated a coloured reserve, and the jobless have to hire private transport to collect their benefits at the magistrate's court in Port Nolloth, 145 kilometres away.

Mr Gabriels said workers sometimes spent more on transport than they received in benefits.

The regional welfare board for Namaqualand said the retrenchment of the diamond workers would "contribute to the chaotic conditions of the area", already hard-hit by drought and unemployment.



Argus 8/12/84 (335) (100)

BUSINESS



Cape Town-born Mr Gordon Parker has been appointed president of Newmont Mining Corporation of the United States. Before joining Newmont he was managing director for six years of O'okiep Copper Mine and Tsumeb Corporation, both of which are affiliates of Newmont. He holds an MBA from the University of Cape Town.

Jobs at risk as Defy, Tek head for merger

By **AUDREY d'ANGELO**

THE recession has caused a merger between Tek and Defy Corporations, and jobs are virtually certain to be lost in the major rationalisation which Mr Johan Moolman, managing director of Federale Volksbeleggings, says will be carried out.

Federale, with 54 percent of the shares, will control the huge new Tek Corporation and Sanlam will have the remaining 46 percent.

Mr Neville Organ, chairman of the new corporation, says that neither Tek nor Defy were making money.

The merger was achieved by injecting new funds into Tek, which has bought Defy from Glynwed of Britain and General Electric of America for R27-million.

It has prevented the two from entering into direct competition in a time of low demand.

Tek, the country's largest manufacturer of brown goods, entered the white goods market this year and Defy, the largest manufacturer of white goods, was about to enter the brown goods market.

● Another sign of the times was a steep fall in attributable profits by the construction company LTA in the six months to September. They plunged to R3-million

from R8,3-million in spite of a rise in turnover to R609-million (R521-million).

● But company news this week was not all gloom. Mr Warren Clewlow, chief operations officer of Barlow Rand, says it is continuing with its long-term capital expansion programme to gear it for future growth. Capital expenditure in the past year rose from R625-million to R717,4-million.

The group achieved a 20,4 percent return on average net assets in the year to September, unchanged from the previous year.

● Reunert will become a major supplier to the Post Office as a result of an agreement for GEC South Africa — in which it has a 50 percent stake — to buy 50 percent of the Telephone Manufacturers of South Africa. Mr Derek Cooper, chairman of Reunert, says the acquisition is expected to increase group earnings by about 3c a share in the year to September 1985.

● The pre-listing statement by the directors of Safmarine and Rennies Holdings (Safren), formed by merging Safmarine and Rennies, says they expect the dividend for the year to June 1985 to be at least equivalent to 76c a share.

● While many other companies have lost heavily as a result of the weakness of the rand, Plate Glass and Shatterprufe Industries made a foreign exchange profit

of R14-million as a result of converting foreign currency in the six months to September. But the interest bill more than doubled to R9,9-million (R4,4-million) and the interim dividend is unchanged at 35c.

PGSI's pyramid company, Placor Holdings, is paying an unchanged interim dividend of 13,1c.

● The Kofkor group is making a new rights issue to raise R25-million, of which R24-million is intended to finance the Coffee Corporation's new processing plant at Barberton.

● Although it incurred a net attributable loss of R760 687 in the six months to August, Amalgamated Industrial Investment Corporation has maintained the interim dividend at 3,5c a share.

Its listed subsidiary, Premier Industries, has maintained its interim dividend for the same period at 9,5c. In both cases the directors say this is because of an extraordinary profit of R7,9-million in January this year.

● First Union General Investment Trust (Fugit) has lifted the final dividend for the year to December to 12c (10c) a share, making a total of 19c (16,5c).

● The final dividend from Sage Holdings for the year to December is 30c a share, making a total of 48c for the year.

Campaign planned to aid jobless PE blacks

By SHIRLEY PRESSLY
THE Nederduits Gereformeerde Kerk is geared to help the large number of blacks who have been laid off by industry in Port Elizabeth, particularly by the ailing motor industry, which has recently paid off almost 2 000 workers.

Ds G E G Louw, secretary for Mission in the NG Kerk in the Eastern Cape, said there was a strong possibility that further workers would be laid off and that the working week would become shorter.

He said all indications pointed to the fact that the situation for those laid off would become critical between Christmas and New Year.

Mr Louw said the NG Kerk had already made emergency plans for white unemployed people. An action committee had been established.

"We will have to establish something similar for our people," he said.

"As a church we have full understanding of the difficult situation in which many industrial workers who are now out of work find themselves. The church wishes to identify completely with the needs of the people in industry."

He said that although preference would be given to members of the Nederduits Gereformeerde Kerk in Afrika, the Nederduits Gereformeerde Sendingkerk and the Reformed Church in Africa, aid would not be restricted to NG Kerk members.

Mr Louw said help would

be given to those who needed it within the limits of available funds.

They already had R2 000 to help those in need. He said R1 000 came from the funds of the Synodal Mission Commission and R1 000 from the Church's Action Firstaid (Kan).

He said a survey of NG Kerk members' needs would be conducted and subsequently assistance given in co-operation with the churches concerned. Any other aid would be provided through established social work organisations.

Mr Louw said the church would also seek the help of the Interdenominational Committee for the Ministry in Industry. Three churches belonged to this committee, namely the NG Kerk, the Church of the Province and the Methodist Church.

He said he had been in touch with social workers from the Kayamnandi Town Council who believed the situation would only reach critical proportions between mid-January and the end of that month.

He had also contacted, or would contact, organisations which helped blacks like the Port Elizabeth Charity, Redhouse Benevolent Society, Child Welfare and the Walmer Benevolent Society.

"We're concerned about the low income groups," said Mr Louw. "We're particularly concerned about the lowly paid Africans, coloureds and Indians. They have nowhere to go and no resources to fall back on."

** Kost 10/12/84

Broken window 'sign of unrest to come'

Post Reporter

THE chairman of the Booysen Park branch of the Labour Party, Mr H M Cairncross, today added his voice to those who fear that large-scale retrenchments in the motor industry in the Eastern Cape could lead to social and economic problems for the various communities.

Mr Cairncross said the windows of his house in Booysen Park had been smashed and he believed it was a token protest against the Labour Party and unemployment.

He feared that vandalism would increase as more people were retrenched.

Mr Cairncross said a branch meeting of the Labour Party would be held at the Community Centre in Booysen Park on Wednesday at 7.30pm.

The branch, he said, also served as a civic association in the area and dealt with many issues at grass-roots level.

In the past two months he said 30 people who were in arrears with their rentals at Booysen Park had been to see him. These arrears ranged from R500 to R2 000.

Mr Cairncross said other matters to be discussed at Wednesday's meeting included:

- Complaints about overcharging at the only shop in Booysen Park which serves about 800 houses.

- The proposed Bethelsdorp minibus service.

- The poor image of Booysen Park.

- The need for recreational facilities in the area.

- The infiltration of schools by the United Democratic Front and the South African Council on Sport (Sacos).

Union calls off Durban strike

By STEVEN FRIEDMAN
Labour Correspondent

ABOUT 400 Metal and Allied Workers' Union (Mawu) members have called off a four-week legal strike at a Durban company, Wispeco — but have decided to take other action against the company and the Dorbyl-Metcor group, which owns it.

The workers have decided not to work overtime at Wispeco and to begin a work-to-rule after they return, the union said in a statement issued last week.

Mawu also announced plans for a campaign against Dorbyl-Metcor next year that would include an attempt to block loans to it from the Metal Industries Group Pension Fund. The union sits on the board of the fund, which covers black workers in

the metal industries.

The Wispeco strike was prompted by the company's refusal to negotiate severance pay for retrenched workers with the union.

The company says this should be discussed at the metal industrial council, but Mawu rejects this.

It says the Steel and Engineering Industries Federation (Seifsa), which represents metal employers, has said that severance pay should be negotiated between unions and individual companies.

Mawu is taking industrial court action against Wispeco on this issue.

A motion the group be refused loans from the pension fund was "strongly endorsed" by the meeting.

Southern 11/12/84 1984 335 200 1984

Cusa threatens national strike

THE COUNCIL of Unions of South Africa and its affiliates have threatened to call a national strike if the sacked 6 000 workers at Sasol are not reinstated.

The decision to call a strike was taken by the union's joint executive council at a meeting held in Johannesburg at the weekend.

In a statement Cusa said it supported the struggle of the dismissed workers at Sasol and appealed to management to reinstate the workers without any loss of benefits.

It urged Sasol management to continue to discuss with the Chemical Workers' Industrial Union over the dismissed workers.

The workers were sacked after the two-day stayaway from work organised by several trade unions, including Cusa and the Federation of South African Trade Unions (Fosatu).

In the statement Cusa said that it supported a boycott of Dairymaid Ice Cream Corporation products following the dismissal of workers at

the plant near Pretoria.

The boycott was called by Cusa-affiliate, Food and Beverage Workers' Union, in an attempt to pressurise management to reinstate the workers dismissed early this year.

Cusa has made it clear that it will take all necessary steps to ensure that the Sasol workers were reinstated even if it means a national strike which will be arranged through a national strike committee.

Cusa also endorsed the present unity talks aimed at forming a giant trade union federation in the country. The talks have been going on for over two years and it is hoped that they will be completed next year.

San 12/12/84
Mercedes
lays off
280 men

Tough conditions in the economy have led to 280 workers being laid off at the Mercedes Benz car plant in East London, a statement released in Johannesburg by Mercedes Benz said yesterday.

A spokesman for CDA in East London — which assembles Mercedes cars and trucks and Honda cars — said:

"In discussions with the National Automobile and Allied Workers Union this morning, we reviewed production needs for 1985 and agreed that we must immediately lay off 280 of our 4 500 workers.

"During this morning's discussions with the union, some workers at the plant halted work. After the lay-offs agreement, union representatives addressed the workers and normal working is expected to resume tomorrow.

"We will meet the union on a monthly basis to review the situation as it develops. It has been agreed that we will seek to employ the 280 people laid off, but that at the end of two months any who have not been employed will automatically be retrenched." — Sapa.

Union action ends EL car plant stoppage

EAST LONDON — Swift union action at the Car Distributors Assembly plant here yesterday solved a 90-minute work stoppage over the proposed retrenchment of 280 workers.

This was confirmed yesterday by the Port Elizabeth-based regional secretary for the 21 000-strong National Automobile and Allied Workers' Union (Naawu), Mr Les Kettle-das, and a spokesman for Mercedes Benz South Africa, Mr Richard Wagner.

The brief stoppage by about 500 day-shift workers took place during negotiations between the management and the union yesterday following the retrenchments on Friday.

Work along the assembly line and the paint shop is expected to be back to normal this morning following the early shutdown yesterday when the negotiations reached a compromise.

The compromise is that the 280 retrenchments will not be final. The workers will be laid off for two months and if there is an improvement for the badly affected motor industry following the severe HP restrictions and the new fringe benefit tax, the workers will be rehired.

Mr Kettle-das said: "This is the crux of the agreement we reached. The matter will be re-negotiated again next year and the union will obviously try its level best to prevent outright retrenchments."

Asked what alternatives there were if the outlook for the motor industry did not improve, Mr Kettle-das said:

"We will then have to look at short time which was discussed today. Other alternatives include early retirement of people near pensionable age without the loss of any benefits.

"We will also have to do away with all overtime — except in ex-

treme emergencies."

Mr Kettle-das felt short time could not be ruled out when the phased in re-opening of the plant started on January 7.

He said it was clear the government would have to do something about the severe HP restrictions which were affecting car sales, in turn causing major problems for the workers.

Mr Wagner confirmed the compromise for the two-month period and said it was difficult to say how many workers were involved in the stoppage.

He said tough conditions in the economy had led directly to the proposed retrenchments.

"The new fringe benefit tax did not help either and all these adverse economic conditions added up to make the market far from buoyant and necessitated the action which the company regretted.

"We are hoping the market will improve in the first quarter of next year and we will be able to rehire the 280 workers of our 4 500-strong workforce."

Mr Wagner said all the laid-off workers would get all the benefits to which they were entitled, including bonuses, holiday pay and lay-off pay.

He confirmed that short-time had been discussed but that management were not in favour of it as past experience had shown that it affected quality.

"Being one of the country's biggest private companies and one of the country's largest firms in the industry (the plant's productive capacity is 174 units a day), the firm naturally prides itself on its outstanding quality and would not want anything to affect it," he said.

"It was agreed after discussions with the union that to protect jobs and all the rest, the least painful option will be the layoff of the 280 workers and management will meet the union on a monthly basis to reassess the situation."

Naawu is affiliated to the 100 000-strong Federation of South African Trade Unions while CDA is one of the largest employers in East London.

It has an annual salary bill of over R11 million and a wage bill of over R26 million. Employee benefits are over R5 million and there are at least nine component manufacturers in the city which are affected by any snarl-up on the production line. — DDR

335
12/12/84
D. Despatch

280 workers laid off by CDA

EAST LONDON — Tough conditions in the economy have led to 280 workers being laid off at the Mercedes Benz car plant here, a statement released in Johannesburg yesterday by Mercedes Benz said.

A spokesman for CDA in East London — which assembles Mercedes cars and trucks and Honda cars — said: "In discussions with the National Automobile and Allied Workers Union, we reviewed production needs for 1985 and agreed that we must immediately lay off 280 of our 4 500 workers."

During yesterday morning's discussions with the union, some workers at the plant halted work. After the lay-off agreement, union representatives addressed the workers and normal working is expected to resume today.

"We will meet the union on a monthly basis to review the situation as it develops. It has been agreed that we will seek to employ the 280 people laid off, but that at the end of two months any who have not been employed will automatically be retrenched."

The CDA plant started

a phased Christmas shutdown on December 7 and will be closed for annual holidays from Friday.

It is due to start re-opening on a phased basis from January 7 next year.

Mercedes Benz, which relies on company fleet orders for about two-thirds of its annual sales, is conducting urgent talks with the government in an effort to cushion the expected drastic effect on sales of the new fringe benefit tax.

Mr Richard Wagner, spokesman for the public relations firm representing CDA, said a refusal by the government to grant relief would have a serious effect on Mercedes Benz, which this year achieved record sales.

During the whole of 1983, 13 607 Mercedes Benz cars were sold. So far this year sales totalled 14 411.

Union intervenes P6

Latest cut in motor labour

By STEVEN FRIEDMAN

Labour Correspondent

EAST LONDON'S Mercedes Benz plant yesterday became the latest company in the motor industry to trim its workforce — and it faced a work stoppage in protest at the move.

The stoppage occurred as Car Distributors and Assemblers (CDA), which assembles Mercedes Benz and Honda vehicles, was discussing moves to cut its workforce with the Federation of South African Trade Union's National Automobile and Allied Workers Union (NAAWU).

But the talks ensured that workers will be laid off temporarily. They will only lose their jobs if work cannot be found for them in the next two months.

Workers are therefore expected to report for work today.

A statement issued yesterday on behalf of CDA, said 280 workers had been laid off after talks with NAAWU. The company employs about 4 500 workers.

The announcement follows mass retrenchments at motor assembly plants in Port Elizabeth and Pretoria.

It said the company had "reviewed production needs" in discussion with NAAWU and "agreed" to lay off 280 workers.

It would hold monthly meetings with the union to review the situation and would attempt to employ the 280 workers — but at the end of two months "any who have not been employed will automatically be retrenched", it said.

In yesterday's discussions with the union, "some workers" at the plant had stopped work, the statement said.

But after the lay-off agreement, union representatives addressed workers and "normal working is expected to resume tomorrow".

NAAWU officials were not available for comment.

The CDA plant began a phased end-of-year shutdown last Friday and will close for annual holidays on Friday. It will start a phased re-opening on January 7.

Mervyn 13/12/84 (335)

Desperate for a job



THE high level of unemployment among blacks in Durban has led to an increase in the number of unregistered work-seekers who gather on the corner of Old Fort Road and Wyatt Road every day in the hope of finding part-time employment. These men are unable to qualify for work-seeker's permits because they do not live in the townships administered by the Natalia Development Board. The manager of the board's labour bureau in Ordinance Road, Mr S A Thomas, said these men did not qualify to work in Durban and ought to work where they could obtain accommodation. Interviewed yesterday, the men said they were unable to find work away from Durban. A spokesman said they were paid as casual labourers. The most they received was R10 a day. He said that some men obtained work only once a week. In the picture are some of the men who wait in hope in Old Fort Road.

5m may be unemployed

CAPE TOWN — The number of unskilled workers without full employment in South Africa would grow to more than five million by the end of the century if present labour practices continued, Professor Jan Sadie, emeritus professor of economics at the University of Stellenbosch, told an Industrial Court hearing here.

Arguing against paying workers a "liv-

ing wage" Prof Sadie said a "living wage", which caused labour to be overpriced, meant a "no-wage situation for millions".

Accelerating wage increases had corresponded to a decline in the rate of growth in employment, he said.

Giving evidence in the hearing to arbitrate on the wage dispute between the 11 000-member Cape Town Municipal Workers Association and the Cape Town Municipality, Prof Sadie said there would be less capital available for the creation of jobs the more the country's national income growth was absorbed by wage hikes.

The "demographic forces" of South Africa demanded a maximum employment of labour, while present wage practices and labour unrest were enforcing a minimum of employment, he said.

A policy of paying a "living wage" had to be weighed up against the "poverty and squalor" of those whose chances of employment were lessened by such wage practices.

Criticising the demand that employers show social responsibility by paying a "living wage", Prof Sadie said employers should not be asked to do the work of social workers or the government.

The generation of jobs should be considered the joint social responsibility of trade unions and employers.

In his view the social responsibility of employers was to use their factors of production (including their workers) as efficiently as possible, to invest as much as possible, to use initiative and to expand their businesses to create more jobs. — DDC

4 000 furniture workers fired

Switzer 21/12/84 (335) (488)

By JOSHUA RABOROKO

THE South African furniture industry has retrenched about 4 000 workers as empty showrooms bear testimony to one of the gloomiest Christmas periods on record.

This figure, obtained from various sources in the furniture and appliances trade, represents about 10 percent of people employed in the retail furniture industry.

Furniture experts have also predicted that, whereas there were about 1 400 manufacturers three months ago or so, this number will squeeze to about 800 if present trends continue.

Mr Sid Ellerine, an executive of a major furniture group, said that as bad as things were now it was expected that they will get worse in January, February and

March next year.

Although his company did not retrench workers, the furniture industry had been "very heavily affected", resulting in about 4 000 losing their jobs.

He mentioned that things might improve during the second half of next year. He attributed the slackness in the business to drought and the recession.

An executive chairman of another major retail chain who prefers to remain anonymous, said that they have had to retrench 700 people and predicted that more people will be given "marching orders" next year.

Mr Arthur Solomon, furniture and appliances general manager of OK Bazaar, said the situation could be summed up by saying that "it is dead quiet in the morning and just dead in the afternoon".

D. Dispatch 22/12/84 335
EAST LONDON — Tek Corporation yesterday paid off production staff of their radio factory, completing the retrenchment of a total of 150 workers, the company confirmed yesterday.

The managing director, Mr Mike Bosworth, said yesterday Tek had been running down its radio factory for a number of months.

"We have now closed the audio division."

The company announced the retrenchment plan in the division at the beginning of October.

In that announcement, Mr Bosworth said the reason for closing the division was the "marked impact" of the government's austerity measures, which he described as "draconian".

Radio factory lays off 150 line workers

He said the company had been negotiating for three years on the need to protect local imports from the Far East in a recession" and demand for brown goods (radios and televisions) had dropped.

Yesterday, Mr Bosworth emphasised the retrenchment had nothing to do with Tek's recent merger with Defy.

He said Tek was now importing radios. "We are still involved in the audio market, but we are importing radios."

He said the retrenchments were necessary "because the country is

The personnel manager, Mr Gerrie Uys, said the 150 semi and unskilled workers, comprising the entire production line, were dismissed.

"No managerial or administrative staff were involved."

He added: "I am not prepared to discuss the conditions under which the workers were dismissed, but it was fair."

— DDR

Statistics of jobless are grossly inaccurate, say experts

335
E. Post
22/12/84

By CATHY SCHNELL

LABOUR and business leaders in Port Elizabeth today said claims that 80 000 people in the Eastern Cape were unemployed were a gross underestimation.

They believed the true situation was much worse — although there are no accurate statistics to back them.

Statistics from the Department of Manpower show an increase of nearly 20% on last year.

The unemployment figures for all race groups increased from 8 513 in October, 1983, to 10 147 last month — a 19,2% increase. Official unemployment figures for October last year were 8,8% up on unemployment statistics for October, 1982.

The figures are for registered unemployed.

According to a labour specialist, unemployed blacks became victims of influx control laws. They feared that once they reported to the labour bureaux of the Department of Manpower they would be forced to return to the homelands after a certain period if they had not found another job.

Officially they have as little as 72 hours to get back to the homelands if they lose their jobs.

He said many jobless people simply gave up hope of ever finding work and did not even bother registering for unemployment.

Workless people could only claim unemployment benefits for a certain period. After this many felt it was fruitless to report.

In the motor industry alone nearly 2 000 people have been retrenched in the past two months.

According to the Department of Manpower, unemployment in the "surrounding countryside" has increased by 40% between October, 1982, and October, 1983.

Many of these people drifted to the cities.

Last year the chairman of the Corporation for Economic Development, Dr J Adendorff, predicted that the annual increase in African workseekers would rise from 230 000 to 360 000 by the turn of the century, requiring six million new jobs to be created by then — a minimum of 1 200 jobs per day.

The latest figures obtained from the Pretoria Central Statistics Service however show a dramatic decline in the latest registered unemployment figures obtained this year compared to last year.

In June this year 29 294 white, coloured and Asian people in South Africa reported themselves as unemployed — compared to 39 294 during the same month last year. This is a percentage decrease of 34%.

A senior lecturer in the Department of Economics at the University of Cape Town, Mr Charles Simkins, said the implications of this were serious.

Mr Simkins said today he felt the decrease could be seen as a combination of jobless people giving up hope to the extent that they no longer even reported to unemployment agencies, and as a result of the boom period in the economy from mid-1983 to early 1984.

The stringent fiscal measures introduced by the Government on hire purchase and the consequent results were now beginning to be felt, he said.

Mr Simkins predicted an upswing in the economy due to measures taken to correct the situation. This might result in the gross unemployment figures slowing next year.

Mercury 27/12/84 (335)

Good pass rate means less jobs

Mercury Reporter

THE GOOD pass rate in this year's senior certificate examinations is already posing an even bigger jobs worry for new Indian school-leavers, parents and community leaders, a survey showed yesterday.

And it was estimated that of the more than 9 000 pupils who had passed, about 8 000 would be looking for employment next month.

They would be joining queues with thousands of black, coloured and white matriculants also entering the job market for the first time.

A leading social worker warned yesterday the broad smiles seen on the faces of many pupils who had passed their main examinations would soon disappear as they came face to face with what she called the 'grim reality' that jobs were hard to get.

Cabinet Minister Mr Amichand Rajbansi, who is also Chief Minister of

the House of Delegates and chairman of its Council of Ministers, said his council was aware of the problem.

As a first step, he said, his Ministers' Council would be approaching chambers of commerce and industry and various State departments to have more doors opened to Indians.

Dr Jayaram Reddy, leader of Solidarity, opposition party in the House of Delegates, said Parliament would have to give the matter 'very serious' consideration.

Saturation

'The Indian community's main priority was to educate its youth, and now the pressing problem is providing suitable jobs for them', he said, calling for a joint effort to meet the challenge.

Teaching, for many years one of the most popular work avenues for matriculated Indians, was fast reaching saturation

point — with only about 350 matriculants certain to find places next month at teacher-training colleges.

Mr Rajbansi said Durban's Springfield College of Education would admit 200 new students, the Fordsburg college 70 students and the University of Durban-Westville's teacher-training department, 80 students.

Mr J S M Zwegelaar, Executive Director of Indian Education, said this year's senior certificate and matriculation results reflected an improve-

ment on the 1983 results.

'The improvement is also significant in that this was the first year when conversion of candidates' results from higher grade to a standard grade pass was raised from 25 percent to 30 percent', he said.

Mr Zwegelaar said the improved results were attributed to several factors, with the quality of advisory service, curriculum development programmes and 'refined techniques in assessment and measurement' having a notable influence.

enjoy some sort of local protection in SA," says Karlheinz Naumann, MD of APMC, who brought the action against Laco. He says his company has invested between R5m and R10m in plant and machinery in SA and has provided jobs.

"Our principal spends millions on research and development, and no one should be allowed to merely copy from the finished part back to the drawing-board stage," says Naumann.

EMPLOYMENT

Changing targets

A chill wind is blowing through some of the highest corridors in corporate HQs as SA's economic squeeze forces companies to streamline their operations at virtually all levels.

Today's trend — a departure from previous cyclical downturns — is for an across-the-board cull instead of firing from the bottom up, say personnel consultants. Previously, senior level retrenchments tended to be sectoral, with project management and heavy engineering bearing the brunt.

But the worsening recession, and a squeeze on companies, through high inflation and higher interest rates, has resulted in an upwards domino effect. Consultants also point out that the savings on one displaced executive can be higher than on a number of workers lower down the ladder.

The need for companies to look further afield for savings has meant more people in the line of fire. Even traditionally "safe" professions, mainly in the financial services industries such as banking and insurance, have become vulnerable.

The scale of retrenchments, and possible future exposure, is difficult to assess. There is a danger of inflating the number as the unemployed tend to trawl all the leading recruitment agencies. The general agreement in the industry is that the number of management retrenchments more than skims the surface of white collar unemployment.

Spending cuts

"Companies slashing spending on major capital projects and the perks tax will have a decisive effect on the level of senior management retrenchments," says Bob McJannet, Anglo American's personnel manager.

He stresses that the future pattern of retrenchments is likely to become more rationalised as companies pare the fat at all levels.

"Despite hard times, SA still has a management shortage," says Robin Simpson, executive chairman of Renwick Management Services. "The talented will not stay unemployed for long. But it is futile to offer other people's 'discards,' who have been dumped as soon as the recession gave com-

panies an excuse to clean out the system."

Nevertheless, there are genuine casualties in top managerial posts, victims of the corporate streamlining.

They have created the need for what one Johannesburg recruitment agency calls a specialised "out-placement" service, finding jobs for the unemployed with sound track records.

"We are dealing with the professionals from their mid-thirties to early fifties, usually on a basic salary of R40 000-R60 000," says Munro Deysel, senior consultant of Paul Tingley Selection (PTS).

PTS claim their programme is a "survival kit" for the retrenched executive. "They are often completely out of touch with job hunting," says Deysel. "It is not unusual to be presented with a voluminous curriculum vitae. Twenty years ago this may have been the style — today brevity counts."

Recruitment agencies point out that most companies are using a "softly, softly" approach when retrenching senior staff. Considerable latitude is often given when severance pay and pensions are decided. Medical aid cover often continues, and former executives are allowed to use their old company car until a new job comes along.

Over 35 000 laid off

MORE THAN 35 000

workers throughout the country were laid-off from their jobs as the economic position worsened and employers turned to retrenchments as a means of survival this year.

There is a real danger of a tidal wave of unemployment as the recession deepens in the New Year, according to trade union leaders and employers.

The parties say it seems that these cutbacks could be permanent as companies will resort to structural rationalisation and retrenchments, with the unemployment rate looming to alarming proportions.

The number of black unemployed workers recorded by the Department of Manpower has risen drastically from 29 602 in June to over 30 000 in November.

But trade unionists and academics say this is only a fraction of the total number of retrenched or unemployed workers as most of them have not registered with the department.

Unofficial estimates put the number of unemployed people of all races at 3 million — and rising — and many jobless workers are facing prospects of slow starvation in the "homelands".

A spokesman for the Institute for Industrial Relations said the number of retrenched workers could be higher than 35 000.

Large scale unemployment in every society is regarded as serious and can breed seeds of political and social problems, especially in the "homelands".

Upsurge

Industrial Relations Consultant Andrew Levy has predicted that there will be an upsurge of labour unrest in the New Year, as trade unions will be set to become "a major vehicle for political aspirations."

These aspirations, he added, will be articulated through industrial action at the workplace, and employers will be faced with losses caused by issues outside their control.

Major industries which retrenched workers include the motor, metal, mine and transport industries. The main reason for the retrenchment of workers — mostly blacks — was due to recession and inflation.

By far the hardest hit were the motor companies. Motor industry retrenched over 5 000 employees between January and early December this year. General Motors retrenched 500 workers; Volkswagen 680; Amcar 1 180; Ford 1 150; Mercedes Benz 400; Sigma 341 and BMW 12.

Recession takes another toll

Furniture trade lays off 4 000

STAR
17/12/84
335

The furniture trade has retrenched about 4 000 people as near-empty showrooms bear witness to one of the bleakest Christmas periods on record.

Spokesmen say the recession has hit the trade as hard, if not harder, than the motor industry.

The retrenchments represent about 10 percent of employees in the retail furniture trade.

Industry experts predict that while there were about 1 400 manufacturers three months ago, the number will shrink to nearly 800 if present trends continue.

"You can sum it up by saying that it is dead quiet in the morning and just dead in the afternoon," said Mr Arthur Solomon, general manager (furniture and appliances) for OK Bazaars.

The executive chairman of another major retail chain, who wishes to be anonymous, said: "We have had to retrench 700 people already. I estimate that, nationwide, about 4 000 people have been given their marching orders."

Mr Sid Ellerine, an executive with another major group, added: "As bad as things are now, we expect them to get worse in January, February and March."

The furniture men say that the recession has hit so hard that many well-established traders are going into liquidation, and others are looking around desperately for potential purchasers of their businesses.

"About 80 percent of the trade is controlled by the major groups. I believe that that figure will rise significantly in the coming months," said a spokesman.

By Harvey Thomas

"The small guys are fighting for survival now. I think it will be a bloodbath in the traditionally quiet times of the early new year."

Mr Solomon said that there were a number of reasons for the drop in demand, which he estimates at 30 percent.

- The increase in GST.
- The higher deposits now required on all "big ticket" items.
- The shorter repayment periods.

"The fact is that the Government has brought about an attitude in would-be buyers where they are psychologically put off spending," said Mr Solomon.

He added that a good example was video recorders. The deposit required used to be 10 percent.

It is now 30 percent. Repayment was allowed over 24 months. It is now 12 months.

"The high interest rates are also discouraging customers," said Mr Solomon.

'NO MORE FOOD FOR LAID-OFF WORKERS'

THIS week's retrenchments at East London's Mercedes Benz plant worsened the lot of thousands of black motor industry workers — they face a bleak future.

Trouble at the plant started when Car Distributors and Assemblers "reviewed production needs" in discussions with the Port Elizabeth-based National Automobile and Allied Workers' Union.

CDA, which assembles

By ZB
MOLEFE

Mercedes Benz and Honda cars, then laid off 280 of the 45 000 black workers.

Ford, General Motors and Volkswagen have already closed till February — affecting 13 000 black jobs. Of tional organiser Fikile



CHRIS MLANGENI: "Black workers have little chance of surviving"

Kobese told City Press that his union had al-Motor Assemblers' and Component Workers' Union of SA nathese, 683 were retrenched last month.

ready exhausted its Save the Starving Community Fund set up in March with community donations to feed jobless motor workers

"Retrenchments have hit us hard — we have lost more than 1 030 members," said United African Motor and Allied Workers' Union assistant general secretary Chris Mlangeni.

ZAMDELA residents went on rampage on Wednesday night burning down shops and locking horns with the police.

They went on to burn Lekoa mayor Esau Mahlati's butchery, tycoon Paul Mofokeng's shop and a bus belonging to the Vaal Transport Corporation.

300 000
jobs plan
for
KwaZulu
industry

African Affairs
Correspondent

PROPOSALS for a major new industrial development for KwaZulu at Compensation, near Tongaat, which could supply jobs for 300 000 people were disclosed at Richards Bay yesterday.

The details were given by Chief Gatsha Buthelezi, Chief Minister of KwaZulu, in a memorandum to Dr Gerrit Viljoen, Minister of Co-operation and Development and Education.

Discuss

Dr Viljoen and officials of his department and that of Constitutional Development and Planning met the KwaZulu Cabinet to discuss the planning of Richards Bay/Empangeni and the development of a deconcentration point north of Durban.

Chief Buthelezi said there were 26 industrial areas spread over 3 000 hectares of land in the white section of the Durban/Pinetown metropolitan region.

Although Zulus accounted for two-thirds of the population, there was no industrial area in KwaZulu's part of the metropolitan region.

He said there was 3 000 hectares of flat, industrial land along the railway line near Compensation.

Chief Buthelezi added that two industrial areas could be developed in this vicinity.

This would involve making 12 900 hectares available to KwaZulu to support an industrial development point. Of this, 1 000 hectares would be used for industry and 4 000 hectares for housing, sufficient to accommodate a population of 310 000 people.

Core

The KwaZulu Chief Minister said consultants had recommended that this land should form the core of the Government's deconcentration point north of Durban.

It would be outside the black commuter belt of Durban and would take the pressure off Inanda. It would also minimise time and money wasted on daily journeys to work.

Dr Viljoen said that he had visited the area in question and also a prospective area for industry for KwaZulu south of Durban.

He said there would be further discussions.

15/12/84
800 in
factory
deadlock

Pietermaritzburg
Bureau

THE Industrial Conciliation Board has been asked to resolve a dispute between 800 workers and the management of their factory at Howick after 18 months of negotiations ended in a deadlock this week.

Workers at B T R Sarmcol downed tools earlier this week over severance pay for 18 retrenched workers and for the lack of a 'recognition agreement'.

The deadlock arose between representatives of the workers, the Metal and Allied Workers' Union (Mawu), and the management of the factory.

If the Conciliation Board did not succeed in breaking the deadlock in the required 30 days, the union would consider various other possibilities, a Mawu spokesman said.

A spokesman for the factory said it was shutting down for Christmas and no one was available for further comment.

Emergency fund to help unemployed

335
E. Post
29/12/84

By SHIRLEY PRESSLY

AN action committee of the Nederduits Gereformeerde Kerk in Port Elizabeth has implemented the first phase of an action plan to assist those affected by layoffs and the economic downturn.

Dr Mauritz Vorster, director of the Christelike Maatskaplike Raad (CMR), the welfare arm of the NG Kerk, said the organisation had established the CMR Emergency Fund to collect funds to cope with the need which was expected to arise early next year.

An emergency pantry and a school uniform bank had also been established.

A quick survey of the needs in the various congregations of the NG Kerk in Port Elizabeth earlier this month and the trends experienced by the CMR have shown that at this stage the problem is not yet urgent because people had their bonuses to tide them over and could still draw unemployment.

The blackest period was expected to emerge in January and February next year when the full effect of the downturn would be felt, especially if the motor industry did not resume full production and re-employ staff who had been laid off, Dr Vorster said.

He said the aid planned by the action

committee was not restricted to members of the NG Kerk but to all needy members of the white population group.

The Sendingkerk in the Eastern Cape has its own action plan for the black community.

Dr Vorster appealed to shops to put containers in their shops so that people could drop in contributions of non-perishable goods for the emergency pantry.

Contributions to the food pantry could also be brought to the CMR offices in Mount Road.

The CMR has arranged with schools to ask schoolchildren who are leaving school this year to donate their school uniforms to the school uniform bank which has been established.

Dr Vorster said these uniforms would be handed out to needy children for the first school term next year.

The need was greater in certain areas than others but he appealed to all schools to take part in the scheme because retrenchments affected all income groups.

He also appealed to any firms which had jobs, no matter how menial, to contact the CMR.

Donations can be sent to the CMR Emergency Fund, PO Box 3217, Port Elizabeth.

Jobless expected to top a million

CAPE TOWN

17/12/84

335

Own Correspondent

PRETORIA. — Unemployment, particularly among blacks, will rise sharply in the first six months of next year as the economy continues to run down, according to leading economists.

They expect the number of workless and those under-employed to soar above the million mark.

The gloomy forecast is supported by official statistics from the Unemployment Insurance Commissioner's office. The commissioner, Mr J Scheepers, said here last week that payouts from the Unemployment Fund had risen steadily in the past few months.

In September the number of claims on the fund amounted to 26 000. The amount paid in benefits was R15 751 000. In October the figures were 33 000 claims, involving R16 896 000, and in November 35 000 claims, with a payout of R17 400 000.

Mr Scheepers said there was no question at the moment of selling funds investments to meet the rising number of claims. Interest on the R238 million in the fund, plus contributions, amounted to between R15 million and R17 million a month — just enough to meet current commitments.

Volksskas economist Mr Adam Jacobs expects a sharp increase in unemployment during the first six months of 1985.

"We can expect an improvement in the num-

bers of people in jobs only in 1986."

Compounding the problem, he said, were the 250 000 new workers who would come on to the labour market at the beginning of the year. Large numbers would be unable to find work.

The official black unemployment figure was now about 500 000, or eight percent of the economically active black population. He expected this to rise to 10 percent during the first six months of next year.

If the under-employed — those working three-day weeks and others on short-time — were added, the figure would rise dramatically.

Barclays Bank's economist, Dr Johan Cloete, agreed that the numbers of workless would rise steeply in the January-July period next year. This would affect mainly black workers, although whites, coloured people and Asians would also be affected.

He expected a fairly substantial rise in white unemployment. Asked his estimate of total unemployment, Dr Cloete said: "If the mass of under-employed workers is added to the official figure the total would rise above a million."

Other economists said unemployment had risen steadily throughout 1984. A wide range of industries had been affected, particularly the motor industry. It was estimated there were 25 000 unemployed or under-employed in that industry and related industries.

The 1
th