UNEMPLOYMENT — 1985

JANUARY — APRIL

ing in Addis Ababa — even if its own rules are enforced, may never be held.

MAYOR Mr Edward Koch

golden-wax daffodils, a

mugging is so routine and com- nights or days off, either.

HERO youths in the subway.

Sacked miners may starve

w/c Argus 5/11/85

335

By DALE LAUTENBACH
Weekend Argus Reporter

RETRENCHMENTS at a Namaqualand diamond mine have left about 3 000 people facing starvation.

Six hundred workers were retrenched from the Octha diamond mine near Oranjemund last month and, with their families and dependants, their numbers have added to the already desperate situation in drought-stricken Namaqualand, Bushmanland, and the Richtersveld.

The Rev Gerhardt Green, the Okiep Methodist minister involved in the distribution of famine relief, said the people were largely dependent on the mining industry.

About 1 500 workers were retrenched from the O'Okiep Diamond Mine between November 1983 and March last year, he said, and now not only the Octha retrenchments but the closure of a number of smaller mines had added to the problem.

Assist

"We will have to move in and assist the Octha folk from next month if they cannot find employment," Mr Green said.

The Red Cross had done a "tremendous job" of feeding school children but there was still the problem of pre-school children and the aged and infirm.

The Rev Benny Farao, Ned Geref Kerk minister in the Kuboes area of the Richtersveld, where many of the Octha workers came from, said about 300 of the Octha people were still in Richtersveld.

"At the moment they are still on last month's pay but I foresee problems in the near future. They are still unemployed but, with the Management Committee, I will be approaching Octha management soon to discuss re-employment," he said.

His organisation had to be approached with statistics and information, however, to distribute relief.

FLASHBACK

A mother and her family in the drought-stricken Namaqualand district.

KEM-FREE
Ultraviolet Electronic Treatment ®

Sowetan 8/1/85

335

Thousands will battle for jobs

By JOSHUA RABOROKO

THOUSANDS of school leavers, skilled and unskilled black people will struggle to find jobs this year.

This is the warning given by big employers and trade unions, who said there will be a scramble for jobs this year.

The sources also say job seekers will have to compete for posts, as most employers are reeling from recession and are facing prospects of firing workers.

The hardest hit industries — motor, furniture, clothing and metal companies — last year retrenched over 35 000 people.

Rising

According to official statistics, 500 000 blacks are out of employment while private sector observers say this is a lower estimate because the Department of Statistics classifies only 12,2 million of 18,2 million blacks as economically active. They say unemployment is more than 2-million and rising.

In its 1984 review, the Steel Engineering Industries Federation of South Africa (Seifsa) says various factors, which include inflation, the erosion of investment level, the slowdown in the economic growth and low dollar price, suggested that no meaningful turnaround in the "fortunes" of the industries can be expected until early 1986.

A spokesman for the Chamber of Mines said the mines were delighted with the large number of quality applications. They would take all electricians and artisans they could get and the usual number of new entrants.

Engineering industry lays off thousands of black workers

ABOUT 76 000 workers — mostly blacks — have been retrenched in the metal and engineering industries in the past three years, according to a report.

In its 1984 review, the Steel Engineering Industries Federation of South Africa (Seifsa) says employment levels in these industries appeared to have stabilised at some 378 000 scheduled hourly employees by mid-year 1984.

However, a strong downturn in activity towards the end of the year threatened to further shrink the scheduled labour force, where already 76 000 jobs had been shed from November 1981 peak employment level of 454 000.

The report says labour relations throughout 1984 were regarded as "relatively satisfactory," although increasing fragmentation of the trade union movement in the metal industries inhibited stable collective bargaining.

Increases

"The severe recessionary conditions also limited the ability of employers to meet the aspirations of the trade unions, but the new Agreement which came into effect on July 1 provides for increases in statutory minimum ranging 9,1% at the top to 13,1% at the bottom.

"Despite the downturn, a shortage of artisans and suitably trained technical personnel continues and the industries' training board has approved a detailed programme aimed at overcoming this problem.

"The project will encourage off-the-job training, the establishment of further industry apprentice training centres, the propagation of improved training methods and the regular testing of apprentices."

Seifsa says no meaningful turnaround in the fortunes of South Africa's metal and engineering industries can be expected until 1986 and at best 1985 is seen as a period of consolidation.

There are some expectations that the low value of the rand will offer opportunities for export replacement and some stimulus of Seifa's export sectors.

De Beers is cutting back

De Beers has retrenched five senior officials in Kimberley, reshuffled the posts of 23 and asked 13 to retire early.

The retrenched officials were told yesterday that their services would be terminated on February 7.

Employees fear more retrenchments in the next two months and expect the middle ranks of officials to be affected.

Cape Corps rejects hundreds of hopefuls

ARGUS 10/1/85 (254) (335)

Staff Reporter

SEVERAL hundred young men have been turned away from the SA Cape Corps headquarters at Faure after aspirant recruits flooded the infantry unit base.

About 600 disappointed volunteers, who travelled from far afield to join the SADF's only coloured unit, were told there was no room for them — and spent most of yesterday at Bellville station waiting for trains to take them home.

The SADF confirmed that many volunteers turned up, most hoping "on the offchance" to enlist, but could not be absorbed.

Many of the men on the station had no money and many said they had given up jobs to join the army and now faced unemployment.

Some said they wrote to the army last year and received registration papers and train tickets to enable them to get to the Cape.

One man said: "We arrived at the weekend and spent a few days at the camp.

"Today they said there was no room for us, and after giving us each two rusks and a cup of coffee they brought us in lorries to Bellville station. They gave us train tickets and we are now waiting for trains home."

The men sat despondently in groups in the car park and on platforms.

Some were waiting for trains to the Transvaal and Northern Cape and others to the Eastern Cape.

● A Defence Force spokesman said: "Those who successfully applied and were accepted for service, but were then found to be medically unfit for duty, were issued tickets to return to their homes.

"Others qualified in every respect but refused to accept service conditions and accordingly did not enlist.

"By far the larger number were those who did not formally apply to enlist and merely came to the battalion on the offchance that there would be positions for them.

"There are, however, only a limited number of vacancies."

RDM 10/11/85

335

Half-a-million blacks had no jobs last year

THE number of unemployed black people in South Africa and the homelands exceeded 500 000 in mid-1984, according to Government figures released in Pretoria yesterday.

In a review of employment, the Central Statistical Services noted that 506 000 out of 6 130 000 economically active blacks were without work in July last year, an increase of 14 000 over the previous month.

Although it was the first time the unemployment figure had passed 500 000, the CSS noted that the percentage of jobless blacks in relation to the total workforce was almost as high in the final months of 1982 and start of 1983.

In July 1983, 8,5% of the black workforce was jobless, compared with 8,3% a year later.

The highest unemployment was in the rural areas.

In the homelands, 16,6% of 1 160 000 economically active people were jobless, while 5,6% of the Transvaal's workforce of 3 020 000 was unemployed.

Women made up the largest proportion of the jobless, the CSS said.

A total of 286 000, or 14,1%, of the female labour force of 2 020 000 was without work in July last year.

Among men, 5,4% of 4 100 000 were unemployed.

The CSS estimated the total black population in July at 18 300 000. — Sapa.

100 000 lose jobs as spending drops

335 Star 10/1/85

29 HOURS News Team

By Michael Chester

The number of jobs axed by manufacturers hit by the recession has risen above 100 000 as the fall in consumer spending forces a slowdown in production.

And many thousands of other industrial workers are trekking back from the Christmas/New Year holiday to find themselves on short-time.

The toll on jobs is expected to worsen when other business sectors — such as commerce, mining, building and agriculture — add their counts.

The Steel and Engineering Industries Federation (Seifsa) confirmed today that member firms had slashed 80 000 jobs from their combined labour force, now down to 374 000 from a 1981 peak of 454 000.

And executive director Mr David van Coller warns that no significant turnabout from the recession is expected until early 1986.

Stimulation

More than 25 000 jobs have been axed by the motor industry and its satellites. The National Association of Automobile Manufacturers estimates that the labour force of the main car and truck assembly companies has dropped from more than 48 000 to about 41 500 in the past year.

Director Mr Nico Vermeulen said it was reckoned that component suppliers and distributors had, in turn, been forced to cut back at a far sharper pace, mean-ing the loss of a further 26 000 jobs.

Most motor workers are returning from the holiday break — deliberately prolonged by several manufacturers with thin order books — to find themselves working only three or four days a week.

"The job cutbacks have been felt from top to bottom," said Mr Vermeulen. "If there is no stimulation of the economy there may be worse to come."

Kennedy individually award.

Sowetan 10/1/85

335

More workers will be laid off

By JOSHUA RABOROKO

BIG-TIME employers have warned of more retrenchments and unemployment as the country's economy worsens.

OK Bazaars, one of the country's biggest supermarkets, has announced that it retrenched 40 workers on Monday out of a total workforce of 1 000 employees.

OK's general director, Mr A Fabig has said that more workers may get "marching orders" due to the price of gold, inflation, high General Sales Tax and hire purchase regulations in the industry.

The retrenched workers were advised of their positions, paid severance pay and other benefits. "We are faced with hard times and have to tighten our belts in this gloomy situation," he told **The SOWETAN** yesterday.

• An undisclosed number of workers at Sebokeng Hospital near Vanderbijlpark are to be retrenched due to the economic situation, according to the hospital's superintendent, Dr J Badenhorst yesterday.

He could not say what category of workers would be affected, but indicated that they were definitely not nursing staff. The workers have been advised about the move.

Doctors

• About 40 doctors at Baragwanath Hospital near Soweto are to be axed after only a week on duty. It is understood that the doctors, who were employed at the beginning of the month, are being retrenched because the hospital wants to cut running costs.

The director of Hospital Services, Dr H van Wyk, said that no doctor who has been officially appointed in his department would be retrenched. He could not say whether or not the affected doctors have been officially appointed or not.

"This is all I can say on the matter," he said.

• About 20 workers, members of the Black Allied Mining and Construction Workers' Union (Bamcwu) at Mindownik Development Corporation in Johannesburg, have been retrenched because the company has been "liquidated." This was confirmed by the company's spokesman.

Bamcwu's general secretary, Mr Pandelani Nefolovhodwe said that they were not consulted on the matter and were seeking legal advice because the retrenchment could constitute "an unfair practice."

• Over 35 000 workers were retrenched in several companies in the country last year.

Mercury 11/4/85 335

Jobs axed now above 100 000

JOHANNESBURG— The number of jobs axed by manufacturers hit by the recession has risen above 100 000 as the fall in consumer spending forces a slowdown in production.

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More than 25 000 jobs have been axed by the motor industry and its satellites. The National Association of Automobile Manufacturers estimates that the labour force of the main car and truck assembly companies has dropped from more than 48 000 to about 41 500 in the past year.

Director Mr Nico Vermeulen said it was believed that component suppliers and distributors had, in turn, been forced to cut back at a far sharper pace, meaning the loss of a further 26 000 jobs.

Most motor workers are returning from the holiday break — deliberately prolonged by several manufacturers with thin order books — to find themselves working only three or four days a week.

'The job cutbacks have been felt from top to bottom,' said Mr Vermeulen. 'If there is no stimulation of the economy, there may be worse to come.' — (Sapa)

Job crisis could worsen

JOHANNESBURG — The number of jobs axed by manufacturers hit by the recession has risen above 100 000 as the fall in consumer spending forces a slowdown in production.

Thousands of other industrial workers are trekking back from the Christmas and New Year holidays to find themselves on short-time or facing retrenchment.

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"The job cutbacks have been felt from top to bottom", Mr Vermeulen said. "If there is no stimulation of the economy, there may be worse to come".

● The Ford Motor Company announced in Port Elizabeth last night it would be working a four-day week from next week, instead of a three-day week.

SAPA-DDC.

335

Building trade hopes to sidestep retrenchment

Post Reporters

LARGE-SCALE retrenchment is not expected when the building industry resumes work in Port Elizabeth and Uitenhage on Monday.

Companies say some work is available, but competition will probably get more fierce as contracts expire.

Mr Tony Corral, Port Elizabeth chairman of the Master Builders Association, said the situation was "the worst in 10 years".

The larger concerns appear to have work to tide them over, but smaller firms look set for a struggle when their present contracts reach completion and they try to maintain continuity.

A spokesman for the Industrial Council for Building Industries, said when the industry closed last year there had been no large-scale retrenchment of workers.

Mr Van le Roux, general secretary for the Industrial Council for Building Industries in the Eastern Cape, said last year the building industry managed to weather the recessionary storm and ended the year with only 15 fewer people employed than at the beginning of the year.

He said there was "no large-scale retrenchment" in the industry last year, although employment figures climbed considerably until June and then dropped off again towards the end of the year.

He said he received no information to suggest a lot of employees were paid off when the industry closed and he assumed all employees would return to work when the industry re-opened on Monday.

Mr Le Roux said the exact state of employment in the industry compared with last year could only be assessed in about six weeks' time.

He said a normal number of de-registrations and re-registrations of small contracting firms had taken place last year, with no "established firms" closing down due to the shortage of work.

There was definitely less work, particularly among house builders, he said, but it was not drastic.

Mr Corral said the present hard times in the building industry represented probably the worst trough in the industry in 10 years. And he said things would probably get worse before they improved.

Mr Corral said hardest hit would be the medium-sized firm which built houses. He said when the industry re-opened on Monday, most firms would have work go on with, but by March the smaller contracts should be completed and what work did come in would be keenly tendered for.

He thought the smaller firms might "scrape through", but the medium-sized firms would find a shortage of new houses to build due to the current high bond rates.

The managing director of LTA Building (Eastern Cape) Ltd, Mr Ian Charteris, said the firm's priority was job preservation during the current downswing in the building trade.

Although there was a slow, steady decline in the employment opportunities in the building trade, he did not expect large-scale layoffs like those in the motor industry.

He was confident his company would maintain its present employment levels although this would not be easy.

"Each time there is an upswing, it is difficult to get workers back into the industry," Mr Charteris said.

The managing director of Joubert Construction, Mr Dawie Joubert, said his firm, which built both residential and non-residential buildings, including churches and factories, had enough work to see them through until June.

He said "hopefully" there would be further work available after that.

He said he employed 30 unskilled workers and eight artisans, all of whom would be keeping their jobs.

The managing director of another small building and civil engineering firm, Mr Philip Kenyon, said his firm had enough work for the next three months, which was about as far in advance as contractors could plan considering the difficulty in pricing jobs further in advance.

Mr Kenyon said he had to tender for a lot of work because the percentage of successful tenders was lower than during better times.

He had to tender for too many projects and took the risk of becoming over-committed.

He said competition would be tight and many small firms would battle to get continuity.

Mr Kenyon said he was optimistic of keeping his workforce at its present level throughout the year, although he did not foresee any expansion occurring.

A spokesman for Dimitri Zenios Designers and Builders said the firm would not be retrenching any workers because of the situation in the trade. They still had contracts to finish and no workers would be laid off.

1985 Mercury 12/1/85 (338)

Durban workless whites double that of last year

Mercury Reporter

MORE than twice as many Durban whites were unemployed at the end of 1984 than in the same period the previous year, according to figures supplied by the Department of Manpower.

The numbers of whites who registered as unemployed showed an increase in September of 63 percent on September 1983, and more than 100 percent for October and November.

More than 2 500 whites registered as unemployed in October 1984 and 2 900 in November.

Figures for December are not yet available.

Many more Indians than whites are unemployed in Durban. The numbers who registered increased steadily from September to November — 3 821 registered in November 1984, 3 509 in October and 2 811 in September.

But the situation for Indians was slightly better than in the same period in 1983. There was a 105 percent improvement on September 1983, 10 percent on October 1983 and one percent on November 1983.

And while more than twice as many coloureds registered in November 1984 compared to November 1983, there was a big drop in the previous two months, with less than half the number registering compared to the September and October of 1983.

The department's statistics showed that 738 coloured people registered in September 1984, 453 in October and 1 199 in November.

A spokesman for the Department of Manpower in Durban said that the figures did not necessarily represent new unemployed.

'People have to register with us at the end of every month for six months to qualify for unemployment benefits.'

But at the same time the figures did not reflect the full unemployment situation. Unemployed people could only receive benefits for six months and many people did not bother to continue registering after that.

More than 2 800 unemployed black people registered as work seekers with the Natalia Development Board's labour bureau this week.

But the figures show large daily fluctuations, ranging from 41 on Wednesday to 1 135 on Thursday.

PE pool firms halved by the recession

Post Reporter

ABOUT half the pool companies in business in Port Elizabeth two years ago have gone under.

With few exceptions, only the largest and most reputable are now managing to keep their heads above water.

High interest rates, short-time and redundancies have sunk the rest. Uncertainty about companies surviving to honour 10-year guarantees has driven buyers into the arms of the larger firms.

A check on the telephone numbers of smaller firms listed in the 1984-85 telephone directory revealed that many of these numbers no longer exist.

Twelve of the 25 concerns operating in Port Elizabeth two years have disappeared, a surviving company spokesman said.

The owner of one company, Mr Len Bakker, said business was definitely down and he regarded the situation as being the worst since 1979.

"A lot of people are worried about the high interest rates," he said.

"When the people look at the interest rates, they realise that they will almost be paying double for the swimming pool — depending on how long they take to pay it off.

"Things are not so rosy at the moment and I think that can be attributed to the Port Elizabeth economic situation in general.

"I have contacts in other parts of the country who say that it is not going so badly there. It is picking up slowly in Port Elizabeth, though."

He said most of his customers were civil servants who received subsidies for swimming pools and the majority of the people from the private sector were, "believe it or not, paying cash for their swimming pools", he said.

Mr Wayne Luck, managing director of another firm, said business was not as good as last year.

The director of one of Port Elizabeth's oldest pool companies, Mr Peter Schoeman, said "We are sitting with the position that we have so many different pool contractors who are looking for clients.

"To compete with the other firms one must bring about price cuts, but for some firms price cuts are impossible if the guarantee is to be effectively implemented."

He also said that the number of pool contractors in Port Elizabeth had dropped from about 25 to about 12 during the past two years.

Mr Ian Allan, owner of another sizeable company, said they had been affected to a certain degree.

"Generally we find that if a person has decided to put in a swimming pool he has saved for quite a while for it and can go ahead with the installation," he said.

"People are a lot more hesitant when making inquiries and they are looking for the best deal.

"I think the contractors who are not well established will be quite hard hit by the present state of the economy because the public will look for the firm which is more reputable and has been in existence for longer."

The distributor of a do-it-yourself pool kit, Mr Ray Wenlock, said his sales of vinyl pools this season had almost doubled, compared with last year.

"I would say the economic situation has helped us," he said.

Mr Paul Botha, the manager and part-owner of a large company, said: "We have not been affected as severly as we envisaged.

"We thought the high interest rates on bonds and the economic situation in general would really hit us, but during the end of last year we increased our output to accomodate inquiries we have been receiving.

"Our pricing structure is not so good at the moment because we are working close to the bone and we are still charging the same prices as we did about a year or a year and a half ago.

"The inquiries we received have definitely toned down, but we as a company are still doing very much the same amount of work we did last year."

Job training plan to help unemployed

15/11/85

335

Mail Reporter

IN an attempt to ease the unemployment situation, the Government has started a scheme in which free technical training and limited financial assistance is being offered to the unemployed.

In the programme, known as "Training of Work-Seekers", various training centres are being subsidised to train unemployed people in a number of technical skills.

The centres will try to find employment for those who have completed the courses.

Anyone between 15 and 30 years old, with a maximum education of Std 6, will be accepted. No work experience is necessary.

Most courses are male-oriented, but women are free to apply.

Blacks wishing to attend the courses must apply at administration boards, and whites, coloureds and Indians must register at the Department of Manpower.

After six weeks, applicants must return to the department for testing. Those accepted on the course will be paid R12 a week to attend.

People under the age of 18 will be paid R9. If the courses are not attended, no payment will be given, and no attempt will be made to find a job for the person concerned.

People interested in the training courses must contact the Department of Manpower, or Ms. Linda Hyman at 52-7448.

from 15/1/85 (335)

Jobless get chance to mass-market skills

By PAUL BELL

IT'S an ill wind that blows nobody any good. Numbered among the few commercial growth areas this year is likely to be the professional provision of solace to laid-off employees.

Late last year Business Day reported on developments in the US — fast catching on in beleaguered Johannesburg — in the field of "dehiring", a euphemism which surely must rank alongside the Pentagon's description of combat as "violence processing".

Now Colin Katz Associates, a personnel consultancy, has entered the lists with its contribution, a process in which a casualty of the slump is given support.

It involves helping him to find a new job, advertising his skills, counselling his wife and even family therapy.

Mr Katz says: "When someone is retrenched his morale reaches its lowest point. This is the worst possible time for him to be looking for a job. Our aim is to assure the employee that he is not alone. We will do everything we can to help him find a new job as soon as possible."

The company compiles a professional resumé on the applicant, advises him on how to get a new job, advertises for him in three publications and sends out mail-shots on him to 3 000 companies.

Emotional and psychological support is offered to the man, his wife and family.

Group sessions are held weekly and the casualty may attend as many as he wishes.

He is also provided with secretarial services, including the typing of correspondence and the use of an office.

Mr Katz says marketing of the concept begins this week although preliminary discussions have been held with companies who have expressed an interest in the service.

"The concept has a high degree of acceptance overseas. While there is certainly a need for such services in this country, it remains to be seen how South African businesses will take to the idea," Mr Katz said.

In sum, we appear to have descended into total economic "violence processing", and a return to "permanent pre-hostility" (Pentagonese for peace) is unlikely before 1986. Katz may have a good run in these bad times.

Housing firm axes 20% of its staff

By CATHY SCHNELL

ONE of Port Elizabeth's biggest property developers, Wonderwonings, has retrenched 20% of its home building staff, including men occupying senior positions and other salaried and hourly paid workers.

Mr Vic van Rensburg, managing director of Wonderwonings, said the steady drop in sales figures since August last year had necessitated this move.

Included in those to get the axe were one of the directors of the company and a marketing consultant.

Four salaried artisans and 25 unskilled labourers also lost their jobs.

The economic stranglehold appears to be tightening its grip in the new year with widescale retrenchments taking place in the building industry in both the Eastern and Southern Cape.

Mr Waldo Deacon, vice-president of the Master Builders' Association, said more than 300 builders had been retrenched in George this year, and that he had been forced to lay off 25% of his staff at Semper Prima Builders.

The situation, he predicted, would get "much worse" unless the work flow became more realistic, with home builders the hardest hit due to higher interest rates and the unavailability of bonds.

Mr Van Rensburg said that although Wonderwonings had maintained production figures, the drop in the selling figures had made the restructuring of the company necessary.

Consequently the company would concentrate on township developments instead of home building.

Star 21/1/95

OK to discuss staff cuts

The OK Bazaars chain store and the unions representing its staff have failed to agree on the retrenchment of about 2 000 workers countrywide, but may do so tomorrow.

OK Bazaars executive Mr Alan Fabig told Sapa the company would hold further meetings with the Commercial Catering and Allied Workers' Union and the National Union of Distributive Workers' tomorrow morning.

He said he could not confirm a newspaper report that sources at OK Bazaars expected between 5 and 10 percent of workers in the group — up to 2 000 — to lose their jobs. The cuts are said to affect all race groups. — Sapa.

RDM 22/1/85 335

Rumours rife on ad sector lay-offs

By PAUL BELL

IF THERE have been lay-offs in the advertising industry, few agencies will admit to it, although the market is alive with rumours of the bloody axe.

It is apparent, however, that the level of employment is in retreat before the advancing and intensifying slump. The industry expects negative real growth during 1985, to which must be added the profit-savaging impact of GST, which, in all likelihood, will be increased this year.

In 1983, the average industry ratio of employees to billings stood at 5,8 per R1m — or R172 400 for each employee. Last year it was down to 4,3 — R230 000 per employee.

This year, says Mr Peter van Staden, financial director of J Walter Thompson, the ratio could slip to 4,0 — R250 000 per employee.

Or look at it this way. Salaries make up about two thirds of costs, says Mr Graham de Villiers, chairman of McCann-De Villiers. Mr Darryl Bernstein, of BLG & K, provided the figures. Salaries in an agency with gross margins of R1m are an average 58% of total costs; between R1m and R2m — 62%; between R2m and R4m — up to 75%, depending on the agency's rate of growth.

Advertising is a people business. In the good times, says Mr David McKinstry, chief executive of Young and Rubicam, an agency could lose an account, save the people who were on it, and ride it out. "Now they feel that they can't carry that overhead."

He also noted that advertising salary costs could rise by 10% to 12%: There was always pressure for good people to be paid more, and this might have to be funded by shedding others — although he stressed that this was not the case with his own company.

He said he would be surprised if general industry employment did not decrease by at least 5% this year.

Rumours of the axe would have one believe it is permanently whistling. One media director suggested, however, that reports of retrenchments were probably quite exaggerated.

"Agencies like to hear stories of retrenchments elsewhere. It makes them feel better about themselves; they infer that they're going up because the other is going down.

"And there's the usual industry infighting — and grudge-bearers are only too willing to elaborate on the misfortunes of rivals."

He said agencies were usually pretty loath to lay off people, if only because it was bad PR — the problem being that cutbacks will be construed more likely as a sign of individual ill-health rather than as part of a general industrial trend.

And that has been borne out by Business Day's inquiries among the major agencies; all executives have trod very warily on the subject.

One agency — about which axe-talk abounds around town — flatly rejected claims that its staff of about 300 had been cut by 10% in recent months.

The managing director said: "Sure, people have left — not necessarily of their own volition — but if they wish to describe their departures as retrenchment, that's their problem."

Another agency, also the subject of industry muttering, said it had lost an account and certain rationalisations had had to be made in the affected department, but only four people had been cut from the 160-strong Johannesburg office.

Mergers have had some impact too. One agency chief said a recent coalition had led to limited staff cuts in the administrative area.

Most agencies denied retrenchments, but said they were evaluating the need for replacements very carefully. If staff were to be trimmed, natural attrition would take care of it.

An industry source said that, of the 15 or so accredited agencies in Johannesburg, "five or six seem to have effected redundancies on the basis of constricting business conditions."

Two agencies had put off five or six people apiece, while a specialist arm of one larger agency had folded completely.

"It's difficult," the source said, "to decipher who has laid off because of general cash flow problems, or simply because of a lost account."

Minister: 'More jobless likely'

CAPE TIMES 22/1/85

By ANTHONY JOHNSON
Political Correspondent

THERE was every indication that unemployment would increase even further this year, the Minister of Manpower, Mr Pietie du Plessis, said last night.

Even if South Africa were able to muster an average growth rate of 4,5 percent over the next three years, unemployment would continue to be a problem, he said.

In a prepared speech presented to the Boland branch of the Institute for Personnel Management in Stellenbosch, Mr Du Plessis emphasized that the unemployment situation bedevilling South Africa was not simply a short-term but a structural problem.

Climbed back

This meant we would experience problems over the long term to create comprehensive job oportunities for the growing population.

Unemployment among blacks was particularly high, in spite of signs that the rate was coming down early last year. Black unemployment had dropped from 8,5 percent in June 1983 to 7,8 percent in March 1984, but had climbed back to 8,4 percent by July last year.

Automation

Mr Du Plessis noted that countries like the United States, West Germany and Canada were also experiencing serious unemployment difficulties.

However, a long-term increase in economic activity in those countries would not appreciably lower the unemployment rate, because of technological changes, automation and the use of robots.

Mr Du Plessis said no instant recipe existed which could solve the unemployment problem in South Africa or in the rest of the world.

But he emphasized that within the economic system in South Africa, it was mainly the duty of the private sector rather than the State to create employment.

Productivity up

Mr Du Plessis said the average worker's productivity during the first half of 1984 had improved by 4,5 percent against the corresponding period in 1983.

This improvement in productivity had contributed to a reduction in the rate of increase in labour costs from 12.8 percent in 1983 to 10,4 percent for the first half of 1984.

However, productivity in South Africa still compared unfavourably with that of this country's major trading partners, he said.

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SENIOR CITIZENS

Koeberg:

Capt Tim H 335

'Jobless crisis played down'

Own Correspondent

PRETORIA. — The gravity of South Africa's growing and potentially explosive unemployment problem was being played down by the government, the Progressive Federal Party's manpower spokesman, Dr Alex Boraine, has warned.

He was reacting to a speech by the Minister of Manpower, Mr Pietie du Plessis, in Stellenbosch this week.

"The problem is far worse than has been indicated by the minister. The increase in black unemployment quoted by him is hopelessly out of touch with reality."

Dr Boraine said unemployment among the country's economically-active population was critical enough, but that if the under-employed were added to those working a three or four-day week the total would exceed 2 000 000.

'Crisis'

"And when you add the 250 000 new work seekers who come on to the labour market every year, only a small percentage of whom ... find work, then the true dimension of the crisis becomes apparent."

He said that merely to keep all those categorized as economically-active in employment, the economy had to grow at a rate of five-and-a-half percent. The bleak prospect for 1985 was that there would be negative growth.

He also said large-scale unemployment among an already disturbed black population, combined with the fact that blacks were denied political representation, was "a sure fire recipe for instability and worse".

Sacked thousands are still looking for work

(335) Star 23/1/85

Thousands of people retrenched late last year, including many professionals, are still struggling to find jobs while salaries in some sectors are decreasing.

And this week Minister of Manpower Mr Pietie du Plessis said all indications were that unemployment would increase this year.

He added that South Africa faced long-term and short-term unemployment problems and would have difficulty in creating adequate job opportunities for the growing population.

By Trevor Jones

Personnel consultancies and employment agencies agreed that many more people were chasing the same number of jobs.

But most personnel firms, who rely on jobs for their fees, were cagey about the number on the market.

However a spokesman for one firm put it at 50 percent fewer than last January.

As much as 25 percent of job-seekers are professional people, says Miss Renate Gruer, an employment agency owner.

Wages for tradesmen and male administrative staff have decreased by 10 to 15 percent, she adds.

Salaries for women administrative staff have stayed the same.

Miss Gruer says that while salaries for professional people have remained much the same, those in middle-income and lower-income brackets have suffered.

Mr Eric Henderson, chief of the Association of Personnel Service Organisations, commented on the situation at the top end of the employment market and said: "The market right now is patchy.

"The demand for data-processing staff is high and there are still not enough skilled people.

"Demand in the engineering and project management areas is down.

"There is still a fair demand in the general management field.

"Some people have been looking for positions for six months and are now living off their capital."

At the lower end of the market job applications are up by as much as 35 percent.

Mrs Litsa Roussos, of another agency, said applications at the agency's Johannesburg branches were up by a third on last January.

An average of 14 to 18 people were applying for each job available.

Mrs Roussos said that last January a secretary with good shorthand and typing could get a job for R1 500.

"Now they can get R1 200 at a push," she went on.

"But on the whole salaries are now more realistic."

Miss Colleen Naude, branch director of a Randburg agency, said salaries were stagnating.

Increases were small and in some cases salaries were falling and perks such as company cars were being withdrawn.

A spokesman for a leading agency said that although salaries in Johannesburg went up by an average of 16,05 percent in the last year there had been a decrease in the last quarter.

How being out of a job can hit family life

The rise in mass unemployment as a result of the economic depression could undermine South African family life, say a psychology lecturer and a marriage life counsellor.

They were commenting on the spiralling unemployment rate as employers throughout South Africa retrench workers in thousands to cut costs.

The Government's unemployment figure is around half a million; academics estimate that nearly three million people, including those in the independent homelands, have lost jobs.

And the prognosis is that the state of the economy is likely to worsen.

Apart from the economic hardship, being out of work has serious

By Mike Siluma

psychological implications.

● The lecturer, Mr Stephen Bluen, of Wits University School of sychology, says that when jobs are lost by men, traditionally the major breadwinners, the potential for conflict in the family grows.

He warns that unemployment for migrant workers can have even more disastrous consequences as it usually means being sent back to rural areas where prospects for employment are virtually non-existent.

"When people lose their jobs they tend to take it personally," says Mr Bluen.

"No amount of explanation about the recession and the necessity for retrenchment helps "A man sees other workers staying on while he is asked to leave and he asks: 'Why me?'"

After trying in vain to find another job, the stress levels of such a person rise once it becomes clear that he is not going to find one.

His self-esteem is lowered dramatically by repeated rejection.

This is aggravated when another member of the family, such as his wife, is forced to take over the man's role as chief breadwinner.

"The man sees his position as natural leader of the family being challenged," says Mr Bluen.

"This has the potential to cause a power struggle in the family unit, giving rise to more conflict between husband and wife, or whoever has replaced him as main breadwinner."

Mr Bluen says a man in this situation will begin showing classic signs of stress, including drinking and smoking more and being generally irritable and abusive.

He may also suffer from physical and mental ill-health.

Mr Bluen says some of these symptoms are likely to affect other family members.

"It has been shown that there is a higher incidence of depression and anxiety among wives of unemployed men," he adds.

"Their children have a higher rate of emotional instability.

"In cases where the wife takes over as breadwinner, she comes under extreme pressure.

"While previously her income supplemented the husband's, she now has to provide for the family and has to hold on to the job for the financial survival of the whole family."

Some unemployed people became hostile and aggressive and took out their frustrations on family members.

With the increase in unemployment there could be an increase in cases of wife-battering and child-battering, suicide and family slayings could also increase.

● The counsellor, the Rev J Tau, director of the Soweto Society for Marriage and Family Life, has done counselling for more than 11 years.

He says mass unemployment may push up suicide and divorce rates in black communities.

"The newly married man feels he cannot desert his parents who are dependent on him, and the two families end up sharing a small township house," he says.

"Accommodation becomes inadequate, resulting in tension in the home.

"Both families feel they are entitled to support from him and the ensuing wrangling can ultimately lead to divorce.

"Unemployment will undermine family life."

Mr Tau says that when people lose jobs they are unable to send their children to school or buy them enough food, which makes them feel they have failed to meet their obligations.

Mercury 24/1/85 (335)

400 queue for 50 vacancies

Workers' desperate battle to find work

Labour Reporter

ABOUT 400 workseekers queued outside a Mobeni clothing factory yesterday in a bid for 50 vacant posts.

Mr J Harding, a director of Man-About-Town which is part of the S A Clothing group, said the scramble for jobs started on Monday morning after the company advertised an unspecified number of vacancies for qualified machinists and pressers.

'We are looking for about 50 qualified personnel but we least expected to have about 300 to 400 people queue up outside the factory gates for the jobs,' he said.

Most of them were not qualified but those who were successful would be trained by the company, he said. Some of them arrived at 5 30 a m and six hours later they were still waiting.

A number of other companies in the Mobeni industrial complex also experienced an unprecedented rush for jobs this week. At Van Leer packaging plant about 50 people waited outside the factory on Monday in the hope of finding employment. At Wispeco groups of people have been waiting outside the gates since last week.

Miss Rita Mbambo ... joined the queue at 5 30 a m.

Interviewed outside the Man-About-Town factory in Grimsby Road yesterday, disappointed job seekers told of their frustrations in a fruitless search for employment. For many, finding a job had been an uphill battle since last year.

People started lining up outside the factory as early as 5 30 a m yesterday and some still waited until lunchtime only to be turned away when all vacancies were filled.

Among those seeking employment were mostly school leavers and people who had been retrenched from other factories at the end of last year. Miss Angel Baatjies, 21, a learner machinist, said she had been looking for work since last year after she lost her temporary post in a dairy promotion department.

'Everyplace I go to I hear the same old saying: sorry no vacancies'.

Miss Angel Baatjies ... looking for a job since last year.

Unmarried mother Miss Spongile Ndlovu ... battling to make ends meet.

Miss Patience Gumede, who recently completed her matric through part-time study, said: 'I desperately need a job, any job, to help my mother who is the sole supporter for my family.'

An unmarried mother of two, Miss Spongile Ndlovu, said she had been retrenched by another clothing factory after workers were put on short time and she had been battling 'to make ends meet'.

Many people said that they had been baffled by the attitude of some employers whom they had found during their job hunting to prefer employing people with minimal qualifications.

One woman with a matric certificate said she had been turned away from a factory in favour of another woman with a lower qualification. 'Some employers think that by employing people with minimal qualification they can pay them lower wages,' she added.

Miss Patience Gumede ... desperate for a job.

Unemployment not seen as significant yet department

335
ARGUS 24/1/85

Staff Reporter

OFFICIALS in the Unemployment Insurance Fund (UIF) section of the Department of Manpower do not see unemployment in the Western Cape as a significant problem "at this stage".

The assistant director, Mr C J van Rooyen, says the economic recession has not yet had any significant impact on unemployment figures.

"But it is dificult to say at this stage. There has been no big increase in the number of people registering this year, but we do not know what will happen.

"Fortunately, we haven't experienced difficulties with excessive unemployment regarding the local motor industry, for example."

Many workers would not register until they came back from their holidays and others would wait until their money ran out.

In December 7 976 people were registered as unemployed by the Department of Manpower's Western Cape Inspectorate — 2 242 whites, 5 320 coloured people, 16 Asians and 398 blacks.

These were "ordinary" unemployed and did not include those who received illness or maternity benefits.

In December the Cape Town office of the department registered 779 white men, 630 white women, 16 white boys, 14 white girls, 2 209 coloured men, 811 coloured women, 87 coloured boys, 63 coloured girls and 16 Asians. Another 360 unemployed blacks registered for unemployment benefits in the Cape Town area.

Development board

The Western Cape Development Board supplied the Department of Manpower with statistics relating to blacks.

On December 17, 95 000 black workers and another 50 000 black contract workers were registered with the development board within the Department of Manpower's Western Cape Inspectorate area, which stretches from Namaqualand in the north to Heidelberg in the east.

About 45 000 of the registered black workers contributed to the UIF.

According to statistics from the Department of Manpower's head office, only 1,2 percent of the country's economically active workforce was registered as unemployed and applied for benefits at the end of September last year.

This was broken down as: 0,9 percent whites, 2,1 percent coloured people, 2 percent Asians, 0,9 percent black men and 2,3 percent black women.

This is the first in a two-part series on unemployment among all races in the Western Cape.

The first article includes details about rising payments from the Unemployment Insurance Fund.

The second article will be published tomorrow.

Independent states

Blacks from the independent states are not included in these statistics.

When the figures were questioned, officials agreed they appeared low but said it was because many unemployed people did not register.

"No one is forced to register," they said.

According to the latest available figures (July and August 1984) from the population survey compiled by the State-run Central Statistical Services, 8,6 percent of blacks, 6,1 percent of Asians and 5,8 percent of coloured people from the national workforce were unemployed. Percentages for whites are not given.

Payments from the UIF have risen steadily in the past few months.

In September last year there were 26 000 claims on the fund and R15 751 000 was paid out in benefits. In October there were 33 000 claims and a R16 896 000 payout, while in November R17 400 000 was paid out in response to 35 000 claims.

Contributions and interest on the fund's R238-million investment amount to between R15-million and R17-million a month.

Contributors to the fund who become unemployed are entitled to 45 percent of their salary for a maximum of 26 weeks provided they have been in full-time employment during the 12 weeks preceding the date of application for benefits.

Benefits are calculated on a sliding scale so that to qualify for the maximum 26 weeks, an applicant must have contributed to the fund for three years.

After 26 weeks any special applications for extended benefits are referred to the Unemployment Insurance Board in Pretoria.

CAPE ARGUS 25/11/85 (335)

Payments hall for unemployed in the city is big — and it's busy

Staff Reporter

THE payments hall in the Thomas Boydell building in Parade Street, Cape Town, is where the registered unemployed collect their fortnightly benefit cheques. It's big — and it's busy.

In line with Government policy, it is also segregated. White men on Mondays, white women on Tuesdays, coloured women on Wednesdays, coloured men on Thursdays and Fridays.

Black people go to development board offices in the townships.

On Thursday morning the hall is packed. The wooden chairs seat about 300 men; others crowd the walls. It's surprisingly quiet.

There is some chatting between friends; others read newspapers and one or two books are in evidence. Most of the men sit, looking in front of them.

An efficient but polite clerk marshals proceedings — one row at a time, those getting their cheques to the right, those registered but still waiting for payment to the left.

"There'll be chaos"

The whole hall moves up a row. Ten men standing fill the vacant seats in the back row. The procedure is repeated.

"I don't like doing this, playing traffic cop," the man said, "but I have to. You just come and watch next week when I'm not here — there'll be chaos.

"You always get the impatient ones who don't want to wait for their money. A few years ago we were forced to lock the doors and then they just broke them down."

One row at a time, the men move to queue in front of the payment clerk.

He works with a practised motion, taking each person's Unemployment Insurance Fund (UIF) card with one hand and flicking through the big box of cheques with the other.

He waits until the man in front of him has signed the declaration form and put it to one side before returning the card with the benefit cheque inside.

Most of the men study the cheque briefly before leaving.

Wide-eyed children

Outside a few women wait patiently and wide-eyed children lean against the wall. The men leave quickly once they have their cheques.

I spoke to some of them, but there does not seem to be a pattern — each has a different story to tell.

Henry — he did not want to give his surname — lives in Lavistown. He is 51 and married with four children, all still at school. His eldest son will be writing matric this year.

"I started as a labourer, but now I'm a qualified diesel mechanic. It took me nine years to qualify at the school," he laughed.

It is the first time Henry has been unemployed. He was working for one of the country's major construction companies, earning R180 a week, when he was laid off in October.

What is it like for his family?

"I would say it was hard. There wasn't any money and it was the first year I couldn't give them anything. They were used to getting holiday presents.

Keep on trying

"It's difficult but you have to keep on trying. It may look as though it's dark, but the light comes through slowly."

Henry was handed a fortnightly benefit cheque of R205,74. He said he was on his way to investigate a possible job offer.

Edith Chetty, 56 and her husband Ron, 58, were sitting inside the hall waiting to collect his unemployment benefit cheque.

He is a furniture polisher and spray-painter and was laid off in August. It is not the first time he has been unemployed.

"Two years ago he also got laid off. He was out of work for 10 months then and we were put out of our house in Mitchell's Plain," said Mrs Chetty.

"We moved around a lot until we stayed with my niece in Elsies River.

"It's very difficult. To put your foot under another person's table, it's not nice. But you must just accept what you get."

Mr Chetty earned R127 a week in his last job. They have one child, but she is married and no longer needs support.

How do they manage to live?

"Well, the unemployment money comes every second week and then we have to pay for the storage of the furniture since we lost the house."

What about the future?

"I think it will be worse. I think it's going to be terrible. The costs are worse than last year," she said.

Keith Jacobs, 27, of Athlone, neatly dressed, said he had been unemployed for "about" two years. Unskilled and with a Standard 6 education, he has never been registered and does not have a UIF card.

He earns about R15 a day as a casual painter and spends his days ("when I have the train fare to come into town") waiting to negotiate with the contractors who come looking for cheap labour (the pavement in Parade Street is an unofficial labour bureau).

He said the contractors usually arrive early in the morning.

● Contributors to the Unemployment Insurance Fund, who lose their jobs, are entitled to 45 percent of their salary for a maximum of 26 weeks provided they had been in full-time employment for at least 13 weeks during the 52 weeks preceding the date of the application.

While I was talking to Keith in Parade Street a crowd gathered and an angry voice interrupted us.

"If you don't work, you must steal. If you steal for your children, it's not nice and you go to jail.

"While we stand here the police pick on us as vagrants. It's not vagrancy — we're looking for work. Why do they pick on us?"

This is the second and final article on unemployment in the Western Cape.

It focuses on the men and women who crowd the Thomas Boydell building in Parade Street for their fortnightly dole payments.

Everything is surprisingly quiet as people wait for their cheques.

Mercury 26/1/85 (335)

Printing firm lays off 25 workers

Labour Reporter

TWENTY-FIVE employees of a litho printing firm in Congella were retrenched yesterday.

Mr F J Ravenscroft, works manager of Keartlands-Nasionale (Natal), part of the Nampak Group, said the downturn in the economic situation had forced the company to lay off the workers.

The retrenchments — about 38 percent of the company's workforce — included whites, coloureds, Indians and blacks.

Mr David Dormehl, branch secretary of the South African Typographical Union, said the union had not been officially informed of the retrenchments.

The retrenchments could not be viewed as unusual or exceptional as other industries, including the motor and furniture industries, had laid off thousands of workers, he said.

'We have been fortunate in the printing industry,' he added.

500 jobs lost as M & R closes down Elgin Glass

ARGUS 29/11/85

By TOM HOOD

ABOUT 500 jobs will be lost, including 140 in Cape Town, as a result of the close-down of the country's second largest glass company, Elgin Merchandising, trading as Elgin Glass.

The company was acquired in 1978 by Murray and Roberts when it took over Elgin Fireclay Holdings. M & R owns 100 percent of the issued share capital of R70 000.

The Cape Town operation moved into a new R800 000 factory with 2 500 sq m of floor space in Epping only six months ago.

It grew from a small glazing company with only 22 employees in three years. Last year it took over the Hulett Glass subsidiary of Hulett Aluminium, another national glass company, which earlier took over the old-established Richards and Barlow (Pty) of Cape Town.

PRICE WAR

Glass companies have been engaged in a price war for several months as they battled with cheap imports to maintain their share of a market that has been shrinking as a result of the recession and downturn in the building industry.

Elgin Glass lacked the resources of the giant PG Glass, especially after the merger with Pilkington of Britain to form Glass South Africa (combined annual sales more than R1 100-million) and its profits were under pressure.

Some stocks and uncompleted contracts of Elgin Glass will be taken over by PG Glass.

A Johannesburg spokesman for M & R said although the company was the country's second largest glass company, it was a long way behind the leader, Plate Glass, and the market was a difficult one to get into. The group also has factories in Johannesburg and Durban.

The chairman of Elgin Merchandising, Mr Andrew Chapman, confirmed that M & R had "divested itself" of its assets in the company.

Mr Chapman, also a M & R executive, said the decision to discontinue in the glass industry was based on the fact that the market was not large enough for M & R to manufacture glass and its associated products.

There was already spare capacity in the industry, with little prospect of expansion for about 10 years.

"Unless we are able to go big in manufacturing, there is little point in continuing."

A lot of the business would be taken over by smaller firms who would be able to employ some of the displaced staff, he added.

The closure leaves Cape Town with three major suppliers, the giant PG Glass, its associate Pilkington and the smaller but 47-year-old company, A Byers (Pty) of Wetton, trading as Byers Glass.

"We are probably the second biggest supplier in the Cape," says managing director Mr Terence Byers.

"We have never operated branches but will now have to consider expansion and moving into country areas."

Ford's big pull-out

30/11/85 (332) (335) E:Post

Many to lose jobs: merger headquarters to go north

Post Reporter

FORD SA is to merge with Pretoria-based Amcar to form a new motor giant, the South African Motor Corporation (Samcor). This will lead to the relocation of the bulk of Ford's operations to the Transvaal and the possible loss of jobs by as many as 2 500 Ford employees.

The move, which will come as a crippling blow to the local economy and the ailing Port Elizabeth region as an industrial centre, was announced jointly by the two companies in Johannesburg today.

Anglo American Corporation will hold a 60% stake in the new company. Its headquarters will be in Pretoria.

Ford's Struandale assembly plant for production of the Sierra car and engines will be maintained, but the company's presence in the Eastern Cape will be drastically reduced as a result of the merger.

Although executives of both companies refused to be pinned down today about the number of people who will lose their jobs in Port Elizabeth, it seems possible that as many as 2 500 jobs are now on the line.

Ford's total staff complement in Port Elizabeth at present is 4 720, of which only 1 975 are employed at the Struandale assembly plant.

Some Ford models will be phased out at future model changes and there is a possibility that some may be dropped in the long term.

The integration of facilities will lead to production being centered at Amcar's Silverton plant and Ford's Struandale plant. Production at Ford's Neave plant and Amcar's truck plant in Port Elizabeth will be transferred to these plants.

It will take up to 18 months to complete the rationalisation.

No indication was given of when the expected re-

Mr BRIAN PITT

Mr FRED FERREIRA

trenchments will come into effect.

The chief executive of the new company will be Mr Spencer Sterling, presently managing director of Amcar, assisted by an American Ford executive, Mr Tom Williamson. Two dealer networks will be maintained.

Most of the present directors will retain directorships in the new company, according to a Ford source in Port Elizabeth. They include Mr Brian Pitt, at present managing director, Mr Keith Butler-Wheelhouse, Mr Derek Morris and Mr Fred Ferreira, Mr John Dill and Mr Keith Berning.

Today's announcement was made by Mr Leslie Boyd, executive director of Anglo American and chairman of Amcar and Mr Len Halstead, a senior executive of the Ford Motor Company in Detroit.

The merger, first mooted last year, emphasises Anglo American's determination to become a dominant force in the South African motor market. Within Amcar itself there is now a firm belief that, by the end of 1985, Samcor will be challenging market leader Toyota for a square share of the car market.

The announcement ends months of uncertainty in the motor industry and comes against a background of escalating costs, a severe decline in sales as a result of the economic recession, the devaluation of the rand, and increasing pressure on motor manufacturers by the Government to rationalise production.

The full Ford/Amcar statement on the merger is as follows

Ford Motor Company of Canada, Anglo American Corporation and Anglo American Industries Ltd

poration have agreed in principle to merge their respective automotive operations in South Africa, Ford Motor Company of South Africa (Pty) Ltd and Amcar Motor Holdings (Pty) Ltd.

This was revealed in a joint statement by Mr Lindsey Halstead, vice president, Asia-Pacific and Latin American Automotive Operations, Ford Motor Company and Mr Leslie Boyd, Executive Director, Anglo American Corporation at a Press conference in Johannesburg this afternoon.

A new company, South African Motor Corporation (Samcor), is to be formed in which Ford Canada will hold about 40% and Anglo American about 60%. The final percentages will be determined once the audits of the 1984 accounts of the two automobile manufactuerers have been completed.

He revealed that the joint studies that have been carried out by the two companies over the past several months led both enterprises to the conclusion that it would make sound business sense to combine their automotive operations.

"Such a step would allow for eventual integration of operations, thus placing them jointly on a sound basis to compete successfully in the local automobile industry and, indeed, to challenge for market leadership," he said.

The integration of the facilities will lead to production being centered at two of the existing four assembly plants, Amcar's Silverton plant and Ford's Struandale plant. Production at Ford's Neave plant

Turn to Page 9.

Details of Ford's big pullout

● From Page 1

and Amcar's truck plant in Port Elizabeth would be transferred to the two modern plants.

"The specific timing of these actions is still to be determined, but it will take up to 18 months to complete manufacturing rationalisation," he said.

"Such action," Mr Boyd said, "would result in the more efficient utilisation of the facilities."

He noted that capacity at the Silverton plant would increase from 50% to close to capacity on a single shift basis, while it was expected that production at the Struandale plant would reach 100% also on a single shift basis. Production at Ford's engine plant at Struandale would continue.

The highly fragmented nature of the local market had led the companies to open discussions. This market has more manufacturers than any other of the 27 in which Ford operates and with a comparatively low annual volume of 400 000 sales.

"Ford South Africa has been constrained — as I am sure others have — in earning a reasonable return on its investment," Mr Halstead disclosed. Mr Boyd estimated that collectively the local manufacturers lost in excess of R200 million last year.

"This merger is an historic event in the South African automobile industry and demonstrates the determination of two resourceful companies to come to grips with the problems that we — and we suspect others — have been facing as a result of the complex nature of the automobile industry in this country," Mr Boyd said.

Both Mr Halstead and Mr Boyd stated that they were very much aware of the effect the potential scaling down operations could have in Port Elizabeth, but emphasised that the new company would retain a strong presence in Port Elizabeth and would be well aware of its responsibilities to employees and the community.

Under the merger, the dealer networks as they currently exist would continue to operate with separate, distinct products.

There would be no change in the products offered by the respective dealer bodies in the foreseeable future.

"We and Ford believe that the prospects for automobile industry growth in South Africa continue to be strong in the long term because of the great potential within the economy. We are highly confident that Samcor will be a significant participant in the economic and industrial growth in this country," Mr Boyd said.

Mr Boyd currently chairman of Amcar, will be chairman of Samcor while Mr Spencer Sterling, managing director of Amcar, will be the managing director and chief executive, and Mr Thomas Williamson, a Ford United States employee with extensive international automotive experience, will be the deputy managing director, according to the statement.

Recession hammers PE engineering industries

E. Post 30/1/85

By MIKE LOEWE

"WE are on our last legs," a press shop manager in North End, Port Elizabeth, said today, describing the plight of the city's ancilliary engineering industry, starved of work by the severe slump in the local motor plants' production.

His sentiments were echoed elsewhere.

Cutbacks and lay-offs have decimated staffs, and machinery is gathering dust in a recession now being described as "worse than the 1930s".

For some companies, the nightmare of closure or take-over by larger firms grows more real by the day.

These are the stark findings of a survey of nine firms allied to the motoring industry.

- A factory normally employing "a large number of blacks" is producing nothing and selling nothing.
- A company which last year employed 80 people now has only 20 employees and is working a two-day week.
- A company using 250-ton motor presses has "50% of our machines just standing" and is in dire difficulties.

Mr C Onvlee, who owns an engineering workshop in Sidwell, said his company was in a situation of "no production and no sales".

Only 25% of the staff had survived retrenchment before the Christmas holidays.

Mr Mike Dibbin, who manages a press workshop in Sidwell which receives 95% of its work from the motoring industry, said the situation was "extremely bad".

"We're on our last legs here. We had 70 employees. Now we have 25 people working a three-day week."

"They are just not building cars," he said.

Mr Chris Mangold, who directs an engineering works employing 80 people, said business was "very slack indeed". He said he faced the possiblilty of having to retrench in all sections, including office staff.

Mr Harris van Niekerk, who runs a general workshop in Sidwell, said: "The fair amount of business I received in June has slackened off. The situation now is nowhere like it was then."

He has cut back on 65% of his staff and works a two-day week. "We are still keeping a small staff busy. Things look very bleak."

Mr Glen Hansen, who works in his family business, said: "The situation is terrible. Business has really nosedived since last August."

His company cut down to a 4½-day week after recently laying off 10% of its work force.

Mr Derek Burmeister, contracts manager for a Sidwell workshop, said their machines were working at 50% to 60% of their normal production rate. His firm was working a four-day week.

Mr Chris Murray, managing director of a safety glass company, said one of the firm's two factories producing toughened glass was in difficulties and working a four-day week. Two furnaces which were normally used in good times were standing idle.

Mr Kenneth Terblanche, manager for a workshop in Sidwell, said his company had contracts from the State and his situation was "not too bad" because his firm had made early plans not to rely completely on the motor industry.

The director of the ninth company approached asked not to be named, but said "things are not good".

Union: many will suffer

Post Reporter

THE merger of the two motor manufacturers is in the interests of the shareholders but not of the plants' employees, the National Automobile and Allied Workers' Union (NAAWU) said immediately after meeting Ford and Amcar representatives today.

At the meeting the union stated the merger arrangements did not reflect the interests of workers and more particularly, the 2 000 workers the union expects will be retrenched.

Nor did it reflect the interests of the communities in which the workers lived.

At the meeting the companies indicated that they were aware of the socio-economic implications of the move and committed themselves "realistically" to address the situation.

The union stated in the meeting that it would be negotiating to see if these sentiments were to be translated into action and looked to Ford, as an American multinational company, and Anglo-America, as the largest corporation in South Africa, to give proof of their public responsibilities.

The union will be submitting demands in the near future to the new company.

The company has guaranteed to negotiate in good faith all aspects of the rationalisation.

1 051 OK workers will be out of work tomorrow

More than 1 000 OK Bazaars workers at branches throughout South Africa are to lose their jobs tomorrow.

This announcement was made yesterday by the chainstore's management and unions representing the employees after a fortnight of negotiations.

The number to be laid off temporarily or retrenched because of lean times — 1 051 — represents about four percent of the workforce of 25 500.

A joint statement was released after talks between OK Bazaars management, the Commercial, Catering and Allied Workers' Union, and the National Union of Distributive and Allied Workers, who persuaded the chainstore not to retrench as many as 2 000 people — as planned originally.

"The OK accepted the unions' proposal to implement an initial staff reduction programme which will affect 1 051 of the 25 500 employees instead of the original 1 500 contemplated in the first phase of the plan," the statement said.

"A number of proposals were made by the unions and the company. Finally, the unions' proposal for the option of a lay-off with the guarantee of re-employment by August 7 1985, or retrenchment, was agreed.

"Retrenchments and lay-offs will take effect on January 31 (tomorrow). OK has guaranteed to give preference to employees who are laid off or retrenched when it requires casual, part-time or full-time staff in future," the statement added.

OK Bazaars workers and the Press have been in the dark about the negotiations throughout because of an agreement between the management and unions not to discuss the issue in public.

The statement said the negotiations were characterised by "frankness and co-operation" and were arranged after the chainstore gave notice to the unions that it wanted to retrench about 2 000 employees.

An independent auditor was called to verify OK Bazaars' reasons for the staff cuts, the statement said. — Sapa.

1 051 OK Bazaars workers to lose jobs

By PHILLIP VAN NIEKERK

MORE than 1 000 OK Bazaars workers are to be axed from their jobs this week, but two shop unions have won major concessions in an attempt to soften the blow.

The job losses were announced in a joint statement yesterday by OK Bazaars, the Commercial, Catering and Allied Workers' Union (Ccawusa) and the National Union of Distributive and Allied Workers (Nudaw).

The statement signalled the end of two weeks of disputes and negotiations which began when OK informed the two unions of its intention to retrench 2 000 workers, effective from January 21.

In terms of the agreement, 1 051 workers out of OK's workforce of 25 500 are to be given notice today instead of the 1 500 originally contemplated by the com-

☐ To Page 2

Fate of 949 in the balance

☐ From Page 1

pany.

It is understood there will be a number of retirements and early retirements included in this figure.

The company had intended to retrench another 500 in March, and OK and the unions will now have to negotiate the fate of the remaining 949 workers.

According to yesterday's statement and a Ccawusa pamphlet distributed to OK workers, which the Rand Daily Mail has obtained a copy of, other features of the innovative and precedent-setting agreement are:

- OK has agreed to accept an independent auditor nominated by the unions to verify the company's statements on the need for the retrenchments and to confirm the number of employees affected.
- Workers can choose to be "retrenched" or laid off. If they choose to be laid off they would be guaranteed re-employment on August 7. Laid-off workers will receive two weeks wages and will remain members of their medical aids and pension funds.
- Retrenched workers will be paid out their own plus the employers' pension fund in full. They will receive severence pay of two weeks for up to two years' service, four weeks for two to three years' service, six weeks for three to four years' service and eight weeks thereafter.
- The OK has guaranteed to give preference to employees who are laid off or retrenched when it requires casual, part-time or full-time staff in future.

Game stores retrench 115

DURBAN — Game Discount World today retrenched 115 people at their head office and their Durban and Pietermaritzburg stores, adding to the increasing numbers made jobless as a result of the economic downturn.

Mr Alex Hurter, president of Game, said the retrenchments were at all levels, from senior management to shop floor workers.

They will all be leaving the company today. — Own Correspondent.

EVENING POST, WEDNESDAY, JANUARY 30, 1985

'E Cape recession worse than the 30s'

By MIKE LOEWE

THE Eastern Cape is in a recession worse than the Great Depression in the early 1930s, according to Mr Alan Mankoff, managing director of Dun and Bradstreet, a leading agency for monitoring the economic pulse of business in South Africa.

In an interview, Mr Mankoff said businesses in the Eastern Cape had been hard hit.

"You are in the middle of a deep recession, worse than in the 1930s."

He linked the depression to the slowdown in the motor industry, and to last week's enormous hike in fuel prices, and the forthcoming perks tax.

"The motor industry is a key industry in the Eastern Cape, and if its health is affected, then so is everything else."

He said that in 1984 there had been a 64% nationwide increase in the number of liquidation judgments.

And the value involved in the judgments had tripled from R1,8 million in 1983 to R5,1 million in 1984.

"And there are even more depressing figures for the last quarter of 1984 and the first part of 1985.

"We anticipate that this will continue."

In Port Elizabeth's engineering workshops, some firms have said they are on their last legs.

While thousands of rands worth of machinery is gathering rust, restaurant and garage owners are also trying to sell up and leave or find alternative employment in the city.

An industrial property negotiator, Mr Leon Hafner, confirmed this today.

"We have a lot of restaurants and small garage businesses on our books. One garage owner phoned yesterday to say he had found a job in Durban."

Most businesses were being sold at "very reasonable prices".

Mr Hafner said: "Six to eight months ago we could tell building owners we would find them the best price. Today we tell them we will see if we can get them a price which is not a give-away."

ARGUS 30/1/85 335

OK to retrench more than 1 000 workers

JOHANNESBURG. — More than 1 000 OK Bazaars workers throughout the country are to lose their jobs at the end of the week.

The announcement was made by the chainstore's management and the unions representing the employees after a fortnight of negotiations.

The number of people temporarily laid off or retrenched because of lean times — a total of 1 051 — represented about four percent of OK's workforce of 25 500, a joint statement by the chainstore and the unions said.

The statement followed talks between OK Bazaars management, the Commercial, Catering and Allied Workers Union and the National Union of Distributive and Allied Workers, who persuaded the chainstore not to retrench 2 000 as originally planned.

An independent auditor was called in to verify OK Bazaars' reasons for the staff cuts, the statement said.

● Dion discount store has paid off 28 workers because it is closing its Kenilworth branch.

According to Mr Brian Howard, executive director, the retrenchments were necessary because of the transfer of staff from Kenilworth to the new branch at Parow. — Staff Reporter, Sapa.

● The Argus Durban Correspondent reports that Game Discount World retrenched 115 people today at their head office and their Durban and Maritzburg stores .

1 000 OK workers lose jobs

CAPE Times 30/1/85

335

Own Correspondent

JOHANNESBURG. — More than 1 000 OK Bazaars workers are to be axed from their jobs this week, but two shop unions have won major concessions in softening the blow.

The two unions, the Commercial, Catering and Allied Workers' Union of South Africa, (Ccawusa), and the National Union of Distributive and Allied Workers, (Nudaw), have been negotiating to save the jobs of as many workers as possible.

Two weeks ago, the giant retailer informed the two unions it intended to retrench 2 000 workers.

Now, after a fortnight of disputes and negotiations, the unions have managed to stave off the immediate retrenchment of 949 workers. In terms of a new agreement, 1 051 workers out of the OK workforce of 25 500 are to be given notice today. The OK and the unions will now have to negotiate the fate of the remaining 949.

Features of the innovative and precedent-setting agreement are:

● The OK agreed to accept an independent auditor nominated by the unions to verify the company's statements on the need for the retrenchments and to confirm the number of employees affected.

● Workers can choose to be "retrenched" or laid off. If they choose to be laid off they will be guaranteed re-employment on August 7. Laid-off workers will receive two weeks' wages and will remain members of their medical aid schemes and pension funds.

● Retrenched workers will be paid out their own, plus the employer's, pension funds in full. They will receive severence pay of two weeks for up to two years' service, four weeks for two to three years' service, six weeks for three to four years' service and eight weeks thereafter.

● The OK has guaranteed to give preference to employees who are laid off or retrenched when it requires casual, part-time or full-time staff in future.

● 600 to lose jobs in glass industry, page 3
● Things will get worse, page 12

Capt Times
30/1/85
235

600 to lose jobs in glass industry

Staff Reporter

THE entire staff of an Epping glass components factory, about 150 employees, will be laid off on Friday following the nation-wide withdrawal of Murray and Roberts from the glass industry.

Murray and Roberts, which owns Elgin Merchandising, announced on Monday that it was closing down the company and divesting itself of its interests in the glass industry. The move will cost an estimated 600 people their jobs nation-wide.

Speaking from Johannesburg yesterday, Mr Andrew Chapman, a Murray and Roberts executive, said his company would "obviously try and re-employ people, but when it comes to blacks it is very difficult".

The Epping branch of Elgin Glass (Cape) employs about 100 coloured labourers.

Elgin Glass held a share of just over 20 percent of the glass market and their major competitor, Pilkington Glass, were "just too big to compete with — we were losing money", said Mr Chapman.

A number of administrative staff would remain "as long as necessary" and the company would eventually shrink to a single credit controller collecting debts in about four months time, he said.

Regional directors in Elgin Glass had all been offered jobs with Murray and Roberts, Mr Chapman added.

The move is expected to provide a major boost for small glass component companies which will probably absorb much of the skilled labour from Elgin Glass.

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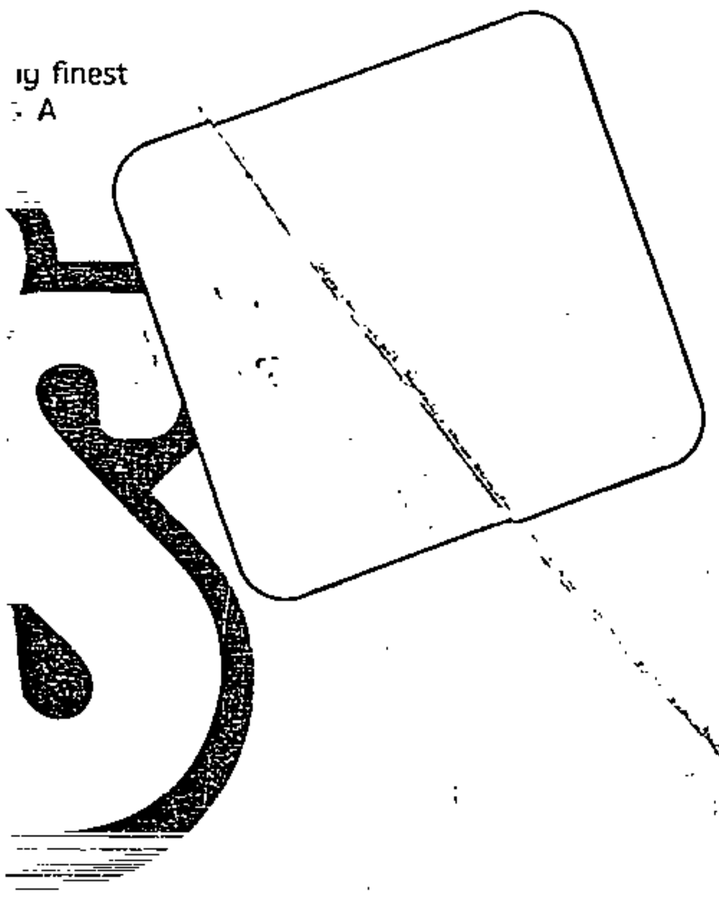
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NATIONAL/INTERNATIONAL

Car move: Gloomy forecast for PE

From KEN VERNON
Argus Bureau

PORT ELIZABETH. — Organised business here has warned of "severe economic damage" through Ford motor company's withdrawal from Port Elizabeth.

The city has been stunned by the of the Ford/Amcar merger and Ford's planned move to Pretoria, even though the blow was seen coming for months.

Business and civic leaders said the move would force other motor manufacturers and ancilliary industries to examine their involvement in Port Elizabeth and would discourage new investment.

Only solution

Mr Tony Gilson, director of the Port Elizabeth Chamber of Commerce, said the motor industry directly contributed 25 percent of the city's gross economic output.

"Ford alone contributed approximately eight percent and no city can afford to lose eight percent of its economic base without suffering severe economic damage."

The chairman of the Greater Algoa Bay Development Committee, Mr Alan Ward-Able, said the only solution was to attract other industries to fill the gap left by Ford.

Workers at the Ford Neave plant — the company's oldest — expressed dismay and disbelief that they could be the first to lose their jobs under the new arrangement.

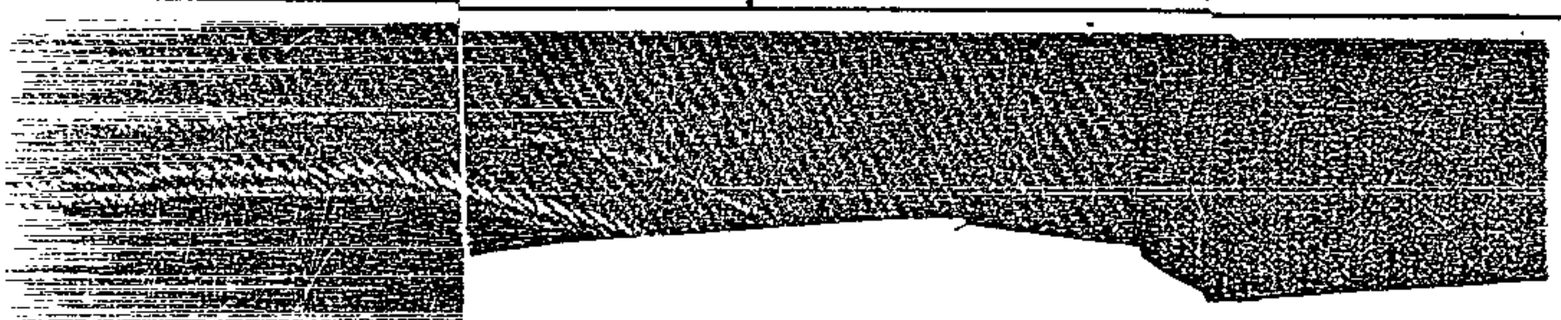
Vagueness

Some workers said they were unhappy at the vagueness of the information the company had given them.

A letter addressed to the workers and signed by Ford managing director, Mr Brian Pitt, which was circulated in the company's plants yesterday, gave no hints about possible retrenchments or planned closures.

Mr Les Kettledas, national organiser for the National Automobile and Allied Workers' Union, said he felt Ford and Anglo American had acted in a "completely irresponsible manner" toward their social responsibility that the industrial giants had long espoused.

"We learnt only yesterday of the merger after having pressed Ford for months for fuller consultation. Now we learn that negotiations had been going on for nearly a year."



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Mercury 31/1/85 335

2 000 workers retrenched in two months

Labour Reporter

NEARLY 2 000 workers have been retrenched in Natal during the past two months and hundreds more face the grim prospect of being axed in coming weeks as the economic squeeze begins to bite.

This was confirmed yesterday by Mr Richard Savage, chairman of the Natal Clothing Manufacturers' Association, and Mr Yunus Shaik, a spokesman for the Garment Workers' Industrial Union.

Game Discount World laid off 115 workers from its Durban and Pietermaritzburg stores yesterday, in the wake of staff cuts announced by OK Bazaars involving about 1 000 people countrywide and 161 from its Natal branches.

About 30 workers at the Four Seasons Hotel have been laid off in recent weeks, general manager, Mr V Granthan, said yesterday.

He said most of them were taken on during the busy December holiday season and their services were now no longer required.

Mr Savage told the Mercury yesterday that 'things are very slack in the clothing industry at the moment.' Orders had slowed.

'Money is tight, the man-in-the-street has no money and business houses are not ordering. It's a vicious circle,' he said.

'The only alternative to retrenchment is short-time which I think many employers will have to consider unless things improve,' he said.

Mr Alex Hurter, president of Game, said the retrenchments were at all levels at the company's head office and their Durban and Pietermaritzburg stores.

Since July he and his board had been looking at ways and means of reducing overheads in the light of 'skyrocketing inflation and rising costs.'

'We looked at every possible avenue and people were the absolute last resort. The last-in-first-out concept had been used. The longest-serving staff member to be retrenched has three years' service,' he said.

The retrenchments will affect 50 people at the head office in Durban and another 65 at the Durban and Pietermaritzburg stores.

None of the other stores in the Game group had been affected, Mr Hurter said.

Commenting on lay-offs in the clothing industry, Mr Shaik, assistant branch secretary of the Garment Workers' Industrial Union, said the rate at which people were losing their jobs was 'frightening'.

The union was receiving daily reports from members of further retrenchments.

'Our union's membership from December 31 last year up to January 23 dropped from 48 010 to 46 345 — a reduction of 2 335 workers.'

At James North in Pinetown, about 150 workers face retrenchment at the end of February. Mr Shaik said the company had already informed the union and had called for a meeting to discuss the proposed staff cuts.

Mr Jay Naidoo, branch secretary of the Commercial, Catering and Allied Workers' Union, said yesterday that the union had not been consulted by Game prior to the retrenchments.

Laid-off car men now total 11 000

By Trevor Jones

The number of workers laid off by motor manufacturers in under three years will climb to more than 11 000 after the Ford-Amcar merger.

Yesterday the two companies announced that Ford would move from Port Elizabeth to Pretoria.

Following the announcement there has been widespread speculation that more mergers are on the cards and that some manufacturers may even pull out of South Africa.

This would be another brutal blow to thousands of people in industries allied to motor manufacturing.

Last year an estimated 20 000 people in these satellite industries lost their jobs as the motor manufacturers laid off 5 000 workers.

Early in 1982 the combined work-force of the manufacturers stood at just over 50 000.

In June 1982 Volkswagen laid off workers at its Uitenhage plant and Ford announced it would close its Port Elizabeth factories for three Mondays a month.

A month later the *Standard Bank Review* warned of an impending downturn in the motor industry.

But in July and August of 1982 sales were buoyant and the warning seemed premature.

Towards the end of the year Sigma, General Motors, Mercedes and even Toyota laid off staff.

Ford and General Motors began a four-day week.

RETURNING

By the end of 1982 retrenchments totalled 3 600.

Early in 1983 there were layoffs at Eastern Cape plants. In January last year Ford retrenched 490 and Sigma announced that employees returning from the Christmas holidays would work a four-day week.

In the first three months of last year 2 000 people were laid off.

There was a rush for cars towards the middle of the year as many people scrambled to buy before GST went up to 10 percent.

In August Nissan laid off 244 and began a three-day week.

Amcar retrenched 330; General Motors 129; Leyland 100; Ford 425.

And Ford ceased production for a week.

In September and November General Motors did the same. Nissan stopped for a week in October.

In the three months to the end of October 3 000 people working for the motor manufacturers had lost jobs and a further 7 000 in satellite industries had been laid off.

As prospects for 1985 worsened Ford laid off 235 last November.

General Motors announced that its 2 500 employees would be on holiday for 7½ weeks and that 320 would not return to work after the holiday.

Nissan retrenched 540.

In December, 280 Mercedes workers were laid off.

This year most workers have returned to shortened working weeks and thousands face a future in which further rationalisation and retrenchments loom large.

It was six weeks without pay for 8 000 workers

By KEVIN UDEMANS

TO add to their worries, more than 8 000 motor plant workers have just endured six weeks without pay.

The Christmas shut-down started on November 23 and the hourly paid workers at the Eastern Cape's three plants received three weeks' pay during this shutdown — paid out on November 23 and 30 and on December 7.

For the other four weeks of the shutdown the men applied to the Unemployment Insurance Fund for unemployment pay — which has still not come through.

The volume of applications has snowed the Department of Manpower under.

So the men effectively had to go without money for six weeks from the time that they received their last pay before Christmas to last Friday when they received their first pay cheque of this year. (They did not receive pay at the end of their first week.)

Mr J Greyling, the regional director of the Department of Manpower, said his department had received the applications for unemployment but all of them had to be dealt with individually and it would take some time.

● When the workers returned to work at the beginning of this year they only received their first pay packet at the end of their second week of work.

Mr Mike Killeen, the public relations officer at General Motors, said hourly paid workers had to work for two weeks before they received their first pay cheque.

"Under normal circumstances a week's pay is carried over during the Christmas shutdown to the next year so they could receive pay after the first week in the new year.

"But last year because of the long shutdown we paid the workers for their last week and we told them that this year they would not receive pay till after two weeks' work," Mr Killeen said.

Ford gave us 'raw deal' - motor unions

Post Reporter

MOTOR unions have criticised Ford/Amcar merger negotiations.

They claim Ford gave them a "raw deal" by not fully informing them of details and sufficiently including them in discussions.

A mass meeting organised by the Motor Assemblers' and Component Workers' Union of South Africa (Macwusa) to discuss the implications of the merger will be held at the Ganakakaza Hall in New Brighton tonight.

Mr Dennis Neer, general secretary of Macwusa, said he expected the meeting to be well attended.

"Feelings will run high," he predicted. "I have been flooded by phone calls from employees at Neave bitterly unhappy at not having been informed beforehand that they could lose their jobs."

They felt Ford was giving away all their jobs just for the sake of a little extra profit, Mr Neer said.

Mr Les Ketteldas, regional secretary of the National Automobile and Allied Workers Union (Naawu), criticised Ford for not keeping employees fully informed of the various stages in the merger.

The merger, he said, was in the interests of profits and shareholders — at the expense of the workers.

"What Ford does not seem to realise is that it will not be 2 000 employees out of work, but 2 000 families living without any source of income," he said.

The Port Elizabeth Civic Organisation has also criticised the merger.

In a statement issued today, Mr Sipho Hashe, the Pebco secretary-general, said many black people in the Port Elizabeth townships employed by Ford would be hard hit if they lost their jobs.

Mr Hashe said many families who had been used to a better way of life would be forced now to accept a lower standard of living.

Families would be faced with starvation and other financial problems since some of the Ford workers had opted for the 99-year leasehold schemes with loans from the company, others had bought cars, he said.

Mr Hashe said Pebco blamed the Government for neglecting Port Elizabeth's economic growth.

C Times
31/1/85
335

400 lose jobs in Cape this week

AT LEAST 400 Western Cape employees have lost their jobs through retrenchments this week.

Thirty employees have been retrenched by Dions, about 150 have lost their jobs through the closure of a glass factory at Epping following Murray and Roberts' withdrawal from the glass industry, and 200 Western Cape employees of the OK Bazaars are among the thousand who are being retrenched by the group across the country.

About 200 employees of OK Bazaars in the Cape Province face being laid off on the last-in-first-out principle in a retrenchment scheme announced to staff yesterday.

The employees, who will all have the option of being retrenched or being laid off, are among 1 051 employed by the store nationally who face job cuts.

About 200 of these are employees who are taking early retirement or who have already reached retirement age.

As a result of negotiations between the company and union representatives, those who agree to be laid off will receive a guarantee that they will be re-employed on August 7.

They will also be considered first when temporary, part-time or full-time posts become available. The jobs of a further 450 workers nationally are still under negotiation.

● Meanwhile in Natal nearly 2 000 workers have been retrenched during the past two months and hundreds more face the prospect of being axed in coming weeks.

This was confirmed yesterday by Mr Richard Savage, chairman of the Natal Clothing Manufacturers' Association, and Mr Yunus Shaik, a spokesman for the Garment Workers' Industrial Union.

Game Discount World laid off 115 workers from its Durban and Maritzburg stores yesterday and 161 OK Bazaars workers in Natal will lose their jobs.

Mr Alex Hurter, president of Game, said the retrenchments were at all levels at Game's head office and their Durban and Maritzburg stores but none of the other stores in Johannesburg or Cape Town will be affected.

About 30 workers at the Four Seasons Hotel have been laid off in recent weeks, general manager Mr V Granthan said yesterday.

At James North in Pinetown, about 150 workers face retrenchment at the end of February. Mr Shaik said the company had already informed the union and had called for a meeting to discuss the proposed staff cuts.

Commenting on clothing-industry layoffs, Mr Shaik said last night that the rate at which people were losing their jobs was "frightening". — Sapa. Own Correspondent and Staff Reporter

Unrest flares again at Free State schools

Own Correspondent

JOHANNESBURG. — Two more Free State townships have been hit by school boycotts and unrest flared again yesterday in Bothaville when youths set up road blockades and damaged two police vehicles and a delivery truck.

Police used tearsmoke to disperse a group of about 600 Bothaville youths who threatened to set fire to policemen's homes in the township, a police spokesman said.

Chaos also erupted at a secondary school in Virginia after pupils met the vice-principal and handed him a list of grievances.

Pupils then stoned the school and police used tear-smoke to disperse them, a police spokesman said.

At a school in Galashewe, Kimberley, pupils yesterday boycotted classes in solidarity with five former pupils who are to appeal against a conviction.

Following school disturbances in 1980, the pupils were found guilty of malicious damage to property, the regional director for the Free State, Mr N Botha, said.

Meanwhile, the Department of Education and Training has suspended classes at the Nkumbulo High School in KwaThema, Springs, after a week-long boycott during which pupils demanded that their principal be sacked.

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The first of three articles by FRANZ KRÜGER

Unemployment: Africa's politica

Unemployment has been called a political time-bomb.

Mr Harry Schwartz, the PFP's finance spokesman, used the phrase in a speech in 1979, when he called for urgent action to be taken to deal with the problem.

Three jobs had to be created every minute of every 40-hour working week to deal with the crisis, he said.

As the country moves into a new constitutional era, the huge army of unemployed may hold the key to success or failure of the new dispensation.

The legitimacy of any social order is tested against its ability to provide for its citizens. And for many in South Africa, unemployment means starvation.

There is no sign of unemployment dropping, or even of its growth rate slowing down. Statistics released recently by the Central Statistical Services indicated that the number of jobs had actually shrunk during three months of last year.

The number went down from 2 924 049 in July to 2 921 307 in September. The recession is biting deep, and many workers are being retrenched.

In addition, there is growing underemployment. Short of outright retrenchment, companies are resorting to other measures, such as short time, early retirement, layoffs, unpaid leave and allowing attrition to reduce establishment to save on their labour bills.

These other steps do not show up in the unemployment statistics, but they contribute to the overall reduction in available work.

Most trade unions regard such measures as preferable to outright retrenchment.

Every year, hundreds of thousands of school leavers enter the already crowded job market, many of whom have almost no chance of finding a job. Such dim prospects breed frustration among school pupils, and contribute to outbreaks of school unrest.

The picture on a national level is bleak, and in the Border it is even bleaker. The level of unemployment in the Eastern Cape and Border is higher than most other areas in the country.

But beyond the statistics, there is degradation, despair and starvation. In depressed communities, the salary of a single wage-earner is usually shared among a large number of dependents.

Beside the breadwinner's immediate family, there are often old parents, a disabled relative and younger siblings to be fed. When a job is lost, all those people suffer.

A study of resettled communities, where unemployment is particularly high, found "grinding poverty, broken families and general destitution."

The study presented to the Carnegie conference on poverty last year, found that "the life of the rural poor is dominated by sheer survival."

Eighty-nine per cent of people interviewed said they did not get enough to eat. Ninety per cent said their children did not get enough to eat.

Attendant on malnutrition are problems of ill health, and other problems of clothing, heating, transport also develop out of poverty.

Social problems among the unemployed tend to be more prevalent than among people with jobs. Higher levels of anxiety and stress can lead to marital violence, child battering, child neglect, alcoholism and psychiatric disorders.

The army of unemployed is growing faster than the economy can hope to provide jobs for them.

In 1983, the chairman of the Corporation for Economic Development, Dr J. Adendorff, said the annual increase in African workseekers would rise from 230 000 to 360 000 by the turn of the century. Six million jobs would have to be created by then to provide for them, or a minimum of 1 300 a day. He added that at least R1 200 million would have to be spent in the homelands every year merely to prevent the situation getting worse.

Dr Alex Boraine, the PFP's spokesman on manpower, said recently that an annual growth rate of 5½ per cent was needed just to keep the employment rate steady.

He said the bleak prospect for 1985 was that there would be a negative growth rate, with a sharp rise in unemployment.

The problem is huge, and it is mainly black

The sign tells the story.

D - Rs/portfolio 31/1/85

South time-bomb

and rural. The Minister of Manpower, Mr Pietie du Plessis, said recently that the rate of black unemployment had risen from 7,8 per cent in March 1984 to 8,4 per cent in July.

This would put the number of black unemployed at about 880 000. However, government figures have been criticised repeatedly for being far too low.

Government calculations ignore categories of unemployed people, such as those in the homelands or those who have given up looking for work, it has been charged.

Mr Charles Simkins, an economist at the University of Cape Town, estimated the number of unemployed at 2,1 million in 1982, or 20 per cent of the total workforce. Other estimates have put the figure at between 2,5 and 3 million.

Mr Du Plessis said there was not only a short term problem in South Africa, which is linked to the recession, but also structural unemployment.

A lecturer in economics at Rhodes University, Mr Andre Roux, echoed Mr Du Plessis: "Underlying the current problem are those people for whom there have never been enough jobs."

Since the sixties, there has been a growing tendency in South Africa for more capital intensive methods of production. The spread of ever more sophisticated machinery has meant fewer workers are needed to do the same amount of work.

In addition, there are huge regional differences, with the Eastern Cape being faced with a particularly serious problem.

Government figures put the unemployment rate in the region at 14,9 per cent in March 1983, as compared with 12,2 per cent in the Western Cape and 11,5 per cent in Natal and KwaZulu.

Mr Alan Hirsch, economist at UTC, estimated the figure for Ciskei to be 35 per cent. For some groups, the figure was even higher, he said. For people between the ages of 15 and 25, it was 40 per cent, according to a study by the Surplus People's Project.

Women and people in resettlement camps were also harder hit than the average.

The primary cause of the concentration of unemployed people in the rural areas was the government's policy of moving them out of the towns, he said.

The reserves, which changed through bantustans and homelands to independent national states, have always functioned as labour reservoirs in the South African economy.

Unemployed blacks have to remain in the homelands until they find a job, and are sent back on completion of their contracts or if they lose their jobs.

The mechanism used to enforce this sytem is influx control, or the pass laws. Even recent changes to the system have not altered its basic nature.

The minority of those who have been granted permanent rights in the urban areas can now move around more easily in search of jobs, but those left in the homelands have been more severely restricted.

Mr Roux said: "Influx control means the Eastern Cape has a high population density in relation to its economy."

That economy starts with a big disadvantage. The distance from the market and sources of raw materials, a high electricity tariff and the political instability related to unemployment are among the factors making the area comparatively less attractive to investors than other parts of South Africa.

To offset these disadvantages, the government launched a programme of decentralisation incentives to attract investors away from the main cities. The incentives offered in Region D, which includes the Border, Ciskei and a part of Transkei, are the most generous in the country, reflecting the government's particular concern for this area.

"The potential social unrest is a central consideration in the government's thinking," said Mr Hirsch. In spite of the relative success of the programme in the area, it has been able to do no more than blunt the problem.

Mr Roux said there was little chance of the programme having a significant impact on the situation.

Tomorrow: The human cost of unemployment.

MOTOR INDUSTRY

Ford: PE feels big exodus

KEN VERNON of the Argus Bureau in Port Elizabeth analyses the decision to move part of the Ford manufacturing plant to Pretoria.

Spectrum

THE announcement of the merger of Ford and Amcar and the subsequent transfer of much — if not all — of Ford's manufacturing plant to Pretoria is seen as the beginning of the end of the major role the motor industry has played in the economic history of this city.

At one time virtually all of South Africa's motor industry was concentrated here, earning the "Friendly city" the tag of "South Africa's Detroit".

The involvement of the multinationals brought prosperity and growth to both Port Elizabeth and South Africa, while their position as foreign-based companies meant they were placed in the forefront of advancing the position of the country's and the city's black population.

There is now a real fear that the Ford move will precipitate a general exodus of motor vehicle manufacturers as well as their attendant component-manufacturing industries.

Vast area

Last October when negotiations between Ford and Amcar were first confirmed the Minister of Constitutional Development and Planning, Mr Chris Heunis, said the Government would not consider any plans to save the city from a possible Ford move, saying that the Government's responsibilities were firstly to the country as a whole and secondly to the entire economic region — a vast area including the whole Eastern Cape, Ciskei and parts of the Southern Cape.

Port Elizabeth's pivotal role in the development of the South African motor industry goes back to 1905 when the then-fledgling Ford Motor Company picked the name of a Port Elizabeth hardware merchant out of a catalogue and wrote to him asking if he would consider distributing Fords in South Africa.

The cars were imported fully assembled until 1924 when the company acquired a disused woolshed in Port Elizabeth and started assembling vehicles from parts brought from the Canadian Ford subsidiary.

An old advertisement touts the pleasure of owning a "five-seater Ford tourer — with self-starter" for only £165.

Woolshed

In 1926 Ford were joined by General Motors which also aquired an old woolshed and started assembling vehicles.

The prime advantage Port Elizabeth offered the companies was its well-developed port for landing the parts needed to assemble the cars.

Both world wars gave the motor industry in Port Elizabeth a major boost when the port could be utilised for re-export and by 1947 the final member of the Big Three, Volkswagen, joined Ford and GM by acquiring land at Uitenhage nearby.

Until the early 1960s the local content of the vehicles produced at the Port Elizabeth plants remained below 15 percent.

Local content

But in 1963 the Government called for more local content to be incorporated in the products and it is from this time that the decline of the industry in Port Elizabeth will be dated.

Contrary to what is being said now, the market for vehicles has always been in the Johannesburg-Pretoria area but, when all parts were imported by sea, Port Elizabeth remained a viable assembly centre, especially when low fuel prices allowed cheap transport to the main markets.

With the local content percentage increasing to the present figure of 66 percent, the viability of Port Elizabeth as a manufacturing site has correspondingly decreased.

The Ford move is a final recognition of this process.

Behind the very real fears of the city fathers now is the realisation that the pressures which brought about the Ford move are also working on other manufacturers.

GM managing director Mr Lou Wilking says that while his company is not at present involved in any deals like the Ford/Amcar agreement it would welcome being involved with a strong South African partner in its operations here.

He said in three other African countries — Egypt, Zaire and Kenya — GM had local partners in their operations.

It has been rumoured that GM has been talking to insurance giant Sanlam about a partnership of some kind — this is denied by GM — and it is thought that a GM/Nissan merger at some future date is not out of the question.

Blacks

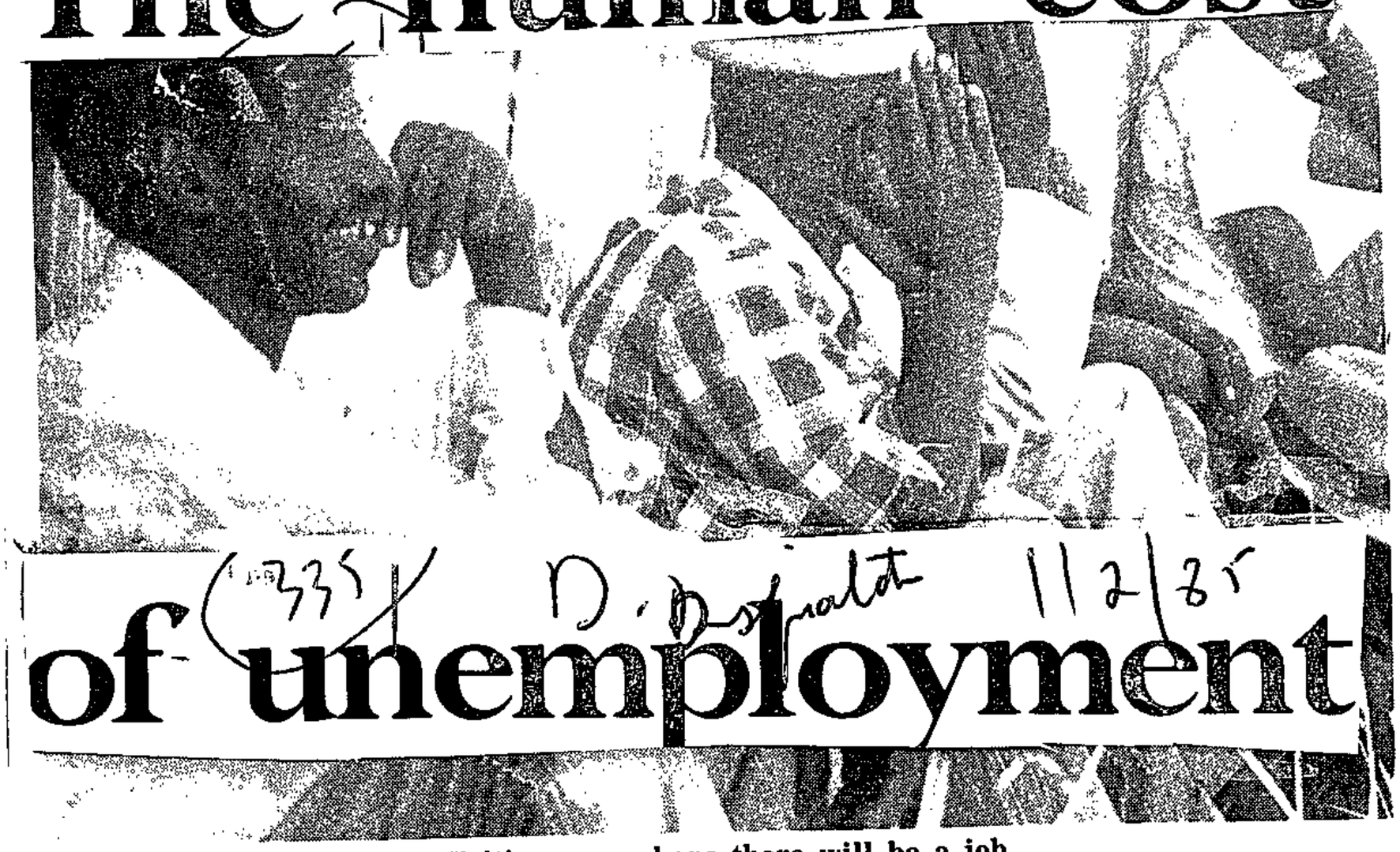
If the motor multinationals were to leave Port Elizabeth it would be the end of a partnership which has broken much new ground in the South African industrial arena.

The Big three have been in the forefront of the trend to advance blacks into relatively senior positions, even if only reacting to pressure from their home countries through programmes like the Sullivan Code.

The companies pioneered the concept of employers' social responsibility in this country and led in community projects to aid their workers' off-duty aspirations as well as becoming deeply involved in providing suitable housing.

The multinationals also proved to be a fertile ground for the resurgent trade union movement in Port Elizabeth and the thousands of people who will be thrown out of work may yet write an unhappy final chapter to the Port Elizabeth motor industry.

The human cost of unemployment



Waiting — perhaps there will be a job.

"Sometimes in the evenings we eat, when we can borrow some stampmielies."

Mr Makhosi Jolobe gazes into the middle distance as he describes the life he has led since he lost his job a year ago.

He is one of a crowd of men sitting on a sidewalk near the East London docks in the hope that somebody will offer them a job for the day. The others crowd around to listen.

Mr Jolobe laughs at being asked what he lives on. He has not eaten today, and his stomach is sore from hunger.

His family at home in Mdantsane have not eaten yet either. If they are lucky, a neighbour will give them some samp and they will eat tonight.

He never eats more than once a day any more. "When I drink water, my stomach gets sore."

He comes into town when he can to look for a day's work. This week, there has been nothing so far. Last week, he had a job on Monday, Wednesday and Friday.

How does he get the money for the trip into town? He borrows it, or walks. "Sometimes when I walk back, my foot gets sore. Then I take off my shoes, and sleep in the bushes.

"I can't walk from Mdantsane every day, I must get rest sometimes. Then when I get back, I sleep all day. Then my wife cries, and my children cry and even I, I also cry."

"It is hard, very hard." Mr Jolobe's wife is a cripple, she has lost a leg and cannot work. His two children are at school. Where does the money for school books come from? He shrugs vaguely: "Sometimes friends help."

He worked for an electrician, but when the owner of the business died he was fired by the son who took over.

Since then, it's been work for a day at a time. The wages are bad: "They pay us R5, R3 a day, and if we say it is too little, they chase us away, or try to hit us."

Mr Douglas Sonjani is 80, he says, and pulls off an old cloth cap to show his grey hair as proof. He worked for a removal firm for so long he cannot remember when he started. "I worked for the father, then the son took over and I worked for him too," he says.

In December, he lost his job. The driver of his truck had an accident and damaged a car, he says. "The boss took R20 off my wages, and fired me. He said I was too old in any case."

Has he tried to get a pension? He shakes his head slowly. He did not know he was entitled to one.

Another man is on crutches. He lifts his trouser leg to show the plaster cast on his leg. He had also been working for a removal firm as a packer, when he lost his job after injuring his leg before Christmas last year. "I fell off a step ladder, and the boss gave me R5 and fired me."

Has he tried to get workmen's compensation? No, he did not know he might be entitled to government aid either.

Conditions for unemployed whites are not nearly so desperate, but are not rosy either. Down the road is the Department of Manpower, where whites, coloureds and Indians go to register as unemployed.

Mr Peter Erasmus is sitting in the waiting room. He has to see one of the officials to see whether there are any suitable jobs for him. He is a security guard who resigned his job in November to have an operation.

Since then, he has not been able to find another job. He has tried to find work at a bank, at the various security firms in East London, even tried to get a job as a male nurse at the hospital, work he has done before. So far, he has had no luck.

How does he feel? "It puts you in a bad position, you feel bad because you can't provide for your family," he says. He is married, with three school-going children. He also has two dogs, six birds and a budgie to feed.

Mr Erasmus has not been able to pay his rent since he lost his job, and has had to cut back on all his accounts. Fortunately, his landlord understands his position.

"But I have a couple of pennies left in the bank which I can depend on

The help available

Unemployment benefits available in South Africa are far from princely.

Payments of 45 per cent of the last salary earned are made to unemployed people for a maximum of six months after they lose their job.

To qualify, a person has to have worked for a minimum of 91 days in the year before the application is made. One weeks' worth of benefits is paid for every six weeks worked before the job was lost.

An applicant can also be penalised by the Department of Manpower. If the department considers the applicant left his job without good reason, it can make him wait for six weeks before payment is made.

If the applicant refuses to accept suitable employment offered to him by the department, he can be made to accept a delay in benefit

1) D. Post 1a1c4 1/2/85

until I find a job." In the interview, he is given a sweet firm to try, and goes off to yet another interview.

A woman in the waiting room does not want to be named — "No! My firm will think I'm running them down!" She lost her first job after leaving school after only six months of work. The furniture company where she was working as a wage clerk retrenched her.

The second of three articles by FRANZ KRÜGER

"It's the worst thing that can happen to you," she says, "The worst thing are your friends, who say you're lucky, you can loaf. It puts you off, because I want to work."

The material, psychological and social cost of unemployment to the individual is incalculable.

A person who becomes unemployed first has to contend with material hardship. In all but the most fortunate of cases, the loss of a job means a drastic cut in standard of living.

For many, it can mean crossing the thin line between just subsisting and starvation.

In addition, it can cause anxiety, depression, a sense of meaninglessness, stress and other psychological problems. Social problems, such as marital violence, child battering, alcoholism, child neglect and many others can develop in families where the breadwinner is without a job.

Mr Bruce Irvine, a psychology masters student, said studies he had done showed an 84 per cent higher level of anxiety among unemployed people than people in regular employment.

There was also a 92,5 per cent higher level of a feeling of meaninglessness, Mr Irvine said, as well as a greater feeling of powerlessness.

"People feel like pawns in a great game of chess, they don't feel they have much control over their lives. This sense has already been found to be high among the South African working class, but we found it to be 3 per cent higher among unemployed than among employed workers."

Mrs Betty Richter, the acting supervisor for social workers at the Child and Family Welfare Society in East London, echoed Mr Irvine's findings. She said that the people who come to the welfare agencies were mostly people who had social problems anyway.

There was no doubt that unemployment aggravated any problems that existed. "The alcohol abuse rate goes up when the unemployment rate goes up.

"Guilt feelings come forward, because he can't support his wife and children. There may be child neglect, in some cases even child abuse. Because the parents are frustrated and very tense, they can't cope with the children.

"There is a feeling of inadequacy, the person will mostly ask why he was dismissed rather than his neighbour, if the company retrenched him."

Mr Irvine said people typically went through three stages after losing their job. "First, there is anger, followed by a period of intensive searching for a job. Finally, the person tends to give up hope."

There was a higher incidence of almost all psychological disorders among unemployed people than among those with jobs, he said.

Stress-related physical problems were also found, such as high blood pressure, headaches with no apparent cause and psychosomatic problems.

"But the greatest effect I found was anxiety, which is linked to the person's inability to provide, the uncertainty of the future and the loss of social standing, including the loss of respect from the wife."

The loss of a job also had effects on other members of the family. "The wife's response, for instance, may be expressed in terms of derision and anger."

MONDAY: The trade unions' view.

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Naacam warns on rationalisation

PORT ELIZABETH. — Rationalisation in the motor component industry is a very real possibility, says Mr John Small, the chairman of the National Association of Automotive Component & Allied Manufacturers.

He says the merger between Ford and Amcar is bad news for the component industry in Port Elizabeth.

"Component manufacturers have been satellites feeding off the motor industry for many years. With the loss of a major client, their position will now have to be examined carefully."

There will be no immediate closures but he expects positions to be reviewed in the coming months.

With the high costs of ferrying components to the Reef and elsewhere, companies will be hard-pressed not to consider moving.

"Rationalisation in the component industry is not out of the question," he says.

For every person who loses a job in the motor manufacturing industry, three to four people lose jobs in allied industries.

Both Mr Small and Mr Colin Adcock, chairman of the National Association of Automobile Manufacturers (Naamsa), agree with Mr Leslie Boyd, the executive director of the Anglo American and new chairman of Samcor, that there are too many vehicle manufacturers.

Mr Adcock says: "Naamsa justifies rationalisation as long as it is done in the spirit of free enterprise and not with Government intervention."— Sapa.

Half of township jobless

333

D. Erlank 1/2/85

The black township of Port Alfred is the home of an impoverished community of 10 000 people.

Basic facilities are poor but are due to be upgraded under the Louis Rive scheme for improving black living conditions in the Eastern Cape.

However, the Institute of Planning Research at the University of Port Elizabeth which did a survey of the township at the end of 1983, has warned that the planned upgrading will not magically improve the lot of the people in the township.

The survey report remarked: "To think that 'things will be better' once the plan is implemented is day-dreaming. The only difference it will make is that people may be able to buy their plots under the 99-year leasehold scheme and that some services may be provided in the long term, provided that people can afford to buy the plots and pay for the services, which is debatable."

The survey revealed that unemployment in the township ran at 58 per cent, that almost 12 per cent of the population were pension drawers. Pensions in many cases support whole families.

The majority of the residents are employed as labourers or as domestic servants in private homes in Port Alfred, earning inadequate wages. Only 25 per cent of the households received incomes higher than their household subsistence level figure.

Port Alfred has a small industrial township, but clearly no potential as a significant industrial centre providing jobs for the scores of unemployed in the township. Tourism is the major industry of the area, but there are moves to set aside more land for industrial development.

Accommodation in the black township ranges from tin shanties to solid brick houses, with iron and mud structures predominant. Most houses are privately owned and many households grow vegetables and keep animals to meet their basic needs.

The township is administered by the East Cape Development Board to whom plot rentals are payable. The board collected revenue to the tune of R200 000 in rentals and liquor sales in the township during the present financial year. According to the deputy director of the board, Mr Dirk Matthee, this entire amount will be channelled into various forms of services and maintenance in the township.

Basic services are virtually non-existent: no street lights, no electricity or running water in homes (about 100 communal taps on the streets), no removal or refuse, no water-borne sewerage. Residents dispose of refuse themselves and use private pits for sanitation.

The township has one public telephone booth and one postbox where letters can be mailed. There is no postal delivery and some 20 homes have telephones. A clinic, run by the Port Alfred municipality, several shops, one sports field and a beer hall (badly damaged during the unrest) are the only other communal facilities in the township.

A joint community council was elected for the Port Alfred and Bathurst black communities in 1982. Port Alfred was allocated five members and Bathurst two. The Port Alfred branch of the council now has only two members left and it is understood that they will be tendering their resignations soon.

According to Mr Matthee, two of the council members who have resigned, were transferred by their employers. The other one resigned for personal reasons. He was not aware of any impending resignations. Nominations have been called to fill the position of chairman, but none were forthcoming.

The Institute of Planning found that only 40 per cent of the community recognised the council as a body known to help the people. It suggested that the granting of autonomy to the community council would make it more acceptable to the community.

The institute also proposed that economic activities in the township should be encouraged. If more people in Port Alfred had the right to produce and sell goods, the future of the town would be brighter, it said.

Supermarket won't retrench

LARGE supermarkets have indicated that although they are hard-hit by recession, they will not immediately retrench workers in the present economic climate.

By JOSHUA RABOROKO

However, spokesmen for Checkers, Pick 'n Pay and Mr Richard Maponya, owner of a giant store in Soweto, have said that the future is bleak for most companies who might face problems if the economy does not improve.

This follows an announcement this week by OK Bazaars that it has retrenched about 1 051 workers due to the worsened recession which has caused a tidal wave of unemployment.

Checkers' PRO Peta Lomberg told The SOWETAN yesterday that the company did not envisage making across-the-board retrenchments at the moment.

However, individual plants with surplus staff might be forced to lay-off "two or three people".

She conceded that the company was undergoing "hard times" and the recession was beginning to bite. The company would be forced to retrench people if the economy does not improve in future.

Mr Richard Maponya said that they have not started to retrench people at this stage, but when things are tough "we might be forced to do so'.

"The business has slackened as people are spending their money carefully as can be witnessed by empty shops, especially in Soweto stores. Many people have lost their jobs and unemployment is soaring," he said.

He said they often had to employ casuals, especially students, but these have since gone back to school after the Christmas holidays and "we have not employed new people to replace them".

Pick 'n Pay's personnel director Mr Rene de Wet said that they had embarked on a scheme of expanding their stores in the next 12 months in the southern and northern Transvaal and Natal.

"We have for this reason created more jobs for most people. However, we still feel the recession, despite the fact that we have somehow tightened our belts."

335

20 workers affected by lay-offs

D. Dispatch 1/2/85

EAST LONDON — Fewer than 20 workers in the Border area are affected by the country-wide layoffs announced this week by OK Bazaars.

Miss Dulcie Hartwell, the general secretary of the National Union of Distributive and Allied Workers (NUDAW), said yesterday this figure included retirements and early retirements.

In terms of an agreement announced this week by OK, NUDAW and the Commercial, Catering and Allied Workers' Union (CCAWUSA), 1 051 workers are to lose their jobs with the firm's branches around South Africa.

Originally, 1 500 were to lose their jobs—but unions managed to have the number dropped during negotiations.

Mr K. Hartshorne, industrial relations controller for the supermarket chain, said there was no area that was affected more than other areas.

Job losses were "fairly general across the country," he said.

Miss Hartwell said the retrenchments had been implemented according to the "last in first out" (lifo) principle. This means workers with shortest time of service are in line for retrenchment first.

The only exception had been where people had special skills, Miss Hartwell said. The company had intended a further 500 retrenchments in March and unions and management will now have to negotiate these. — DDR

LAY-OFFS AT OK

FM 1/2/85

In the first large-scale retrenchments to hit retailing, up to 2 000 OK Bazaars employees — about 8% of the workforce — will be laid off over the next month. This follows several rounds of negotiations between the company and the two unions representing workers, the Commercial, Catering and Allied Workers' Union and the National Union of Distributive and Allied Workers.

The services of 1 051 employees will be terminated on January 31, while the future of an additional 950 hangs in the balance as the company and the unions continue to explore possible job-saving measures.

A compromise has been worked out with regard to the first group. Apart from about 200 who have been retired, all have been given the option of accepting a temporary lay-off. Those who take this option will be guaranteed their jobs back at the beginning of August. Workers will also receive between two and eight weeks' severance pay depending on their length of service.

An interesting feature of the talks is that the company made available comprehensive financial records to a union-appointed accountant in an attempt to prove to the unions the necessity for retrenchments.

Mercury 2/2/85 335

Jobless up 23 percent in Natal since 1983

Labour Reporter

UNEMPLOYMENT in Natal has risen by 23 percent since November 1983, according to figures released by the Department of Manpower.

A total of 17 025 unemployed people of all race groups from Durban, Pietermaritzburg, Ladysmith and Newcastle had registered with the department in November 1983.

The figure in November 1984 had risen to 21 037, but indications yesterday were that it could have swelled dramatically with the recent spate of retrenchments from a number of Natal companies.

Mr J N Hitchcock, divisional inspector of the Department of Manpower, told the Mercury that the latest figure did not include a large number of people who had failed to register as they were on holiday or had returned to homelands.

The department normally experienced a drop in the number of unemployed during the November/December period because many people did not register, mainly because most factories closed for the year-end holidays and blacks returned to their homelands.

'The figures start climbing in January,' he said, adding that he was unable to release January figures until the Minister of Manpower had seen them.

He said the department tried to find jobs for those who had registered, in addition to assisting them through the Unemployment Insurance Fund for a period of six months on condition that there were sufficient funds to the member's credit. Financial aid could be extended under special circumstances.

According to a spokesman for the Unemployment Insurance Fund's head office in Pretoria, about 36 000 people throughout South Africa had applied for unemployment benefits during November last year.

Desperate plight of PE starving

335 S. Post 2/2/85

Weekend Post Reporter

WIDESPREAD hunger is increasing daily in Port Elizabeth's black townships as unemployment soars and welfare organisations battle to feed the starving thousands.

The health of many people, particularly children, has been affected and there has been a serious escalation in the number of malnutrition and tuberculosis cases in the city's townships. Some deaths have been attributed to malnutrition.

There is a general mood of despondency and pessimism, and predictions have been made that, for many, 1985 will be a nightmare year.

Announcements of retrenchments have become commonplace, but with each one the starvation problem increases as the queues at charity feeding schemes grow longer.

Some welfare organisations have gone so far as to warn of a possible "Ethiopian disaster" in the Eastern Cape unless something is done soon.

The public does not seem to be aware of the desperate plight of hundreds of hungry people living in and around Port Elizabeth. For most people food is very much taken for granted but for many black mothers forced to watch the health of their children deteriorate because of malnutrition, even a slice of stale bread is precious.

Life has become a battle for survival for many township residents — a battle some will not win.

Welfare organisations report that the sheer weight of numbers of those needing help has made it difficult for the already hard-pressed groups to cope.

● Bessie Bouwer today takes an in-depth look at the problem. Her report — Page 11.

335

The Natal Mercury, Saturday, February 2, 1985

178 Corobrik workers are retrenched

Property Editor

THE South African brick-making giant, Corobrik, has retrenched 178 salaried staff — most of them white — throughout its 51 factories, it was announced yesterday.

A statement said the redundancies represented a 15 percent cutback in the salaried staff and follows decreased production at 30 brick factories, the closure of six factories and the previous retrenchment of 1 200 weekly-paid workers.

Mr Cedric Savage, managing director of Toncoro, said in the statement that the retrenchments had become necessary because of the decline in the demand for bricks, which had accelerated from September last year onwards.

'Historically, the brick manufacturers in this country have been faced with a cyclical feast or famine situation, causing a very difficult and unstable operating environment,' he said.

'Current weekly sales for the brick industry are estimated to be 40 percent down on the same period last year. Brick stockpiles at Corobrik have increased to more than 240 million bricks.'

Mr Savage added: 'It is important that the staff complement relates to the size and needs of our business and we will use this difficult period for staff training and improved productivity which will be to the benefit of our customers.'

Meanwhile, the civil engineering industry in Natal reports that it has been encouraged by reports that massive works on the province's freeways is to continue.

Mr Keith Beard, secretary of the Natal region of the South African Federation of Civil Engineering, said work was expected on the route from Durban to Empangeni and on the N3.

Disinvestment denied, but it's

Second fiddle for Big Brother Ford

FORD South Africa insists that its merger with Amcar does not represent disinvestment and that it is in South Africa to stay — but its rivals are unconvinced.

By Don Robertson

Ford, they say, brought along more to the party — greater market share and nowhere near Amcar's losses — yet emerged with only 40% of the equity against Anglo's 60% of the new company called South African Motor Corporation (Samcor).

The partners have injected R200-million in cash and loan conversions to bolster the merged company's capital base. Industry observers say Anglo American has obviously put up most of the cash.

Question

At the end of the day, Ford has a minority stake in Samcor where it once had a wholly owned SA operation.

One question is whether it will maintain this stake or diminish it as disinvestment pressure intensifies in the US. Another is whether 10 years from now Ford's famous products, which have been on the roads of South Africa for 60 years, will continue to be seen here.

Lindsey Halstead, Ford's vice-president in charge of SA operations, avoided the question when asked if Ford would transfer cash from its Canadian parent. He said merely that the conversion of loans was effectively a cash transfer.

Observers say Ford has assessed its operations worldwide and that the Dagenham plant in the UK and the Belgian plant might be closed.

The team that investigated Ford's European operations was apparently in South Africa last year and reported on a declining share of the market and falling profits.

Ford SA says: "We intend to stay and will support any losses that the new company might suffer in its first few years of operation."

Les Boyd, chairman of Amcar, says unaudited figures show losses at Amcar of R42-million for the year to December last — before interest and foreign-exchange provisions. It is believed the figure could be as much as R100-million.

The shortfall in 1983 was R69-million and R50-million in 1982.

Mr Halstead says: "We will also be in a loss position, but not of this magnitude."

Last year, Ford cars had 14,3% of the market. Amcar, which includes Mazda, Mitsubishi and Peugeot, had 11,9%. In the light commercial market, Ford had 13,3% with Amcar down at 9,3%. Amcar had a much larger share of the heavy truck market at 12,3% compared with Ford's 2,9%.

Full tilt

But whether the deal does represent a move for Ford to distance itself from South Africa or not, the benefits of rationalisation are expected to be considerable.

Initially, production from Amcar's truck plant in Port Elizabeth and Ford's Neave assembly line will be moved to Amcar's Silverton factory near Pretoria, which will run at near capacity on a single shift. Ford's Struandale plant is also expected to run at full tilt.

But the real benefits will come from model rationalisation as both have cars and trucks which compete directly in price and performance.

It is believed this will be achieved through "badge engineering" whereby one model will be produced by a single factory and sold as either a Mazda or Ford, with minimal cosmetic changes. This is done by Ford and Mazda in other parts of the world and is possible through Ford America's 25% stake in Mazda of Japan.

The Mazda 323 and Ford Escort could be produced as a common car as early as next year. The Granada is almost certain to disappear, although the Sierra, which was launched only 18 months ago, will probably be around for at least three years.

Challenge

Speculation is that Mitsibushi's Tredia, which has been far from successful, will be withdrawn and replaced by the new Gallant and that Samcor will shed the Peugeot.

In the short term, Samcor management will have a tremendous challenge to pull together the manufacturing facilities and dealer networks and maintain credence in a market dominated by consumer loyalty.

The merger raises the question of who will be next. Eyes are on Nissan, Volkswagen and General Motors, all of which deny courtship of any kind. Nissan and VW are linked in Japan and in some countries Nissan and GM produce what SA knows as the Pulsar.

Crunch for jobs

RATIONALISATION of manufacturing facilities between Ford and Amcar will result in an initial reduction of about 2 000 hourly paid workers, but the crunch will not come this year.

The intention is to eventually close the old Neave assembly plant in Port Elizabeth, but management of Samcor has guaranteed that this will not happen in 1985. Trade unions and Government authorities will be consulted on all retrenchments.

Fears that component manufacturers in the Eastern Cape will suffer are discounted by Bill Hayward, executive director of the National Automotive and Allied Component Manufacturers Association.

He says that although some of Ford's manufacturing activities might move to the Reef, components could still be sourced from Port Elizabeth which has certain transport and other concessions. Additional concessions, similar to those enjoyed in decentralised areas, are being sought.

Some component manufacturers in the area already supply motor manufacturers in Pretoria and Durban.

Business Day/LABOUR

RDM 4/2/85. 335

Emerging unions fight retrenchments

EMERGING unions are having their work cut out this year trying to minimise the effects of further retrenchments.

That was clear from developments last week in which two shop unions won concessions over retrenchments with OK Bazaars, and motor unions prepared to negotiate on behalf of the casualties of the Ford-Amcar merger.

OK's agreement with the Commercial, Catering and Allied Workers' Union (Ccawusa) and the National Union of Distributive and Allied Workers (Nudaw) broke new ground in several respects.

Firstly, OK agreed during negotiations to accept an independent auditor nominated by the unions to verify the company's statements on the need for retrenchments.

The battle over financial disclosure is a major issue confronting the union movement, and the demand that management prove the necessity of their actions is even more important with the prospect of more retrenchments.

OK's agreement that workers could choose to be "laid-off" or "retrenched", establishing an important distinction, helped substantially to soften the blow.

The laid-off workers have been guaranteed reemployment on August 7, have received two weeks wages and remain members of their medical aid and pension funds. They are thus taking an effective six months unpaid leave.

But the OK battle is not yet over. Ccawusa now has to negotiate on behalf of 950 workers, the balance of the 2 000 workers the company originally intended to retrench.

Argus to retrench staff

335

Star 5/2/85

Mr Hal Miller, chairman of the Argus Company, announced today that recent steps taken by the company to reduce staff had not been sufficient to counter the continuing business recession, a serious drop in the volume of advertising and steadily increasing costs.

He said it was with considerable regret that the company now found it necessary to begin to retrench staff.

The number involved would vary from centre to centre but it would amount to about 10 percent overall.

The precise extent of the retrenchment and the method and terms of its application would be discussed fully in advance with the trade unions involved.

In the process, possible alternatives to retrenchment would be explored.

The reduction in staff was necessary to ensure the continuing economic viability of the company and the security of the great majority of the staff whose employment would not be affected.

The Southern African Society of Journalists (SASJ) today expressed alarm at the Argus company's plans and vowed to fight for the jobs of its members.

It said its national council will meet with the managements of newspaper companies this week to discuss the retrenchments.

Trade unions seek voice in workers' retrenchment

The last of three articles on unemployment, by FRANZ KRÜGER.

Trade unions faced with retrenchment of their members have begun to seek a say in the ways in which cutbacks in production are implemented.

Unionists have fought for the right to negotiate with management over measures to be adopted, and have tried to press for alternatives to be considered.

Mr John Lewis, the editor of the South African Labour Bulletin, said the current economic squeeze had "focussed unions on the problem of retrenchment agreements."

In some industries, such as the engineering sector, where there had been large-scale retrenchments some years ago, unions already had agreements covering retrenchment procedures. In others, unions were now beginning to negotiate such agreements.

Mr Dave Lewis, general secretary of the General Workers' Union said his union was insisting that recognition agreements it concluded contained provisions dealing with retrenchment procedures. He said that provisions the union was looking for included:

- long notice of retrenchment plans to be given, to allow shop stewards to suggest alternatives, and to let affected people make arrangements, if possible.
- that worker representatives be allowed to negotiate numbers of workers retrenched
- that pension fund rules be changed to allow retrenched workers to claim pensions earlier than usually provided for.
- that criteria be established for the choice of the individuals to be retrenched. The only objective principle could be the last in first out principle (lifo), Mr Lewis said.

This principle involves workers with the shortest period of service being retrenched first.

- that retrenched workers be paid adequate severance pay.

Mr Lewis added that many firms accepted the need for severance pay to be paid, but some did not. "They don't recognise the fact that while times may be bad for the company, their survival isn't threatened. This may be the case for a worker who is retrenched, however," he said.

The cost of retrenchment was measured in families, not individuals, he said, as "so many people rely on the pay packet of just one wage-earner."

He said objective criteria were needed for the selection of workers to be retrenched to make sure that management did not "take the opportunity to weed out active members of the union, or people they see as unproductive."

However, the regional secretary of the National Auto-mobile and Allied Workers' Union in Port Elizabeth, Mr Les Kettledas, said the lifo principle was fine "all things being equal."

He said the motor industry, currently in the news for a wave of large-scale retrenchments, had been retrenching people continuously since 1982.

"The problem comes in with workers with long service, who are retrenched and then rehired.

"They then appear to have only a short period of service, and have not built up enough credits to entitle them to UIF benefits."

The Unemloyment Insurance Fund pays out one week's benefits for every six weeks worked as a contributor, up to a maximum of six months.

Mr Kettledas said his union preferred a system of rotational layoffs. People should be laid off for as long as they were entitled to UIF benefits, and then they should be taken back and others laid off who were still entitled to benefits.

He said this proposal had been accepted by managements during a previous round of production cutbacks, but they had not wanted to implement the system over a long period.

NAAWU had an "understanding" with employers that it would be consulted about plans to retrench workers, Mr Kettledas said. The union hoped to negotiate for a formal agreement to cover the issue, however.

He said workers preferred to see a cutback in the numbers of hours worked, "so that all workers are provided with some income," before retrenchments were considered.

Overtime should be scrapped, and labour leaving the plant should not be replaced, allowing natural attrition to reduce the workforce.

"If there is a need to reduce numbers, management should first look for early retirement, with no loss of benefits."

Mr Dave Lewis said unions preferred such measures to "spread the burden." An important aim of a union's involvement in negotiations on the issue was to make sure "retrenchment is not used entirely to intensify production."

He said cutbacks in staff were not always a response to dropping work levels, but sometimes arose out of declining profit levels.

"This means that employers are looking to get a bigger work volume out of their staff, by reducing numbers."

The recession had not had the effect of making it more difficult to organise new workers or to dampen workers' demands.

"Conditions are so bad, that workers have to do something about it," he said. High inflation, and the fact that each wage earner had to support an unusually high number of dependants exerted pressure on wage levels.

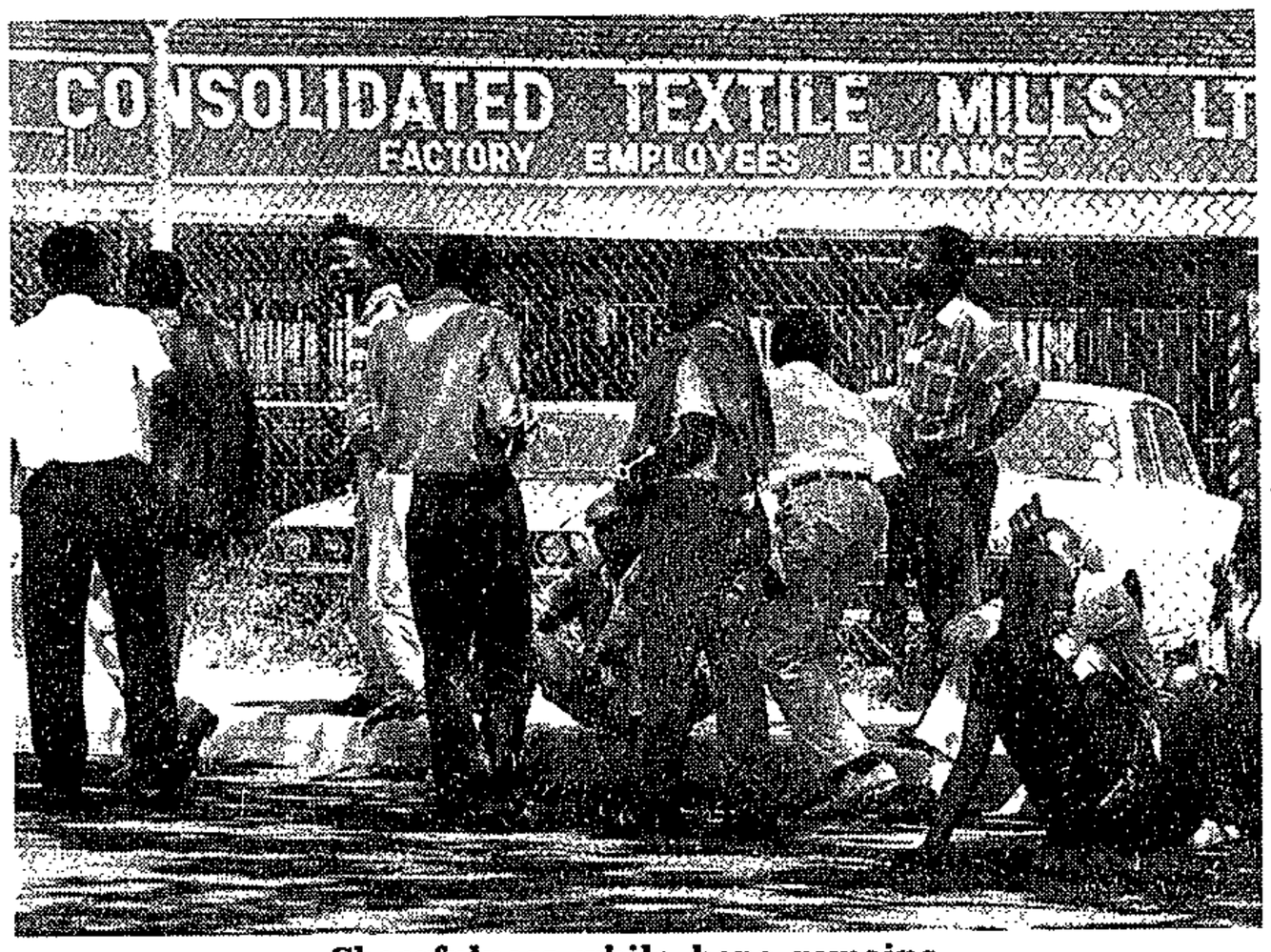
"In some senses, it's in for a penny, in for a pound." Mr John Lewis agreed that the recession had not led to a decrease in worker militancy.

Last year had seen a record number of strikes, although they had generally not been successful. Union membership was still high, he said.

Mr Kettledas said workers were in some ways in a stronger position in a recession, as firms were more dependent on production running well.

"In a recession, everybody is fighting for a share in the market, and so the company cannot afford to lose orders through industrial action being taken," he said.

Mr Dave Lewis said this was exceptional however. In general, a union's ability to take industrial action was limited in a time of economic difficulty.



Cheerfulness while hope remains.

Sowetan 5/2/85

335

Many clothing workers laid off

By JOSHUA RABOROKO

HUNDREDS of clothing factory workers have been retrenched in Durban and Transvaal in the wake of growing fears that scores of employees from other industries are on the verge of losing their jobs.

According to a spokesman of the Garment Workers' Industrial Union in Natal, more than 2 000 workers from eight factories in the greater Durban area have lost their jobs.

The factories which have closed down are Viola, College Clothing, Roxy Gear, Bluebells Wranglers, Verona, Richton, Blitz and Club Colours, while another 10 factories face closure.

In another development, Raleigh Cycles, a British company, has laid off 70 workers in terms of an agreement with the United Mining, Metal and Allied Workers' Union of SA (Ummawosa).

Ummawosa's agreement with Raleigh provides for two weeks and a day's severance pay for those who have worked for the company for less than 18 months.

Argus newspaper group to retrench up to 10% of its staff

JOHANNESBURG — The Argus Company, South Africa's largest newspaper group, will soon begin retrenching up to 10% of its staff.

This was announced today by the Argus chairman, Mr Hal Miller, who said steps taken to reduce staff had not been enough to counter the continuing business recession, a serious drop in the volume of advertising and steadily rising costs.

"It was with considerable regret, therefore, that the company now found it necessary to begin to retrench staff," he said. "The number involved would vary from centre to centre, but it would amount to approximately 10% overall."

The precise extent of the retrenchment and the method and terms of its application would be discussed fully in advance with trade unions.

In the process, possible alternatives to retrenchment would be fully explored.

The Southern African Society of Journalists (SASJ) today expressed alarm at the Argus company's plans to retrench up to 20% of staff on individual publications and vowed to fight for the jobs of its members.

The Argus informed the SASJ of its plans today, a statement by the society's council said.

"The SASJ will fight for the jobs of its members. Its national council will be meeting with the managements of the newspaper companies this week to talk to the Argus company," the statement said.

SASJ members would also be meeting this week to explore "all alternatives to the the loss of jobs".

"The SASJ is alarmed at the Argus company proposal and deeply concerned that its members may lose their jobs," the statement said.

"Not only will newspaper staff suffer, but the public as well, in that the quality of information is bound to decline," the SASJ said. — Sapa

335

Massive increase in jobless figures

E. Post

5/2/85

By CATHY SCHNELL

OFFICIAL figures from the Department of Manpower show a massive 61% increase in the number of registered unemployed coloured men and a 37% increase in the number of unemployed white men in the Eastern Cape for last month, compared with January, 1984.

The over 50 age group constitute the highest percentage of all white professional and clerical men who registered as unemployed last month.

Of the registered number of unemployed white men, the over 50 group constituted 25,5% of the total.

The possibility of those nearing retirement age finding suitable jobs is minimal compared with other age groups' employment chances.

The figures showed an overwhelming number of coloured semi-skilled operators reporting unemployment.

They constitute roughly half the total number of registered unemployed coloured men.

However, no one has yet managed to determine accurate unemployment figures for the Eastern Cape.

Many blacks are loath to register as some of them have as little as 72 hours to return to the homelands if they are without a job.

Despite the large-scale retrenchments in the motor industry, only 60 white men, nine coloured men and three black men reported unemployed last month.

This has led to speculation that the bulk of those retrenched have not registered as unemployed — or have alternately sought for work in other centres.

Some labour experts feel that many have become despondent, realising the futility of applying for employment in the present job-scarce economic climate.

Many, they believe, have not even bothered to register as unemployed.

Employment agencies have noted a massive increase in the number of people applying for jobs.

Mr J C Greyling, divisional inspector of the Department of Manpower, said people were not making as much use of the department as they could and urged both the unemployed and employers offering jobs to come forward.

"In times of economic recession, unemployment becomes an uncomfortable reality for many," he said

He urged professional people out of work to register — including students — and even those at present employed, but unhappy with their jobs.

Vocational guidance and aptitude tests were also part of the department's service, he said.

RDM 6/2/85 (335)

Argus to start staff cuts of 10%

By PHILLIP VAN NIEKERK

AMID an atmosphere of gloom in the newspaper industry, the Argus company announced yesterday that it would retrench about 10% of its staff — estimated to affect at least 200 jobs.

And Mr Clive Kinsley, managing director of the other English Press giant, S A Associated Newspapers (SAAN), said it was "inevitable" that SAAN would be looking at retrenchments.

Mr Hal Miller, chairman of the Argus company, said in a statement it was with "considerable regret" that the company had found it necessary to begin to retrench staff. He said recent steps to reduce staff had proved insufficient to counter the recession.

Argus has agreed to provide proof of their present financial situation and has said it is prepared to allow independent auditors nominated by the trade unions to discuss details of their financial state.

Newspaper employees from throughout the country will be affected by the move, which will slice 10% off the company's total workforce, but will reach up to 20% at some branches.

Approached for comment on reports that SAAN would follow suit, Mr Kinsley said it was "obvious that the causes of the retrenchment which compelled the Argus company to make their decision clearly affect us as well".

Mr Kinsley said no decision could be taken until the end of the month and committed himself to consulting all parties concerned.

● The Southern African Society of Journalists (SASJ) yesterday expressed alarm at the Argus company's plans to retrench and vowed to fight for the jobs of its members.

No decision on staff cuts yet by SAAN

JOHANNESBURG — South African Associated Newspapers had made no formal decision on staff retrenchments, and had not considered closing down the Sunday Express, SAAN's managing director, Mr Clive Kinsley, said last night.

After an announcement yesterday by the Argus group of a staff cutback, Mr Kinsley said the situation was under review at SAAN, but no decision would be taken until next month.

In a statement, Mr Kinsley said: "Obviously the factors that have prompted the Argus group to make their decision regarding retrenchments affect us as well.

"While we have taken no formal decision to retrench staff we have for some months operated on the principle that we would not replace employees who leave of their own accord, and this policy has led to an overall reduction in our staff complement.

"Looking at the year ahead, however, it is almost inevitable that retrenchments could become a real possibility and the situation will be reviewed from month to month."

Referring to speculation that the Sunday Express may be closed down, Mr Kinsley stated categorically that "it is not something we have considered".

The president of the Southern African Society of Journalists, Miss Pat Sidley, said that when Argus informed the society of the proposed retrenchments, it said there would be cutbacks of staff of up to 20% in some centres, but that Argus hoped it would be 10% overall.

Approached for comment to confirm the 20% figure, the Argus chairman, Mr Hal Miller, said yesterday afternoon: "We have nothing to add to our original statement." — Sapa

Firm to close EL office

EAST LONDON — A firm of engineering contractors, Dowson and Dobson, will close their East London and Port Elizabeth offices during the next two to three months.

The closing down of both offices involved the retrenchment of 14 employees, the general manager of the firm, Mr G. R. Boag, said yesterday.

"It is unfortunate that, due to the economic situation, we were forced to close our offices there," he said.

The offices were their only two offices in the major centres to be closed.

Manager of the local office, Mr Ian McSkimming, said he was informed of the closure of the office one week ago, and was told the company's smaller offices had to be closed due to recessionary pressures.

Mwasa to meet on retrenchments

Sowetan 7/2/85

THE Media Workers' Association of South Africa will hold a general meeting of its members at the Orlando DOCC Hall on Sunday, to discuss retrenchments announced by the Argus Company this week.

The meeting, scheduled to start at 10 am, will be a report-back on the outcome of negotiations to be held by Mwasa's national executive members from Cape Town, Durban and Johannesburg with management of the Argus Company.

Mr Sam Mabe, regional chairman of Mwasa, yesterday appealed to all members to attend Sunday's meeting.

"It will be very crucial for every member to be present to hear for themselves about the future of their jobs, since we shall have met with management to discuss the pending retrenchments," said Mr Mabe.

At tomorrow's meeting with management, Mwasa will examine the Argus Company's retrenchment policy and negotiate ways and means of reducing salary and wage costs by means other than retrenchment.

In a statement this week, Mr Hal Miller, chairman of the Argus Company, announced that steps taken by the company in recent months to reduce staff had not been sufficient to counter the continuing business recession, a serious drop in the volume of advertising and steadily increasing costs.

"It was with considerable regret, therefore, that the company now found it necessary to begin to retrench staff. The number involved would vary from centre to centre but would be approximately 10 percent overall."

Sowetan 7/2/85

Tucsa blasts Govt policies

THE TRADE Union Council of South Africa has condemned the policy of forced removals, disinvestment and the proposed 20 percent increase in Escom's electricity tariffs.

Tucsa, one of the country's biggest trade union federations, has also expressed concern at the large number of retrenchments taking place and appealed to employers to "exercise the greatest possible restraint".

In a statement Tusca says forced removals violate the fundamental human rights, they are economically indefensible and are the source of much suffering and frustration.

Policy

Tusca believes that the Government's policy of forced removals is one of the major contributing factors towards South Africa's racial conflict and makes hypocrisy of the Government's claim to support the principles of free enterprise.

Referring to retrenchments, the federation says that it viewed with alarm, the growing number of worker dismissals that are taking place as a result of the current economic recession.

The hardship and suffering caused by growing unemployment as a result of the recession, is massive and the council recommends that — wherever remotely possible — workers should be placed on short time, instead of being laid-off or dismissed.

Tariffs

Tusca condemned Escom's proposed 20 percent — plus increase in electricity tariffs. Both the timing and the magnitude of the proposed increase are seen as potentially disastrous and dangerous way to fuel inflation.

Referring to disinvestment, Tusca says it reiterates its opposition to the policy of encouraging foreign companies to divest their South African interests as action of this nature harms the very people it is supposed to be assisting.

Dramatic decline in job prospects

Cant Trace
8/2/85
335

Own Correspondent

PRETORIA. — South Africa's unemployment problem is worsening dramatically as the economy continues its downward plunge — and for the first time white workers are being affected in significant numbers, according to sources here.

The worsening trend is highlighted by the fact that payouts from the Unemployment Insurance Fund are exceeding the fund's income by more than R2-million a month — and, it is feared, they will increase further this year.

Company liquidations and insolvencies are rising and large industries, including the motor, printing and newspaper industries, are laying off staff as profits fall and prospects of a turnaround in the economy remain bleak.

According to Central Statistical Services the number of black unemployed at the last count was 526 000 — 8,6 percent of the economically-active population, coloured unemployed 60 000 (5,9 percent) and Asian 17 253 (5,9 percent).

According to CSS, in three months the numbers employed in the mining, manufacturing and construction industries, and in SATS and the Post Office, decreased by 14 763 to 2 912 270.

'Unrealistic'

Economists criticize the government's figures as being totally unrealistic.

The CSS classify a worker who has worked for five hours or more during the previous two weeks as being in employment. This, economists say, is ridiculous.

They estimate the number of unemployed and severely under-employed blacks at about two million, with hundreds being added to the

'I stole to support family, claims robber

Mercury Reporter

A 26-YEAR-OLD father-of-two was jailed yesterday for six years for two armed robberies, in one of which he stole more than R12 000.

Michael van der Merwe pleaded guilty to both counts, saying he had been unemployed at the time of the crimes and had stolen to try to support his family.

He was sentenced to two years' imprisonment for threatening Mr Rastid Paruk with a gun at the Escombe Trading Company on August 31 last year and getting away with R100.

On October 31 last year, accompanied by a 17-year-old youth, Van der Merwe aimed a revolver at teller Mr N Naidoo of the Chatsworth branch of Barclays Bank and robbed him of R12 659.

He was jailed for four years for the offence. The youth, a national serviceman, was imprisoned for two years at an earlier hearing.

Van der Merwe told the Court he had been out of work for some time. He, his wife and two children were living with his father-in-law.

He said he had received R6 000 of the money stolen from Barclays.

'I didn't waste the money. I paid my father-in-law R1 000, spent R400 on board and lodging and R450 on car repairs.

OK workers down tools as five whites are hired

By PHILLIP VAN NIEKERK

MORE than 350 workers at OK Bazaars in Pretoria stopped work yesterday in protest against the alleged hiring of five workers in the wake of retrenchments last week.

Mrs Emma Mashinini, general secretary of the Commercial, Catering and Allied Workers' Union (Ccawusa), said workers at the Van der Waal Street store were angry that five white employees were hired yesterday.

She said 15 workers were retrenched from the same store last week as part of the OK's nationwide retrenchment scheme, and in terms of an agreement with Ccawusa.

She said the workers had stopped work and congregated in the canteen yesterday morning after they discovered about the hirings, and were demanding that the newly-hired workers be fired.

A spokesman for OK Bazaars said they were "investigating to determine the accuracy" of the workers' complaints which included a number of minor grievances.

He said they were reminding the workers that in terms of their agreement with the union there were a number of procedures to be followed before the workers could go on strike and the company was urging them to return.

Call for tax cuts on lay-off payout

a/c Argus 9/2/85

335

By DEREK TOMMEY
Finance Editor

ORGANISED industry has called for a cut in the heavy tax on final payouts to workers sacked or retrenched.

The Government stands to make thousands of rands out of the final payouts to such workers.

Many men in their 40s and early 50s, retrenched after years' service, find they pay about half of their final redundancy cheques, including pension fund repayments, in tax.

This can dash any hopes they might have had of using their retrenchment payouts to start a business or of using them as investment nest eggs to keep them going.

Now organised industry is to ask the Government to give these people relief.

Mr Chris Newton, president of the Cape Chamber of Industries, said it was in the public interest to help the many likely to be retrenched this year.

Retrenchment payments are taxable at the top marginal rate. With income tax rates in South Africa among the highest in the world, some retrenched workers have to forfeit 40 percent and more of severance payments to the Government.

A tax consultant said today that only men aged 55 and above and women 50 and above received tax relief on their redundancy payments.

9/2/85 335

RAND DAILY MAIL, Saturday, F

Govt plans no retrenchments

By GERALD REILLY
Pretoria Bureau

STATE departments have been instructed to slash expenditure by 8% — but there is no talk of retrenchments in the public service.

The broad aim is a saving of between R700-million and R800-million, including cuts in the massive salary bill for the nearly 400 000 workers in central Government employ including the SADF, Police and Prisons personnel.

This, according to a circular sent to all heads of State departments, is to be achieved by leaving vacant or vacated posts unfilled, and by cutbacks on other departmental spending.

State department heads have been told to report back urgently to the Commission for Administration on the savings that are possible.

By far the biggest item involved is salaries for the 400 000 workers.

However, latest Central Statistical Services figures show the number employed by the central Government increased by 20 345 — 10 000 of them white — for the year to the end of September 1984.

The PFP's spokesman on the public service, Major Ruben Sive, said spending to prop up the broken down apartheid policy was the major reason for the vast amount of taxpayers' money being swallowed up by the public service.

In the current Budget, R1 900-million for instance was voted for the Department of Co-operation and Development.

This was an increase of nearly R300-million on the previous year's vote.

"Massive amounts were also spent by other apartheid departments and divisions, including the administration of the Group Areas Act and influx control."

How do you cope, when the City of Promise becomes a City of Despair?

By ALLAN SOULE

PORT ELIZABETH, once the symbol of promise of a better future for thousands of settlers and locals, is sinking into a city of suffering and crisis.

The ghosts of unemployment, poverty and hunger that have long haunted the country's fifth largest metropolitan area are now emerging in proportions far worse than predicted.

In the poorer quarters of all race groups, stomachs are empty.

Reports reveal that in extreme cases children are dying of malnutrition-related diseases.

The artificial aura of everyday normality, which has shrouded the city since the first signs of economic crisis began to emerge late last year, is beginning to dissipate.

Rocketing unemployment and its dark consequences are driving thousands of the helpless and the homeless into welfare offices throughout the city.

What less than four months ago was described as a trickle has turned into a flood of destitute humanity.

A homeless family build a makeshift shelter at a Port Elizabeth refuse dump

Poor whites

According to weary social workers, the effects of recession in the city know no racial barriers.

Mrs Retha van der Merwe, head regional representative of the Afrikaanse Christelike Vrouevereeninging, an organisation that deals near-exclusively with white welfare cases, says her organisation is hard-pressed to meet the burgeoning needs of the poor-white community.

"The increase in pleas for assistance has grown dramatically. It is reason for great concern," she said.

"Every week about eight new families come to us for help and we are only one of many welfare organisations in Port Elizabeth.

"Unemployment is our greatest enemy and it's increasing at an alarming rate. Families are selling their furniture for food.

"In extreme cases where parents can no longer afford to feed their children we are sending them to rural boarding schools."

Embattled

The recent announcement of Ford Motor Company's merger with Amcar and the consequent loss of thousands of jobs in Port Elizabeth was accepted with browbeaten

attempts to draw new industry.

In fact, recently several new industries have moved to the complex and more are expected after the Government's announcement of an improved incentive package for the region.

In the meanwhile, beyond the sprawling industrial waffle-grid complexes of the greater Port Elizabeth-Uitenhage area, lie the vast black townships.

And judging by reports of widespread hunger and malnutrition, the shortage of food in the townships is already cause for alarm.

Children

Operation Hunger organisers point out that the Eastern Cape and Border are among the neediest areas.

Recent statistics from Livingstone Hospital, Port Elizabeth's biggest black medical facility, show 41 percent of children under the age of five admitted to the hospital are underdeveloped.

Severe cases of malnutrition and tuberculosis are on the increase and there is concern that the situation may get out of hand.

Mr C Stadler, local representative for World Vision in South Africa, said:

"The situation is becoming increasingly desperate. Su-

increase in the hunger level.

"The black male unemployment figure is already extremely high and this is now being aggravated by an increase in jobless women.

"Most work as domestic servants in white areas.

"Because of the recession, and financial pressures in white households, thousands are losing their jobs leaving families with no source of income.

"Malnutrition among black children is reaching alarming proportions."

Mrs J Kromhout, administrative secretary of the Port Elizabeth Charity Organisation, which runs a local feeding scheme, says her organisation is battling to cope with the flood of destitute and hungry people.

"The increase over the past few months has been marked. Babies are brought here for help," she said.

"They come to us as a last resort, in some cases it's too late — children are dying from malnutrition-related disease. We need money to feed these people."

Depressed

Mr Harold Davidson, director of the Community Chest, said: "We are doing everything in our power to raise money but it's unlikely that we will ever be able to keep up with demand

the black areas report a daily

Ghosts of poverty, hunger haunt the area

embattled workforce.

Said one Ford worker soon after the news broke: "I'm glad the waiting is over, now we can plan for the future and try to get on with our lives."

Despite efforts by local industrial and civic leaders to soften the ruinous developments of the past eight months, there is growing despair in the homes of workers throughout the area.

There is talk of innovative

"Our commercial and industrial sectors, from where the bulk of our contributions come, are in a severely depressed state.

"On average the organisations we support have asked for about 50 percent more this year. It is impossible to meet these demands."

While the current unemployment figure for the Eastern Cape is 80 000, some social workers believe the figure to be at least three or four times that much.

CAPE TIMES 11/2/88

Blacklist backfires on UN

336

UNITED NATIONS. — Plans to hold a special concert in the UN General Assembly Hall organized by the wives of 28 top black African diplomats to raise funds for famine relief in Africa have been held up because some artistes are blacklisted for having performed in South Africa.

One UN official asked: "Can you have a UN concert with a UN flag on the stage when the performers are blacklisted by a UN committee? The answer in 'no.'"

The UN's embarrassment began when the UN African Mothers for Crisis sent letters to several entertainers inviting them to donate their time for the concert on April 26.

"We have been getting offers from musicians, but unfortunately they're the wrong ones," one of the organizers, said yesterday. "We are waiting to hear from one who is not on the apartheid list."

A South African observer at the UN said yesterday: "Shame, their own blacklist has turned around and bitten them ... what a great shame." — Sapa

Lay-offs hit whites as slump deepens

LABOUR WEEK
By Phillip van Niekerk

LAY OFFS continue to dominate the labour scene. Perhaps the major trend this year is the increasing number of mainly white middle-class employees finding themselves on the street.

For mainly black unskilled and semi-skilled workers the first wave of lay offs in the present slump was way back in 1982. For skilled workers the lay offs of the past few months are a whole new ball game.

In fact, precedents established by emerging unions, which have been negotiating and fighting court cases over lay offs for nearly three years, will, ironically provide some protection for the now-threatened workers wth more skill.

This month the General Workers' Union managed in the industrial court to gain the interim reinstatement of an artisan employed by Dorbyl Marine in Cape Town.

In his judgement, Advocate P Roux used as a guideline the principles set out by Mr D P Ehlers, now president of the court, in the case of Shezi and others versus Consolidated Frame Corporation.

These were that there should be sufficient warning to the employee and his representatives; that the selection be made on the basis of fair criteria and under consideration of represention made by employee representatives on selection; and that the employee to be laid off should be consulted.

Mr Roux found that the company had summarily informed the worker, Mr Cyril Petersen, of his selection to be laid off without giving adequate warning to him nor the GWU.

This may have deprived them of the chance to look for options, such as short-time or reduced wages.

"A further principle which emerges from a failure to allow due prior representation is that equity and fairness should not

Big jump in number of unemployed

EAST LONDON — Figures released here have revealed a dramatic increase in the number of people registering as unemployed.

Officials emphasised, however, that these figures could not be taken as reflecting the extent of unemployment in the city, as only a small proportion of unemployed registered.

Mr M. du Preez, divisional inspector for the Department of Manpower, said 158 coloureds and Indians had registered in November 1983, while the figure had jumped to 274 in the same month last year, an increase of 72 per cent.

The December figures for the same groups showed an even bigger increase, of 80 per cent, from 125 in 1983 to 225 in 1984.

By contrast, the number of work-seekers placed in jobs by the department showed a marked decrease. In November 1983 the figure for all groups was 56, while in November last year it was only 32.

Coloureds and Indians bore the brunt of the decrease: in 1983, 27 of the 56 work-seekers placed were coloured or Indians, while in 1984 only six of the 32 belonged to those groups.

In December, the total number of jobs found by the department dropped from 19 in 1983 to 11 in 1984.

The number of whites registered showed a slight increase in November, rising from 436 in 1983 to 458 in 1984. In December, on the other hand, there was a slight decrease— from 350 in 1983 to 323 in 1984.

Mr Du Preez said it was difficult to compare November figures with December figures as there was always a seasonal decline in the number of registrations during December.

Figures for blacks released by the East Cape Development Board, showed an increase from 988 registered with the ECDB on January 15 1984 to 1 083 on the same date this year.

However, the increase was entirely among women: 387 women were registered this year, while only 197 were registered last year.

Among men, the figure actually dropped— from 791 to 696.

However, an ECDB official emphasised that since it had stopped being obligatory for blacks to register as unemployed, the figures could no longer be taken to reflect the real extent of unemployment. — DDR

Businessman shocked by beggar's kiss for 'a lousy R10'

Can Jo'burg give dignity to the desperate unemployed?

335 Star 13/2/85

By Olga Horowitz

There is no dole in South Africa. But there are people — please God many people — like the Hillbrow businessman who came into *The Star* with R5 000 in his hand and said: "Could you help start a fund for Operation Unemployment?

"Not just hand-outs, though money will be needed, but offers of jobs, once, twice a week to help the unemployed maintain their dignity."

He had been worried for some time over the growing numbers of the beggar population in Hillbrow, increasingly added to by better-dressed folk with hunger on their lips and in their eyes.

For him the take-off point came this week when a black man "reasonably and tidily dressed in a knit shirt and slacks, came into my shop and said, simply: 'I have not eaten for four days'."

Automatically, almost idly, he and his partner reached into their pockets and drew out R1 each.

DEEP TROUBLE

"Suddenly I felt that I was identifying with this man, that he was not 'just another beggar' though these, too, surely deserve to eat. He was a person in deep trouble not of his own choosing. I sensed he was desperate.

"I followed him out of the shop and said 'what is your problem?' He said he had been out of work for four months. I said 'Could I see your reference book?'

"There it was. He had been signed off by a demolition firm. He had sought work without success. He was living from day to day.

"I gave him R10. His unbelief was shattering. He broke down. A man of dignity forced to beg. He kissed my hand and thanked me for a lousy R10."

When the businessman went home he discussed the episode with his wife. The only satisfaction they derived from idle money in the bank or building society, they agreed, was a little interest while all around them people were starving. But money alone was no answer.

He asked *The Star*: Can you suggest a way to help? Operation Hunger is superb but we are ignoring people on our own doorstep. We want to go beyond hand-outs, beyond even Centres of Concern, excellent as they are.

Johannesburg has proved over and over again that it is easy — and necessary — to give money. We would need to start off with big money, properly administered, and small money from ordinary people.

"But could we think further in terms of a voluntary central labour bureau to which people could say 'I will pay R20 for two days to have my garden cleaned ... R10 for somebody to wash my windows outside .. I want this done ... I will pay so much ..."

The Star feels that the minds of several hundred thousand readers addressed to this problem will bring forth a solution. We ask for a possible answer to this cry for work with dignity.

We ask what organisations would be prepared to help; how many there are; would the City Council take part; the churches; welfare bodies?

We believe Johannesburg has the means, the knowledge, the heart, perhaps the passion, to care.

OK fires official

By MONK NKOMO

A WHITE personnel officer who sparked off the strike at the Gezina branch of OK Bazaars in Pretoria by employing certain people — including two whites — in the wake of retrenchment at the company, has been fired.

About 100 black workers went on strike on Monday morning in protest against the company's alleged unfair retrenchment policy. The workers claimed that two whites and a black woman were employed at the company a few days after a number of their colleagues had been retrenched.

The strike, which lasted about four hours, was called off when management promised officials of the Commercial Catering and Allied Workers' Union that they would investigate the matter.

Mr Joseph Mokoena, local branch secretary of the union, yesterday confirmed that a white personnel officer who made the "blunder" of retrenching and employing staff at the same time "has been fired" together with the three new emplyees.

Feud

Meanwhile the feud between OK Bazaars and Ccawusa continued yesterday, with the union's general secretary, Mrs Emma Mashinini, accusing the company of retrenching black workers and hiring "white foreigners" in their places.

Mrs Mashinini said workers at another store — Valhalla, near Pretoria — yesterday went on strike in protest against retrenchment of their colleagues and the hiring of white employees. This is the third plant to strike over the same issue.

The company's industrial relations controller, Mr K B Hartshorne, confirmed the strikes and said that the company was investigating other aspects at other plants.

He said workers had engaged in "unprocedural actions" by going on strike because they know the procedures to take before going on strike. If the workers could follow these steps, then "we shall investigate them".

The company was also not aware of a boycott of a canteen in Randfontein.

In another development 1 000 members of the Sweet Food and Allied Workers' Union have downed tools at Bakers Isando in support of workers at Bakers Westmead, Pinetown, who have been on a legal strike. The workers are demanding a minimum wage of R110 per week. Management was not available for comment.

Jobless scheme wins admirers

By Olga Horowitz

The suggestion in *The Star* yesterday that "Operation Unemployment" be established here to help the growing number of jobless was an excellent idea, the city councillor for Hillbrow, Mr Cecil Bass, said.

He is joining forces with the Hillbrow businessman who offered an immediate R5 000 to set up some scheme to alleviate the growing misery among the unemployed, not only with handouts, but with a scheme to give them work.

"He and I will approach several groups and businesses with a view to getting Operation Unemployment — which I prefer to call Operation Employment — off the ground. We are grateful *The Star* is prepared to put its weight behind the suggestion.

"A central organisation is needed to administer the scheme, not only to raise funds but to make it meaningful," Mr Bass said.

"There is no social security for the massive majority of jobless. Unemployment brings added problems to built-up areas, with work-seekers streaming in to try and find jobs."

'Government, private sector must help create jobs'

Many offer cash to aid unemployed

335 Star 14/2/85

By Lesley Cowling

People who phoned *The Star*'s "Speakout" last night supported the establishment of "Operation Unemployment" and many offered money or personal services if such an organisation were established.

Readers had been invited to discuss the possibility of a voluntary central labour bureau for the unemployed after a Hillbrow businessman walked into *The Star* with R5 000 and a plea for the establishment of an "Operation Unemployment".

The bureau could organise jobs, probably piecemeal, so that workless people could have something to do.

Mrs R Krom said she thought the idea was excellent and that people could swop services — for example, fixing someone's electric plugs in exchange for getting the car serviced.

Also impressed was Mr Peter Venter of Klerksdorp, who suggested people get into groups of 50 and go round to factories offering services.

"In the Depression people used to get little jobs from factories, like sewing sequins on to cards,"

SPEAK OUT!

he said. "But it isn't enough. The Government or the private sector should create jobs. There's plenty of community work to be done on roads and housing."

Mr Yusuf Faley said *The Star* should open a column in its classified section for unemployed people to advertise their skills at nominal fees. People could bypass agencies that way.

And Mr David Prior saw the pass situation as an added disadvantage for unemployed blacks.

"They wouldn't be able to do piecework or casual labour just anywhere because of their passes. As soon as the Government relaxes and does away with this apartheid business the better for all of us," he said.

Companies were blamed by a number of people for cutting labour to save profits and so adding to the unemployment problem.

Mr Steve Giannakis said they could cut costs in other ways than firing people.

Mrs B Saurman agreed.

"Companies should never retrench. It's soul-destroying. They should copy Germany and have people working less time for less money."

And a man who called himself Trevor said companies didn't have the interests of workers at heart.

"They're thinking of their back pockets," he said.

One lone dissenter, Mrs C C Marx, said there was no such thing as unemployment — people were just too lazy and not prepared to work.

One ad, and the workless rush in

By Harvey Thomas

When Major Owen Ihlenfeldt advertised for a shop assistant in *The Star* this week, he intended offering work to a senior citizen.

Now he is weary of answering the telephone at his clothing business in Hillbrow.

"I must have had 50 replies," he said. "No, 60. And they have been people from all walks of life; whites, coloureds, Indians, blacks, men and women — the youngest was 23 and the oldest in his seventies.

"I did not even mention a salary. In fact I intended the successful applicant to work on a commission basis. But people are desperate; I put a board outside my shop saying 'Assistant Wanted' and had to take it down after a few hours.

"You could hardly move in here. There were dozens of people milling around begging for work.

"I would not have been so surprised if they had been blacks. But most of them were young whites.

Now Major Ihlenfeldt has changed his mind about the job.

"Business is so bad," he said. "My wife and I will now work a little harder and manage on our own."

Sugar firm retrenches 181 mill employees

Finance Reporter

C G SMITH has announced that 181 of its employees will be made redundant at its Pongola mill at the end of February. This represents 21 percent of the mill's total workforce.

According to Mr Barrie Horlock, personnel director of C G Smith Sugar, the lay-offs are the result of growers transporting their own cane.

'The change in transport arrangements has led to the closure of our narrow gauge rail system as the growers wish to transport their own cane by road,' he said.

'We are making every effort to get a road transport company, which has negotiated to transport much of the grower's cane, to re-employ as many of those made redundant as possible.'

EMPLOYMENT TRENDS

ARGUS 14/2/85

335

'Educated' South Africans likely to be unemployed

Three-million educated people can expect to be unemployed by the turn of the century. Argus Education Reporter JEAN HEY reports on a study by a Stellenbosch University researcher.

THREE million South Africans who hold a standard eight or matric certificate are likely to be unemployed by the end of the century.

This is the conclusion of Mrs E Dostal of the Institute of Futures Research at the University of Stellenbosch after extensive research into the education and employment trends of South Africa.

"It is an explosive situation. People have been led to believe that with education they will be employed. But if South Africa's economy continues to grow at about 3,1 percent a year and if recent employment and education patterns continue, we can expect about 3-million educated people to be unemployed by the turn of the century," said Mrs Dostal.

This did not take into accout the growing surplus of unskilled labour.

Mrs Dostal suggested that to help alleviate the looming unemployment problem, business be taught in schools to encourage self-employment.

A recent study on "future perspectives on South African education" conducted by Mrs Dostal and her former colleague, Miss T Vergnani, has concluded that education in South Africa is outdated, culturally biased and detrimental to improving intergroup relations.

A critical problem, they discovered, was that children in South Africa did not know how to think for themselves and suffered "secondary retardation".

"It is a worldwide problem in countries undergoing a transition from a pre-industrial to industrial system. Often it hits people from a traditional, authoritarian society.

"The problem begins at home and unfortunately our education system does not rectify it. Facts are rammed down children's throats without teaching them to think. Many teachers and parents are themselves suffering from secondary retardation. They don't fully understand what they are teaching — it is a vicious circle," said Mrs Dostal.

In order to meet the challenges of the future, South Africa needed to re-organise its entire education system, Mrs Dostal and Miss Vergnani found.

"The answer does not lie in spending as much on a black child's education as is at present spent on a white's. Financially that is impossible," said Mrs Dostal.

A key solution lay in information technology, she said.

"It is ridiculous that every teacher spends time imparting the same information to students. Technology can free them to spend that time interacting with the pupils."

It could also help alleviate the demographic pressures facing South African education.

● The total number of primary and secondary school pupils is likely to increase from about 7,6-million in 1983 to 11-million by the year 2000.

● There will have to be an annual increase of 17 400 black teachers if the pupil/teacher ratio is to meet that in white schools within the next 15 years.

Less than half that number of black teachers are entering the profession.

The researchers also pointed out:

● The present education system leads to frustration in the black community because it is seen to be inferior and leads to disadvantages in the job market.

● Malnourishment affects about one in every three black children and severely hampers education. "A malnourished child cannot learn properly. This directly affects the high drop-out and failure rates."

● Separate education departments — which now number 18 — are likely to stay for the forseeable future. "But unless some schools are opened to all races there will be no hope of any educational advance," Mrs Dostal warned.

300 new jobs at Pepkor

Staff Reporter

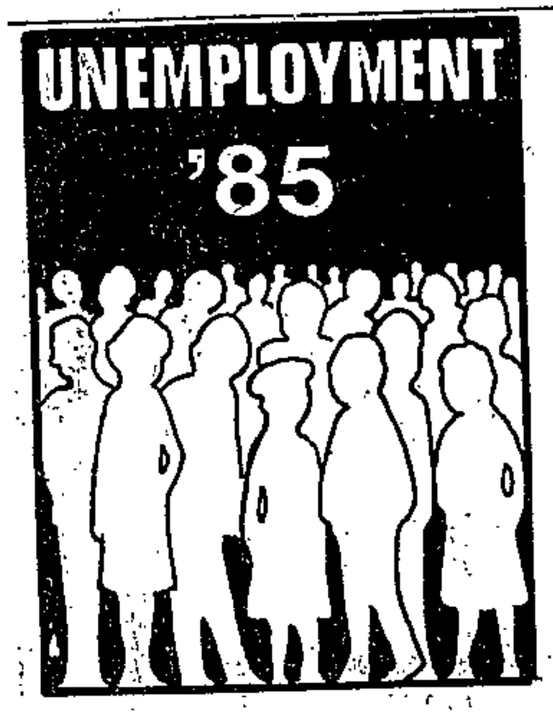
AT LEAST one South African employer is managing to buck the retrenchment trend that is sweeping jobs out of every sector as a result of current economic conditions in South Africa.

Pepkor Limited, the Cape-based retail and manufacturing group, announced last week it had created about 300 new jobs in December and January to cope with its expansion programme.

The group, which includes Pep Stores, Shoprite, Ackermans and House of Monatic, employs a total workforce of 16 500.

In a statement issued by the company, the group chairman, Mr Christo Wiese, said the positions of all staff were secure and was hopeful this situation would endure through the rest of 1985.

The creation of new jobs has come about as a result of the group's retail development programme and the expansion of its manufacturing network.



Jobless claims will top R10 million for two months

Unemployment Insurance Fund claims for December and January are expected to total more than R10 million, the Department of Manpower said.

As the economic recession tightens its grip, more and more people are being retrenched and are battling to find jobs.

The suggestion in *The Star* yesterday that "Operation Unemployment" be established to help the growing number of jobless was an excellent idea, the city councillor for Hillbrow, Mr Cecil Bass, said.

He is joining forces with the Hillbrow businessman who offered an immediate R5 000 to set up some scheme to alleviate growing misery among the unemployed — not only with handouts, but with a scheme to give them work.

"He and I will approach several groups and businesses with a view to getting Operation Unemployment off the ground," Mr Bass said.

A Yeoville housewife telephoned *The Star* today to say she was most interested in last night's story about unemployment and the bureau for the jobless.

"Unfortunately I cannot offer financial help, but I can give my time. If the plan gets off the ground I would be happy to do anything to help," she said.

An Emmarentia housewife said: "What a spendid idea. I could give work to someone immediately to help me shred compost. And we need someone to help modernise our kitchen."

Mrs Kathleen Florence said the unemployment situation in Johannesburg's coloured townships was "terrible".

"Young, middle-aged and old sit around with nothing to do. I have a long list of work-seekers but find it impossible to place them in jobs," she said.

"If something like Operation Unemployment is set up I would welcome it on behalf of many hundreds whose plight becomes worse every day."

● See Page 5.

Until now it has been common practice for parties to approach the court for temporary relief before they make application for the final determination of a matter. Many labour cases do not get past the Section 43 stage, as these judgments normally give the litigants a good idea of which way the final decision will go and they often settle on that basis. The Section 43 hearing takes up less time and is, therefore, cheaper for the parties.

The court also appears to have adopted the view that it will not grant temporary reinstatement if the final order is unlikely to go in favour of reinstatement. This could occur if the court, for example, believes that a financial settlement would be more appropriate in situations in which mass reinstatement threatens a company's financial survival.

The issues in the Pineware case are also of interest. The company did retrench workers in terms of the generally accepted system of last-in first-out (lifo). However, the factory is divided into a large number of small departments and the system was applied departmentally rather than in the factory as a whole. This resulted in a number of long-serving employees — who had previously been transferred from one department to another — being retrenched.

Mawu, which has pledged to take the case back to the Industrial Court, argues that because Pineware was able to effectively bypass the lifo principle, the company's action constitutes an unfair labour practice. The union also argues that when retrenchments occur companies should be obliged, where possible, to retrain and redeploy workers in order to protect long-serving and senior employees.

The matter will be heard in the next few months after the union's legal team has submitted papers for a final hearing.

LOCAL GOVERNMENT

Tricameral hiccups

The Durban Corporation is getting a taste of tricameral-style consensus government.

Last week, two council decisions which affect the Indian community were held in abeyance because the Minister of Local Government and Housing in the House of Delegates, Baldeo Dookie, wanted first to consult with council representatives.

The resolutions concerned the granting of a tender to Checkers for the establishment of a supermarket in the Indian area of Phoenix, and the resuscitation of a long-dormant plan for an Oriental plaza.

Both issues are controversial. Indian business interests charge that they — and not Checkers — should be allowed to build the Phoenix supermarket. On the Oriental plaza issue, private entrepreneurs are in conflict with the State over who should provide the amenity.

City officials admit they were a little taken aback when Dookie suddenly sent a telegram forbidding the council from taking a decision until he had held discussions on the issues. The council is apprehensive about the extent to which its powers may be inhibited by the authority of an "own affairs" Minister.

However, by last weekend a clearer picture was beginning to emerge. Town clerk Gordon Haygarth admits that Dookie and his department are probably the ultimate "approving authority." But he notes that the new tricameral Parliament is a "new ball game." There are, he says, "bound to be a few hiccups" until the ground rules are established. Previously, Haygarth says, Durban would have consulted only with the Department of Community Development which has a "co-ordinating role."

Durban has, however, dutifully played it down the middle. Haygarth, councillor Sybil Hotz and mayor Niel MacLennan flew to Cape Town on Monday, at the Indian ministry's expense, to place the decision in Dookie's hands.

Later, in a manner which indicated a new understanding, Haygarth said: "We recognise that 'own affairs' involves talking with people and not making decisions for them as in the past. That's what true consensus government is all about."

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MOORE PARAGON

Between 1980 and 1983 the total population of SA and the TBVC states rose by 2,5% a year, the bureau found. Relocations and boundary changes were primarily responsible for QwaQwa and KwaNdebele experiencing the highest growth rates of that time — 24,6% and 12,9% respectively.

The black population of the Bloemfontein region also rose dramatically — by 14,4% a year in the period — mainly as a result of the concentration of blacks at Botshabelo. The Cape Peninsula's black population rose at a rate of 7,1% a year.

White population growth continued at a slow pace. There were 4,6m whites in 1980 and 4,8m in 1983 — an increase of 1,5% a year. Immigrants accounted for 45,8% of the increase. Coloured and Asian population growth occurred at a rate of 1,9% a year while for blacks it was 2,8% a year.

The bureau found that the majority of whites lived in the Transvaal — 53,6% of the total. Coloureds dominated in the Cape (84,1% of all people in the province) and Asians in Natal (80,7%). The biggest percentage increase in the white population (4,5% a year) occurred in the south-eastern Transvaal, while the Pretoria-Wonderboom region experienced annual increases of 8,9% and 7,1% in its coloured and Asian populations respectively between 1980 and 1983.

KwaZulu, with a population of 3,8m, was the most populated homeland.

INDUSTRIAL COURT

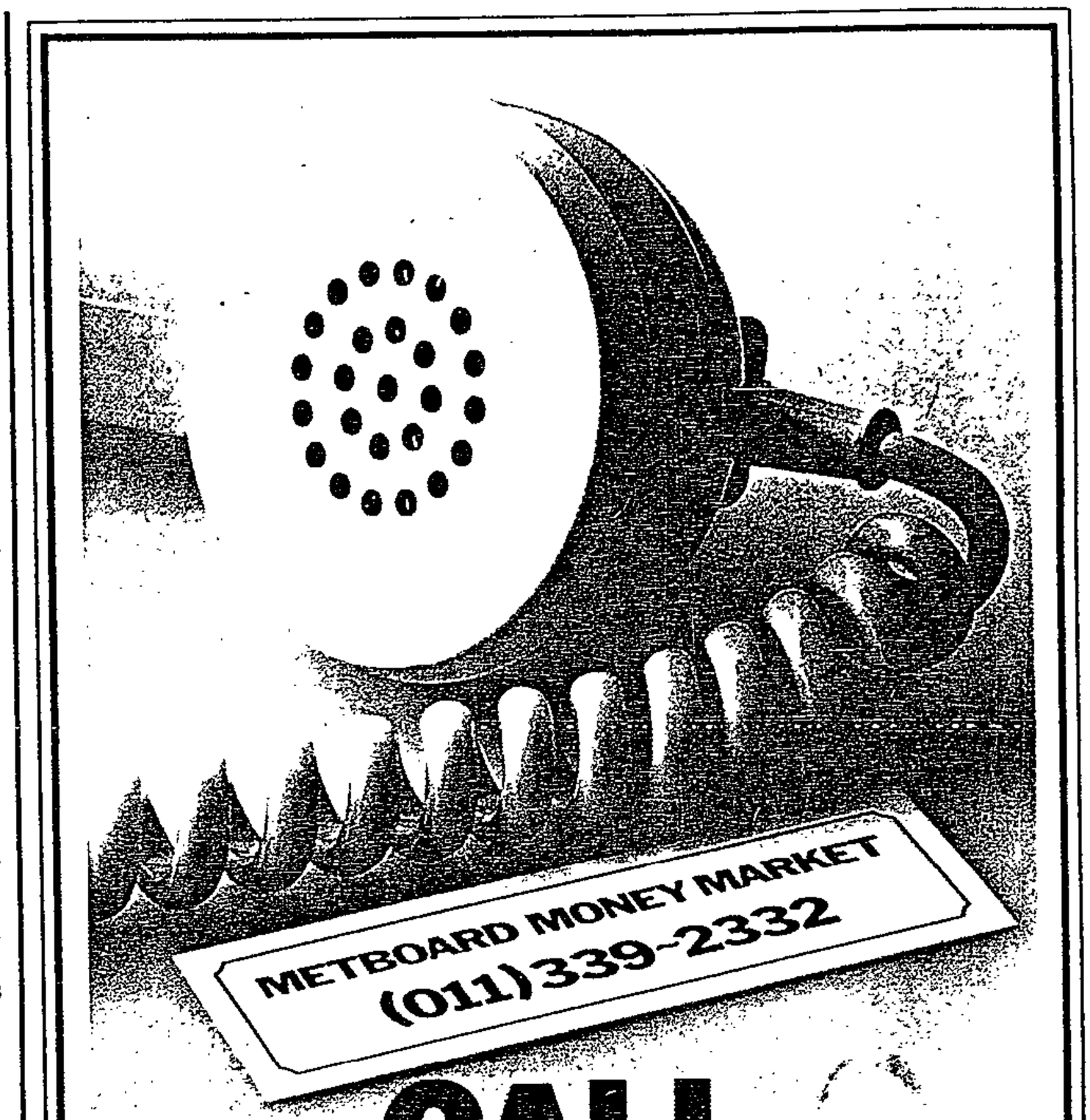
Making doubly sure

A recent Industrial Court ruling is likely to result in significant changes in the way labour lawyers make applications to the court.

In a departure from normal practice, the court has turned down an application for the temporary reinstatement of workers who had allegedly been unfairly retrenched because, it said, too much time had elapsed between the event and the court hearing. The court stated it would have preferred to have made a final judgment but could not because the appropriate application had not been made.

The case, which was heard in Durban, involves the Metal and Allied Workers' Union (Mawu) and Pineware, the kitchen utensil manufacturers. It went to court when the metal industry industrial council failed to settle the matter.

The implications are profound. In future, labour lawyers would be wise to ensure that in contesting cases which are preceded by (usually drawn-out) industrial council hearings, applications for both temporary and final determinations — in terms of Sections 43 and 46(9) of the Labour Relations Act, respectively — should be made simultaneously. This does not apply when the route to the court is through a conciliation board.



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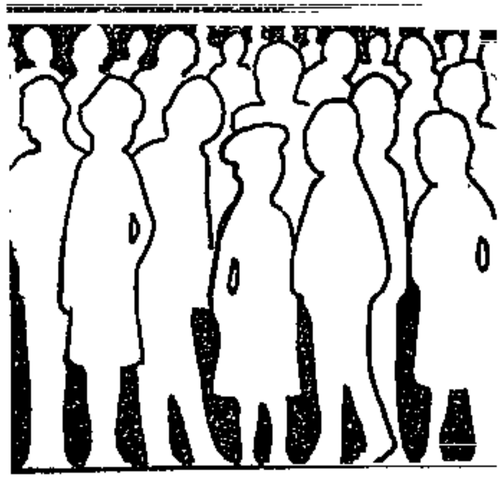
Get a job or your baby goes into a home, he was told

UNEMPLOYMENT '85



By Harvey Thomas

takes guts for a grown man to cry. Especially in the busy, ...ical atmosphere of a newspaper newsroom.

But today Mr Mike Goldstein (30) of Nelspruit cried. He ... tears of despair as he told his story of trying to find ... in Johannesburg and about how his newborn baby will ... taken away from him unless he can soon find employment.

He is a spry, well-dressed man, bearded, with alert eyes ... tells you that he left his job as a security officer in ...spruit last week because he wanted to better himself.

"I decided to do a marketing course in Johannesburg," he ... "My wife Margaret and I travelled here and I thought it ... be only a day or two before I had a job to support me ... I was studying.

"And then on Friday night I had to rush Margaret to the Johannesburg Hospital where, early on Saturday morning, she gave birth to a little girl. It was three weeks premature."

Mr Goldstein speaks so softly you can hardly hear him but he tells you that he has been to all the employment agencies and tried all the security companies for work.

"I cannot get a job," he said.

"The welfare people have told me unless I find work before my wife comes out of hospital on Monday my baby will have to go to a home. My young stepson is already in a home.

"I used the last of my money to pay for accommodation at the Boulevard Guest House in Catherine Avenue, Berea. Now I owe them R105 which I must pay before Sunday. I haven't eaten for two days. Please, can somebody help me?"

jobless shoots up

335 Star 15/2/85

By Harvey Thomas and Trevor Jones

Unemployment, especially among the young, has reached crisis proportions. Although official estimates are hard to obtain and usually inaccurate when they are avail ole, a lengthy survey by *The Star* indicates that thousands are out of work ... the Reef.

In the f... st six weeks of 1985, 219 companies were dissolved around South Africa, ac ...ording to the *Government Gazette*. The comparable figure in 1984 was 115.

This is an increase of more than 90 percent.

"The unemployment position is absolutely frightening, traumatic and very distressing," said Miss Renate Gruber, proprietress of a large personnel consultancy. "Top people have been retrenched and we simply do not have jobs for them; people with degrees. In January this year we had 346 applicants. In January 1984 we had 186."

Although even highly skilled people are finding it difficult to get work, the hardest hit are the young, the semi-skilled and the unskilled.

The assistant general manager of the Johannesburg Chamber of Commerce, Mr Andre Malherbe, said young people — new matriculants and ex-national servicemen — now found themselves competing with trained, experienced people who were unemployed or retrenched.

Many spokesmen for personnel agencies confirmed this. "Married couples are coming to us, both without jobs, and with children to support. Husbands and wives are splitting up, the one having to stay with friends or relatives and the other often at welfare institutions," said Mrs Bev Hardman, who runs an East Rand agency.

Although many big companies officially deny it, *The Star* has learned that some have used the recession to "weed out" deadwood on their staff. "My turnover last year was about the same as in 1983," said the chairman of a motor component group, "but I fired 11 people."

Personnel experts in Johannesburg agreed that those companies still hiring were being far more selective.

The general manager of the Kelly Group, Mr John Dawkins, said: "The demand for further training courses has grown tremendously this year. The young are realising that you need more than a matriculation certificate to find a job today."

But the tragedy of the unemployed lies with those many thousands who have neither the means, nor the ability, to better themselves.

Work scheme details soon

Municipal Reporter

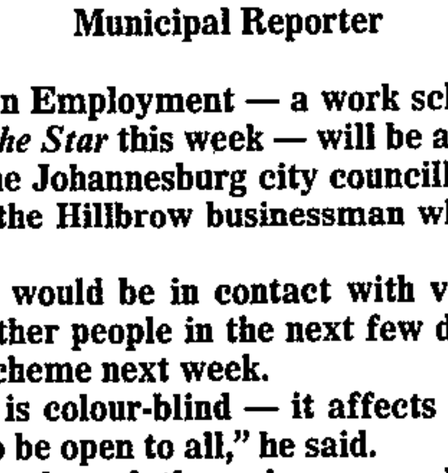
Details of Operation Employment — a work scheme for the jobless first suggested in *The Star* this week — will be available soon.

Mr Cecil Bass, the Johannesburg city councillor for Hillbrow, has joined forces with the Hillbrow businessman who offered R5 000 to set up the scheme.

Mr Bass said he would be in contact with various businessmen, personalities and other people in the next few days and would have the details on the scheme next week.

"Unemployment is colour-blind — it affects everyone — and we want our scheme to be open to all," he said.

Mr Bass said he hoped the scheme would spread to other major urban centres.



Mr Mike Goldstein . . . he had the guts to cry.

UNEMPLOYMENT AND RETRENCHMENT

The crunch has come

335

Unemployment is a cause for grave concern. In the first of two articles on the subject, the *FM* looks at retrenchments.

The recession is beginning to bite. Jobs are disappearing.

Since last September, when the "mini-boom" gave out, there has been a flood of retrenchments as companies struggle to stay afloat. And all indications are that the worst is yet to come. Workers of all races are affected equally.

"There have been a lot of retrenchments and we are going to see more. Between January and November last year, 52 companies retrenched 31 800 employees. The rate was about 2 500 a week — and that is all we know about," says industrial relations consultant Andrew Levy.

Barring the mines, which report staff shortages, it seems that everyone has been affected. Some sectors have, however, been worse affected than others.

The motor industry is one. It has had to contend with a difficult set of circumstances. Last year's gst hike, followed by the enforcement of stricter hire purchase terms, severely inhibited sales. In March 1982 the sector employed 50 282 people. A year later this figure had dropped to 46 681. There was a slight recovery in April 1983 and employment climbed back to 47 154. This was followed by a steady rise to a peak of 48 194 in September 1983. But since then, it has been dropping. Last September, according to the National Automobile Manufacturers' Association (Naamsa), there were 43 412 people in the industry. Overall, some 6 000 workers were retrenched in 1984.

More may have to go in 1985. Nearly all manufacturers are working short-time, and prospects are not improving. Says Naamsa's Nic Vermeulen: "We are taking a pessimistic view of the future and assuming that there will be little or no relief from the introduction of fringe benefit tax in an unchanged form. Unemployment in the industry is serious now and may be expected to get worse unless there is some form of relief provided by way of relaxations in the hire purchase arrangement for cars. We are making representations to government to have fringe benefit tax on cars phased in."

The crunch in the motor sector has harmed the components sector. After large scale retrenchments last year, most companies have begun the year working a four-day week.

Staff cutting

A survey conducted by the National Association of Automotive Components and Allied Manufacturers (Naacam) in mid-November reflected substantial staff cutting. In the 126 firms surveyed, some 3 547 workers had been retrenched since July 1984 and 976 vacancies had been frozen. "Indications are that unless there is an upsurge there will be further retrenchments," says Naacam's Bill Hayward.

Government's August 3 credit clamps have have had much the same effect in the furniture sector. Last year, reports National Union of Furniture and Allied Workers' general secretary Mohan Lalaram, 3 500-4 000 furniture workers were retrenched. "Several firms are working short-time and other firms have not yet reopened. It seems that we are going to have a bad year," he says.

Furniture retailing is flat. According to a spokesman for the Furniture Traders' Association, 10 000 jobs have been lost since August. "If we don't get some relief with regard to credit, unemployment could go to 100 000 by the middle of March," he says.

The traditionally boom-bust textile and clothing industries are, for the moment, holding their own.

Overall loss

Textile Federation's Stanley Schlagman says there has been no major retrenchment in the industry since last August, although there has been an overall loss of 13 000 jobs since the peak of 123 000 in September 1983 — through retrenchment and people not being replaced.

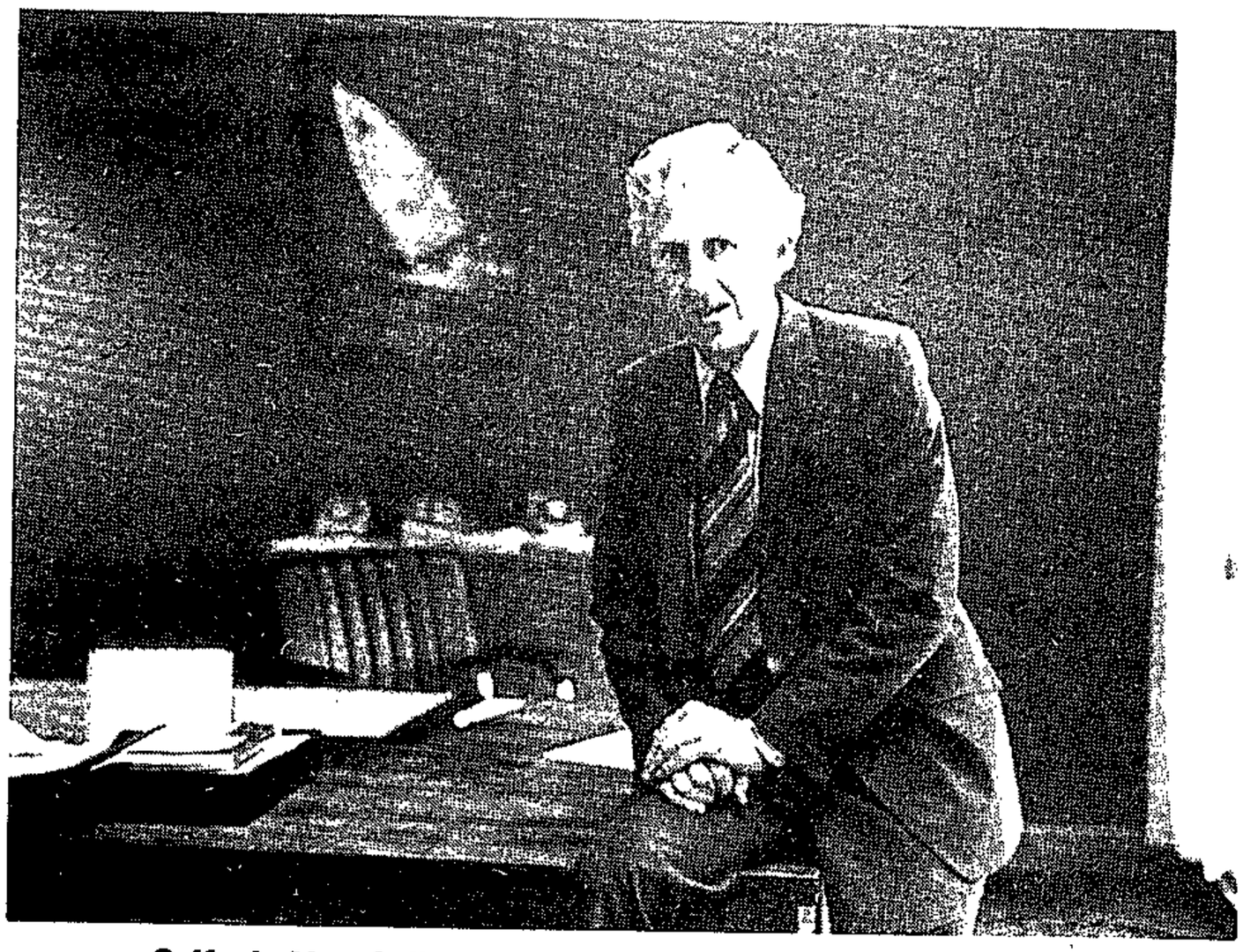
A spokesman for the Clothing Federation says the industry is going through a tough time but there have been no major retrenchments recently.

A similar situation prevails in the building industry. Building Industries Federation head Lou Davis reports that the industry "took a bit of a pounding" last year, but there is still a shortage of skilled workers.

"I am sure there have been retrenchments, but I don't think they have reached panic proportions. We have not had any reports of major retrenchments. A lot of people are cutting their coat to suit their cloth," he says.

Gloom pervades the metal industries. Sectors hardest hit, according to Seifsa director Sam van Coller, are construction, motor components, foundries, domestic appliances and the cable industry. Van Coller says he is not optimistic about 1985. Employment in the metal industries was stable during the first six months of last year, but overall it dropped by an estimated 2%. Employment in the metals sector was at a peak of 454 000 in 1981 but sank by 74 000 to 381 000 at the end of 1983. Some companies are maintaining manning levels by increased exports, assisted by a weak rand.

Mergers and take-overs in the metal industries have prompted some unionists to express fears that a permanent structural change is taking place. Because of mechanisation employment levels may never again rise to past levels. Van Coller, however, points out: "Mergers are not done lightly. They are done for the best business reasons. In the long term one must assume that it is better to have rationalisation than companies limping along and maybe closing down."



Seifsa's Van Coller . . . rationalisation better than closing

lion for the fiscal year.

This is more than covered by the Treasury's issues of R4 billion, and is only slightly more than the R3,6 billion deficit originally budgeted for in March 1984.

The most significant revenue increase from the original estimates is gst, up by 15,7% (R790m) to R5,8 billion. The main reason is inflation. Since all taxes are quoted in percentages, as prices rise, so do tax payments.

Also, the high level of the rand/gold price is boosting gold mine tax payments. These have already been revised upwards by 13,9% (R256m) from original estimates to R2,1 billion, and next month's payment could push the estimate yet further upwards.

A serious structural problem, for which account may be taken in the 1985 Budget, is the trend of increasing current consumption to the detriment of capital outlays.

THE REAL THING?

Projection of revenue on State Revenue Account

Revenue item:	Fiscal 1984/85: Original Budget Rm	Fiscal 1984/85 Projection Rm	Fiscal 1985/86 Rm	Fiscal 1985/86 Projection % change
Customs & Excise	1 939	1 950	2 000	2,5
GST	5 035	5 825	6 750	15,5
Gold mines (tax plus lease)	1 844	2 100	2 600	23,8
Other mines	220	260	350	30,0
Other companies	3 404	3 500	3 500	—
Individuals	7 696	7 825	9 150	17,0
Other	1 580	1 600	1 800	12,5
	21 718	23 060	26 150	13,4

Source: Senbank.

While the two items showed virtual parity to as late as 1979, the following year saw a sharp decline in capital spending, a trend that has yet to be reversed. Indeed, in the first nine months of 1984, current spending of R18 billion was 70% more than capital spending. The divergence of the two items will undoubtedly have detrimental long-term effects for economic growth and employment.

THE PUBLIC SERVICE

The case for retrenchment

Delegates to Assocom's 82nd congress last year focused on SA's overmanned public service — demanding that its numbers be trimmed as part of government's contribution to resolving the economic crisis. Finance Minister Barend du Plessis publicly responded that there would be no large scale lay-offs — although numbers could be reduced by attrition.

While accepting that Du Plessis is governed by political considerations, and he cannot go against policy laid down by the State President and the Cabinet, the policy of non-retrenchment is, to put it mildly, mistaken.

Since the Assocom congress the economic outlook has worsened. The need for government to trim current spending has never been greater. But the latest available figures (those of the Central Statistical Services (CSS) for the 12 months to last September) show an increasingly large, and increasingly expensive, public service. The number of people employed by central government increased by more than 20 000 (a 5,4% growth) while the September payroll was 28% higher than that for the same month in 1983.

Only a minor part of the increase in remuneration was due to the growing numbers, which were largely in black education — far from the best paid sector of the public service. According to the Commission for Administration, the overall increase in individual earnings was 21% — way above the rate of inflation.

Now even government is taking fright at the cost of the public service whose total annual salary bill (if provincial employees are included) is about R6,3 billion and is rapidly heading for an imposing R10 billion figure. Hence the Commission for Administration's project to cut remuneration costs by 8% through peripheral savings on things like perks, non-replacement of departing employees, administration costs and by increasing productivity.

Everyone knows that it is difficult to get fired from the public service for inefficiency or even misconduct. Just how difficult is only clear to those who are prepared to wade through the enormously complex regulations and legislation governing hearings and appeals that apply before the axe can fall. None of which, strangely enough, prevents the government from carrying out the selective retrenchments which the overmanned state of the public service demands.

Public Servants' Cameron ... would oppose cuts bitterly

It is unlikely to be enough, but the Commission is hamstrung by legislation. It would be futile for it to recommend an actual cut in salaries since Section 22 of the Public Service Act (54 of 1957) forbids cutting salaries, except for disciplinary reasons, other than by Act of Parliament or with the agreement of the public servants concerned.

Public servants would indeed have to be desperate to retain their jobs before they agreed to an overall salary cut, and the wording of the Act is such that each individual would have to signify acceptance — an unlikely event. It is also difficult to envisage government solemnly introducing legislation to cut salaries knowing that the Conservative Party would be gleefully waiting to fish for more public service votes by opposing the Bill clause by clause.

Cocoon of red tape

A private sector organisation faced with the need to cut its labour force tries to do so by laying off its least efficient workers — although retrenchment agreements with trade unions often complicate the task. No one should believe the public service can follow the same route. It is too enmeshed in the comfortable cocoon of red tape which politicians and legislative draughtsmen have used to ensure the loyalty of the vast pool of public service voters.

Section 6(d) of the Act does indeed provide that a public servant may be fired "on

EASTERN CAPE

Life after Ford

335

After four months of dire, at times apocalyptic, prognostications over the Ford-Amcar merger, the mood in Port Elizabeth is suddenly not all doom and gloom.

Setting the tone for a more optimistic outlook, the Midland Chamber of Industries points to the potential advantages from the merger — mainly, the direct involvement of the giant Anglo American Corporation in the city.

The chamber also says, quite fairly, that as far as unemployment is concerned, the worst has already happened.

Applications by seven new non-automotive industries to settle in the area, as well as plans for a Taiwanese investor to visit the city in March, have further helped to boost morale. And, in spite of pessimistic predictions about the effect of the merger on component manufacturers, an industry spokesman is confident that they "have nothing to fear."

Whatever the cause of the new optimism, the final effect of the creation of Samcor out of Ford SA and Amcar will not be known for some months. According to Ford PR manager Dirk Pieterse, the practical details of the merger will be worked out over the next three months.

Even then, "there will be very little movement in the first 12-18 months."

Pieterse refuses to make any predictions about who or how many people would lose their jobs once the Neave plant, where 1 750 people are employed in building Escorts, Granadas and tractors, is closed. But he points out that in a year's time, the overall staff complement of the PE operation might have altered considerably, owing to normal attrition.

One of the aspects of the merger generally believed to hold the brightest outlook is the Struandale engine plant, which was modernised at great expense for the production of the Sierra. The possibility that the plant may manufacture not only Ford engines but also engines for former Amcar products has contributed to the more buoyant expectations.

Primary among the positive aspects of the merger, as seen by the Chamber of Industries, is the link with Anglo American.

This would make the largest private-sector corporation in the country aware of the cost of manufacturing in the centre, give the remaining Ford operations direct access to the Anglo conglomerate and open the possibility of the local Samcor operation diversifying to meet the needs of Anglo operations.

On the jobs front, the chamber notes that between 1982 and the end of 1984, the number of people employed by the three motor manufacturers in the PE region fell by 5 000 from 16 500 to 11 500.

As concern over the merger talks increased last October, the pressure for improved decentralisation incentives rose accordingly — and it seems to have paid off.

The Cabinet approved a new pacakage 11 days after it was presented to Minister of Constitutional Development and Planning Chris Heunis and Commerce and Industry Minister Dawie de Villiers in PE.

The original three-part package — electricity subsidy, 20% rail rebate and a training rebate — was extended in November to include an interest or rental subsidy on buildings and plant, an increased transport rebate, a 4% government tender preference and a tax-free wage concession.

New incentive

There is now hope that a rail rebate on key raw materials transported to the area, not only on manufactured goods leaving the area, will be approved when it goes to the Decentralisation Board, probably later this month.

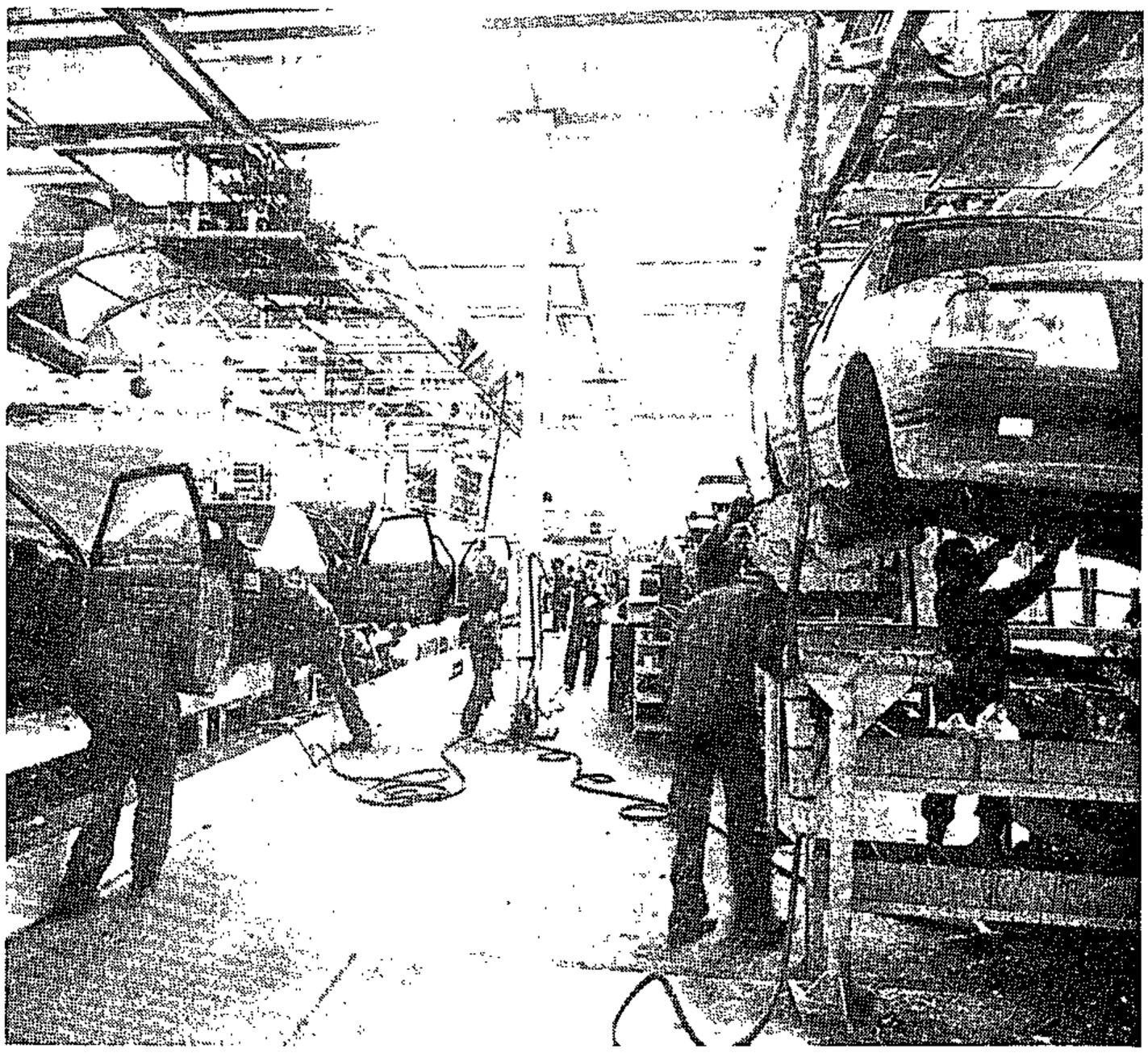
The new mood was evident to board chairman Doug de Beer when he visited PE last week to address a Chamber of Industries forum on the new incentives. He commented on a "new, positive" approach by business and civic leaders. "There is an underlying tone of optimism here, despite the unfavourable investment climate in the country as a whole."

He announced that the Decentralisation Board had received applications from seven industries not connected to the automotive industry who want to settle in PE.

This would involve an investment of R20,2m and create 528 jobs. Applications from 10 existing industries planning to expand at a cost of R14,8m would create an additional 966 jobs.

Asked about the effect of the motor merger on the component industry in PE, Bill Hayward, director of the National Association of Automotive Component and Allied Manufacturers, says: "I have no fear. The merger will not have a long-term negative effect on the PE component manufacturers. They supply manufacturers nationwide and have done so for some time. The fact that Ford has merged with Amcar does not necessarily mean that they will reduce the number of vehicles manufactured."

And University of PE economics professor Charles Wait says the new optimism is justified. "Port Elizabeth has a lot of potential and many advantages, including a good infrastructure, a pool of skilled labour and good training institutions. It is also a very convenient place to live — and its image as a centre of labour unrest is unjustified."



Port Elizabeth industry . . . building hope

THE GREAT ROAD TO UNEMPLOYMENT

Why an experiment went wrong

While growth in the US economy in recent years has created an enormous number of new jobs quickly, the experience in Britain has been very different. Despite implementing economic policies that were deceptively similar to those of the Americans, Britain's unemployment has reached, and remains at, record levels.

In this special feature, Andreas Whittam Smith, Frances Williams and Matthew Symonds examine where the British went wrong. In doing so, they consulted a wide range of economists, politicians and other experts.

Some of the problems in Britain, especially where they concern rigidities in the labour market, have counterparts in SA. The article highlights the fact that well-meaning interference in the ability of this market to clear unemployment is at the root of Britain's distress.

Although most major industrial countries have had to cope with the problems of inflation, the two oil shocks during the Seventies and steadily rising unemployment, Britain's performance, with one or two minor exceptions, has been uniquely bad. Where and how did the UK go wrong?

The story begins with the 1944 Employment White Paper that assumed full employment was possible, and committed future governments to its achievement.

Politicians of all parties believed that the insights of the great economist, John Maynard Keynes, had provided the means by which future governments could avoid the kind of economic depression and mass unemployment that had characterised much of the inter-war period.

They thought that through changes in the level of public spending or taxation — known as "demand management" — governments could smooth out fluctuations in the business cycle and run the economy fast enough to achieve something close to "full employment."

Though in the next 20 years, the goal of full employment was in fact attained, the reasons were not so much the policies pursued by British governments during this period. Instead, post-war reconstruction, the release of pent-up demand for consumer durables, such as cars and washing machines, and a gradual easing of restrictions on free trade all helped to create the conditions for a boom.

But the real test for demand management policy was yet to come.

By the time the 1964-1970 Labour government entered office, the strain of living with an overvalued exchange rate was beginning to show. Unfortunately, PM Harold Wilson was determined that there should be no devaluation of the pound because of the trauma which had been associated with a previous Labour devaluation 15 years earlier. At the same time, he was electorally pledged to run the economy at a rate fast enough to pay for ambitious social expenditure, and, of course, to support full employment.

In the end, the Labour government was able to avoid neither devaluation nor deflation. In mid-1966, it introduced a package of restrictive measures, including a wages freeze, designed to cool down an economy which had been severely overheated by rising public expenditure, and to restore confidence in the pound.

But unemployment remained on a rising trend, and an incomes policy failed to prevent earnings increasing from 7%/year in 1968 to nearly 15%/year in 1970.

"As a result of increasing public expenditure and incomes policies which required co-operation of union leaders, the Wilson period saw a massive increase in both union power and membership."

As a result of increasing public expenditure, which led to the growth of highly unionised public-sector employment, and incomes policies which required co-operation of union leaders, the Wilson period saw a massive increase in both union power and membership. The combination of a strong trade union movement and the reliance upon incomes policies to restrain inflation, caused by excessive demand, was to prove an increasingly combustible mixture.

By the time Labour left office, inflation was running at 8%, while accelerating unemployment stood at 555 000.

Things were also starting to go wrong overseas. The US economy was overheating because of President Johnson's attempt to pay for both the Vietnam War and his Great Society programmes. The result was rising world inflation and a collapse of the Bretton Woods fixed exchange rate system in 1971.

The breakdown of Bretton Woods and the new era of floating exchange rates was seen as a great opportunity by the next Conservative government, under the premiership of Edward Heath. It believed that, for the first time, Britain was free of its balance-of-payments constraints. And when unemployment reached 1m the following year, the decision to perform a U-turn was made possible by the fact that there was no longer any external discipline upon the amount of demand which a government could inject into the economy.

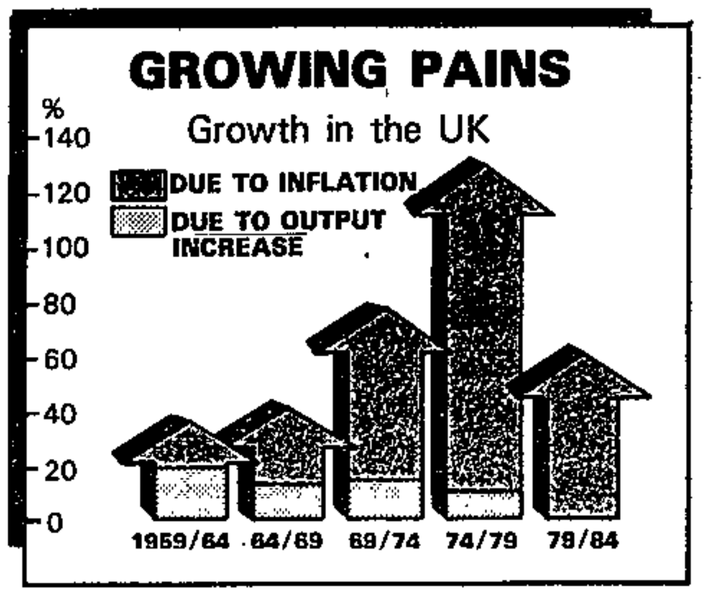
Implicit in the Heath government's "dash for growth" were two ideas which subsequent events proved to be false. The first was that the "natural rate" of unemployment — at which inflation neither rises nor falls — was still at the 200 000-300 000 level. This had applied throughout most of the Fifties and Sixties.

In fact, the natural rate of unemployment had almost certainly risen during the Wilson years as welfare benefits increased by 30% in real terms and the labour market rigidified under the influence of incomes policies and increasing union power.

Consequently, much of the increase in unemployment which had taken place by 1972 was due to structural changes rather than a shortage of demand.

The second and related assumption was that there existed a stable trade-off between unemployment and inflation. This can only occur when workers fail to anticipate future inflation, take pay settlements which amount to real wage cuts and thus allow an increase in demand to boost output and employment as opposed to pay and prices.

However, by the late Sixties, British workers were no longer to be fooled by such an obvious trick and were even over-anticipating future inflation in their wage bargaining. Under such circumstances and



greater purchasing power, which they use to buy more goods and services, which in turn generates more output and jobs.

But as far as the flexibility of labour to adjust is concerned, it is a point which bitterly divides two main schools of economic thought: the Keynesians and the neo-classicals (who hail back to the liberal market traditions of the 19th century).

They argue over a deceptively simple question: does high unemployment stem principally from the failure of the labour market to adjust or is the main culprit a deficiency of demand?

The starting point of the neo-classicals is that labour is a commodity much like any other. If the price of labour, that is, its wage is flexible, supply and demand will balance. If it is not, when demand falls for whatever reason, the labour market will fail to clear and the result will be unemployment.

"From the wheel to the word-processor labour-saving inventions have been accompanied, and have indeed been the motive force behind increasing economic prosperity and more employment. The reason is that technological advance creates its own demand."

Looked at from this point of view, the cause of unemployment is excessive real wages, not as seen from the worker's side, but as seen by the employer as an element in his costs of production.

If the real product wage of a worker is more than the added value an employer can expect to gain by hiring him, he is unlikely to be taken out. The same worker may also be unemployable if the price of his labour compares badly with the cost of putting in a machine or if there is an insufficient wage differential between him and potentially more productive employees.

The reason why wage flexibility is thought to be so important by the neo-classical school is that economies are subject to constant change. The way in which they adapt to change is through the flexible movement of prices, which leads to the efficient reallocation of resources. If the price of labour is resistant to adjustment, workers will not move smoothly from jobs where their services are no longer required to jobs where they are needed.

In the last decade, Europe and the US have been subjected to two oil price shocks and competition from the new industrial countries of the Pacific Basin. Broadly speaking, these developments have made a large number of traditional manufacturing jobs unproductive.

The US has been much more successful than Europe at creating new jobs in the increasingly important service sector, in large measure because it enjoys a less rigid labour market that encourages a high degree of real wage flexibility.

Between 1973 and 1983, employment in the US rose by 13m, mostly in services, while in Europe over the same period the number of jobs declined.

There is strong disagreement about why America has been so much more successful in creating jobs.

On the one hand, there is greater flexibility of the US labour markets, notably the fact that real wages have fallen in recent years. This has enabled a rapidly growing labour force, swollen by increasing numbers of women and immigrant workers, to be "priced into jobs."

On the other hand, productivity in the economy has risen extremely slowly. This is because most of the new jobs have come in relatively low productive and low-paid service occupations. In Japan, jobs have been created by the opposite route, by rapid advances in productivity.

But the fact remains the US economy has been better than others at converting growth into jobs. This suggests that differences in the way the labour market operates are a key influence. And the moderation of real wages in the US has clearly had the effect of making labour more attractive.

There is, of course, no shortage of explanations for the malfunctioning of the British labour market. However, the two which are most often cited by the neo-classical school are the monopoly power of the unions and the way in which the interaction of the tax and benefit system discourages the low-paid from pricing themselves into work.

The story is quite a simple one. Unions use their monopoly power to raise wages above the level which would have been set by free competition in the labour market.

Although this means that fewer man-hours will be worked in the union sector and that some union members may lose their jobs, the main effect is to create a two-tier labour market — one relatively well paid and strongly unionised, and the other badly paid and non-unionised.

It might be thought that workers who are displaced by excessive wage increases secured through collective bargaining and those who have never been able to gain entry to the unionised sector would then compete for the remaining jobs and thus force wages down in the non-unionised sector.

In practice, this cannot happen because the tax and social security system forms an effective floor which prevents wages falling far enough to create additional demand for labour.

There may exist employers who have jobs for workers at lower wages, but it makes little sense for people to take them if they find themselves worse or only marginally better off after the payment of tax and the loss of benefits.

Supporters of this analysis point to the fact that during the Sixties and Seventies, union power was extended by winning set-piece showdowns with the UK government, the passing of favourable legislation and rapidly rising union membership. In 1963, the proportion of the workforce in unions was 43%, but 16 years later it was 56%.

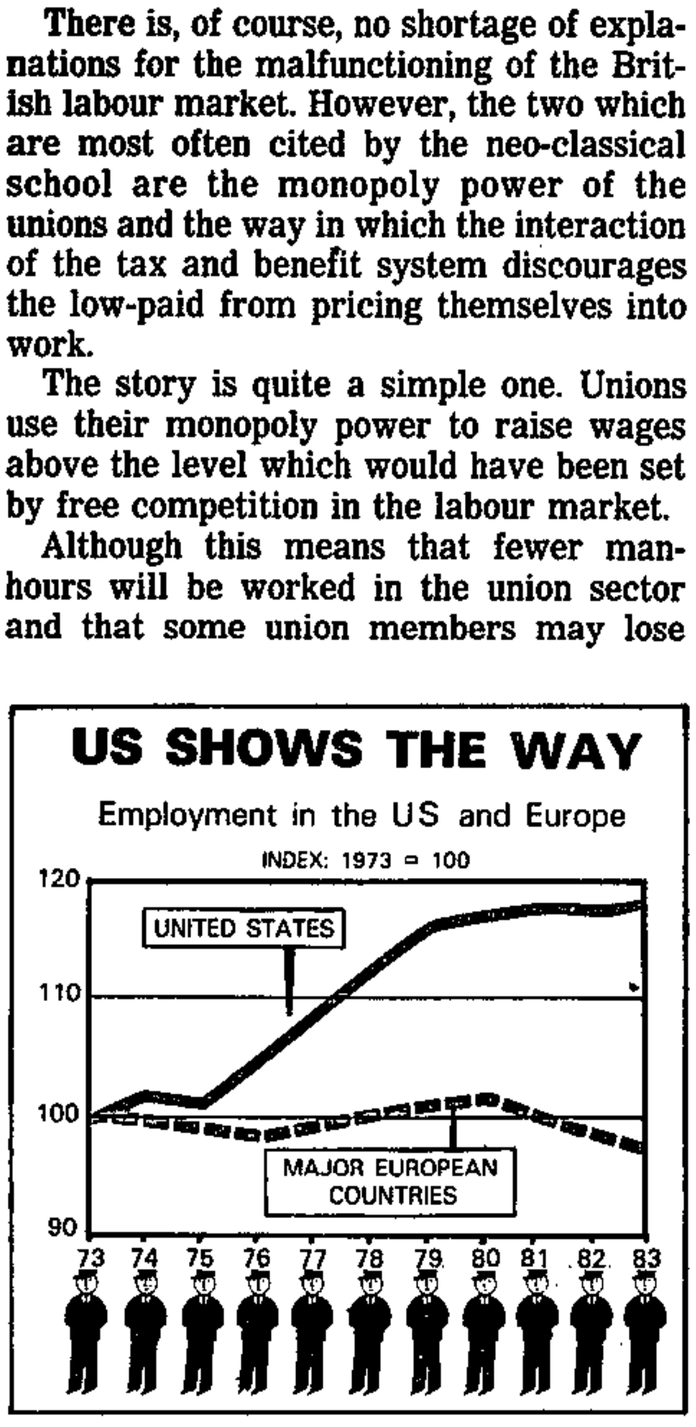
Likewise, during the same period, the "unemployment trap" was intensified by a 30% increase in the real value of benefits and the failure to index tax thresholds until 1977, in spite of raging inflation.

"The US has been much more successful than Europe at creating new jobs in the increasingly important service sector in large measure because it enjoys a less rigid labour market that encourages a high degree of real wage flexibility."

The conclusion of the neo-classical economists is that the cure for unemployment lies in reducing trade union power and easing the disincentives to accepting low-paid work. If real wages become less resistant to downward pressure, more jobs can be created at any given level of demand.

Their Keynesian opponents say the most important cause of unemployment is insufficient demand. They believe that the two oil shocks, followed by the restrictive, anti-inflationary policies adopted by most governments after 1979, have led directly to the deepest recession since the Twenties. Indeed, in many ways, they see similarities between the inter-war period and today.

The Keynesians are prepared to admit that real wages which are too high may contribute to unemployment. But, unlike



THE ECONOMY ARGUS 15/2/83 335

Government accused of causing PE crisis

Parliamentary Staff

THE growing economic crisis in the Port Elizabeth and Uitenhage region was due to Government neglect of the area aggravated by its decentralisation policy, said members of the Opposition in the House of Assembly.

Speaking during a debate on a private member's motion, Mr Andrew Savage (PFP, Walmer) accused the Government of "pouring resources into the border areas to make apartheid's grand solution work" while neglecting Port Elizabeth, the major metropolitan centre of the region.

Referring to burgeoning unemployment in the region, Mr Savage said the attempt to control black influx to the city had failed, so the Government had deliberately inhibited industrial growth.

Mr John Malcomess (PFP, Port Elizabeth Central) said 8 500 automobile workers had been laid off in the past few months.

DEPENDENT

The Ford and Amcar merger was expected to cost at least another 2 000 jobs in the industry. General sales tax and the huge increases in interest rates and the petrol price and other "deliberate actions by the Government" had caused the slump in the motor trade.

Mr Errol Moorcroft (PFP, Albany) said the crisis in Port Elizabeth would affect thousands in the Eastern Cape hinterland who were dependent on the city as an agricultural market.

"It is said in the Eastern Cape that when the motor trade sneezes the farmers catch cold," he said.

National Party members accused the PFP of raising the economic crisis in the Eastern Cape to make political capital for the Newton Park by-election.

CONCESSIONS

Replying to the debate, the Minister of Trade and Industries, Dr Dawie de Villiers, said the PFP should remember that the country was in a middle of a recession and that the motor industry was in a slump throughout the country.

The PFP criticised the decentralisation policy but then asked for concessions under that policy.

The Government had spent R37,9-million on an electricity subsidy in the region in less than two years, he said.

A regional development policy could not be based on manufacturing alone but must include agriculture, tourism and services, Dr de Villiers said.

335

INDUSTRIAL COURT

Fair retrenchment

Employers contemplating retrenchment would be well advised to consult workers and trade unions before doing so. That is the message of a recent Industrial Court judgment.

In the case of the *General Workers' Union (GWU) and Cedric Petersen v Dorbyl Marine* in Cape Town, the court ordered the temporary reinstatement of Petersen pending a final hearing.

Petersen had been employed by Dorbyl Marine since February 1978 and, on August 2 last year, he and four other welders were told they were being retrenched the next day.

GWU did not challenge Dorbyl Marine's selection criteria or the company's right to use skill as a criterion for retrenchment, but argued that:

☐ The workers had only received one day's notice that they would be retrenched;

☐ The information was conveyed as a *fait accompli*, and neither the union nor the workers were invited to discuss or make representations on the matter;

☐ Dorbyl had not consulted the unions prior to the retrenchments;

☐ Fair retrenchment can only be achieved if there is meaningful consultation between the company and the worker and the company and the union; and

☐ Petersen had been denied the opportunity to show why he should not be retrenched or that an alternative method of retrenchment should have been explored.

In response, Dorbyl Marine argued that:

☐ Management considered that the various agreements it had concluded with GWU referred only to labourers, not artisans or artisan apprentices, and therefore they did not apply to Petersen;

☐ On August 2, Dorbyl Marine had informed the industry's industrial council that the retrenchments would take place the next day;

☐ The workers were also told on August 2 that they would be retrenched. None had asked to be represented by the union;

☐ Morning shift workers had staged a work stoppage on August 8 demanding that management discuss two of the retrenchments with the shop stewards committee;

☐ After four meetings, the parties could not reach agreement or compromise; and

☐ Economic conditions made it essential for retrenchment to be conducted on a skills basis and not on the last-in-first-out principle.

The court found that management's claim that GWU had the right to represent labourers only was not valid. The company had negotiated on retrenchments with GWU before and had been prepared to discuss the cases of Petersen and others once they had been carried out. Notice to the industrial council did not constitute notice to the unions operating in the plant.

Black schoolchildren . . . millions more this century

It added that even if Dorbyl had applied the correct criteria when Petersen had been chosen for retrenchment, it had not been established that the selections were made objectively, because there had not been sufficient prior warning and consultation. "Failure to allow due prior representation is that equity and fairness in making the selection should not only be applied but also manifestly appear to have been applied," it said.

Financial Mail February 15 1985

RDM 15/2/85

Paper firms slated on staff cuts

By PHILLIP VAN NIEKERK

FOLLOWING large scale retrenchments in the paper and pulp industry, Fosatu's Paper, Wood and Allied Workers' Union (PWAWU) has condemned the "socially irresponsible" attitudes adopted by many employers.

In a statement PWAWU said that by putting their profits before the interests of their employees and the country, the employers were giving themselves a bad name.

Four companies mentioned in the statement were Carlton Paper (Wadeville), Nampack Sacks (Industria), Golden Era and Printpak (Industria).

The statement said Carlton Paper had moved machinery to a non-unionised plant in Springs, leading to the retrenchment of 88 workers but creating no new jobs at Springs.

Nampak Sacks had given the union notice that it planned to make the entire workforce of 120 redundant on February 25.

Golden Era had moved its entire plant to the "low-wage, non-union" area of Bophuthatswana, making 120 workers redundant without any redundancy pay. The union had taken this up in court and had reached an out-of-court settlement.

Printpak had retrenched 41 workers in November last year without proper notice and, in an out-of-court settlement, had agreed to pay additional notice and re-employ contract workers, the statement said.

A spokesman for Nampak Sacks denied they had acted socially irresponsibly and said they had been talking to the union for a long time about the particular difficulties of that operation.

"We have kept at least 50 employees for at least two months and hopefully a large number will be kept on thereafter."

A spokesman for Printpak said the "out-of-court" settlement had followed industrial council mediation in the dispute and was a compromise solution agreed on with the union.

Sowefan 15/2/85

Fosatu slams Ford move

THE Federation of South African Trade Unions (Fosatu) yesterday issued a statement warning employers against splitting the work force by moving workers from one place to the other, including homelands.

This decision was taken by the union at its Transvaal regional congress held in Germiston at the weekend.

The warning comes in the wake of Ford and Amcar's decision to move production from Neave in Port Elizabeth to Pretoria in a "move to improve production."

The future of about 2 000 workers, mostly members of the National Automobile and Allied Workers' Union (Naawu), a Fosatu affiliate, hangs in the balance following the merger and decision to move the plant.

The congress resolved to condemn the action by Ford because black workers were being moved from one area to another and made to separate from their families.

500 Durban stevedores retrenched

Argus Correspondent

DURBAN. — South Africa's largest stevedoring company, South African Stevedores, will retrench more than 500 workers from its Durban operation in the next month as the shipping industry reels under the recession.

Another reason for the retrenchments is because of increased mechanisation in the stevedoring industry.

An SAS spokesman today said today that non-stevedoring staff would also be retrenched, bringing the total to 30 percent or about 600 people. These would be mainly drivers and storemen.

VOLUNTEERS

He said the company had first called for volunteers to be retrenched, then retired staff early and finally had applied the last-in-first-out principle.

● Captain B Greenwood, manager of the Cape Town branch of SA Stevedores, said that no retrenchments were being planned in Cape Town, and that they intended to recruit.

The Cape Town operation had already absorbed 25 workers from the Port Elizabeth branch where things were also slack, he said.

AFCOL LAY-OFF PLANS

by PRISCILLA WHYTE

AFCOL, a major furniture manufacturer, is working on a lay-off and short-time plan that could affect 10% of its 9 000 labour force.

"The social implications of unemployment are horrendous, but I doubt that any furniture manufacturer is now running at a profit," says Mr Jack Chaskelson, the chief executive.

There were 1 400 furniture manufacturers "and already 100 have dropped out".

He estimates there are 35 000 people employed in the industry and substantial lay-offs are on the cards.

Afcol volumes are down 20% to 25% on this time last year but cost inputs have jumped by 15% and overheads by 12%.

He says the furniture industry will only be clear of this, "rough passage with an upturn from a low base by the the last quarter of 1985".

Retailers of furniture and durable goods are also suffering.

Over the past month 1 200 staff have been laid off by OK Bazaars.

Mr Arthur Solomon, general manager of furniture and appliances at OK, says furniture and appliance sales were 25% down in January compared with the same month last year.

He says car prices have increased by 100% in the past five years while those of major appliances have risen by only 20% to 30%.

He feels once the stock in hand has been sold, the cost structure of the retailer will necessitate a 15% to 20% price hike in appliances later in the year.

Mr Solomon says numerous representations have been made to the Government on the need to ease the stringent hire purchase regulations introduced in August.

"Although we have received a sympathetic hearing, nothing has been done to improve our position," he says.

Mr Ron Cohen, the executive chairman of the retailer, Amrel, says January sales were disastrous. Sales dropped by 30% compared with the same month last year.

"Astronomical losses were recorded in the bigger quoted companies in January and even clothing sales were disappointing."

Unemployment figures are reaching record levels and, "in the last few months by not replacing staff, the Amrel head-count has dropped by 200".

He says that shoes ordered for delivery in March/April had arrived in January because manufacturers feared cancellations.

 335 N. Mercury

600 Durban dock workers to lose their jobs

Mercury Reporter

SOUTH African Stevedores, the biggest stevedoring firm in South Africa, is to cut its staff by 30 percent and nearly 600 Durban dock workers will be retrenched in the next month.

The move follows weeks of negotiations between the company and the General Workers' Union.

It was made necessary by increasing mechanisation in the industry, which enabled greater unit loads to be handled, according to S A Stevedores' industrial relations manager, Mr Les Owen.

The recession had only hastened that day, he said.

'There has been a downward trend and the recession just made the curve steeper.

'The number of people in the stevedoring industry worldwide has been steadily declining over the last decade and South Africa is no exception.

'The industry's manpower needs have been significantly reduced.'

He said the company did not anticipate rehiring when the economy improved.

'We have been trying to avert this for some time,' Mr Owen said.

Employees had been on a four-day working week for at least two years, and had been taking periodic unpaid leave on rotation.

'But the cycle was starting to catch up with itself.

'We also spent a lot of money on training to enable people to transfer to other jobs, but unfortunately there are not many other jobs around.

'We first asked for volunteers to leave, and we retired people early.

'And then we used the principle of "last in first out".

'Some of the people have already stopped work and we hope to have wound up by mid-March.'

A spokesman for the General Workers' Union could not be contacted for comment yesterday.

18/2/85

Gold Fields may axe 750

By PHILLIP VAN NIEKERK

AS CALM returned to Gold Fields' East Driefontein goldmine near Carletonville at the weekend, management began investigating a list of about 750 workers who face possible firing.

A spokesman for Gold Fields said these were the workers who had missed two shifts between Thursday night and Saturday.

The mine was the scene of a strike by more than 11 000 workers late last week, which led to 100 miners being hurt and one seriously injured when police opened fire with birdshot on Friday night.

The seriously injured man is in a satisfactory condition in hospital.

A police statement said they were called to the mine compound after alleged incidents of intimidation, and that police and mine security guards were pelted with stones when they entered the compound.

Mr Cyril Ramaphosa, general secretary of the National Union of Mineworkers (NUM), said police arrested six union shaft stewards on Friday.

He said management had turned down NUM requests to talk in an effort to resolve the dispute.

The Gold Fields spokesman — who confirmed that only one official NUM shaft steward had been arrested — said the NUM was only recognised for two categories at the mine.

She said management had given workers a deadline to present grievances, and that no reply had been forthcoming.

Staff budgets cut to the bone

Public service jobs grow scarce

Pretoria Bureau

Job opportunities in the public service are becoming increasingly scarce and even skilled workers are being overlooked as Goverment departments battle to trim their budgets.

Departments have been ordered to trim staff budgets by eight percent during the 1985/6 financial year.

Employees are being forced to be more productive and positions which become vacant are genrally not being filled.

Important Goverment employers such as the Post Office and South African Transport Services have reduced their recruitment programmes and are employing on a highly selective basis.

If the public service achieves its eight percent cutback, it will mean a reduction in staff of about 32 000 workers and a drop in the salary bill of about R310 million.

A spokesman for the Commission for Administration, Mr Louis de Jong, said the increased productivity programme was being strictly applied.

"The aim is for a smaller, more efficient workforce," said SATS spokesman Mrs Alet van Jaarsveld.

"In previous years we employed almost anybody looking for work but this is no longer the case," she said.

Key workers were still being employed by the SATS but even skilled artisans would find it difficult to get jobs, she said.

The Post Office was employing a limited number of skilled workers, but on a selective basis, said a spokesman, Mrs Sannie Grobler.

The gloomy employment picture in the public sector is in line with trends in private enterprise.

Thousands of workers have been retrenched in depressed sectors such as car manufacturing and in the appliance, furniture and clothing industries.

Unofficial estimates place the total number of unemployed in South Africa at more than three million and official figures also show an increase.

The latest figures available from Central Statistical Services show an increase in black unemployment. The number of unemployed blacks in September 1984 was 526 000, compared to 458 000 in September 1983.

The number of whites registered as unemployed with the Department of Manpower has also increased, from 12 856 in September 1983 to 14 118 in September 1984.

Central Statistical Services figures show there has been a drop in the official number of unemployed coloured and Indian people.

The official figure in September 1983 was 69 000 compared to 60 000 in 1984. The figure for Indians in 1983 was 20 000 and 17 000 in 1984.

A spokesman for the CSS said these figures did not necessarily indicate an improvement in employment prospects for coloured and Indian people.

"We have a very strict definition of who is unemployed. People previously regarded as unemployed may now fall into the category of economically inactive," he said.

Unemployment in the independent national states is also very high.

In Venda, for example, more than 16 000 people (at least 32 percent of the population) are out of work.

360 jobs in balance

Sunete 19/2/85

335

THE future of more than 360 black employees in the paper industry around the Witwatersrand hangs in the balance following the announcement that they will be retrenched as the country's economy worsens.

The companies that have announced possble retrenchments are: Carlton Paper (88 workers in Wadeville); Nampak Sacks (120 in Industria); Golden Era (120 in Amalgam) and Printpak (41 in Industria).

The main reason for retrenchments, mainly from the black members of the Paper, Wood and Allied Workers Union (PWAWU), has been attributed to the biting recession, inflation and the soaring cost of production.

The PWAWU has condemned the socially "irresponsible attitude" being adopted by some employers in the current difficult economic climate. The economy was not only hitting them but hurt the workers more, the union said.

The union's spokesman said because of the spiralling unemployment facing the country, many companies were moving to so-called homelands where they exploit frustrated workers.

Mwasa meeting

THE Media Workers' Association of South Africa will hold an urgent report-back meeting on proposed retrenchments announced by the Argus Printing and Publishing Company — the meeting takes place at 6pm at the DOCC today.

Mwasa had asked its auditors to look into the Argus company's books to see if there is a need to retrench staff and the union will report to its members on the latest developments, according to Mr Sam Mabe, the union's Southern Transvaal chairman.

CAPE Times
16/2/85
335

, 1985

600 dock workers laid off

Own Correspondent

DURBAN. — South African Stevedores, the biggest stevedoring firm in South Africa, is to cut its staff by 30 percent and nearly 600 Durban dock workers will be retrenched in the next month.

The move follows weeks of negotiations between the company and the General Workers' Union.

It was made necessary by increasing mechanization in the industry, which enabled greater unit loads to be handled, according to SA Stevedores' industrial relations manager, Mr Les Owen.

"There has been a downward trend and the recession just made the curve steeper," he said. "The number of people in the stevedoring industry worldwide has been declining steadily over the past decade and South Africa is no exception.

"The industry's manpower needs have been significantly reduced."

He said the company did not anticipate re-hiring when the economy improved.

'Recession hastened the day'

"We have been trying to avert this for a some time. The recession only hastened that day," Mr Owen said.

Employees had been on a four-day working week for at least two years, and had been taking periodic unpaid leave on rotation..

"But the cycle was starting to catch up with itself. We spent a lot of money on training to enable people to transfer to other jobs, but unfortunately there are not many other jobs around.

"We first asked for volunteers to leave, and we retired people early. Then we used the principle of 'last in first out'. Some have already stopped work and we hope to have wound up by mid-March."

● A Cape Town spokesman for SA Stevedores said yesterday that there were no plans to retrench Cape Town stevedores and dockworkers.

Plans to lay off the Durban workers were a result of the on-going worldwide trend towards a more streamlined and mechanized cargo-carrying industry — and not only as a result of the current economic recession, he said.

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NEAREST CORRECT ENTRY

R6 million is needed for SA's hungry

19/2/85 By Maud Motanyane Star

The recent countrywide retrenchments have added a new dimension to the hunger problem in South Africa and the country could be facing its worst disaster in history, says Mrs Ina Perlman, the executive director of Operation Hunger.

Announcing the organisation's new plan of action last night, she said that, with the continuing drought and floods compounding the problem in some areas, the numbers needing help had increased.

"With people still drawing from unemployment funds and still using their severence pay, the full force of retrenchment has not yet been felt," she said.

"But this winter could be the worst disaster in South Africa's history."

Operation Hunger had had a generous response from the public and the private sector since its crisis call at the end of last year, the chairman of the organisation, Mr Mervin King, said.

A total of R4 million had been raised and the organisation's deficit of R1,5 million cleared.

Emergency family feeding schemes had been phased out in some areas and replaced with infant feeding schemes to combat malnutrition, he added.

This year R6 million is needed.

A cheque for R25 000 was handed to Mrs Ina Perlman of Operation Hunger at a function in Johannesburg yesterday by Mr A Kahle, president of the South African-German Chamber of Trade and Industry. Mrs Perlman said the chamber was the first to make such a move and she hoped others would follow suit.

Reef unemployment problem to be discussed

An urgent meeting to discuss the growing problem of unemployment on the Reef will be held at the Central Methodist Church, Pritchard Street, on February 28.

The meeting, which has been called by Operation Hunger at the request of Mr Cecil Bass, a Johannesburg councillor, will start at 1 pm.

Last night the executive director of Operation Hunger, Mrs Ina Perlman, said unemployment was a problem not only in rural regions but also in urban areas.

Last month in Venda, six out of 10 villages were found to have a 50 percent unemployment rate.

And surveys being conducted on various parts of the Reef have indicated a 20 percent unemployment rate in the coloured township of Riverlea.

Judging by these initial figures, Soweto's unemployment figure could be between 25 and 30 percent, said Mr Mahommed Dangor, Operation Hunger's public relations officer.

"Considering that our unemployment was high even during boom times, these figures are a cause for concern," he said.

All those interested are invited to the meeting.

12

Hirsch borrows R10-m

335 Star 20/2/85

By Bill Levitt

The Hirsch family has borrowed about R10 million against its property holdings to inject into Frank & Hirsch, South Africa's largest importer and wholesaler of optical equipment, chairman Mr Helmut Hirsch said in an interview today.

Mr Hirsch also said that at least 50 people, between 12 and 15 percent of the company's workforce, have been retrenched in recent months.

The need for the capital injection resulted from heavy foreign exchange losses, said Mr Hirsch. He refused to say whether the company would otherwise have been forced to declare bankruptcy.

Rumours have been rampant that the company was either in the process of being liquidated, that it had received financing from outside sources or that it had been taken over.

Mr Hirsch scotched the rumours by revealing that the family had raised the money. He said the company had suffered substantial foreign exchange losses "which in no way prevented us from carrying on dealing".

The injected capital came "from our own properties, our own resources", he said.

Mr Hirsch scoffed at the notion that the company was on the verge of bankruptcy, saying that turnover was up over last year. He did not say whether that was due to real growth or pushed up by inflation.

Naawu wants 'shares' listed

Post Reporter

THE National Allied and Automobile Workers Union (Naawu) has called for a list of companies in which Ford and Anglo American have interests or shares, with a view to finding jobs for retrenched employees.

This is one of the proposals the union put to Ford management after a union meeting on Febuary 14 to find a "just solution" to the threat of mass dismissals from the Neave plant as a result of the Ford/Amcar merger.

Mr Les Ketteldas, regional secretary of Naawu, said today that this proposal would be in line with the economic "safety net" presented by Samcor.

He said the union did not object to the Neave plant closing, providing the union's proposals were met.

The union has also requested that:

- Ford workers affected by the merger be assured of placement in other positions within the Ford/-Anglo American companies.
- The period for phasing out of production at the Neave plant be extended to overlap with the upswing in the economic situation in South Africa generally, and the Eastern Province specifically.

Battery firm to close for a week

By CATHY SCHNELL

THE drought has forced Eveready in Port Elizabeth to close down for one week over Easter to avoid retrenching staff.

Mr Michael Sharp, works director of Eveready, South African, said today there had been a decline in sales because of the drought.

Farmers and rural residents without electricity were among their biggest customers. All had been hard hit by drought.

Workers had decided they should close for a week from April 1 rather than retrench. This would be regarded as leave.

Mr Sharp said the firm's pre-Christmas sales forecast had not been met, but he hoped the break would correct stockpiles.

Eveready manufactures dry cell batteries. The market is mainly for torches, toys and other similar items.

King company closes one division

KING WILLIAM'S TOWN — One of the town's oldest companies, Radue Weir Holdings (Pty), will close its conventional wholesaling division tomorrow and place more mphasis on its cash and carry business.

The executive chairman of the company, Mr Bev Radue, said the closure of the conventional wholesaling division could be seen as a "transfer of business interests".

Conventional wholesaling entails having sales representatives on the road and the delivery of large bulk orders to outlying stores and farms. The cash and carry operation involves direct selling at the company's warehouse outlets.

"During the past eight years the company has changed the emphasis of thrust away from conventional wholesaling to that of cash and carry wholesaling. In the process our growth has been phenomenal with nine branches having been developed in the border area," Mr Radue said.

"Sound business sense has led the executive to make the decision to concentrate our efforts and assets into the segment which provides the best return on investment," he added.

"Regrettably this has resulted in the decision to cease operating the conventional wholesale outlet in King William's Town."

Mr Radue said "every effort" had been made to place staff affected by the decision in other segments of the business.

"Unfortunately some 30 of our staff have been retrenched and the company has provided more than adequate compensation for this event."

Mr Radue added that the distribution of maize, wheat and allied products would be taken over by the associated milling company.

RDM 21/2/88

THE National Automobile and Allied Workers' Union (Naawu) has put forward a unique set of proposals in a bid to lessen the effects of the Ford-Amcar merger on thousands of workers at Ford in Port Elizabeth who face retrenchment.

Most of those under threat are from Ford's Neave plant and Naawu has proposed that these workers be assured of

335

They have ... a list of all companies in which the Anglo American group and Ford have a shareholding or an interest, with a view to absorbing current employees affected.

Naawu also wants the period for phasing out of production at the Neave Plant to be extended to overlap with the economic upswing in South Africa generally, and the Eastern Province specifically.

Union launches self-help project

By PHILLIP VAN NIEKERK

THE Black Allied Mining and Construction Workers' Union (Bamcwu) has launched a self-help project for fired former members in the poverty-stricken rural areas of the North-Eastern Transvaal.

The project — announced this week — is believed to be the first of its kind in recent years to be started by an emerging trade union.

A spokesman for Bamcwu said the idea of the project followed the mass dismissal of workers at the Penge asbestos mine in Lebowa who went on strike over wages last year.

"Knowing that the area was plagued by unemployment and due to the economic circumstances in the country we realised it would be almost impossible for the workers to find new jobs," he said.

The projects being planned include brick-making, poultry farming and the setting up of a legal aid office for the residents of the area.

He said it was being run on a co-operative basis, and that whatever profits came from the venture would be put back in to expand the enterprise and create more jobs for the workers.

placement in other positions within the Ford and Anglo American companies.

GM to lay off 500 workers 'across board'

335

2. Post 21/2/85.

Post Reporter

GENERAL MOTORS would lay off about 500 employees tomorrow, the managing director, Mr Lou Wilking, confirmed today.

Mr Wilking said the lay-off would be across the board and it was hoped it would be temporary.

He said it was hoped the employees could be re-employed within the next two to three months, when the new Kadett T came fully on line.

Much depended on whether GST was increased to 15% or whether interest rates were raised again, he said.

Discussing the need for the lay-offs, Mr Wilking said it was an unfortunate but necessary step in order to "salvage the business".

He said he hoped that in the next few months things would improve to the extent that the laid-off workers could be re-employed.

ARGUS 21/2/85 (BSW) 335

Public Service retrenchments 'a severe step'

Argus Correspondent

PRETORIA. — Retrenchments in the Public Service would have to be fully justified and should be regarded as a last resort, the president of the Public Servants' Association, Dr Colin Cameron, told a Press conference here.

"Retrenchment would be a severe step and I am not convinced this country's economic future can be dealt with by the retrenchment of people," he added.

There was room for rationalisation in any organisation, but it would be irresponsible to summarily cut personnel expenditure without looking at the long-term consequences.

Cutbacks

Those who called for cutbacks in the Public Service should remember this meant cutbacks in health, agricultural, legal and other services to the public.

Dr Cameron urged all public servants to see whether they could increase productivity in their jobs.

"In the Public Service there are fixed procedures which can't be changed, but within these guidelines productivity can be increased," he said.

Salaries

The private sector had the impression that public servants were being paid unfairly high salaries.

Snide remarks to this effect were constantly being made in the media.

However, one only had to compare the salaries of those doing the same work in the private sector to see this was not so, he said.

UNEMPLOYMENT PAYOUTS

Financial Reporter

UNEMPLOYMENT payments to most building workers in the Transvaal for the first six weeks of 1985 increased 900% from R2 600 in 1984 to R26 000 in 1985.

With not much work in the pipeline, the situation is unlikely to improve — and could worsen during 1985.

Mr Wynand Stapelberg, general secretary of the Industrial Council for the Building Industry, Transvaal, said about 300 workers daily arrived at the council's Johannesburg office in search of work.

But only one-third of these workers would receive work each day.

During the first six weeks of the building year in 1984, almost everyone looking for a job was able to find one.

Mr Stapelberg expected the rising unemployment trend to continue through 1985, as there were few private enterprise projects in the pipeline and government had shelved projects."

are supplied by the various produce boards with bags and other means of storing grain.

Access to cash for farm implements, seeds and other farming necessities on easy loan terms has been widened. In 1979, says Norman, only some 3 000 farmers received subsidised loans. This year more than 90 000 will be helped. "It's the greatest insurance policy we have," he adds.

UNEMPLOYMENT AND RETRENCHMENTS

Without a safety net

335

Just how high is real unemployment in SA and what is government doing about the situation? In the second, and concluding, article on unemployment and retrenchment in SA during the recession, the *FM* considers these and other questions.

Statistics on unemployment tend to be inaccurate. Government does try to get them right, but does not succeed. There is also little to be gleaned from unofficial figures — particularly as it is necessary to differentiate between cyclical and structural unemployment.

Anyone relying on Department of Manpower (DoM) figures ends up with a totally nonsensical picture of the unemployment situation — a mere 67 787 people of all races out of work in October last year. Even the department acknowledges this is nonsense for it records only "registered unemployed" and not workseekers.

The Central Statistical Services (CSS) unemployment figures (based on the Current Population Survey) are a little more reliable. They reflect unemployment at least six times greater than the DoM figures. CSS figures, however, are often criticised because their definition of "unemployed" is considered inadequate and because it is not possible to compare unemployment figures with other CSS employment data.

Last July, according to the CSS, some 506 000 people (8,3% of the economically active black population) were unemployed. By August the figure had risen to 526 000. Comparisons with past years reveal that CSS figures show unemployment among blacks increasing by only 95 000 between July 1981 and August 1984. Most labour observers regard this figure as being unrealistically low.

Unemployment estimates by non-government labour experts tend to be far more gloomy than the official figures. Charles Meth, an economist at the University of Natal, has produced figures that pose important questions about the ability of the Current Population Survey to gauge the effect of the recession on unemployment.

He has taken the rate of job creation from 1972 to 1976 as the norm for a period of relatively fast economic growth. Using those figures he estimates the number of jobs that would have been created between 1981 and 1984 if it were not for the recession.

Meth argues that the number of jobs "lost" is the product of jobs destroyed and jobs not created. He claims that more than 500 000 jobs in the modern sector were either lost or not created from 1981-1984.

His research indicates that only 1 700 modern sector jobs were created annually for blacks from 1981 to 1984. Jobs for blacks were destroyed at a far higher rate but about 16 000 white jobs were created annually. The corresponding figures for the period 1972-1976 were 110 000 black jobs a year and about 33 000/year for whites.

Meth's analysis shows that only two sectors outside the State made a positive contribution to employment between 1981 and 1984: electricity generation (about 4 800 jobs a year) and business and financial services (banks, building societies and insurance) which created about 8 400 jobs a year.

Other sectors had negative contributions. Worst hit was manufacturing, in which nearly 250 000 jobs were lost or not created. From a peak in February 1982, employment in this sector declined by 99 600 to July 1983. Some 63 700 black workers were retrenched.

The construction sector has also been severely affected. The employment level of mid-1984 was 60 000 workers lower than the 1974 total. Between 1981 and 1984 more than 8 500 jobs disappeared each year — over 7 700 of them for blacks.

Meth's calculation that, contrary to general perception, there has been a dramatic decrease in the rate of job creation in the government sector is sure to raise eyebrows. He calculates it has dropped from 44 000 a year (10 000 whites and 29 000 blacks) to only 28 000 a year (13 000 white and 9 000 black).

Structural unemployment is the real problem. Professor Jan Sadie of the Bureau for Economic Research at Stellenbosch University estimates that there are almost 3m South Africans who are not employed at any given time. A quarter of these would be "underemployed" rather than unemployed. By the year 2000 the figure could reach 5m, he says.

The only form of social security for the out-of-work in SA is unemployment insurance — which allows payment of 45% of an applicant's previous salary for a maximum of six months. Only registered unemployed who have made successful application for unemployment insurance benefits are entitled to draw on the Unemployment Insurance Fund (UIF).

Last year, government released a White Paper on strategy for the creation of employment opportunities. It is being monitored at present but Hennie Reynders of the National Manpower Commission refuses to give a progress report.

In mid-1983 the Cabinet also instructed the Central Economic Advisory Service to devise labour intensive programmes to alleviate unemployment. These programmes are designed for rapid establishment; high labour content; and at low wage rates — about R3/day.

Some R9m was spent on this project in 1983/84 and R18m in 1984/85. The greatest number employed under this project was 55 000 (in March/April last year) and the Cabinet has been asked to allocate R10m to extend the programme into the 1986 financial year.

Such measures, however, are likely to be little more than palliatives while high government spending continues to undermine the economy and to destroy jobs. Only sound monetary and fiscal measures will restore business confidence and create the environment in which investment, and thus the long-term creation and preservation of jobs, is encouraged.

A PORTRAIT OF UNEMPLOYMENT

	Annual No of jobs created or destroyed 1981-84			Annual No. of jobs created or destroyed 1972-1976			Jobs lost and jobs not created 1981—1984		
Sector	**Total**	**W**	**B**	**Total**	**W**	**B**	**Total**	**W**	**B**
Mining	−3 832	+154	−3 322	+12 043	+1 475	+10 591	47 625	3 963	41 739
Manufacturing	−23 000	−2 667	−16 733	+54 369	+10 589	+31 802	232 107	39 768	145 605
Electricity	+4 800	+2 233	+2 233	+2 786	+914	+1 702	—	—	—
Construction	−8 533	−600	−7 733	+30 613	+2 399	+23 812	117 438	8 997	94 635
Trade	−40	−2 758	+2 431	+15 531	+4 962	+6 664	46 713	23 160	12 699
Transport and Communications	−4 829	+657	−4 813	+8 993	+1 058	+6 140	41 466	1 203	32 859
Business and financial services	+8 404	+5 778	+1 137	+3 157	+1 554	+679	—	—	—
Government services	+28 736	+13 364	+9 347	+44 200	+10 032	+28 651	46 392	—	57 912
Total	+1 706	+16 163	−17 453	+171 691	+32 981	+110 042	531 741	77 091	385 749

Source: Central Statistical Services

PE car company to lay off 465

Own Correspondent

PORT ELIZABETH. — General Motors (South Africa) will lay off 465 workers on Monday for a period of eight weeks, after which the position will be reviewed.

The lay-off affects about 10 percent of GM's 4 000-strong workforce and are across the board.

The announcement comes shortly after General Motors disclosed a multi-million rand assembly line expansion programme.

The managing director of GM, Mr Lou Wilking, said yesterday: "This measure has become necessary because the levelling out of the vehicle market in the first quarter of this year has not occurred, because of a number of economic factors affecting the country."

He said that during the the eight-week lay-off period, only models requiring reduced manpower would be built.

The regional secretary of the National Automobile and Allied Workers' Union (Naawu), Mr Les Kettledas, said yesterday that the union naturally prefered lay-offs to retrenchments.

He said, however, that the union was concerned that extended lay-offs could affect workers' unemployment benefits.

GM's lay-offs come at a time when they are lagging behind their local competitors Volkswagen and Samcor (Ford) in vehicle sales.

Rom 25/2/88 (16)(17)

(17)
(35)

THE industrial court has found that the British-owned company Johnson Tiles acted in breach of an agreement with the Building Construction and Allied Workers' Union in unfairly retrenching a number of workers. It ordered their reinstatement.

Unions trade short week for more jobs

By Amrit Manga

MAJOR emerging trade unions are prepared to work a shortened week to fight rising unemployment.

The move to reduce the working week to 40 hours comes as both employer organisations and industrial councils are examining ways of fighting unemployment.

The Transvaal building industry has banned overtime in an attempt to increase employment.

Some metal factories are on a 43-hour working week after negotiations with the Metal and Allied Workers Union (MAWU).

Full pay

Geoff Schreiner, MAWU's Natal secretary, says: "We succeeded in reducing the working week from 46 hours to 45 hours without any loss of pay. But attempts to trim an additional five hours failed. We have negotiated with members of the Iron and Steel Producers Association at plant level and some factories are working a 43-hour week."

A spokesman for the Council of Unions of South Africa says its affiliates will raise the 40-hour week proposal at national negotiations.

Metal unions back their claim by using an argument put forward by West Germany's IG Metall. It says that if the working week is reduced by five hours to 35, unemployment will be cut by 1,5-million. IG Metall succeeded in having three hours lopped off the working week.

Transvaal garment workers have a 40-hour week compared with 43 hours in Cape factories.

But labour experts are sceptical about the benefits of a shortened week. They recognise that trade unions have adopted a responsible attitude to unemployment, but say there are many problems.

Brian Allen, industrial relations consultant at Andrew Levy & Associates, says: "Trade unions will have to accept a rationalisation of wages and if the current climate in industrial relations is any guide, workers are unlikely to accept a reduction in pay. Shorter working weeks are likely to be inflationary."

Trade unions in industrialised nations have since the 19th century campaigned for a 40-hour week. Because of high unemployment, many want a 37-hour week. The 39-hour week is the norm in most UK industries.

Laundry

Only a handful of SA industrial councils have set 40 hours in their agreements.

The biggest cut in the working week has been made in the labour-intensive laundry industry which has slashed it from from 54 to 46 hours.

Transport workers in the Transvaal and Free State still work a 48-hour week.

EVENING POST, MONDAY, FEBRUARY 25, 1985

335

Hope dims as hard times hit

No jobs in E Cape

Post Reporters

IN many East Cape homes today retrenched fathers are having to support school-leavers who have never found a job.

In many others, teenagers with jobs are supporting parents.

Matrics and graduates are tramping the streets looking for work.

The situation was "frightening", said one employment agent, and likely to get worse.

Personnel consultant Leon Brügmann said because of tight budgets companies chose to take only experienced people.

The owner of Select Employment consultants said: "Quite of few of the youngsters have mentioned that their parents have been retrenched and the family was on hard times."

Mr J C Greyling, the Divisional inspector at the Department of Manpower, said a total of 123 boys and girls who matriculated last year were registered with his department.

Said a spokesman for a large personnel consultancy: "The unemployment position is absolutely frightening, traumatic and very distressing.

"People with degrees and top people who have been retrenched come to us and we simply do not have jobs for them."

Another spokesman for the Department of Manpower said the number of people on their files with post-matric qualifications had definately increased this year.

"There are 10 women and three men with degrees on our files this month, " he said. "Six of these people had BA degrees and the others ranged from commerce to science degrees."

Comprehensive unemployment figures are, however, difficult to obtain and unofficial estimates are far higher than official unemployment figures.

Evening Post spoke to a number of hardship cases.

Miss Michelle de Klerk, 18, of Schauderville, completed a secretarial course at Bethelsdorp Technikon last year. Since then she has been to numerous interviews but has not found a job.

"They all say they'll contact her, but she is still waiting," said her mother, Mrs Evelyn de Klerk.

Mrs De Klerk said her husband had recently been retrenched from Ford and a daughter in Johannesburg was the only earning member of the family.

Miss Louise Hancock, 21, of Central, has also been job-hunting for three months since completing her BA at UPE.

"Absurdly, many employers tell me I'm over-qualified for the positions they're offering," she said.

Some of her friends with BA degrees had returned to UPE this year to study for honours degrees because they couldn't find employment either.

"But I can't afford to study further. My father has already supported me for three years and he's now finding it quite a strain " she said.

Miss Judy Ruiters, 22, of Gelvandale, matriculated in 1982 and has not been able to find a job since.

The family survives on the salary of her 18-year-old sister, Antoinette, and a small amount of money left by her father who died the year she was in matric. Antoinette has to support her sickly mother, Francis, her 27-year-old sister, Veronica, who cannot work because of a "nervous condition" and Judy.

Mr Ahdiel Abrahams, 22, of Gelvan Park, awarded a diploma in cost accounting three months ago is still looking for a job. "Meanwhile my family is struggling to support me."

After writing letters every day, he concluded: "Things are looking pretty bad here. I was told there was a lot of scope for cost accountants. That's why I did the course. I don't know what to do."

Miss Deborah Grobler, of Forest Hill, wrote her matric at Victoria Park High School. She has been looking for employment since September and has "had great difficulty in finding a job".

VW to shut for 4 days

Post Reporter

THE Volkswagen plant in Uitenhage is to close from April 1 to April 4.

Communications manager Mr Graham Hardy said today the plant would not operate on the four days before the traditional Easter holiday period.

"These days are excluded from the 1985 production calendar for the purpose of rationalisation of production and the commissioning of new equipment," he said.

Mr Hardy said the plant would re-open on Tuesday, April 9.

335 (493)

Brick firm to retrench 239

Star 28/2/85

Corobrik is to retrench 239 workers by the end of March, when it shuts its Roodepoort factory.

And the firm, faced with a drastic decline in the demand for bricks, is expecting more shutdowns in April and May.

The closure was due to the slump in the building industry, said the managing director of Corobrik Transvaal, Mr Errol Rutherford.

"We have tried to keep retrenchments to a minimum.

More textile layoffs expected

DURBAN — More than 2 000 clothing industry workers in Natal have lost their jobs in the past four months — and hundreds more are expected to be laid off in the near future.

The chairman of the Natal Clothing Manufacturers' Association, Mr Richard Savage, said five percent of workers had been retrenched since November.

"Conditions are getting worse and worse. In the retail trade stocks are being kept at a lower level and the general suffering is going to be felt right through the economy." — Own Correspondent.

Demand for 300 000 extra jobs each year

Labour Reporter

SOUTH Africa needs to create about 300 000 additional jobs each year to caterfor new job-seekers, says Mr P T C du Plessis, Minister of Manpower.

Official figures released in September last year indicated that there were about 600 000 people unemployed in South Africa, he said in an address at the annual trade test awards ceremony organised by the Building Industries Federation of South Africa, Bifsa, at Sandton in Johannesburg yesterday.

'It is clear that the private and public sectors face an important challenge with regard to job creation and job preservation.

Important

'I would like to appeal to all sections of the economic community to eliminate measures that unnecessarily inhibit the activities of entrepreneurs and particularly the establishment, growth and development of small businesses,' he said.

He pointed out that many artisans in South Africa had started small businesses which had developed into large concerns.

Referring to the recently completed investigation into manpower training, Mr du Plessis said that the report contained some important findings which would be released once the Cabinet had studied its recommendations.

'One factor which is disturbing is the compilation and speed of revision of training schedules by the Manpower Training Committees which are not consistently up to the desired standard and do not adequately meet the needs of the various industries.

Practical

'However, I am happy to inform that the National Traning Board has already requested the National Institute for Personnel Research to develop a job analysis and description system for the precise determination of job requirements and training needs.'

He said many artisans who acted as supervisors for practical training were often not qualified to train people and this led to various deficiencies in practical training.

Mr du Plessis appealed to employers not to let their training efforts dwindle during the current economic cycle.

Abolish the minimum wage, says De Beer

Municipal Reporter

The chairman of LTA, Dr Zac de Beer, yesterday called for the abolition of minimum wages so that more jobs could be created.

He was speaking in Johannesburg at a conference on solving city problems. The conference is being organised by the Central Business District Association and the Johannesburgse Afrikaanse Sakekamer.

Dr de Beer said when he was a Prog MP 15 years ago, he campaigned for minimum wages — but South Africa was prosperous and economically stable then.

The Government totally controlled the economy and the country could afford substantial increases in wages.

"Today we proclaim our devotion to free enterprise and in some respects have moved towards it.

"It is necessary to release the energies of all our peopleinto productive labour of all kinds and the right way to do this is through untrammelled free enterprise.

"One of the barriers which must come down is the minimum wage system," Dr de Beer said.

He said bureaucracy should also be reduced to help create new jobs.

"My view is that the Group Areas Act and the system of race classification should be scrapped altogether. But, for the purposes of today's argument, it is only necessary to say those aspects of the apartheid system which impede free enterprise must go," Dr de Beer said.

He said control standards should be relaxed.

"I don't plead for the abolition of all health, building, safety and other regulations, but only for a reasonably flexible attitude that takes account of the desperate need to allow everyone who can work to do so," Dr de Beer said.

Business Day/INDUSTRY

RDM 28/2/85 335

Rag trade jobs on the line

DURBAN. — Hundreds more workers in the clothing industry are likely to lose their jobs because of the recession.

The chairman of the Natal Clothing Manufacturers' Association, Mr Richard Savage, said about 2 000 workers, or 5% of the industry, had lost their jobs since November.

"I don't see the position improving unless there is a general upswing in the economy. Things are going to get tough and the worst is still to come. In April more people are likely to lose their jobs," he warned.

He said the best way to avert lay-offs was short-time working.

A spokesman for the Industrial Council for the Clothing Industry in Natal could not say how many people had lost jobs in recent months because the figures were still being processed.

He said the council had received only one report of a clothing factory being liquidated. This was last year and 300 workers were affected.

However, the general secretary of the Tucsa-affiliated Garment Workers' Industrial Union, Mr Frankie Hansa, denied the clothing industry was reaching a critical stage.

"To the best of my knowledge we've been more fortunate than the motor and furniture industries which had to lay off several thousand workers," Mr Hansa said.

"I wonder whether it is not a carefully planned ploy by employers deliberately to paint a gloomy picture to frighten workers from demands for more pay."

Mr Hansa also accused some clothing companies of using the recession as an excuse to get staff to push up productivity levels by setting unreasonable targets. — Sapa.

Armscor retrenches 620 staff

Pretoria Bureau

Armscor had been forced to retrench staff because of the general cut in State spending, a spokesman, Mr Johan Adler, said.

Today it is retrenching 620 employees from the Lenz factory of its Naschem subsidiary.

"The State is one of our biggest buyers, so when it cuts back its spending, we have to suffer," Mr Adler said.

Some Armscor products were "selling like hot cakes", while others were not doing so well.

Fifty of the Naschem workers aged over 55 had been placed on early retirement.

To keep the number affected as low as possible, Naschem had tried to place as many employees as possible elsewhere.

No breadwinner aged between 45 and 55 would be affected and arrangements had been made with regard to housing commitments and pension benefits.

Depending on years of service completed, up to four months' salary and benefits would be paid out in advance to those retrenched. Employees retiring at 55 would be paid out as if they had retired at 60.

Between 1982 and 1984 Armscor reduced its staff of more than 30 000 to 23 000. The move affected more than 800 factories, some of which had to close down.

EVENING POST, FRIDAY, MARCH 1, 1985

335

'No lay-offs in public sector'

Post Reporter

WHILE everything possible is being done to reduce costs, redundancies are not being considered by State and local government departments in Port Elizabeth.

This emerged from a survey conducted by the Evening Post after criticism by some leaders in commerce and industry that not enough was being done to curb public spending.

Spokesmen for public bodies mentioned, among other things, the need to maintain essential services and the fact that in some departments, notably the Post Office, there had not been a noticeable decline in the work load.

Mr George Engelbrecht, regional manager of SATS for the Cape Midland region, said the personnel establishment for his region had been reduced by 3 629 or 21,65%.

"This has been done without retrenchments — by not filling vacancies which have occurred".

Mr Henry Whittaker, past president of the Midland Chamber of Industries and managing director of Phillips Carbon Black, said: "My personal view is that while the private sector is being exhorted to hold down wages, cut back on staff, improve productivity and efficiency and hold down prices, none of these demands seems to apply to the public sector."

"Pay in the public sector increased by 30% last year while increases in the private sector were kept well below the inflation rate of 13%."

Mr Brian Pitt, former managing director of Ford, said: "The economic climate forced the private sector to cut back on costs and people.

"Now the public sector must do the same.

Mr Tony Gilson, director of the Port Elizabeth Chamber of Commerce, said: "This chamber and Assocom believe very strongly that if we are going to sort out the problems in our economy we have got to cut Government expenditure very drastically.

"The private sector has had to look closely at its situation and take unpleasant decisions. It is time the public sector did the same thing."

Mr Fanie Vermaak, acting public relations officer for the Post Office, said there had been no decrease in activity across Post Office counters. Thus no cuts in counter staff were being considered. Nor was there any decrease in demand for other services.

Mr Angus Fraser, PE's Deputy City Engineer, said the demand for essential services remained constant and no cuts in staff were planned.

The trauma of retrenchment

Out of work, out of hope

Last week a white middle-class family, Mr and Mrs E C of Kelvin, Sandton, signed away their home because they could no longer afford it after the husband was retrenched. This is the wife's story, as told to MAURITZ MOOLMAN.

MY HUSBAND was 44 when he was retrenched six months ago as general manager of a company.

Our income, about R3 500 a month, was cut by more than two-thirds. I am 40 and am bringing in R1 000 a month.

When we built the house two years ago, the bond repayment was R650 a month and we could afford it. It is now R1 250 a month.

Immediately after the retrenchment my husband was very positive about finding a job. He spent most of his time on the phone, believing that it would not be difficult to find something else.

But he became more and more negative as time passed and, although he had no job, did no more about the house than when he went to work.

We sent out CV's to I don't know how many hundreds of companies and all the agencies. We have followed up jobs in the papers.

For every job my husband applied for, there were 60 others.

I have three boys, aged 19, 18 and 15. At first they thought my husband was a failure for losing his job, but later on they accepted that he wasn't to blame.

My 19-year-old had last year gone to the Technikon and left halfway through to try and get a job to bring in some money.

My second son was at college, but he too had to leave halfway through because we couldn't afford it.

Both couldn't find permanent jobs and we had to put them into the Army.

We are in debt to the tune of R15 000. We are not used to debts and don't even have HP.

Our bank manager is a personal friend, otherwise he would have foreclosed by now.

My mother, my husband's mother and my sister lent us money and we had to take a second bond on our house to repay arrears on the bond at prime interest plus 2% or something so that they couldn't repossess — but even this hasn't helped and we have had to sell our home.

At first it wasn't too difficult ... we have never been great for going out but soon even our once-a-month trips to a steak house had to end.

And so did my photographic hobby and other leisure activities.

But this wasn't the real hardship — it was worry.

I worried about where our food would come from ... about such things as repairs for our six-year-old car ... and that the burden would be too much for my husband and he would commit suicide.

We even talked about both of us committing suicide.

Maybe it would be easier just to get off everybody's backs.

But it is not just us — we haven't done it but I can see why people do it.

We believe it is our duty as well as our pleasure to give our children a lot more than we had. When you feel you can't do that, you feel that you have failed.

In our minds we know that when our children have it bad they must accept that, but you feel it.

We have thought that we have been too ambitious and expected too much of society, but yet you have to.

I think it is a part of a human being that you have to be ambitious for yourself.

In South Africa having your own home is very important. It is like a pinnacle everyone wants to achieve.

Losing it is a sign of failure — whether you live in the south, the north, wherever.

We did not buy out of our bracket or above our breadline. Who could have foreseen that the bond rates would double up? We sold at a profit but we will never be able to buy a house again.

My husband is hoping for a job at Hammanskraal — but I can't afford to to leave my job.

I have been here for five-and-a-half years and it is a stable job — but it is a Swedish company and I am worried that they will disinvest in SA.

This has added to our worries — my husband might have to live in Hammanskraal and my youngest son and I in a rented house in Johannesburg. So our great fear is that our family might be split yet again.

I realise that retrenchment hits people of all classes and it must be far worse for poorer people.

But at this stage I don't see any hope for the future ... and yet there must be.

Economy forces Armscor to retrench 620

Mercury Reporter

ARMSCOR will retrench more than 600 employees today for 'economic reasons'.

In a statement yesterday it was announced that the 620 workers affected were employees at the Lenz factory of its subsidiary Naschem, just outside Johannesburg.

Fifty employees over the age of 55 will be placed on early retirment — with full benefits as if they had retired at 60 — today and the other 570 will be told their services are terminated.

'The measure is a direct result of a sharp decline in the demand for the company's products, the Government's reduction in spending, and a change in their arms requirements,' it said.

It was emphasised that several employees were placed in different positions within the group and that the firm would try to help those affected 'as far as possible'.

'Depending on the number of years' service completed, up to four months' salary and benefits including leave credits and bonuses will be paid out in advance.

'Arrangements have also been made with housing commitments and pension benefits.'

According to the statement, no breadwinner between the ages of 45 and 55 is affected.

'At all times the employees of the company were informed about the situation,' it said.

Argus and union save 16 jobs

The Argus Company announced today that, as a result of cost-cutting proposals made by the SA Typographical Union, it had been possible to save 16 jobs on two of its newspapers, *The Star* and the *Pretoria News*.

A spokesman for the company said that, initially, 34 enforced retrenchments were necessary in the production and technical departments of the newspapers.

"We had maximum cooperation from the chapels of the SATU, however, in searching for ways to reduce this number," the spokesman said.

"Proposals put forward to adjust shifts and forfeit inconvenience allowances enabled the newspapers to achieve reductions in costs equivalent to the wage bill of 16 jobs. In the light of this positive approach, the company was very happy to preserve this number of posts in the departments involved."

At the company's newspapers in Cape Town and Durban, sufficient applications for voluntary retrenchment were received from the production and engineering departments to obviate the need for any enforced retrenchments.

PE motor dealer retrenches 8 more workers

335
E. Post
4/3/85

Post Reporter

ONE of the biggest retail motor outlets in Port Elizabeth is to retrench staff — for the second time in six months.

Eight more people — salaried and hourly paid — at Pioneer Ford are to join the 15 laid off in October.

And the possibility of further retrenchments could not be excluded if the recession continued, Mr Sydney Lippstreau, the company's managing director, said today.

Since September sales of new cars had dropped by 40% a month, although sales of second-hand cars sales had risen.

Mr Lippstreau said expenses had been cut as far as possible. But the nature of retail businesses meant that going on short time was just not a viable possibility. Retrenchments were thus the only alternative.

The MINISTER OF MANPOWER:

Industry	(a) Whites	(b) Coloureds	(c) Asians	(d) Members of the Black Population groups
Aerospace	200	—	—	2
Automobile Manufacturing Industry	71	45	5	58
Building	487	673	101	125
Coalmining	54	6	—	1
Diamond Cutting	1	—	—	—
Electricity Supply Undertaking	639	23	9	—
Explosives and Allied Industries	87	2	3	12
Furniture	23	55	6	2
Government Undertakings	449	51	—	1
Hairdressing	398	33	8	3
Jewellers and Goldsmiths	29	7	1	—
Local Authority Undertakings (Northern Transvaal)	45	—	—	—
Metal (Engineering)	2 872	392	233	262
Mining and Building-Mines	1 413	27	7	98
Motor	1 309	238	95	65
Printing	334	67	18	10
SA Transport Services	1 399	—	1	2
Sugar Manufacturing and Refining	12	4	15	5
Tyre and Rubber Manufacturing PE Uitenhage and Brits	29	30	1	8
Totals	9 851	1 653	503	654

Hansard Q.61.379

Unemployed persons 4/3/85

481. Dr A L BORAINE 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:

	Whites	Coloureds	Asians	Members of the Black Population groups
Johannesburg	5 954	3 009	616	7 831
Cape Town	2 213	4 738	16	360
Durban	3 230	1 592	4 802	7 797
Pretoria	1 032	72	24	4 326
Port Elizabeth	1 482	3 763	47	2 102
Bloemfontein	949	402	—	1 346
East London	389	293	16	1 256
Kimberley	218	1 189	9	316
George	166	249	—	12

These figures are as at 31 December 1984.

HoA

335 Hansard Q.61.381

Work-seekers

483. Dr A L BORAINE asked the Minister of Manpower:

How many Black males and females, respectively, were registered as work-seekers in the White areas of the Republic in each month of 1984?

The MINISTER OF MANPOWER:

Members of the Black Population Groups registered as work-seekers: 1984

Month	Male	Female	Total
January	36 376	16 887	53 263
February	58 694	28 950	87 644
March	47 137	23 239	70 376
April	44 284	22 483	66 767
May	44 857	22 427	67 284
June	42 265	20 544	62 809
July	42 799	20 404	63 203
August	46 330	23 497	69 827
September	45 035	21 469	66 504
October	44 521	20 416	64 937
November	46 305	21 350	67 655
December	34 119	14 336	48 455

Police vehicles: accidents

484. Mr P H P GASTROW asked the Minister of Law and Order:

Whether any police vehicles were involved in accidents in 1984; if so, (a) how many and (b) what was the total cost to the State of such accidents?

The MINISTER OF LAW AND ORDER:

Yes.

(a) 4 846.

(b) R2 477 517,57. An amount of R610 290,10 has however been recovered from the parties liable.

Own Affairs:

Commissions/departmental committees

26. Mr K M ANDREW asked the Minister of Education and Culture:

(1) How many (a) commissions and (b) departemental committees of inquiry were appointed in respect of his Department in 1984;

(2) whether any of the reports of such commissions and committees have been completed; if so, (a) how many and (b) of which commissions and committees;

(3) whether any of the reports of such commissions and committees have been made public; if so, (a) how many and (b) of which commissions and committees;

(4) what is the total estimated cost relating to each of these commissions and committees?

The MINISTER OF EDUCATION AND CULTURE:

(1) (a) and (b) None; and

(2) to (4) fall away.

Hansard Q.61.382 4/3/85

Medical students: cost to State

29. Mr H E J VAN RENSBURG asked the Minister of Education and Culture:

What is the present estimated cost to the State of the training per student for the MB Ch B degree at each of the medical schools falling under the control of his Department and (b) in respect of what date is this information furnished?

The MINISTER OF EDUCATION AND CULTURE:

(a) Estimated cost per Student per annum	Estimated cost per Student over 6 years	University
R	R	
5 832	34 992	Natal
5 418	32 508	Pretoria

HoA

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Diamond Cutting	1	—	—	—
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335 Hansard Q.61.379 4/3/85

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HoA

Mwasa helps save jobs on papers

Seven jobs — five in Durban and two in Johannesburg — have been saved at Argus Company newspapers as a result of cost-cutting proposals put forward by the Media Workers' Association of South Africa.

A company spokesman said that these brought to 23 the total of retrenchments which had been avoided as a result of trade union co-operation. "The constructive role of Mwasa in this necessary exercise has been appreciated," he said.

Concessions were made by the trade union at the company's Cape Town operation too, but fell away when the target for staff reduction was reached through voluntary retrenchment.

Motor industry retrenchments

PORT ELIZABETH — Over 600 people in the motor vehicle component industry in the Port Elizabeth/Uitenhage area have been retrenched in the past six months, a survey has found.

In addition, many component manufacturers are working short time and some have warned of further staff cutbacks.

This emerged after 35 component manufacturers were polled in the area this week.

The companies approached represent about 75 per cent of the component manufacturers in the area, listed in the 1985 Automotive Products Directory, published by the National Association of Automotive Component and Allied Manufacturers.

The survey included companies which employ between less than 10 people and as many as 3 000.

Last year the "big three' motor manufacturers jointly laid off about 2 500 workers.

Spokesmen for most of the component manufacturers agreed that it had been difficult to get business in the last few months.

Another trend to emerge was that some British artisans employed in the industry had decided to return to England because of retrenchments and because work has been difficult to come by. — DDC.

More out of work now in Natal

335
E. Post
8/3/80

Post Correspondent

DURBAN — The unemployment situation in Natal is becoming steadily worse, according to the Natal Chamber of Industries and the Department of Manpower.

The Department of Manpower's regional representative, Mr J N Hitchcock, released figures yesterday to show that unemployment among all race groups was on the increase in the province.

In January this year 1 986 whites, 1 387 coloureds, 4 692 Indians and 661 Africans registered with the department as unemployed.

A Natal Chamber of Industries spokesman said a survey conducted by the chamber showed that the textile, clothing and building industries were already starting to feel the pinch in Natal.

It appeared the clothing industry was hardest hit by the recession at this stage, with the building industry not far behind.

At least two major building companies at Durban and Maritzburg were to apply to the Supreme Court next week for sequestration.

A spokesman for one of the building concerns has found that noboy wanted to buy its homes and a cash flow problem had forced the company to make the Supreme Court application.

One of the biggest employers in the province, Tongaat Textiles, which is part of the Tongaat Group, has retrenched 36 people.

Mr Ron Phillips, the company spokesman, said they had been retrenched because of a drop in demand in the South African market.

A Tongaat clothing company has retrenched 153 workers.

South African Stevedores this week retrenched 412 hourly paid employees and a further 147 will be pensioned off next week because of the recession.

Mr L N Owens, the company's industrial relations manager, yesterday confirmed that the workforce of 2 400 had been reduced by 559.

'Ghost-town' spectre

Miss Charmaine van Wyk, foreground, recently retrenched, at her Atlantis council block. "If you can't get work, how can you pay the rent?"

Lay-offs hit Atlantis

Weekend Argus Reporter

ATLANTIS, created by the Government as a model of industrial decentralisation, has been severely rocked by the recession and hundreds of workers living in the town have been laid off.

Work-seekers are flocking to Cape Town to seek work, causing a Department of Manpower official to comment: "It's fast becoming a dormitory town."

Mr Noel Williams, chairman of the Atlantis Residents' Association, has called on the Government for aid to stop Atlantis becoming a "ghost-town".

A survey by the Divisional Council shows 1 179 workers have been retrenched since the end of last August.

And researchers estimate that 1 700 people have lost their jobs since the beginning of last year, with about 20 firms closing or cutting back.

Unskilled workers

Among them was the ailing motor giant, Atlantis Diesel Engines, which slashed its work-force of 2 000 by almost half last year.

Western Cape unemployment figures have been rejected as a "gross under-estimation" in the latest issue of the SA Labour Bulletin.

The brunt of the lay-offs — about 90 percent — was borne by unskilled workers, said Mr F Petersen, a labour researcher.

● A spokesman for the Divisional Council said it was "certainly concerned", but unemployment was "not unique to Atlantis".

Work was in progress on 30 factories which were expected to create 1 090 jobs this year.

C. Herald 9/3/85 (335)

Garment Workers' Union official hits back

WRITE TO: Cape Herald Editor's Mailbag, P O Box 11150, Vlaeberg 8018, and remember:

- **keep it brief;**
- **the Editor reserves the right to shorten letters.**

I WISH to lodge the strongest objection to an article on the front page of the Cape Herald of February 16 entitled "We don't need you any more, 110 told".

The article deals with the retrenchment of 110 workers at Bibette (Pty) Ltd., a clothing factory in Lansdowne.

From the headline to the last word there seems a deliberate attempt to convey the impression that the retrenchment took place in an inhumane and uncaring way, and puts both employer and trade union in a bad light.

The article is an example of selective reporting of the worst possible kind.

The reporter interviewed both the employer and the Trade Union, who gave her all the facts surrounding the retrenchment including that it was extremely carefully planned to cause the least possible suffering to those involved. None of this was reported. Also completely ignored by the reporter was the fact that many of those employees were immediately employed elsewhere.

The following is just one example of how slanted and selective the reporting was.

I am quoted as saying "The number of retrenched at Bibette might seem like a lot from one factory but it is not really a serious thing for the Clothing Industry as a whole."

What I DID say was that the number retrenched at Bibette was not as bad as it seemed, as many of them had been placed in employment and were thus not walking the streets.

In answer to a question as to whether the retrenchments would have a serious effect on the industry, I answered that in the light of the above it would not.

I could quote many more examples, but I think my point has been made.

Retrenchments are sad whichever way you look at them, but when they are done with understanding and care, those effecting them can only be commended. One can only despairingly question the motives of reporters who deliberately ignore the facts and create bad feelings where none actually exist.

C E PETERSEN
Assistant General Secretary
Garment Workers' Union

● Editor's Comment: The reporter concerned, Estelle Randall, stands by her story.

Recession threatens 8 000 jobs a month

By Amrit Manga

MORE than 8 000 jobs could be on the line every month if the rate of retrenchment recorded last year continues.

Retrenchment patterns have not changed much in most sectors, except in the motor industry where total employment has stabilised at 42 000 — down from the peak of more than 48 000 in September 1983.

Nic Vermeulen, chief executive of the National Association of Automobile Manufacturers, says: "The extension of repayment periods on hire-purchase sales and the gradual phasing in of fringe benefit taxation have helped to stabilise employment. But whether the situation will improve depends largely on the Budget on March 18."

Training loss

Besides the direct cost to industry of retrenchment benefits, motor manufacturers are carrying large losses in lost training investment.

Central Statistical Services say the number of jobs lost between 1981 and 1984 in the general manufacturing sector alone is 23 000.

The clothing industry in the Transvaal is experiencing its worst downturn since the recession began. Almost 7 000 jobs have been lost and another 2 000 are threatened.

Total employment in clothing has fallen from 25 000 two years ago to 19 000. In the past two months, 1 200 garment workers have lost their jobs. The head count will drop by another 150 when a Johannesburg knitting firm closes this month.

The National Union of Clothing Workers says more than 500 employees are on slack time.

Factory shift

Jimmy Thomas, general secretary of the Clothing Industry Industrial Council, says the rising number of unemployed garment workers is not the result of market conditions alone. Industrial decentralisation has cost more than 2 000 jobs.

"Factories are continuing to relocate. Total employment in the industry could be down to 15 000 before the economy picks up.

Slack pay benefits have cost the industry R900 000. Workers on slack time receive 45% of their normal earnings.

The biggest percentage reduction in white staff is expected in the foundry, steel mill and mechanical engineering sectors where more than 28% of employers surveyed plans to reduce complements. A total of 24% plant to reduce black employment.

Sam van Coller, director of the Steel and Engineering Industries Federation of SA, says: "Although employment in the industry remained static for the first six months of 1984, there was a decline of 2% in the second six months. The estimate, which is based on a small sample of companies, represents a decline of 7 000.

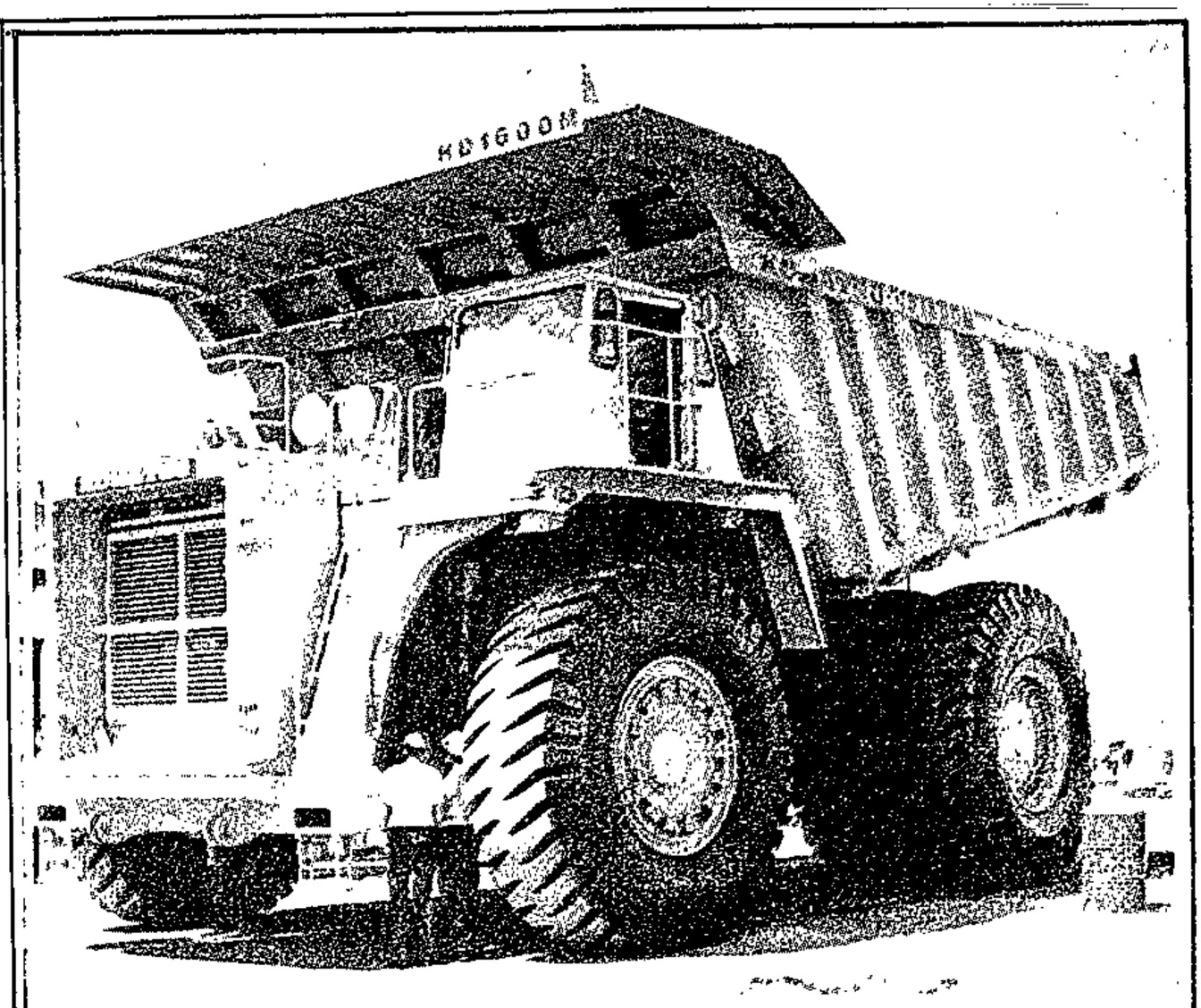
Building

Wynand Stapelberg, general secretary of the Building Industry Industrial Council, says 221 skilled and semi-skilled workers registered for unemployment benefits last week, bringing the total between October 1984 and February 1985 to more than 1 800.

The council paid out benefits totalling more than R20 000 in this time compared with R1 000 in the comparable period last year.

The number of general workers — mainly unskilled — in the building industry in the Southern Transvaal alone dropped by 14% between September 1984 and January this year. This translates into 6 200 jobs.

Total retrenchments in the construction and civil engineering sector could exceed 12 300 for the 12 months to January this year.



107-ton colliery behemoth

Three of the largest trucks ever imported to South Africa are to go into use at Anglo American's New Vaal Colliery. Weighing 107 tons each, they can carry a load of 160 tons and travel at 65 km/h fully laden. The Komatsu trucks were shipped to South Africa in 24 sections. They use a mechanical drive transmission as opposed to the normal diesel electric method.

Clothing makers face closure

By Don Robertson

A SHARP fall in demand for clothing is forecast for the current year, throwing thousands out of work and resulting in many garment manufacturers closing.

The industry, which has a turnover of R2-billion a year, can expect a slump of between 7% and 10% in production — to about 80% of capacity.

A cut of an estimated 12% in factory output could mean the loss of about 14 000 jobs, but Mike Getz, president of the National Clothing Federation, says that manufacturers will put labour on short time wherever possible and try to avoid retrenchment.

Exports

The only way to overcome the short-term problems facing the garment industry is to increase exports, says Mr Getz, but this is difficult, "bearing in mind the policy vacuum from the Government".

"The Government has no record of a successful effort in exporting value added consumer products. South Africa is a significant producer of wool and has a developing cotton market. These resources should be used to export in the highest possible value added form."

Stock turn

What is needed from the Government is a policy to allow manufacturers access to raw materials from domestic sources at internationally accepted prices and standards. SA producers of synthetic materials have been protected for too long, he says.

An immediate solution to the problem would be for clothing retailers to increase their stock turnover to about six times a year from the present three to four times. They could do this by holding lower stocks which would match the high cost of money.

The retailers' action would have to be followed by manufacturers, although he doubts whether the suppliers of raw materials to the clothing producers would be able to speed up their supply schedules sufficiently to meet the increased tempo of sales. Failing this, manufacturers would have to hold larger stocks.

There are about 1 300 garment manufactures in what Mr Getz describes as the "ultimate small business". But five companies control 45% of the market.

Another threat facing the garment industry is the possibility of American quotas on South African exports. The Americans have a customs system which introduces a quota on any nation reaching a certain annual export figure.

South African exports soared to R49-million in the first nine months of last year compared with a static R24-million in the previous three years. Most of the increase came from a handful of Taiwanese companies using decentralisation benefits in Ciskei.

Mr Getz says: "The Government has not thought out the problem of decentralisation in this regard. Political decisions such as this, which have economic consequences, are of deep concern to us."

SA to make fasteners

Business Times Reporter

TWO South African and one German company will combine to produce a range of stainless-steel fasteners which have been imported.

Cut Steel & Metal Company approached Kolb South Africa about making stainless-steel fasteners using European technology from Kolb Germany.

Cut Steel will provide the manufacturing equipment, Kolb the technical assistance.

 335 RDM 12/3/85

30 000 axed as motor industry crashes

By DAVID FURLONGER
Industrial Editor

THE slump in the motor industry has cost more than 30 000 jobs, says the National Association of Automobile Manufacturers of SA (Naamsa).

In its latest quarterly review, Naamsa says unemployment in the vehicle assembly industry has fallen from 48 194 in September 1983 to 42 000 — a loss of more than 6 000 jobs.

"In this context," says the review, "it must be remembered that for every retrenchment at assembly level, an additional four redundancies inevitably take place at component supplier industry level and in the retail motor trade."

The review, covering the last three months of 1984, is pessimistic about the industry's short-term future and says there is little prospect of immediate relief.

"The major current thrust of economic policy has been to exert very strong downward pressure on consumption expenditure and, especially, expenditure on durable consumption goods such as motor cars."

It says manufacturers realise that little or no relaxation can be expected in the Government's stringent policies until a combination of factors materialises. These factors are:

- The current account on the balance of payments strengthens and remains in surplus;
- Inflationary pressures abate; and
- The authorities are satisfied Government spending is under control.

"It is realistic therefore to expect that the downswing phase in real business activity will continue for most of 1985, with the effect of consolidating the domestic economy and strengthening the balance of payments and thereby hopefully creating a solid base for renewed and sound economic growth towards the end of this year or early next year."

While pessimistic about the remainder of 1985, the review expects vehicle sales to pick up in the next two years.

Average sales forecasts by vehicle manufacturers predict a decline in all sectors this year over 1984, followed by steady increases in 1986 and 1987.

The forecasts are:

- Cars: 1984 — 268 751; 1985 — 243 000; 1986 — 268 000; 1987 — 291 000;
- Light commercial vehicles: 1984 — 117 275; 1985 — 109 000; 1986 — 115 000; 1987 — 124 500;
- Medium commercials: 1984 — 6 362; 1985 — 6 000; 1986 — 6 500; 1987 — 7 200;
- Heavy commercials: 1984 — 13 422; 1985 — 12 000; 1986 — 14 000; 1987 — 16 000.

The review points out that immediate prospects will depend to some extent on Monday's Budget.

"Naamsa would of course prefer a neutral Budget so as not to aggravate the already difficult circumstances facing motor vehicle manufacturers, suppliers and manufacturers of motor vehicle components, and the motor trade at large."

● See Page 10

335

CITY PRESS, March 3rd, 1985 PAGE 3

Clothing workers face mass sackings

HUNDREDS of clothing workers are expected to be laid off soon as the industry reels under the effects of the recession.

Natal Clothing Manufacturers' Association chairman Richard Savage said about 2 000 workers – five percent of the industry – had lost their jobs since November last year, and prospects were grim.

"I don't see the position improving unless there is a general upswing in the economy. Things are going to get tough – and the worst is still to come.

"In April more people are likely to lose their jobs," he warned.

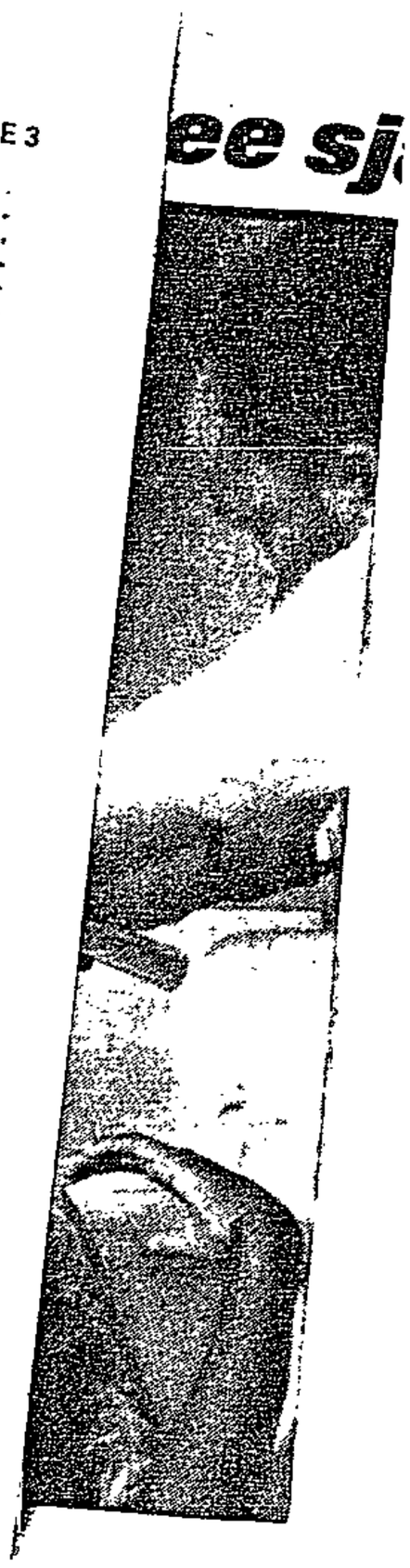
He said if short time was introduced, people would at least have a reasonable chance to earn an income.

A spokesman for the Industrial Council for the Natal clothing industry could not say how many people had lost their jobs recently.

The council had received only one report of a clothing factory being liquidated last year – 300 workers were affected.

But Frankie Hansa of the Tucsa-affiliated Garment Workers' Industrial Union denied that the clothing industry was reaching a critical stage.

'Sickeians



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338

Plan to find jobs starts up

By JEANETTE MINNIE

A COMMITTEE to run Operation Employment, the project to provide informal, short term jobs for the unemployed, will be established next week.

About a hundred people representing various organisations attended a public meeting at the Central Methodist Church yesterday, to help set up a body to organise the project.

The Hillbrow businessman who first mooted the idea of an agency which could find informal jobs for the growing number of unemployed, Mr Sam Gluckman, also handed over his promised donation of R5 000 to get the project on its way.

Mr Cecil Bass, city councillor for Hillbrow, who joined forces with Mr Gluckman to promote the project, said yesterday a formal committee would be constituted next week.

Mr Bass said Department of Manpower figures estimated 500 000 people were unemployed, but other surveys put the figure at three times that much.

He criticised the social security system in South Africa as being "totally inadequate".

Mr Bass said Unemployment Benefit Funds provided relief for just 26 weeks after a person had become jobless, but after that the unemployed had no income.

C. Herald 2/3/85 335

Retrenchment avalanche gains momentum

THE rate of retrenchments, which started off as a trickle three years ago, has turned into an avalanche.

The sluice-gates are open and people are losing jobs at the rate of more than 2 000 a week.

And this, according to a noted Johannesburg industrial consultant, Andrew Levy, may be a gross underestimation — the true figure could be three or even four times higher.

"The problem is retrenchment is like black unemployment. Nobody knows. There is no central source," he said.

Mr Levy said jobs were lost at the rate of between 800 and 1 000 a week last year. This more than doubled during the first four weeks of this year.

"There is no doubt this could be a gross under-estimation. The true figure could be three or even four times higher."

Mr Levy said it was not only unskilled labour that was affected, but senior managerial personnel as well.

ADJUST

The present wave of retrenchments would teach employers to adjust, to make do with fewer employees and to increase production.

"Our labour has been pretty unproductive," he said.

"This means unemployment will remain high as employers learn to get by with less staff."

Mr Levy said areas hardest hit by retrenchments were the metal/engineering industry, the auto industry and the retail trade.

According to the Metal and Allied Workers Union, the biggest union in the metal/engineering idnustry, jobs in the industry decreased from 450 000 in 1982 to 320 000 today — a drop of nearly 30 percent.

Sowetan 4/3/85

More jobs will go — union told

THE first Congress of the Insurance Assurance Workers Union of South Africa was told yesterday that of the three million people presently unemployed in the country, most of them were blacks.

The Rev Joe Seoka, Iawusa's president, was speaking at St Hilda's Anglican Church in Senaoane, Soweto.

He said many people were concerned why the unemployment figures swell so fast in spite of the trade union organisations. He put the blame on the shoulders of the industries and gave figures supplied by the Department of Manpower on unemployment from June to August last year.

He reminded the congress that the result of unemployment is poverty. He said the worst hit people are the poor and least powerful in the labour force and in the black community.

"The painful thing about unemployment is that those affected are ashamed as if it is their fault. It is therefore the duty of trade unions to absorb these people's feelings and respond to them," he said.

Mr Seoka also echoed concern at the new technology that is fast being introduced in the insurance and finance industry. He said the new technology is going to cost many people their jobs.

Work opportunities

77. 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 1983-84 and (b) what was the cost per opportunity in each sector?

The MINISTER OF CO-OPERATION, DEVELOPMENT AND EDUCATION:

(a)

	Commerce, Services and Housing	Industrial Settlement	Small industries	Mining	Agriculture	Transport
Mining Corporation	—	—	—	224	—	—
South African Development Trust Corporation	216	—	742	—	1 950	66
Shangaan/Tsonga Development Corporation	349	900	—	—	—	—
kwaZulu Development Corporation	253	3 805	—	—	236	—
Lebowa Development Corporation	105	1 366	207	—	290	—
Qwaqwa Development Corporation	316	1 713	—	—	134	—
KaNgwane Economic Development Corporation	197	289	49	—	878	—
kwaNdebele National Development Corporation	196	—	51	—	—	—
Total	1 632	8 073	1 101	224	3 488	66

(b)

	Commerce, Services and Housing	Industrial Settlement	Small industries	Mining	Agriculture	Transport
	R	R	R	R	R	R
Mining Corporation	—	—	—	40 000	—	—
South African Development Trust Corporation	11 000	—	18 900	—	4 000	15 700
Shangaan/Tsonga Development Corporation	2 715	10 800	—	—	—	—
kwaZulu Development Corporation	7 676	6 751	—	—	4 240	—
Lebowa Development Corporation	12 941	3 999	732	—	3 572	—
Qwaqwa Development Corporation	15 820	7 600	—	—	12 556	—
KaNgwane Economic Development Corporation	2 504	2 200	2 500	—	6 249	—
kwaNdebele National Development Corporation	5 780	—	910	—	—	—

HoA

The kwaNdebele National Development Corporation Limited was established on 1 October 1983 and started functioning on 1 February 1984.

Persons removed from Sandton area/Alexandra Township

83. Mr D J DALLING asked the Minister of Co-operation and Development:

(1) How many Black persons were removed to the (a) national states and (b) independent Black states from (i) the Sandton area and (ii) Alexandra Township in 1984;

(2) how many of these persons (a) moved voluntarily and (b) were removed (i) by decree, (ii) by court order and (iii) in terms of other legal provisions?

The MINISTER OF CO-OPERATION AND DEVELOPMENT:

(1) (a) One to KwaZulu.

(b) None.

(i) One.

(ii) None.

(2) (a) None.

(b) (i) None.

(ii) One.

(iii) None.

Republic/National states: housing

140. Mrs H SUZMAN asked the Minister of Co-operation and Development:

What was the total number of houses built for Blacks in the 1983-84 financial year in each of the (a) nine main urban areas and (b) (i) urban and (ii) non-urban areas of each national state?

The MINISTER OF CO-OPERATION AND DEVELOPMENT:

(a)	Pretoria	36
	Witwatersrand	6 189
	Bloemfontein	1 500
	Pietermaritzburg	None
	Cape Town	1 720
	Durban	None
	Kimberley	146
	Port Elizabeth	2 085
	Vereeniging/Vanderbijlpark/Sasolburg	1 788
(b) (i)	KwaZulu	347
	KaNgwane	835
	Qwaqwa	1 347
	Lebowa	120
	KwaNdebele	1 147
	Gazankulu	230
	South African Development Trust areas	212

(ii) Unknown.

Taxpayers

167. Mr H H SCHWARZ asked the Minister of Finance:

How many taxpayers in each income category in respect of the 1983-84 tax year were (a) White, (b) Coloured. (c) Indian and (d) Black?

The MINISTER OF FINANCE:

The statistics relate to the period 1 March 1984 to 31 December 1984 and are not complete because ± 23 per cent of individual taxpayers have not yet been assessed.

	(a)	(b)	(c)
Loss	18 008	144	310
Nil	46 686	12 278	4 763
R 1 — R 1 000	36 694	5 228	6 595
R 1 001 — R 2 000	33 242	7 290	6 379
R 2 001 — R 3 000	35 722	12 690	11 880

HoA

1 814 first class and 5 456 second class intercity journeys were undertaken a percentage of which fares were debited to the Government Ledger Account. These journeys amounted to 6,0 and 4,7 per cent respectively of the total number first and second class intercity journeys undertaken.

For December 1984, 918 and 4 867 such journeys were undertaken which amounted to 2,3 and 2,8 per cent respectively of the total number of first and second class intercity passenger journeys undertaken.

Information concerning train journeys undertaken by military personnel is not included as such information is classified.

During November and December 1984 train journeys were also undertaken by Parliamentarians and other VIP's the full costs of which were debited to the ledger accounts of the instances concerned. Particulars of the number and class of journeys undertaken are not readily available. However, during November and December 1984 amounts of R37 565 and R31 753 respectively were debited to such ledger accounts.

These amounts represent 0,8 and 0,5 per cent respectively of the total revenue derived from the conveyance of the first and second class intercity journeys for November and December 1984.

Hansard Q.61.1060
12/4/85

Unemployment Insurance Fund

768. Mr J J B VAN ZYL asked the Minister of Manpower:†

(1) What was the balance in the Unemployment Insurance Fund as at (a) 30 November 1983 and (b) 28 February 1985;

(2) what amount was (a) paid into the fund in contributions and (b) paid out of the Fund in benefits in respect of unemployed persons during the period 30 November 1983 to 28 February 1985?

The MINISTER OF MANPOWER:

(1) (a) R263 318 100.

(b) R242 179 675.

(2) (a) R208 168 692.

(b)

Unemployment Benefits	R139 122 065
Illness Benefits	46 067 510
Maternity Benefits	R51 451 685
Payments to dependants of deceased contributors	18 443 132
Total	R255 084 392

Note: The latest figures are unaudited.

Hansard Q.61.1059
12/4/85

Strikes

769. Mr J J B VAN ZYL asked the Minister of manpower:†

(1) Whether any strikes have occurred in the Republic since 3 November 1983; if so, (a) how many, (b) in what industries, (c) how many workers were involved in each strike and (d) how many man-hours were lost in respect of workers in each race group as a result of each strike;

(2) in respect of what date is the above-mentioned information furnished?

The MINISTER OF MANPOWER:

(1) Yes.

HoA

(a) 529 strikes (including work stoppages)

(b)

Sector	Number of strikes and work stoppages
Mining	27
Manufacturing	342
Electricity	2
Construction	14
Trade and accommodation services	110
Transport and communication	18
Public Authority and services	16
Total	529

(c) The figures in respect of each strike referred to under (1)(a) are not readily available and the furnishing thereof is consequently difficult practically, but the following braod information can, however, be given.

Between 1 and 99 employees were involved in 232 strikes.
Between 100 and 299 employees were involved in 168 strikes.
Between 300 and 499 employees were involved in 56 strikes.
Between 500 and 999 employees were involved in 46 strikes.
Between 1 000 and 1 999 employees were involved in 15 strikes.
More than 2 000 employees were involved in 12 strikes.

(d) Man-hours lost in respect of each strike referred to under (1)(a), is not readily available but the total number of man-hours lost in respect of the different race groups is as follows:

Whites	896
Coloureds	58 435
Asians	62 878
Members of the Black Population Groups	3 024 617

(2) The figures furnished are in respect of the period 1 November 1983 to 31 December 1984.

335 Hansard
Unemployed persons
Q.61. 1062 12/4/85

771. Mr J J B VAN ZYL asked the Minister of Manpower:†

How many (a) Whites, (b) Coloureds, (c) Indians and (d) Blacks were registered as unemployed in each inspectorate area in respect of each month from 1 January 1984 to 28 February 1985?

The MINISTER OF MANPOWER:

Figures as per schedule.

REGISTERED UNEMPLOYED PERSONS ACCORDING TO RACE AND INSPECTORATE JANUARY 1984—FEBRUARY 1985

Inspectorate	Jan. 1984	Feb 1984	March 1984	April 1984	May 1984	June 1984	July 1984	Aug 1984	Sept 1984	Oct 1984	Nov. 1984	Dec 1984	Jan 1985	Feb 1985
Johannesburg														
White	5 046	5 638	5 507	5 401	5 357	5 169	5 088	5 146	5 263	5 039	5 826	5 954	6 616	7 981
Coloured	2 256	2 472	2 277	2 408	2 380	2 296	2 500	2 536	2 569	2 939	3 287	3 000	3 299	3 851
Asian	384	416	432	418	466	448	467	503	528	566	650	616	631	761
Black	6498	12 731	10 701	10 160	10 240	9 793	9 334	9 894	9 651	10 343	10 363	7 822	9 346	18 387
TOTAL	14 184	21 257	18 917	18 387	18 443	17 706	17 400	18 079	18 011	18 887	20 128	17 410	19 892	30 980
Cape Town														
White	1 453	1 722	1 836	1 790	1 805	1 656	1 551	1 566	1 699	1 883	2 075	2 213	2 426	3 109
Coloured	2 867	3 799	3 870	3 855	3 474	3 404	3 565	4 172	4 937	4 190	5 058	4 738	4 432	7 126
Asian	16	23	17	15	18	13	13	21	11	24	12	16	6	16
Black	278	420	476	366	358	391	461	424	424	497	440	360	396	725
TOTAL	4 614	5 964	6 199	6 026	5 655	5 464	5 590	6 183	7 071	6 594	7 585	7 327	7 260	10 976

HoA

Durban														
White	2 336	2 825	2 979	2 652	2 786	3 050	3 211	3 198	3 373	3 162	3 390	3 230	3 491	4 051
Coloured	1 530	1 411	1 091	915	934	892	870	879	981	1 163	1 522	1 592	1 581	1 981
Asian	5 296	4 703	3 686	3 291	3 395	3 321	3 139	3 393	3 545	4 286	4 677	4 802	4 713	6 454
Black	9 741	18 906	11 879	11 681	11 674	9 398	9 353	10 554	11 130	11 532	11 447	7 797	9 133	19 878
TOTAL	18 903	27 845	19 635	18 539	18 789	16 661	16 573	18 024	19 029	20 143	21 036	17 421	18 918	32 364
Pretoria														
White	1 034	1 100	1 194	1 220	1 295	1 280	1 042	929	1 014	1 070	1 016	1 032	1 252	1 779
Coloured	98	127	136	122	151	124	116	100	129	139	107	72	308	164
Asian	28	36	31	26	24	22	31	17	26	40	30	24	74	30
Black	4 184	4 122	4 412	4 234	4 142	3 938	4 410	4 788	4 768	4 722	4 361	4 326	5 784	7 640
TOTAL	5 344	5 385	5 773	5 602	5 612	5 364	5 599	5 834	5 937	5 971	5 514	5 454	7 418	9 613
Port Elizabeth:														
White	1 414	1 357	1 299	1 175	1 203	1 227	1 245	1 146	1 095	1 183	1 498	1 482	1 806	1 742
Coloured	2 704	3 148	3 140	2 609	2 949	2 620	2 461	2 612	2 990	3 233	3 844	3 763	4 325	4 581
Asian	31	35	46	46	46	39	32	26	34	43	44	47	41	48
Black	4 710	6 328	5 080	4 806	4 475	3 130	3 573	4 896	3 694	3 784	4 095	2 102	4 935	7 811
TOTAL	8 859	10 868	9 565	8 636	8 673	7 016	7 311	8 680	7 813	8 243	9 481	7 394	11 107	14 182
Bloemfontein:														
White	979	1 015	993	1 009	929	837	747	834	786	878	899	949	1 135	1 337
Coloured	439	457	448	406	383	396	341	366	418	462	432	402	560	653
Asian	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Black	1 244	2 014	1 814	1 538	1 409	1 321	1 479	1 553	1 505	1 669	1 617	1 346	1 703	1 781
TOTAL	2 662	3 486	3 255	2 953	2 721	2 554	2 567	2 753	2 709	3 009	2 948	2 697	3 398	3 771
East-London:														
White	655	588	542	496	429	475	506	511	485	574	506	389	412	491
Coloured	280	280	211	215	181	176	193	244	291	312	348	293	425	419
Asian	3	7	5	7	5	3	9	8	11	15	16	16	25	34
Black	1 782	1 922	1 317	1 062	965	1 235	1 787	1 664	2 061	1 892	1 910	1 256	1 932	3 622
TOTAL	2 720	2 797	2 075	1 780	1 580	1 889	2 495	2 427	2 848	2 793	2 780	1 954	2 794	4 566
Kimberley:														
White	262	373	365	274	246	212	216	205	218	200	208	218	249	243
Coloured	1 611	1 602	1 359	1 205	1 177	1 199	1 251	1 292	1 132	1 145	1 142	1 189	1 645	1 615
Asian	7	8	11	9	11	12	11	12	9	9	6	9	11	10
Black	258	393	326	328	346	386	344	336	307	363	436	316	354	599
TOTAL	2 138	2 376	2 061	1 816	1 780	1 809	1 822	1 845	1 666	1 717	1 792	1 732	2 259	2 467
George:														
White	168	176	214	241	223	222	193	191	185	157	172	166	190	258
Coloured	318	245	220	168	201	201	213	205	276	261	254	249	451	476
Asian	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Black	3	4	5	9	15	10	3	5	14	12	12	12	6	15
TOTAL	489	425	439	418	439	433	409	401	475	430	438	427	647	749
TOTAL	59 913	80 403	67 919	64 157	63 692	58 896	59 766	64 226	65 559	67 787	72 302	61 816	73 693	109 587

Own Affairs: Hansard Q. Col. 1063 12/4/85

Social workers

65. Mr P G SOAL asked the Minister of Health Services and Welfare:

(a) How many social workers are employed by his Department and (b) where are they employed in each case?

The MINISTER OF HEALTH SERVICES AND WELFARE:

(a) 386.

(b)

Psychiatric hospitals	8
Eastern Cape region	28
Natal region	36
Northern Transvaal	41
Southern Transvaal	34
Johannesburg	44
Western Cape	55
Northern Cape	12
Orange Free State	22
Western Transvaal	23
Eastern Transvaal	25
Rehabilitation centres	26
Head Office	32
Vacancies	12

HoA

QUESTIONS UNDER NAME OF MEMBER

Andrew, Mr K M—
General Affairs:
Agricultural Economics, 352
Communications, 268, 270, 310, 312, 480
Co-operation, Development and Education, 8, 9, 10, 78, 79, 103, 122, 162, 163, 229, 230, 231, 235, 301, 302, 307, 308, 311, 364, 400, 421, 422, 455, 469, 472, 479, 525, 553, 570, 576, 626, 637, 645, 734, 753, 863, 866, 869, 930, 947, 948, 979, 980, 1007
Defence, 444
Environmental Affairs and Tourism, 478
Finance, 240, 451
Foreign Affairs, 695
Health and Welfare, 463
Home Affairs, 785
Justice, 160, 312, 319, 328, 363, 898, 986
Law and Order, 199, 207, 376
Manpower, 609
Mineral and Energy Affairs, 239
National Education, 237, 696
Public Works, 1042
State President, 610, 611
Trade and Industry, 648
Transport Affairs, 77, 263, 444, 732, 899
Water Affairs, 377
Own Affairs:
Agriculture and Water Supply, 464
Budget, 179, 288
Education and Culture, 240, 288, 382
Health Services and Welfare, 433, 465
Local Government, Housing and Works, 180, 183, 619

Bamford, Mr B R—
Public Works, 276

Barnard, Dr M S—
General Affairs:
Agricultural Economics, 352, 832
Constitutional Development and Planning, 218
Co-operation, Development and Education, 53, 150, 456, 461, 647, 823, 981
Finance, 403, 498
Health and Welfare, 82, 142, 147, 207, 237, 238, 239, 248, 263, 411, 460, 461, 462, 464, 473, 482, 483, 487, 488, 508, 587, 588, 810, 815, 816, 817, 821, 858, 917
Home Affairs, 697, 1026
Justice, 681
Law and Order, 318
Transport Affairs, 80, 410, 708
Own Affairs:
Education and Culture, 174, 454
Health Services and Welfare, 171, 333, 756, 763

Barnard, Mr S P—
Defence, 47
Finance, 15

Boraine, Dr A L—
Communications, 799
Co-operation, Development and Education, 7, 628
Health and Welfare, 451
Justice, 988
Law and Order, 29, 203, 256, 594, 893, 894
Manpower, 7, 8, 82, 86, 93, 99, 145, 204, 256, 378, 379, 381, 486, 603, 604, 605, 612, 615, 652, 701, 702, 706, 707, 810, 863, 933, 935
Mineral and Energy Affairs, 63
National Education, 145
Water Affairs, 791

Botha, Mr C J van R—
Public Works, 770

Burrows, Mr R M—
General Affairs:
Constitutional Development and Planning, 750

HoA

Work opportunities

77. 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 1983-84 and (b) what was the cost per opportunity in each sector?

The MINISTER OF CO-OPERATION, DEVELOPMENT AND EDUCATION:

(a)

	Commerce, Services and Housing	Industrial Settlement	Small industries	Mining	Agriculture	Transport
Mining Corporation	—	—	—	224	—	—
South African Development Trust Corporation	216	—	742	—	1 950	66
Shangaan/Tsonga Development Corporation	349	900	—	—	—	—
kwaZulu Development Corporation	253	3 805	—	—	236	—
Lebowa Development Corporation	105	1 366	207	—	290	—
Qwaqwa Development Corporation	316	1 713	—	—	134	—
KaNgwane Economic Development Corporation	197	289	49	—	878	—
kwaNdebele National Development Corporation	196	—	51	—	—	—
Total	1 632	8 073	1 101	224	3 488	66

(b)

	Commerce, Services and Housing	Industrial Settlement	Small industries	Mining	Agriculture	Transport
	R	R	R	R	R	R
Mining Corporation	—	—	—	40 000	—	—
South African Development Trust Corporation	11 000	—	18 900	—	4 000	15 700
Shangaan/Tsonga Development Corporation	2 715	10 800	—	—	—	—
kwaZulu Development Corporation	7 676	6 751	—	—	4 240	—
Lebowa Development Corporation	12 941	3 999	732	—	3 572	—
Qwaqwa Development Corporation	15 820	7 600	—	—	12 556	—
KaNgwane Economic Development Corporation	2 504	2 200	2 500	—	6 249	—
kwaNdebele National Development Corporation	5 780	—	910	—	—	—

HoA

The kwaNdebele National Development Corporation Limited was established on 1 October 1983 and started functioning on 1 February 1984.

Persons removed from Sandton area/Alexandra Township

83. Mr D J DALLING asked the Minister of Co-operation and Development:

(1) How many Black persons were removed to the (a) national states and (b) independent Black states from (i) the Sandton area and (ii) Alexandra Township in 1984;

(2) how many of these persons (a) moved voluntarily and (b) were removed (i) by decree, (ii) by court order and (iii) in terms of other legal provisions?

The MINISTER OF CO-OPERATION AND DEVELOPMENT:

(1) (a) One to KwaZulu.

(b) None.

(b) None.

(i) One.

(ii) None.

(2) (a) None.

(b) (i) None.

(ii) One.

(iii) None.

Republic/National states: housing

140. Mrs H SUZMAN asked the Minister of Co-operation and Development:

What was the total number of houses built for Blacks in the 1983-84 financial year in each of the (a) nine main urban areas and (b) (i) urban and (ii) non-urban areas of each national state?

The MINISTER OF CO-OPERATION AND DEVELOPMENT:

(a)	Pretoria	36
	Witwatersrand	6 189
	Bloemfontein	1 500
	Pietermaritzburg	None
	Cape Town	1 720
	Durban	None
	Kimberley	146
	Port Elizabeth	2 085
	Vereeniging/Vanderbijlpark/Sasolburg	1 788
(b) (i)	KwaZulu	347
	KaNgwane	835
	Qwaqwa	1 347
	Lebowa	120
	KwaNdebele	1 147
	Gazankulu	230
	South African Development Trust areas	212

(ii) Unknown.

Taxpayers

167. Mr H H SCHWARZ asked the Minister of Finance:

How many taxpayers in each income category in respect of the 1983-84 tax year were (a) White, (b) Coloured, (c) Indian and (d) Black?

The MINISTER OF FINANCE:

The statistics relate to the period 1 March 1984 to 31 December 1984 and are not complete because ± 23 per cent of individual taxpayers have not yet been assessed.

	(a)	(b)	(c)
Loss	18 008	144	310
Nil	46 686	12 278	4 763
R 1 — R 1 000	36 694	5 228	6 595
R 1 001 — R 2 000	33 242	7 290	6 379
R 2 001 — R 3 000	35 722	12 690	11 880

HoA

Commissions/departmental committees

413. Mr K M ANDREW asked the State President:

(1) How many (a) commissions and (b) departmental committees of inquiry were appointed in respect of the National Intelligence Service in 1984;

(2) whether any of the reports of such commissions and committees have been completed; if so, (a) how many and (b) of which commissions and committees;

(3) whether any of the reports of such commissions and committees have been made public; if so, (a) how many and (b) of which commissions and committees;

(4) what is the total estimated cost relating to each of these commissions and committees?

The STATE PRESIDENT:

(1) (a) and (b) None.

(2) (a) and (b) Fall away.

(3) (a) and (b) Fall away.

(4) Falls away.

335 Hansard Q.C01.612 13/3/85

Work-seekers

480. Dr A L BORAINE 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 the end of each specified month in 1984?

The MINISTER OF MANPOWER:

SCHEDULE

REGISTERED AS WORK-SEEKERS 1984

	JANUARY		FEBRUARY		MARCH		APRIL		MAY		JUNE	
	Male	Female	Male	Female	Male	Female	Male	Female	Male	Female	Male	Female
Johannesburg	17 898	8 920	22 543	14 952	20 484	12 648	19 639	12 711	18 753	12 593	18 786	12 346
Cape Town	3 642	1 923	4 721	2 681	4 610	2 903	4 334	2 971	4 214	2 682	3 965	2 675
Durban	18 025	8 111	32 056	13 106	22 293	9 955	20 594	10 157	22 742	10 499	20 224	9 045
Pretoria	5 960	3 883	6 441	4 250	6 923	4 326	6 623	4 024	6 388	3 859	6 049	4 047
Port Elizabeth	6 604	3 765	8 700	4 962	7 547	4 561	6 965	3 912	7 030	3 880	6 385	3 328
Bloemfontein	2 369	1 746	3 904	2 144	3 505	2 020	3 302	1 929	2 983	1 984	2 994	1 732
East London	1 984	1 106	2 321	1 184	1 683	904	1 394	811	1 275	746	1 543	873
Kimberley	1 845	806	2 103	925	1 987	932	1 813	706	1 766	676	1 908	744
George	268	383	319	341	239	331	239	321	275	341	294	347
Total	58 595	30 643	83 108	44 545	69 271	38 580	64 903	37 542	65 426	37 260	62 148	35 137

	JULY		AUGUST		SEPTEMBER		OCTOBER		NOVEMBER		DECEMBER	
	Male	Female	Male	Female	Male	Female	Male	Female	Male	Female	Male	Female
Johannesburg	18 742	11 927	18 489	13 634	18 402	12 461	19 985	11 778	21 258	12 995	17 938	10 267
Cape Town	3 726	3 020	4 054	3 345	4 987	3 319	4 541	3 183	5 267	3 654	5 117	3 154
Durban	20 153	9 376	22 576	10 022	22 167	9 448	21 940	9 307	23 056	10 105	17 836	7 321
Pretoria	6 587	3 929	6 985	4 431	7 308	4 514	6 076	4 175	6 195	3 683	5 658	3 268
Port Elizabeth	6 143	3 438	7 124	3 868	6 657	3 348	6 914	3 350	7 765	3 687	5 880	3 037
Bloemfontein	2 937	1 600	2 920	1 653	3 028	1 735	3 285	1 746	3 301	1 780	2 733	1 482
East London	2 052	993	2 120	1 077	2 122	1 369	2 120	1 347	2 358	1 162	1 591	790
Kimberley	1 740	716	1 763	730	1 553	639	1 595	616	1 886	607	1 557	565
George	347	335	248	297	277	339	252	322	298	305	275	246
Total	62 427	35 334	66 279	39 057	66 501	37 172	66 708	35 824	71 384	37 978	58 585	30 130

Advertisements in foreign newspapers

509. Mr D J N MALCOMESS asked the Minister of Foreign Affairs:

With reference to his reply to Question No 15 on 10 February 1984, what was the total cost to his Department of advertising in foreign newspapers for the 1983-84 financial year?

The MINISTER OF FOREIGN AFFAIRS:

The total cost to the Department of Foreign Affairs of advertising in foreign newspapers for the 1983/84 financial years was R1 318 161.

Hansard Q.C01.614 13/3/85

Hostel buildings/beds

515. Mr G B D McINTOSH asked the Ministers of Transport Affairs:

How many hostel (a) buildings and (b) beds for single White, Coloured, Indian and Black males, respectively, were (i) owned and/or (ii) utilized by the South African Transport Services as at 31 July 1984?

The MINISTER OF TRANSPORT AFFAIRS:

		Whites	*Coloureds*	*Indians*	*Blacks*
(a)	(i)	41	2	—	13
	(ii)	41	2		15 §
(b)	(i)	5 460	1 123	—	1 756
	(ii)	3 421	500	—	20 564 §

§ Includes two hired buildings with 3 243 beds; 3 161 beds in these buildings were utilized at the time.

A further 14 629 Coloured and Black employees are housed in 164 fully equipped section hostels, erected at strategic points along railway lines.

X Hansard Q.C01.613 X 13/3/85

Namibia: death in detention

523. Mrs H SUZMAN asked the State President:

(1) Whether a certain person, whose name has been furnished to the State President's Office for the purpose of his reply, died while in detention under Proclamation AG 9 in South West Africa/Namibia; if so, (a) when (i) was he taken into custody and (ii) did he die, (b) what were the circumstances surrounding his death and (c) what is the name of this person;

(2) whether an inquest was held into the death of this person; if not, why not; if so, what were the findings;

(3) whether an investigation was held into the death of this person; if not, why not; if so, (a) who was in charge of the investigation and (b) what were the findings;

(4) whether any persons have been (a) arrested, (b) charged and (c) tried as a result of this investigation; if not, why not; if so, (i) who in each case and (ii) what was the outcome?

The STATE PRESIDENT:

(1) Yes.

(a) (i) 22 January 1985.

(ii) During the night of 26/27 January 1985.

(b) He hanged himself with his stockings.

(c) Thomas Nikanor.

Commissions/departmental committees

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(3) whether any of the reports of such commissions and committees have been made public; if so, (a) how many and (b) of which commissions and committees;

(4) what is the total estimated cost relating to each of these commissions and committees?

The STATE PRESIDENT:

(1) (a) and (b) None.

(2) (a) and (b) Fall away.

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335 Hansard
Work-seekers Q.Col.612 13/3/85

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X Hansard Q.Col.613 X
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Rationalisation ahead following Dorbyl/S &L link

RDM 15/3/85

335

By PRISCILLA WHYTE

A TWO-YEAR period of rationalisation will follow the formal completion this week of Dorbyl's merger with Stewarts & Lloyds (S & L) and its acquisition of Afgate.

Mr Keith Jenkins, chairman of Dorbyl and Stewarts & Lloyds and also the managing director of holding company, Metkor, said the rationalisation of the group's operations would take 18 months to two years.

At the moment Dorbyl has six operating divisions and with the merging of S & L and Afgate, Mr Jenkins believed there would ultimately be nine or ten subsidiaries of Dorbyl.

The former S & L subsidiary, Tubemakers of SA, could become such a major subsidiary.

He said the combined workforce now numbered between 32 000 and 35 000.

Rationalisation could mean retrenchments but natural attrition would be the preferred option.

He pointed out that much pruning of the labour force had already taken place with the staff complement at Dorbyl now 18 000 from a peak of 26 000 and that of S & L trimmed to 9 000 from 12 000.

"No special capital expenditure projects are envisaged at this stage but in engineering the replacement of equipment such as machine tools is continuous," he said.

The seamless tube mill at S&L was being investigated for replacement but the "problem is it requires substantial new investment".

Dorbyl would have to look at "possible partners in this venture because although the plant is well maintained its life is limited".

Capacity utilisation within the new group varied between 60% and 70%.

Mr Jenkins regarded an economic utilisation of plant at between 75% and 80% and in capital intensive works a 20-hour day for a five-and-a-half to six-day week as optimal.

He said working weeks varied with some plants down to a four-day week and less "with considerable short time being worked".

"The engineering industry and industry in general needs further slimming down if we are going to have strong companies.

"Many industries were nurtured on a basis of protection and, while South Africa has moved on a free enterprise path, the rest of the world has introduced greater protection. The free market philosophy should not be overplayed."

He noted that in industry the demand situation was uncertain and "one of the problems is a lack of confidence and the state has a major task in rebuilding confidence".

He thought the Government had overspent on the current account at the expense of major capital projects, which benefited industry and employment in SA.

Mr Jenkins said the withdrawal of investment allowances could not have come at a worse moment: "Industry has the greatest potential for new job creation."

He said a fair amount was being exported but South Africa had problems due to a general international ignorance on the situation prevailing here and therefore it was regarded "as a high business risk".

Industrial countries were all hungry with "European countries having plenty of spare capacity and certain countries highly subsidised by government".

300 ... to protest planned redundancy

March 1985

Star

Pretoria Bureau

About 300 workers today downed tools at Siemens' Waltloo and Koedoespoort factories.

It is believed the strike was called to protest a decision to declare about 500 workers at the two plants redundant later this month when the company switches to modern electronic telephone equipment.

A company spokesman said a part of the labour force at the two factories had stopped work.

A Metal and Allied Workers' Union (Mawu) spokesman confirmed the stoppage and said that union officials would be meeting workers later today.

The spokesman said it was unfortunate that the Post Office made technological changes which cost people their jobs.

ST)

More will lose jobs, forecasts economist

19/3/85

335

JOHANNESBURG—More unemployment and more insolvencies were expected as a result of the Finance Minister's drive for lower inflation, a stronger balance of payments, a stronger rand and lower interest rates expressed in yesterday's Budget.

Sapa reports that the chief economist of Barclays Bank, Dr Johan Cloete, giving this forecast, described the Budget as strongly deflationary.

'This Budget will have a very severe deflationary impact on the economy because of the considerable amount of additional taxation being imposed,' he said.

It provided for a substantial reduction in the deficit before borrowing from R3 359 million last year to R2 570 million in the new fiscal year. This was equivalent to a 1,5 percent negative growth of real gross domestic product.

'This means the minister is prepared to sacrifice growth to achieve his objectives. Obviously unemployment and insolvencies will increase as a result,' Dr Cloete said.

Policies

Our parliamentary correspondent reported that the Opposition's chief spokesman on finance, Mr Harry Schwarz, said the Budget was the price South Africa was being asked to pay for Government mismanagement and misplaced ideology.

'The policies of the Government, as this Budget clearly demonstrates, have contributed towards the lower value of the rand, the high rate of inflation and the high level of unemployment.'

The country, he said, was being asked to make sacrifices, but he was not satisfied that they were being fairly spread.

Increasing umemployment and poverty throughout the country were a threat to stability, and the measures taken to alleviate it were hopelessly inadequate.

The Budget made it clear that bankruptcies and liquidations would increase during 1985, and when the upswing eventually arrived, the employment which the liquidated businesses had offered, would be gone forever.

In spite of promises of a long-term strategy, the Budget did not lay the foundations for a long-term recovery, but was an ad hoc measure and was disappointing.

'The increases in personal income tax are unnecessary and give no incentive to work, either to the entrepreneur or to employees.'

The increase in GST would again increase living costs and create hardships and the Budget, offering no incentive to productivity, would adversely affect confidence and administer hard knocks to the average South African.

A Mercury Reporter writes that local distributors of imported luxury goods hit by provisions in yesterday's Budget, said while business could be slowed, they had not been surprised although one importer of office ma-

★ TURN TO PAGE 2

Effect on jobs

★ FROM PAGE 1

chines, on which a 10 percent customs duty was imposed, asked: 'Why us?'

The distributors' price of video recorders to dealers would rise by at least R50 as a result of the duty increase from 10 percent to 15 percent, said Mr Peter Spreckley, director of a leading distribution company.

'There is a bleak outlook for the industry. We have not only the 5 percent duty increase to contend with, but the 2 percent GST hike and restrictive hire purchase terms.'

It was unclear last night exactly which office machines were referred to in the Budget, and whether the new 10 percent customs duty would have to be paid on computers which, like other office machines, had previously been exempt.

But Mr Dario Bombardieri, Olivetti's Durban branch manager, said: 'It will definitely force prices up. We are perturbed. We didn't expect it, and we don't have the faintest idea why office equipment was chosen.'

Mr Dave Lucas, Durban manager of mainframe computer suppliers Burroughs, said that if the duty applied to computers 'it would hurt the customer'.

The increased expenditure on education was yesterday welcomed by the president of the Natal Teachers' Society, Prof André le Roux, the principal of the University of Natal, Prof Peter de V Booysen, and Natal's director of education, Mr Willie van Rooyen.

However, Mr Brian Beavon, managing director of Spar, said the increase was 'less than I had expected'.

'I had anticipated GST rising to 15 percent, so this is much better,' he said. 'The Government had to make up its deficits somewhere.'

Mr Gordon Utian, managing director of Checkers, said :'It is disappointing that the man in the street is being made to pay.'

Pick 'n Pay chief Raymond Ackerman slammed the 2 percent increase in sales tax, saying it would not only severely affect the low income bracket but would 'seriously dampen the morale of every consumer'.

Mrs Margaret Lessing, director of the Women's Bureau of South Africa, said Mr du Plessis had spread increases 'as best he could'.

'It seems he tried to take a bit from everybody. Consumers, however, must watch out and make sure that the prices of foodstuffs exempted from the increase do not rise.

Trade union leaders and social workers expressed disappointment at the increase in sales tax and said the hike would further erode already depleted pay packets of thousands of workers, but welcomed adjusted tax thresholds which would be of particular benefit to the lower income worker.

Mercury 20/3/85 335

Govt 'doing all possible' to fight unemployment

Mercury Reporter

THE Goverment was concerned with the growing unemployment rate in South Africa and was doing everything possible to help, Dr P J van der Merwe, Director-General of Manpower, said yesterday.

Speaking at the official opening of Interco Management Service's training centre at Isithebe yesterday, he said R100 million had been set aside by the Govermnent for this purpose.

Dr van der Merwe said his department was committed to decentralisation and would spend more money becase of its importance.

Training was also vital and it was for this reason the Govermment had also allocated R100 million to provide incentives.

However, he warned that industrialists should come up with schemes to spend the money and to share responsibility in the training of workers.

Dr van der Merwe said 500 000 South Africans were trained in various fields last year and his department had registered 25 000 different individual courses for tax concessions.

He said he was committed to training which would help when there was an upswing in the South African economy.

Commenting on Isithebe, he said it was one of the most attractive decentralised points in South Africa and had the highest growth rate. It was beyond his expectation, he said.

25... workers ...

21/3/85 (335)

Siemens down tools

By ALINAH DUBE

ABOUT 2 500 members of the Metal and Allied Workers Union employed at Siemens Limited yesterday went on strike at five company plants in Pretoria and the East Rand following Management's announcement that 500 of them are to be retrenched.

The affected plants are those in Rosslyn, Koedoespoort, Watloo, Spartan and Isando. Workers there downed tools at 6 am and vowed not to return to their posts unless their demands were met.

The electronic firm announced its intention to retrench workers from the Watloo and Koedoespoort factories "because of changing technologies" early this week. Among those to be made redundant are an estimated 30 blacks, 200 coloureds and 50 whites.

Workers told The SOWETAN that they were not opposed to the move to oust them but that they were entitled to decent severance payment when being retrenched. To prove that, one said, some of them had indicated interest in voluntary redundancy.

Dr Benny Fanaroff, national organiser for Mawu, said the issue of retrenchments was totally rejected when management brought it up earlier.

The union requested that Siemens give full details before implementing its decision.

Workers' demands are that: (i) The company take notice of the fact that the retrenchments were due to technical changes and not the economic situation, (ii) a list of all the affected workers be given to trade union officials Explaining fully the reasons for the retrenchments, (iii) There be time allocated for meetings to inform workers how negotiations continued, (iv) The severance pay be bettered (v) Negotiating team to consist of Mawu's national committee shop stewards of the affected plants and company officials and (vi) Job termination be carried out in one group and not in several sections as arranged by managements.

Mr J Trotskie, a director of Siemens, was said to be not available when The SOWETAN contacted his office.

eporters snubbed

Press invited at a hotel in star of the Rider, were lations com-otional tour. re angry at rential treat-lusive" inter-e white Press were granted ross-the-floor tar. zine reporter ' interview he was told "you'll have to speak to him on the way downstairs". The said reporter conducted the interview in a crowded lift.

The black journalist at the conference somehow brightened up when David Hasselhoff — Michel Knight in the TV series — bowled them with his sharp wit and cheerfulness. Pressmen went away with a feeling it was the case of "nice fella" being handled by wrong people.

Mr Hasselhoff posed for pictures with some black journalists.

Retrenchment ready prey for the taxman

335 S. Times 24/3/85

CASH-FLUSH retrenchees run the risk of being walloped by the taxman unless they seek advise on lump-sum payouts.

The Receiver of Revenue has little mercy for employees who are axed by the recession and walk away from their jobs with severance pay.

Unsuspecting victims of retrenchment will walk into his trap unless they investigate retirement annuities, alternative pension funds and spreading their windfalls over an extended period.

Some companies are handing out two months pay instead of notice and pro rata payments for length of service — a month's pay for every three years, for example.

Exception

The generous ones are doubling employees' pension contributions, although this is more the exception than the rule.

Long-serving employees who are not near retirement age have the biggest problem. The temptation is to take the money and run.

Although there is special tax relief for payments made on termination of service, it applies only in specific cases.

There is an age qualification of 55 for men and 50 for women. Otherwise, ill-health and infermity are the only loopholes.

As in the case of investors tied into low-yielding investments, there is room for the taxman to make special allowances in case of need.

Scapegoats

The tax-free limit on pension fund withdrawals is R1 800. After that, pension withdrawals are subject to average rates of tax.

Most lump-sum payments will be hit by Paye, but they fall into different categories in the eyes of the taxman.

Severance pay, bonuses and money paid for accumulated leave have Paye deducted from them by the employer before they reach the employee.

Directive

Pension contributions are paid out only after a pension fund has a directive from the Receiver of Revenue. This can take months as many job-hoppers and scapegoats of recession can testify.

If pension withdrawals are not reinvested in similar funds, sufficient tax is usually deducted so that recipients do not have to fork out again when they are assessed on their annual tax returns.

For most people, the only way to avoid being socked by the taxman now is to divert pension cash and severance pay straight into retirement funds.

Pitfalls

But there are ways of ducking and diving if you do not want to tie cash up until retirement. Retirement annuities, for example, cannot be touched until the age of 55, but may not be suitable for young people.

The Receiver limits tax-free gratuities to R30 000, but this allowance can usually be taken only on retirement.

So the pitfalls are great and can easily trap the unwary into ceding retrenchment benefits to the State.

Lease cars or company cars which employees take with them when they leave a job can be hit twofold.

Firstly, the watered-down fringe benefits tax takes effect this month; and secondly, the taxman may charge the difference between the amount an employee pays for a car and its market value.

The onus is on the employer to evaluate values correctly — so not many people will get away with bargains.

An interesting proposition for some companies and laid-off staffers to look at is the possibility of retaining someone on a consultancy basis.

Kevin Wiles, an accountant with Arthur Andersen & Company, says retainers are a way of limiting tax that would otherwise be payable on one-off payouts.

"For someone who does not need a large amount of cash immediately on retrenchment, a monthly retainer over a few months could be the answer.

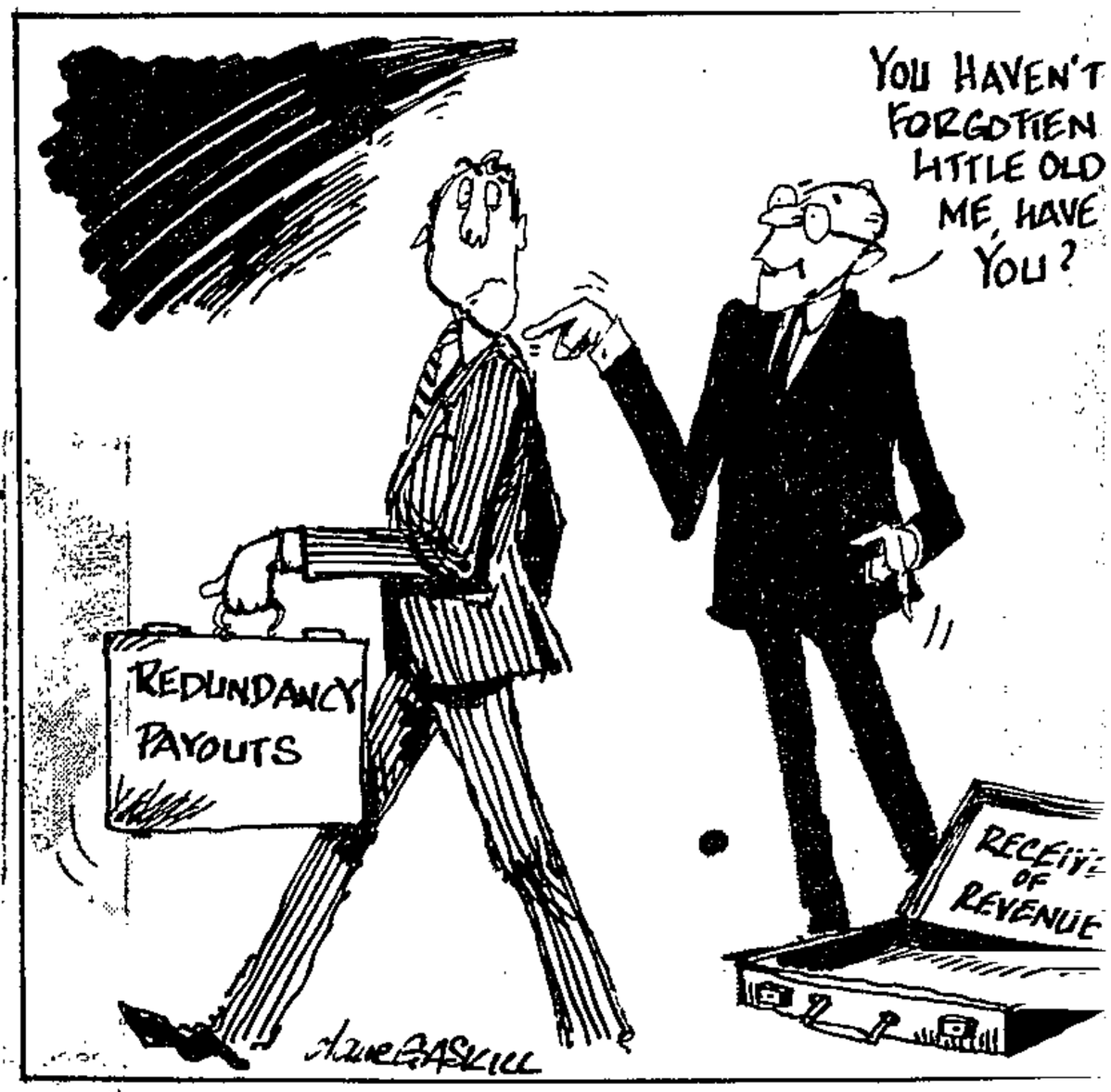
Retainer

"The company can say that it is retaining someone on a consultancy basis. The former employee will then be able to offset some costs, like office and transport, against tax."

Many attorneys work on a retainer basis and Mr Wiles says there is scope for other professionals and occupations to act in similar fashion.

There is no real way of avoiding the taxman, but there are a few permutations to reduce his pound of flesh.

This may be a punt for the financial services industry, but for most retrenchees sitting on a pile of cash, a visit to a financial specialist would not be amiss.



Black jobless figures queried

THE extent of unemployment and poverty among blacks is far higher than the country is led to believe by Government statistics, Professor J Keenan, Professor of Social Anthropology at the University of the Witwatersrand, said yesterday.

Prof Keenan has undertaken a study of factors outside the work environment which have adversely influenced productivity among the black workforce.

He said that poverty, accentuated by unemployment, was one of the factors. Undernourished people could not perform efficiently at work and poverty-related sickness was another factor.

Political harassment, especially in the border areas, also contributed to lowering productivity among the black workforce, Prof Keenan said.

"Often the eight hours spent at work are the only hours during which black workers are free of police harassment in those areas," he said. He cited the border areas surrounding Bophuthatswana as "especially bad" and in which police harassment was virtually a daily occurrence.

Another factor contributing to lower productivity was the almost total lack of consultation or participation of black workers in the decision-making process at a managerial level, especially of a financial nature. — Sapa.

Bophuthatswana headmen pounce on jobless in streets

YOUTHS LASHED

Sowetan 26/3/85

335

By MONK NKOMO

SCORES of unemployed youths at Rammotse in Hammanskraal, Bophuthatswana, claimed they were severely sjambokked by local headmen who said they should get jobs.

A number of the victims interviewed this week could not sit or walk properly as their buttocks were cut open with sjamboks during severe beating allegedly by local village councillors.

Victims said the "acts of sadism" also included a number of male students from the Lethamaga Middle School near Morokolong.

"About 50 young men have already gone through this hell," an angry parent said yesterday.

The raids against the unemployed young men started last Friday night. The raids were allegedly conducted every night by about seven local village headmen travelling in a van. The victims alleged they were bundled into the van and taken to the royal kraal where they were assaulted.

Shebeens

Several of those assaulted said the headmen raided local shebeens in the night and anyone found in the streets was asked if he was employed.

"If your answer is NO, then you are bundled into the vehicle and taken to the local royal kraal where you are severely beaten on the buttocks until you can't cry anymore," one of the victims said.

Those interviewed, including students, gave **The SOWETAN** their names but refused to have them published for fear of reprisals. Some, their trousers still blood-spattered, condemned the beatings and accused the authorities of exploitation.

"Where do they expect us to find work when people are being retrenched instead?" they asked.

A spokesman for the students at the Lethamaga Middle School yesterday condemned the actions against his colleagues.

Col David George, Public Relations Officer of the Bophuthatswana Police, yesterday said he was unaware of the incident. He also urged the victims to report the alleged assaults at the nearby police station. "Their complaints will be treated in privacy," he added.

Jobless data misleading, says Johannesburg professor

The extent of unemployment and poverty among blacks is far higher than the country is led to believe by Government statistics, Professor J Keenan, Professor of Social Anthropology at the University of the Witwatersrand, said this week.

He said unemployment in rural areas was "rife" and in the urban areas had reached "serious" proportions.

Government figures of unemployment and poverty were "misleading," and were not presenting the true picture of their extent.

Professor Keenan has undertaken a study of factors outside the work environment which have adversely influenced productivity among the black workforce.

He said that poverty, accentuated by unemployment, was one of the factors. Undernourished people could not perform efficiently at work. Poverty-related sickness was another factor.

Political harassment, especially in the border areas, also contributed to lowering productivity among the black workforce, Professor Keenan said.

"Often the eight hours spent at work are the only hours during which black workers are free of police harassment in those areas."

He cited the border areas surrounding Bophuthatswana as "especially bad". Police harassment was a daily occurrence.

Another factor contributing to lower productivity was the almost total lack of involvement of black workers in decisions at a managerial level, especially those of a financial nature.

"Overseas the workforce is more involved at that level and consequently their productivity improves," Professor Keenan said.

"South Africa, along with the US, is one of the few governments that treats its workers like commodities. They are shoved here and there, and have little say in where or what areas they wish to work."

They were not consulted, did not participate in decisions, but were told what to do. — Sapa.

Mercury 28/3/85 (335)

Won't somebody give us work?

Jobless total for Natal soars by 40 p c

Labour Reporter

THE rate of unemployment in Natal has rocketed by more than 40 percent since January this year, according to Mr J Hitchcock, divisional inspector for the Department of Manpower in Durban.

He told the Mercury yesterday that 29 959 people registered with the department as unemployed last month and of these, 19 878 were blacks. In January the figure was 17 124, of which 9 133 were blacks.

Mr Hitchcock said the sharp increase was probably because most blacks had returned from the homelands after the holidays to seek employment. 'The figures are expected to increase gradually from now on,' he said.

Latest figures released by the department showed that in the Durban area alone, 3 414 whites, 1 523 coloureds and 5 144 Indians registered as unemployed in February. The number of blacks unemployed in Natal was 19 878.

In the previous month there were 2 960 whites, 1 229 coloureds and 3 802 Indians unemployed. A total of 9 133 blacks were registered as unemployed.

Meanwhile, two unemployed whites attracted public attention when they staged a sit-in demonstration in central Durban yesterday morning, complete with their tools and baggage, to highlight their plight.

Mr David Douglas, 35, and Mr Desmond van der Merwe, 25, said they had been battling for a job since January after their previous employment contracts with a Richards Bay company and the South African Transport Services ended.

Mr Douglas, a former instruments foreman, said that he and his colleague had travelled as far as Cape Town in search of employment.

He said they had decided to stage a 'polite request for a job' at the corner of Gardiner Street and Smith Street during the peak early morning rush hour in the hope that somebody would take notice of their plight.

But, by midmorning when there was still no prospect of getting a job, they packed up.

Highlighting the plight of the unemployed. Mr David Douglas (left) and Mr Desmond van der Merwe, who staged a sit-in demonstration in central Durban yesterday morning after trying unsuccessfully to find work.

votes.

Mayor to hold talks about jobs

Pietermaritzburg Bureau

THE Mayor of Pietermaritzburg, Mr Robin Dales, is to call a special meeting about the worsening unemployment problem in and around the capital.

Mr Dales said only by exchanging ideas at round-table discussions would any possible solutions be found.

He said the meeting would try to find possible areas of relief.

The discussions would be aimed at finding solutions rather than just discussing the problem, said Mr Dales.

Any concerned group wishing to attend the meeting should telephone the Mayor's Secretary at (0331) 27031.

Risk of 2,4-m jobless is ahead

Even without overseas disinvestment in South Africa unemployment could reach 2,4 million by 1987, says the National Productivity Institute.

It adds in a statement to be distributed overseas that disinvestment by American companies would aggravate South Africa's productivity and employment problems and create more poverty in the long run.

"This," says the institute, "would affect many more people than the estimated 700 000 who are economically dependent on US companies."

The institutesays that even with annual economic growth rates of 3,6 percent indications are that unemployment will reach 2,4 million.

It adds that American investment in South Africa is distributed over most major economic sectors and tends to be in technologically advanced industries such as petrochemicals and transport equipment which are key growth areas in this country's economy.

"Disinvestment would have the immediate effect of creating unused capacity in US-owned corporations, resulting in capital productivity decline," says the institute.

"The investment vacuum could certainly be filled by local or non-US operators.

"But withdrawal of US management skills, know-how and multinational negotiating strength would result in rapid and general productivity losses and thus economic decline, especially since managerial skills and know-how are in critically short supply in South Africa."

The institute adds that the presence of American corporations has raised skill levels across a broad section bringing competency, human development and, with them, economic growth.

It goes on: "This process has conferred most benefits on the black people of this country and they would undoubtedly suffer most from US disinvestment."

The process, says the institute, would also cause productivity to decline, with all the economic consequences.

And this might trigger disinvestment by other foreign investors.

The resulting decline could hardly be in the interest of those South Africans the disinvestment campaign purported to help.

The institute statement is to be distributed among overseas organisations and individuals active in productivity.

The institute urges professional groups to communicate the implications of the disinvestment threat to their colleagues overseas. — Sapa.

Victims 'must pay'

LARGE numbers of unemployed young men at Ramotse in Hammanskraal, Bophuthatswana, who were recently severely beaten up during "a raid of terror" allegedly conducted by the local tribesmen yesterday claimed they had been ordered to pay R50 each towards the repairs of a van used by the authorities during the raids.

The SOWETAN also established that scores of young men, including students, were now in hiding and living in fear of their lives following what they described "horrific ordeals" at the hands of the local village councillors who punished the unemployed young men in the area.

A number of youths interviewed, who refused to have their names published for fear of reprisals, were still bleeding, and others badly swollen after their buttocks were cut open with sjamboks by the local headmen. And many said although they received medical treatment from the local clinic, their condition was not improving.

Those interviewed said they received up to 30 cuts each during "brutal" beating at the hands of the village councillors who said they must go and look for work.

Parents of most of the victims yesterday said they had received a directive from the royal kraal urging their children to pay R50 each towards the repair of the van which is used during the raids on the unemployed. A van, according to the victims, broke down after the driver failed to negotiate a corner during the raids.

Large numbers of those who were subjected to the severe beatings said they were afraid to lay charges of assault against the headmen. Col David George, public relations officer of the Bophuthatswana police has urged those affected to report the matter to their nearest police stations promising to treat their complaints in privacy.

E: Post

335

4/4/85

Slump causes timber house firm to pull out of PE

Post Reporter

THE Port Elizabeth branches of a firm supplying timber houses have closed down.

Elgin Homes closed down both branches in PE a week ago and is to move to Grabouw in the Western Cape in June.

This week also saw Appeltiser closing down their distribution depot.

The property market in PE had shrunk so much that it was no longer economically viable for the company to remain, Mr Allan Price, managing director of Elgin Homes, said from Johannesburg today.

Elgin Homes manufactures and builds luxury timber framed houses aimed at the middle to upper income group.

Mr Price said the market in Port Elizabeth had been steadily shrinking.

He said as many employees as possible had been transferred to Grabouw.

All the others had been retrenched.

Those to lose their jobs include four salaried employees, up to 30 weekly paid employees and about 10 casual staff members.

Posts had been frozen since last year and people leaving had not been replaced, Mr Price said.

Elgin Homes in PE had stopped building up their construction team during the middle of last year and had even cancelled a few orders

750 000 ENGINEERING JOBS AT RISK

THE livelihoods of about 750 000 blacks in the engineering industry will be directly affected if the overseas disinvestment lobby succeeds, according to the Federation of Societies of Professional Engineers (FSPE).

The chairman, Mr Colin Spence, said in Johannesburg yesterday, that most employees in the engineering industry were black.

If the industry was hit by disinvesment pressures, some 10-million blacks could be seriously affected.

About 340 US companies were directly represented in South Africa in the engineering field and 80% of their employees were black.

The companies generally, Mr Spence said, had set a good example of equal job opportunities, non-discriminatory wages and fair employment.

The principles of the Sullivan Code had been implemented in virtually all companies in the engineering industry.

All but four countries in Africa maintained economic relations with South Africa and disinvestment would have a ripple effect throughout the continent, further increasing poverty and hunger in a region already seriously threatened.

Mr Spence said continued and increased foreign investment was required in South Africa to uplift the quality of life of the black population in the shortest possible time, and to strive towards complete parity in the physical, social and political lives of all South Africa's people.

RDM 4/04/85
335

A bleak future for SA's jobless

By GERALD REILLY
Pretoria Bureau

SOUTH AFRICA'S already critical unemployment problem will worsen in the 12 months ahead and beyond, according to SA economists.

They were reacting to a National Productivity Institute (NPI) survey which claims that even without disinvestment the country's pool of workless will grow to 2 400 000 by 1987.

However, according to the NPI, American disinvestment would aggravate the productivity and unemployment problem and create more poverty in the long run.

The head of the University of Stellenbosch's Economic Research Bureau, Professor Attie de Vries, said yesterday it was clear the number of people out of work would continue to increase.

The problem was aggravated too, in the short term, by the phasing out of investment allowances in the tax system and high interest rates. According to Central Statistical Services, the latest unemployment count among blacks is 580 000, or 8,6%.

The NPI survey claims that even with annual growth rates of 3,6%, and this year the growth rate threatens to be negative, indications were that unemployment would reach the 2 400 00 mark by 1987.

The middle-aged men who stand and wait at the Rand Show gates

935 Stew 4/4/85

Every day since preparations for the Rand Show began, groups of middle-aged men have waited in the dust at its service gates.

And on opening day, most were still waiting — for work.

If you talk to any of them, you are immediately surrounded.

Men wave reference books, talk insistently and push and shove in an effort to attract

By Lesley Cowling

[redacted]

your attention.

They're hoping that this time they'll get a job.

"I've walked over here from Diepkloof ever since I heard the show was being prepared," says 46-year-old Mr Edwin Pula, who has been out of work for a year.

"I have a wife, two kids and a granny to feed and even if I get a job here, it won't be permanent.

"They are offering only casual work."

Mr Pula lost his job of six years as a storeman when his company was liquidated a year ago.

His wife is an assistant nurse at the Rand Clinic.

"She's getting a bit of money," he says, "but not enough for all of us."

At 49 Mr Thomas Mahlaba is not so lucky.

His wife is not working and he has seven children.

"We are starving," he says.

"I used to be a wireman at Simon's Electrician, but I haven't had a job for nine months.

"Sometimes I try to get money by selling fruit and vegetables."

Others tell a similar story of the walk from Diepkloof, the long everyday wait and the empty-handed return home.

But they'll be there tomorrow, they say.

You never know, tomorrow could be their day.

And they'll start working again.

Fewer officially workless

Post Reporter (335) E. Post 3/4/85

OFFICIAL unemployment figures for the Eastern Cape last month show a drop in the number of people registering as unemployed.

There was sharp drop in the number of Africans registered as unemployed.

In March 6 386 African men registered as jobless with the Department of Manpower, compared with 8 725 in February.

There is also a decrease in the number of coloured, Asian and white men registering as unemployed. In February 1 155 whites registered as unemployed compared with 1 016 for last month.

The number of women in all race groups registering as unemployed also dropped in March.

But a labour expert in Port Elizabeth said there was another side to these statistics. Because of the influx control laws some Africans feared that once they reported to unemployment offices they would be forced to return to the homelands after a certain period of time if they had not found another job.

He said many jobless people simply gave up hope of ever finding work and did not even bother to report to unemployment agencies.

It was likely, therefore, that figures on unemployment would be badly understated.

● Last year the chairman of the Corporation for Economic Development, Dr J Adendorff, stated that the annual increase in African workseekers would rise from 230 000 to 360 000 by the turn of the century, requiring an estimated six million work opportunities to be created by then.

Disinvestment would hit 750 000 blacks in engineering

ARGUS 3/4/85

JOHANNESBURG. — The livelihood of about 750 000 black South Africans employed in the engineering industry would be directly affected if the disinvestment policy succeeds, the Federation of Societies of Professional Engineers (FSPE) said.

In a statement, the chairman, Mr Colin Spence, said because such a large proportion of all employees in the engineering industry were black, if the industry diminished as a result of disinvestment, it was considered that about 10-million black South Africans could be seriously and directly affected.

He said about 340 US companies were directly represented in South Africa in the engineering field and 80 percent of their employees were black. The companies generally set a good example of equal job opportunities, non-discriminatory wages and fair employment.

The principles of the Sullivan Code had been implmented in virtually all companies in the engineering industry, Mr Spence said.

He said all but four nations on the African continent maintain economic relations with South Africa and disinvestment would also have a ripple effect throughout the whole continent, further enhancing poverty and hunger in a region already seriously threatened.

"On the contrary, continued and increased foreign investment is required in South Africa in order to uplift the quality of life of our black population in the shortest possible time and to strive towards complete parity in the physical, social and political lives of all our people," Mr Spence said.

The FSPE felt disinvestment would be bound to fail in the long term because, although it would cause serious temporary harship, it would eventually generate permanent self-reliance. This had been shown to occur whenever economic sanctions had been tried previously.

Mr Spence said the profession doubted the bona fides of many of the protagonists of disinvestment and doubted their understanding of the implications of their policies.

It was also significant that most people in South Africa opposed disinvestment, including most black political, community and trade union leaders.

The FSPE represents 12 institutions of the engineering industry and more than 181000 engineers of all kinds. — Sapa.

Sowetan 3/4/85

'Apply pressure on racist SA Govt'

By JOSHUA RABOROKO

THE vice-president of the National Automobile and Allied Workers' Union, Mr John Gomomo, has urged Americans to continue to demonstrate against the racist policies of the South African Government.

Speaking at a church service in Detroit, the heart of the American car industry in the United States, Mr Gomomo, said international pressure was a means of challenging apartheid's racism.

In an article in the latest newsletter, Fosatu Workers News, Mr Gomomo, who also joined American demonstrators outside the SA Embassy, said black and white Americans should continue what they were doing.

He said the anti-apartheid demonstrations had heartened apartheid opponents in SA and surprised them, because they had thought that the American protest movement had died or grown impotent.

He added that these demonstrations had begun to pay dividends by focusing the spotlight on the South African Government, forcing it to explain its indefensible policies to the world.

"The goal of my opinion and other opponents of apartheid is an end to all apartheid laws and the establishment of a constitution that protects people irrespective of sex, colour or creed," he said.

During his visit to the US, Mr Gomomo met with leaders and shop stewards of the United Auto Workers.

Meanwhile Naawu has made a scathing attack on Ford Motor Company for its closure in Port Elizabeth of the plant which is likely to affect about 200 workers.

The union says the closure reveals the multinationals have absolutely no interest in the welfare of workers and the communities in countries where they operate.

The plant closures which are to take place over the next 18 months, are a result of the merger of Ford and Amcar to form Samcor (South African Motor Corporation).

The union said the communities of PE and Uitenhage were already "reeling" under the effects of high unemployment and the serious recession. Ford has a notorious record of plant closure worldwide, the union added.

** 335 2 Post 3/4/85

PE depot to close on May 1

THE Appletiser distribution depot in Burman Road, Port Elizabeth, is to close on May 1, and 24 of its 27 employees are to be retrenched.

These include 15 weekly-paid employees and nine salaried staffers — two of them occupying managerial positions.

This was confirmed today by Mr Bert Oswald, regional marketing manager of Appletiser, Eastern Cape, who said the current trading conditions had necessitated the move.

Appletiser had been "trimming staff" in all main centres, but not as drastically as in the Eastern Cape.

The closure of the depot was in no way related to the area's unrest situation. The decision had been made some time ago.

Mr Oswald said three employees would be maintained to control operations. A small presence would, therefore, still be maintained

The rest of the employees were told on March 29 they would be retrenched. They would receive full severance pay, he said.

Mr Oswald said the distribution of some Appletiser products would be taken over by United Dairies.

He emphasised that the new arrangements would not affect the distribution of Appletiser Sparkling Apple by the SA Bottling Co.

Cape Times 3/4/85

Jobless nearly double

335

Labour Reporter

THE number of people registered as unemployed with the Department of Manpower in Cape Town and Bellville has almost doubled over the past year.

Mr J du P Marais, divisional inspector of the Department of Manpower, confirmed yesterday that there were 9 759 people registered as unemployed in the two areas at the end of March.

The figure at the end of March last year was 5 407.

Mr Marais said the figures included whites, coloureds and Asians registered as unemployed with the department as well as blacks registered as unemployed with the Western Cape Development Board, which handled the matter for the department on an agency basis.

He added the figures could not be taken to reflect actual unemployment as many unemployed people did not register as unemployed with government agencies.

NPI warns on unemployment

THE National Productivity Institute (NPI), in a statement to be distributed overseas, says that even without overseas disinvestment in South Africa, unemployment in the country could reach 2,4-million by 1987.

Disinvestment by US companies would "exacerbate South Africa's productivity and employment problems, and create more poverty in the long run.

"This would affect many more people than the estimated 700 000 who are economically dependent on US companies."

Dealing with the unemployment situation, it says that even with annual economic growth rates of 3,6%, indications are that it will reach 2,4-million.

It says American investment in South Africa was distributed over most major economic sectors and tended to be in technologically advanced industries such as petrochemicals and transport equipment, which were key growth areas in this country's economy.

"Disinvestment would have the immediate effect of creating unused capacity in US-owned corporations, resulting in capital productivity decline.

"The investment vacuum could certainly be filled by local or non-US operators, but withdrawal of US management skills, know-how and multinational negotiating strength would result in rapid and general productivity losses and thus economic decline, especially since managerial skills and know-how are in critically short supply in South Africa," the NPI states.

The presence of US corporations had raised skill levels across a broad section, bringing competency, human development and, with it, economic growth.

"This process has conferred most benefits on the black people of this country and they would undoubtedly suffer most from US disinvestment," the NPI says.

It would also "cause productivity to decline, with all its economic consequences, and this may trigger disinvestment by other foreign investors."—Sapa.

Further cuts loom

Builders hard hit by recession

Thousands of workers are losing their jobs in the construction industry and many companies are going under in the current recessionary slump, according to a comprehensive article in the latest issue of the South African Builder.

The SAB said the brick industry alone was running at 25 percent of capacity compared with 100 percent in May last year.

The recession has taken its toll on the entire industry including brick manufacturers, construction companies, glass manufacturers and sub-contractors.

As the demand on the building industry slumped over the past year, companies cut back on both production and staff.

Some cuts in production have been drastic.

Mr Cedric Savage, the managing director of Toncoro Ltd which is the holding group of the brick manufacturing company Corobrik, said production was cut in 30 of their 51 factories.

"We have retrenched more than 1 600 workers and generally cut down on our other operating expenses."

Several glass manufacturing companies closed as the demand for glass products dropped, leaving thousands of workers unemployed.

The SAB quoted the financial director of LTA, Mr Jimmy Oosthuizen, as saying the present economic constraints will prevail for another 18 months. "This year will be very rough indeed and we are not expecting next year to be much better."

Mr Savage took a more optimistic view about growth after the recession and said: "We are hoping for an upturn by about October this year. I think social pressures are so great that the government will be forced to ease restrictive measures in respect of housing.

"We have stockpiled 240 million bricks, so that if the upturn comes suddenly and unexpectedly, we will be ready for it."

Retrenchments do not always have to take place.

The managing director of Coverland Roof Tiles, Mr Eric Carr, said although retrenchments may still be necessary in his business, he was determined first to exhaust every other possible remedy.

"As far as the debate of retrenchment versus short time goes, we much prefer the short time. When we put it to the workforce that we had to introduce a four-day week — reducing their income by 20 percent — we didn't get a bad reaction at all. Retrenchment on the other hand is an ugly thing and we will try to avoid it until the last possible moment."

Group financial director of Pretoria Portland Cement, Mr Chris Wrogemann, confirmed Mr Mokhine's pessimism about the economy. He said the rate of liquidations was increasing and this would have a spiral effect as others sink with them.

ARREARS

But major companies should be able to withstand this recession just as they have withstood previous recessions.

SAB said arrears in payment from some companies cost sub-contractors dearly. Unpaid debts could push smaller sub-contractors too far and cause them to close.

In an interview with *The Star* Mr Motsomi Mokhine of the Black Allied Mining and Construction Workers' Union (Bamcwu) said it was difficult to estimate how many workers were affected by the current cutbacks because only about 10 percent of workers in the construction and allied industries were unionised.

BANTUSTANS

Once they had lost their jobs many workers were sent to bantustans where they had no means of subsistence and were forced to live off relatives — if they had any.

The unemployed faced endless waits at rural labour offices.

Many unskilled workers who had been recruited in the rural areas for work in the cities were told to pack up and leave, some after months without employment or money.

With the help of the Black Sash, legal aid had been sought to redress matters where dismissals occurred before contracts had expired.

Mr Mokhine said he thought more companies would be forced to retrench workers because the state of the economy was going to get worse.

Business Day

JOB GENERATOR

By PRISCILLA WHYTE

THE electronics industry will more than make up for jobs lost to automation, says the Minister of Trade and Industry, Dr Dawie de Villiers.

He was speaking yesterday at a function to announce the broadening of the shareholding of Sames, a Pretoria semi-conductor manufacturer.

"While there is considerable concern in traditional industries about the pervasiveness of electronics and automation and their possible effect on employment, we cannot afford to ignore the opportunities these technologies offer us to develop our economy," he said.

The appropriate application of high technology can contribute signficantly to competitiveness and higher production, which creates more jobs.

The market for electronic products is estimated to be more than R3bn a year and growing at 20% a year.

Sames absorbed by electronics firms

By PRISCILLA WHYTE

A KEY component of the electronics industry has been privatised with the splitting of the Sames shareholding.

Restructuring of the high-technology semi-conductor manufacturer was announced in Pretoria yesterday by the new shareholders, the Altech group, which has acquired a 35% interest, Siemens (25%), Reunert (15%), Plessey (12%), Telephone Manufacturers (10%), Federale Volksbeleggings (2%) and Grinaker Electronic Holdings (1%).

Sames was established in 1980 by the Industrial Development Corporation and Siemens, at the initiative of the Post Office, as part of an overall plan to boost the local electronics and telecommunications industries to compete effectively with imported integrated circuits (microchips).

Altech, the largest shareholder, has been appointed by the other shareholders as manager of Sames.

The Minister of Industries and Commerce, Dr Dawie de Villiers, said he was confident Sames would help the country's foreign exchange position because it would not be as dependent on imported electronic components.

Further, Sames was establishing a sound export business.

Government requirements comprise nearly half the country's electronic systems and equipment market. The largest sector is telecommunications.

Sames is the only commercial production facility for the fabrication and testing of integrated circuits, and the company's facilities in Koedoespoort, east of Pretoria, have a replacement value of R60m.

The Sames shareholders, in conjunction with the IDC, have established the Integrated Circuit Design Centre (ICDC) on the campus of the University of Pretoria.

The centre is intended to provide the industry's electronic design engineers with the education facilities for the investigation of integrated circuit technology.

Computer-aided design equipment is available.

It is estimated that the compound growth rates for application specific integrated circuits (Asics) produced by Sames between 1983 and 1989 will be about 30% a year, compared with the growth rate for the total integrated circuit market of about 25% a year.

Dataquest, a leading US analysts for the semi-conductor industry, predicts that Asics will form 30% of the total world integrated circuit business by 1990.

Berlin factory to close

By ANDRE JORDAAN
Business Editor

EAST LONDON — The Berlin lead smelting concern, Fry's Metals, is to be closed on Thursday with the loss of about 40 jobs.

The company is owned by the Cookson Group, part of an international organisation involved in the manufacture of solder, lead materials and other base products. A spokesman for the group, Mr Bill Robinson, said a softening international lead price and the poor state of the motor industry had contributed to the decision to close the factory which had been involved in the re-processing of batteries.

It was orginally established to run on imported scrap metal supplemented by local materials.

Mr Robinson said the staff would be laid off on as favourable a basis as possible. "It's very sad, but it has gone the way of so many other companies allied to the motor industry," he said.

'Insecurity hampers workers'

Sowetan 15/4/85

335

INSECURITY, poverty and political harrassment are among factors contributing to low productivity among black workers, a survey by a social anthropologist has found.

"I don't know if productivity is low, but if it is, there's a combination of factors contributing to it," said Jeremy Keenan, professor of social anthropology at Wits University.

He found there was immense insecurity among black workers. Many lost their jobs because of illness resulting from poverty and black workers, particularly those residing in the homelands, but working in South Africa, were subjected to extremely harsh political harrassment.

A worker's place of employment was therefore also his place of safety and relaxation.

Prof Keenan said black workers had no say in decisions taken by management involving investments and pensions.

"There is lack of worker control and therefore very little motivation," he said.

Prof Keenan said insecurity among black workers resulted from what he called the absence of a dislocation policy in the country which would cushion or protect workers in the event of a plant or factory closing.

"This country has no dislocation policy whatsoever. Security for workers in this country is probably the lowest in any of the capitalist countries."

The degree of security enjoyed by the workforce was directly related to their productivity. The higher the degree of their security, the higher would be their productivity.

It had been proved, he said, in countries like Sweden, West Germany and Japan where the workforce was secure the productivity was also very high.

Unions campaign to change UIF rules

Mercury Correspondent

JOHANNESBURG—The Federation of S A Trade Unions (Fosatu) has asked its members to draw up demands for wide-ranging changes to the Unemployment Insurance Fund and is likely to begin a campaign for UIF changes when these are framed.

Fosatu has compiled a booklet on the UIF which criticises it sharply and charges that employer and Government contributions to it are far too low. This, it says, means that the Government 'has allowed the UIF to run down to the point where it simply cannot cope with the demands made upon it'.

It says the booklet aims 'to start discussion that will lead to demands'. It adds that, 'at the very least', employers should pay more into the UIF than workers.

This move comes amid mounting criticism of the fund from unions and worker advice groups — and as an official inquiry into the UIF is expected to recommend important changes to it.

Framework

The inquiry was undertaken by a sub-committee of the Unemployment Insurance Board. It has completed its work and its report is expected to be released soon.

It is understood that the report recommends a new framework for the fund which would lead to major changes if the Government adopts it.

The Fosatu booklet, *UIF — A Battle For Benefits*, notes that the State's contribution to the UIF is now pegged to a maximum of R7 000 000 a year. This, it says, means the fund 'cannot fulfil the functions it was originally designed to perform'.

'Indeed, in terms of the needs which must be met in South Africa today, the fund is virtually bankrupt,' it alleges. The booklet charges that the Government has 'escaped its obligations to the UIF'.

The booklet also criticises the system which forces workers from 'independent homelands' to receive UIF benefits from separate funds in these areas.

Dropped

This means workers must return to these areas to claim their money. This, the booklet charges, 'is allowing people to starve unseen in the rural areas rather than perish visibly in the cities'.

The booklet also notes that the portion of money in the fund contributed by employers has dropped over the past 40 years. While employers originally paid in more than workers, they now contribute less.

It charges that employers have aimed 'to set (UIF) benefits so low that the unemployed would be forced to accept any work no matter how low the pay rather then depend on the UIF to stay alive'.

Africa. — Sapa

Cape Times 13/4/85

Joblessness doubles

UNEMPLOYMENT in all the major centres has doubled over the past year, said the Minister of Manpower, Mr Pietie du Plessis, yesterday in written reply to a question from Mr Jan van Zyl (CP Sunnyside).

The total number of unemployed people in these areas had leapt from 59 913 in January 1984 to 109 587 in February 1985. — Sapa

BRIEFING

RDM 13/4/85 13/4/85

Number of SA jobless has doubled in a year

UNEMPLOYMENT in all the major centres has doubled over the past year, figures released in Parliament yesterday by the Minister of Manpower, Mr Piet'ie du Plessis, have revealed.

335

The total number of unemployed people in these areas had leapt from 59 913 in January last year, to 109 587 in February this year.

In Johannesburg the number of registered unemployed for the period had grown from 14 184 to 30 899, in Cape Town from 4 614 to 10 976, in Durban from 18 903 to 32 364, in Pretoria from 5 344 to 9 613, and in Port Elizabeth from 8 859 to 14 182.

1 814 first class and 5 456 second class intercity journeys were undertaken a percentage of which fares were debited to the Government Ledger Account. These journeys amounted to 6,0 and 4,7 per cent respectively of the total number first and second class intercity journeys undertaken.

For December 1984, 918 and 4 867 such journeys were undertaken which amounted to 2,3 and 2,8 per cent respectively of the total number of first and second class intercity passenger journeys undertaken.

Information concerning train journeys undertaken by military personnel is not included as such information is classified.

During November and December 1984 train journeys were also undertaken by Parliamentarians and other VIP's the full costs of which were debited to the ledger accounts of the instances concerned. Particulars of the number and class of journeys undertaken are not readily available. However, during November and December 1984 amounts of R37 565 and R31 753 respectively were debited to such ledger accounts.

These amounts represent 0,8 and 0,5 per cent respectively of the total revenue derived from the conveyance of the first and second class intercity journeys for November and December 1984.

Hansard Q.61.1060
12/4/85

Unemployment Insurance Fund

768. Mr J J B VAN ZYL asked the Minister of Manpower:†

(1) What was the balance in the Unemployment Insurance Fund as at (a) 30 November 1983 and (b) 28 February 1985;

(2) what amount was (a) paid into the fund in contributions and (b) paid out of the Fund in benefits in respect of unemployed persons during the period 30 November 1983 to 28 February 1985?

The MINISTER OF MANPOWER:

(1) (a) R263 318 100.

(b) R242 179 675.

(2) (a) R208 168 692.

(b) Unemployment Benefits R139 122 065
Illness Benefits 46 067 510
Maternity Benefits R51 451 685
Payments to dependants of deceased contributors 18 443 132
Total R255 084 392

Note: The latest figures are unaudited.

Hansard Q.61.1059
12/4/85

Strikes

769. Mr J J B VAN ZYL asked the Minister of manpower:†

(1) Whether any strikes have occurred in the Republic since 3 November 1983; if so, (a) how many, (b) in what industries, (c) how many workers were involved in each strike and (d) how many man-hours were lost in respect of workers in each race group as a result of each strike;

(2) in respect of what date is the above-mentioned information furnished?

The MINISTER OF MANPOWER:

(1) Yes.

(a) 529 strikes (including work stoppages)

(b)

Sector	Number of strikes and work stoppages
Mining	27
Manufacturing	342
Electricity	2
Construction	14
Trade and accommodation services	110
Transport and communication	18
Public Authority and services	16
Total	529

(c) The figures in respect of each strike referred to under (1)(a) are not readily available and the furnishing thereof is consequently difficult practically, but the following braod information can, however, be given.

Between 1 and 99 employees were involved in 232 strikes.
Between 100 and 299 employees were involved in 168 strikes.
Between 300 and 499 employees were involved in 56 strikes.
Between 500 and 999 employees were involved in 46 strikes.
Between 1 000 and 1 999 employees were involved in 15 strikes.
More than 2 000 employees were involved in 12 strikes.

(d) Man-hours lost in respect of each strike referred to under (1)(a), is not readily available but the total number of man-hours lost in respect of the different race groups is as follows:

Whites	896
Coloureds	58 435
Asians	62 878
Members of the Black Population Groups	3 024 617

(2) The figures furnished are in respect of the period 1 November 1983 to 31 December 1984.

335 Hansard
Unemployed persons Q.61.1062 12/4/85

771. Mr J J B VAN ZYL asked the Minister of Manpower:†

How many (a) Whites, (b) Coloureds, (c) Indians and (d) Blacks were registered as unemployed in each inspectorate area in respect of each month from 1 January 1984 to 28 February 1985?

The MINISTER OF MANPOWER:

Figures as per schedule.

REGISTERED UNEMPLOYED PERSONS ACCORDING TO RACE AND INSPECTORATE JANUARY 1984—FEBRUARY 1985

Inspectorate	Jan. 1984	Feb. 1984	March 1984	April 1984	May 1984	June 1984	July 1984	Aug 1984	Sept. 1984	Oct. 1984	Nov. 1984	Dec. 1984	Jan. 1985	Feb 1985
Johannesburg:														
White	5 046	5 638	5 507	5 401	5 357	5 169	5 088	5 146	5 263	5 039	5 828	5 954	6 616	7 900
Coloured	2 256	2 472	2 277	2 408	2 380	2 296	2 500	2 536	2 569	2 939	3 287	3 009	3 299	3 851
Asian	384	416	432	418	466	448	467	503	528	566	650	616	631	701
Black	6498	12 731	10 701	10 160	10 240	9 793	9 334	9 894	9 651	10 343	10 963	7 831	9 346	18 387
TOTAL	14 184	21 257	18 917	18 387	18 443	17 706	17 400	18 079	18 011	18 887	20 728	17 410	19 892	30 899
Cape Town:														
White	1 453	1 722	1 836	1 790	1 805	1 656	1 551	1 566	1 699	1 883	2 075	2 213	2 426	3 109
Coloured	2 867	3 799	3 870	3 855	3 474	3 404	3 565	4 172	4 937	4 190	5 058	4 738	4 432	7 126
Asian	16	23	17	15	18	13	13	21	11	24	12	16	6	16
Black	278	420	476	366	358	391	461	424	424	497	440	360	396	725
TOTAL	4 614	5 964	6 199	6 026	5 655	5 464	5 590	6 183	7 071	6 594	7 585	7 327	7 260	10 976

Durban:														
White	2 336	2 825	2 979	2 652	2 786	3 050	3 211	3 198	3 373	3 162	3 390	3 230	3 491	4 051
Coloured	1 530	1 411	1 091	915	934	892	870	879	981	1 163	1 522	1 592	1 581	1 981
Asian	5 296	4 703	3 686	3 291	3 395	3 321	3 139	3 393	3 545	4 286	4 677	4 802	4 713	6 454
Black	9 741	18 906	11 879	11 681	11 674	9 398	9 353	10 554	11 130	11 532	11 447	7 797	9 133	19 878
TOTAL	18 903	27 845	19 635	18 539	18 789	16 661	16 573	18 024	19 029	20 143	21 036	17 421	18 918	32 364
Pretoria:														
White	1 034	1 100	1 194	1 220	1 295	1 280	1 042	929	1 014	1 070	1 016	1 032	1 252	1 779
Coloured	98	127	136	122	151	124	116	100	129	139	107	72	308	164
Asian	28	36	31	26	24	22	31	17	26	40	30	24	74	30
Black	4 184	4 122	4 412	4 234	4 142	3 938	4 410	4 788	4 768	4 722	4 361	4 326	5 784	7 640
TOTAL	5 344	5 385	5 773	5 602	5 612	5 364	5 599	5 834	5 937	5 971	5 514	5 454	7 418	9 613
Port Elizabeth:														
White	1 414	1 357	1 299	1 175	1 203	1 227	1 245	1 146	1 095	1 183	1 498	1 482	1 806	1 742
Coloured	2 704	3 148	3 140	2 609	2 949	2 620	2 461	2 612	2 990	3 233	3 844	3 763	4 325	4 581
Asian	31	35	46	46	46	39	32	26	34	43	44	47	41	48
Black	4 710	6 328	5 080	4 806	4 475	3 130	3 573	4 896	3 694	3 784	4 095	2 102	4 935	7 811
TOTAL	8 859	10 868	9 565	8 636	8 673	7 016	7 311	8 680	7 813	8 243	9 481	7 394	11 107	14 182
Bloemfontein:														
White	979	1 015	993	1 009	929	837	747	834	786	878	899	949	1 135	1 337
Coloured	439	457	448	406	383	396	341	366	418	462	432	402	560	653
Asian	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Black	1 244	2 014	1 814	1 538	1 409	1 321	1 479	1 553	1 505	1 669	1 617	1 346	1 703	1 781
TOTAL	2 662	3 486	3 255	2 953	2 721	2 554	2 567	2 753	2 709	3 009	2 948	2 697	3 398	3 771
East-London:														
White	655	588	542	496	429	475	506	511	485	574	506	389	412	491
Coloured	280	280	211	215	181	176	193	244	291	312	348	293	425	419
Asian	3	7	5	7	5	3	9	8	11	15	16	16	25	34
Black	1 782	1 922	1 317	1 062	965	1 235	1 787	1 664	2 061	1 892	1 910	1 256	1 932	3 622
TOTAL	2 720	2 797	2 075	1 780	1 580	1 889	2 495	2 427	2 848	2 793	2 780	1 954	2 794	4 566
Kimberley:														
White	262	373	365	274	246	212	216	205	218	200	208	218	249	243
Coloured	1 611	1 602	1 359	1 205	1 177	1 199	1 251	1 292	1 132	1 145	1 142	1 189	1 645	1 615
Asian	7	8	11	9	11	12	11	12	9	9	6	9	11	10
Black	258	393	326	328	346	386	344	336	307	363	436	316	354	599
TOTAL	2 138	2 376	2 061	1 816	1 780	1 809	1 822	1 845	1 666	1 717	1 792	1 732	2 259	2 467
George														
White	168	176	214	241	223	222	193	191	185	157	172	166	190	258
Coloured	318	245	220	168	201	201	213	205	276	261	254	249	451	476
Asian		—	—	—	—	—	—	—	—	—	—	—	—	—
Black	3	4	5	9	15	10	3	5	14	12	12	12	6	15
TOTAL	489	425	439	418	439	433	409	401	475	430	438	427	647	749
TOTAL	59 913	80 403	67 919	64 157	63 692	58 896	59 766	64 226	65 559	67 787	72 302	61 816	73 693	109 587

Own Affairs: Hansard Q. 61 1263 12/4/85

Social workers

65. Mr P G SOAL asked the Minister of Health Services and Welfare:

(a) How many social workers are employed by his Department and (b) where are they employed in each case?

The MINISTER OF HEALTH SERVICES AND WELFARE:

(a) 386.

(b)

Psychiatric hospitals	8
Eastern Cape region	28
Natal region	36
Northern Transvaal	41
Southern Transvaal	34
Johannesburg	44
Western Cape	55
Northern Cape	12
Orange Free State	22
Western Transvaal	23
Eastern Transvaal	25
Rehabilitation centres	26
Head Office	32
Vacancies	12

QUESTIONS UNDER NAME OF MEMBER

Andrew, Mr K M—

General Affairs:
Agricultural Economics, 352
Communications, 268, 270, 310, 312, 480
Co-operation, Development and Education, 8, 9, 10, 78, 79, 103, 122, 162, 163, 229, 230, 231, 235, 301, 302, 307, 308, 311, 364, 400, 421, 422, 455, 469, 472, 479, 525, 553, 570, 576, 626, 637, 645, 734, 753, 863, 866, 869, 930, 947, 948, 979, 980, 1007
Defence, 444
Environmental Affairs and Tourism, 478
Finance, 240, 451
Foreign Affairs, 695
Health and Welfare, 463
Home Affairs, 785
Justice, 160, 312, 319, 328, 363, 898, 986
Law and Order, 199, 207, 376
Manpower, 609
Mineral and Energy Affairs, 239
National Education, 237. 696
Public Works, 1042
State President, 610, 611
Trade and Industry, 648
Transport Affairs, 77, 263, 444, 732, 899
Water Affairs, 377
Own Affairs:
Agriculture and Water Supply, 464
Budget, 179, 288
Education and Culture, 240, 288, 382
Health Services and Welfare, 433, 465
Local Government, Housing and Works, 180, 183, 619

Bamford, Mr B R—
Public Works, 276

Barnard, Dr M S—
General Affairs:
Agricultural Economics, 352, 832
Constitutional Development and Planning, 218
Co-operation, Development and Education, 53, 150, 456, 461, 647, 823, 981
Finance, 403, 498
Health and Welfare, 82, 142, 147, 207, 237, 238, 239, 248, 263, 411, 460, 461, 462, 464, 473, 482, 483, 487, 488, 508, 587, 588, 810, 815, 816, 817, 821, 858, 917
Home Affairs, 697, 1026
Justice, 681
Law and Order, 318
Transport Affairs, 80, 410, 708
Own Affairs:
Education and Culture, 174, 454
Health Services and Welfare, 171, 333, 756, 763

Barnard, Mr S P—
Defence, 47
Finance, 15

Boraine, Dr A L—
Communications, 799
Co-operation, Development and Education, 7, 628
Health and Welfare, 451
Justice, 988
Law and Order, 29, 203, 256, 594, 893, 894
Manpower, 7, 8, 82, 86, 93, 99, 145, 204, 256, 378, 379, 381, 486, 603, 604, 605, 612, 615, 652, 701, 702, 706, 707, 810, 863, 933, 935
Mineral and Energy Affairs, 63
National Education, 145
Water Affairs, 791

Botha, Mr C J van R—
Public Works, 770

Burrows, Mr R M—
General Affairs:
Constitutional Development and Planning, 750

Unemployment insurance 'too low'

By STEVEN FRIEDMAN
Labour Correspondent

THE Federation of SA Trade Unions (Fosatu) has asked its members to draw up demands for wide-ranging changes to the Unemployment Insurance Fund — and is likely to begin a campaign for UIF changes when these are framed.

Fosatu has compiled a booklet on the UIF which criticises it sharply and charges that employer and Government contributions to it are too low. This, it says, means that the Government "has allowed the UIF to run down to the point where it simply cannot cope with the demands made upon it".

The booklet, "UIF — A Battle For Benefits", notes that the State's contribution to the UIF is now pegged to a maximum of R7-million a year. This, it says, means the fund "cannot fulfill the functions it was originally designed to perform".

It says the booklet aims "to start discussion that will lead to demands". It adds that "at the very least" employers should pay more into the UIF than workers.

335

Aid for jobless plan considered

NM 11/4/85

Municipal Reporter

THE call for an unemployment relief programme in Durban is being seriously considered by the city council.

The council's Management Committee has discussed the matter and will consider it again, the vice-chairman, Mr Don Smith, said.

Councillor Henry Klotz proposed the relief programme in a letter to the committee. He suggested the setting up of a fund with State contributions, so that unemployed people could give their labour in exchange for relief payments.

ARGUS 10/4/85

241 held in protest over dismissals

335

Argus Correspondent

PRETORIA. — Police arrested 241 people today as they picketed a crockery factory.

The arrests came at 6.30am when about 300 members of the South African Allied Workers' Union and former employees of Continental China picketed the company premises in Rosslyn.

A police spokesman said the 241 would appear in court to face charges of intimidation.

A Saawu spokesman said the former company workers were protesting about a labour dispute which left more than 500 employees jobless.

The dispute started late last year when 650 workers walked out over wage cuts. They were later dismissed.

219 S A firms sink in six weeks

Labour Reporter

IN THE first six weeks of this year, 219 companies were dissolved in South Africa, according to World Vision of Southern Africa which conducted a survey on unemployment in South Africa.

The Industrial Council for Iron, Steel Engineering and Metallurgical Industry recorded a drop of 122 000 in its membership through loss of jobs from November 1981 to May last year.

Commenting on the extent of the unemployment problem, the world body said government departments and university researchers in South Africa agreed that it had already reached serious proportions and would reach crisis point by the turn of the century.

'By far the worst-hit has been the motor industry. Since June last year, most of the major motor manufacturers have resorted to short-time, plant closure and retrenchments.

'In March 1982 the sector employed 50 282 people. A year later this figure had dropped to 46 681. By September 1984 there were 43 412 people in the industry.

'Furniture retailing has also been affected and a spokesman for the Furniture Traders' Association stated that 10 000 jobs were lost in a six-month period last year.

'Construction projects have also been hit. The postponement of Escom's Majuba power station alone will result in the loss of 10 000 jobs,' the World Vision report stated.

The report added that the Government's Economic Development Plan, 1977 to 1987 calculated the total number of people unemployed in 1977 as 903 000.

CAPE Times
16/4/85

335

Unemployment 'crisis' by 2000

Own Correspondent

DURBAN. — In the first six weeks of this year, 219 companies were dissolved in South Africa, according to the World Vision of Southern Africa which conducted a survey on unemployment in South Africa.

Commenting on the extent of the unemployment problem, the world body said that it had already reached serious proportions and would reach crisis point by the turn of the century.

"By far the worst hit has been the motor industry. Since June last year, most major motor manufacturers have resorted to short-time, plant closure and retrenchments," the World Vision report stated.

"In March, 1982, the sector employed 50 282 people. A year later this figure had dropped to 46 681. By September, 1984, there were 43 412 people in the industry.

Furniture retailing

"Furniture retailing has also been affected and a spokesman for the Furniture Traders' Association stated that 10 000 jobs were lost in a six-month period last year.

"Cutbacks in State spending have resulted in the shelving of massive construction projects. The postponement of Escom's Majuba power station alone will result in the loss of 10 000 jobs."

The report added that the government's Economic Development Plan, 1977 to 1987, calculated the total number of people unemployed in 1977 as 903 000.

Climb

"If the economic growth rate over the same period was 4,5 percent, this figure would climb to 1 649 000 by 1987. Should the growth rate total only 3,6 percent, the jobless total will reach 2 406 000 by 1987," the report said.

Under-educated black workers under 30 years old were the hardest hit by unemployment.

Two-thirds of them never studied beyond primary school, 21 percent had no education or had gone no higher than Standard 1 and 17 percent only reached Standard 2 or three.

Teenagers

Teenagers accounted for 18 percent of the jobless and 42 percent of the total were aged between 20 and 29.

The Cape Time's Pretoria correspondent reports that South Africa's critical unemployment problem will worsen in the 12 months ahead and beyond, according to economists.

They were reacting to a National Productivity Institute survey which claims that even without disinvestment the country's pool of workless blacks will grow to 2,4 million by 1987.

Six areas

And latest figures from the Central Statistical Service show the number of employed in six major areas of the economy — mining, manufacturing, construction, electricity, communications and transport — plunged by nearly 43 000 between October and December last year to 2 912 270.

The CSS gives the latest unemployment count among blacks as 580 000 or 8,6 per cent. However, this figure has been criticised by economists and trade union leaders as an unrealistic figure giving a distorted picture of the problem.

The official figure takes no account of unemployment in the homelands and classifies a worker as being in employment if he has worked more than five hours in the previous two weeks.

17/4/85

'Wait and see game irksome'

335

Workers unhappy with package

Post Reporter

FORD blue collar workers forced into early retirement next Friday expressed their unhappiness about their retirement package today.

More than 100 met to discuss their situation and to seek advice.

"How can Ford do this to us?" was a question many asked.

One man said Ford expected him to support himself and his wife on R76 a month. He was being paid out a lump sum of R4 901 by the company — for "15 years of unbroken service", he said.

"I just don't know how I can support my family on R76 a month. That amount of money will not even cover food, let alone rent, clothes and electricity."

Another, aged 58, said not a single person to go into early retirement was happy with the package deal Ford was presenting.

"After serving Ford so loyally for all these years they can turn round and kick us in the teeth!" he said.

Another man — who also did not want to be named — said: "Ford have let us down. We are not being paid out what we were led to believe."

No one could be reached for comment from Ford after the meeting.

By CATHY SCHNELL

SEVERAL Ford employees at the Neave plant in Port Elizabeth are unhappy about the "wait and see game" they are being forced to play and a number have resigned.

Most employees have not yet been told whether they are to be moved to Pretoria or retrenched.

About 2 000 employees stand to lose their jobs when the Neave plant closes.

A Ford worker, who did not want to be named, said: "We would just like to know where we stand. If my job is to go at the end of the year I want to know now so I can start looking around for work.

"People have been resigning here and Ford just doesn't seem to care. It makes you wonder what will happen here eventually."

Only a few men already moving to Pretoria were sure about their jobs, he said.

Mr Bob Kernohan, the company's public affairs manager, said there had been more resignations at managerial level than usual since the announcement of the merger.

"This is only natural. Some people just don't want to leave Port Elizabeth and the sea to go and live in Pretoria — at any cost."

Commenting on the number of resignations of key men, Mr Kernohan said: "We accept that frequent resignations at management level are a part of the motor industry.

"Ford is widely regarded as being the best training ground in the motor industry. We have a principle of successive management, where two or three people are groomed to step into the manager's shoes."

Mr Kernohan said rationalisation within an operation of Ford's size — involving millions of rands invested in Port Elizabeth — could not be finalised overnight.

"Therefore nothing definite is known. People have not been told whether they are going to Pretoria or losing their jobs. At present it is not even final which departments will be moving.

"As soon as we know definitely we will tell the people," he said.

He dismissed the widely held view the Neave plant would be closing at the end of the year as "pure speculation".

"It depends on what gets finalised and how soon it gets done. The Neave plant could move out at the end of the year — or in 1987 for that matter. We just don't know yet," he said.

He also dismissed suggestions that people were not being helped with moving arrangements to Pretoria as "nonsense".

There were moves afoot to make the Ford plant retained in Port Elizabeth more productive. The possibility of diversifying and manufacturing mining equipment could not be overlooked, he said.

S A shoe industry faces further retrenchment

335

Finance Reporter NM 17/4/85

BESIEGUERED by inexpensive imports and slow collection of debts the South African shoe industry could be hit by further retrenchment if there is no improvement soon, according to the March edition of *KreditReview*.

A number of factories are already working short term and the situation could be further aggravated by a fall off in winter orders, that are already below expectation.

The journal says although the value of overdue accounts at 20,7 percent is moderately up on previous years the number of debtors unable to meet their commitments has risen to 50,1 percent in the last two months of 1984.

'Until this amazing escalation, the industry appeared to be holding up reasonably well, with an approximate overdue average of 27 percent.

According to the journal, a large portion of the escalation is due to 'refer to drawer' cheques and extensions on post-dated cheques.

KreditReview notes that 'refer to drawer' cheques in the industry may have grown by over 100 percent in the past six months.

The textile industry has also witnessed a substantial deterioration in debtors, with value of overdue accounts rising to R20,372m — 11,7 percent higher than last year.

The number of overdue debtors at 46,8 percent is 12,9 percent higher than last year.

The journal says woven manufacturers are being castigated by the clothing industry for unreliable deliveries but the industry 'which was forced to retrench about 13 000 employees, while the clothing industry made its purchases overseas.'

It points out that the rand-slide has aggravated the situation by changing the actual cost of imports.

PRESS STATEMENTS

Pinetown's largest employer in the chemical industry, NCS Plastics (Pty) Ltd, is proposing todecimate its workforce by retrenching 212 of the 270 workers. NCS are shutting down the packaging division and running away to the cheap labour of Gazankulu.

It must surely be nonsensical for a country to follow a decentralisation policy where the taxpayer faces a double burden. Firstly the taxpayer is financing the luxurious incentives offered to industries which relocate (R500 million for 1985) and secondly the cost of providing new infrastructure and housing in the new decentralisation area.

At the same time the urban areas with established infrastructure and settled communities like Pinetown have their jobs ripped out of them leaving only the black scars of unsolveable-unemployment.

At the end of the day the taxpayer (the majority of whom are disenfranchised workers) are left with exactly the same number of jobs only paying much lower wages – and a correspondingly eroded national tax base. (Apartheid laws make it impossible for workers to follow their jobs).

The only ones who benefit are profiteers like NCS Plastics who exploit the apartheid system and who are not prepared to face their social responsibilities.

NCS must now be marked as one of apartheid backers and a full supporter of the Bantustanisation of our country.

Chemical Workers Industrial Union
18 April 1985

Engineering workers put on short time

By ANDRE JORDAAN
Business Editor

EAST LONDON — The countrywide recession in the engineering industry has made itself felt in East London with Dorbyl Engineering putting 94 workers on a four-day week from next week.

The area manager for Dorbyl East Cape, Mr Norman Baxter, said yesterday the short-time, which follows the retrenchment of about 30 workers in February, was the result of an acute shortage of structural work.

He said the situation had been exacerbated by a structural worldwide slump in the shipping industry and the fact that East London harbour had been without a dry-dock gate for more than a year. The gate was wrecked on the Cape coast while under tow from Cape Town where its wooden seal had been repaired.

Mr Baxter said it was a "paradox" that, while there had been considerable development in Ciskei, there had been such a lack of work elsewhere in the country.

3 000 out of work in fishing industry

Staff Reporter

AN estimated 3 000 people in the fishing industry are out of work following suspension of catches of all pelagic fish yesterday.

The suspension was announced on Wednesday by the chief director, marine-development branch of the Department of Environment Affairs, Dr J Serfontein.

The decision follows a meeting between the Minister of Environment Affairs, Mr John Wiley, leaders of the pelagic industry and senior officials of his department.

A number of fishermen who telephoned the Cape Times said they were surprised at the move and were now out of work.

They said factories from St Helena Bay right along the coast to Gansbaai had been affected. The factories had closed and no boats were being allowed to go to sea.

Dr Serfontein said the reason for the suspension on catches of pilchards and anchovies was because large-scale dumping of pelagic fish had been taking place.

"Pilchard reserves are in a very bad state, therefore quotas of 10 000 tons by catch and 15 000 tons by direct catch was allowed this year as against 275 000 tons of anchovy. This means that pilchards can only make up a very small percentage of a mixed catch.

"At the moment there's quite a concentration of mixed plichard and anchovy schools near the coast, and fishermen are dumping mixed catches which will put them over their quota."

Dr Serfontein said the schools tended to separate later in the season.

"There are major quantities of lantern fish and redeye, which are non-quota fish, further out to sea and those can be caught instead."

A meeting would be held on April 22 between officers of his branch, pelagic factory managers and representatives of private boat and skippers associations.

He appealed to fishermen to co-operate.

212 affected by closure

NM 19/4/85 335

Labour Reporter

ABOUT 212 employees at a Pinetown plastics factory, NCS Plastics (Pty) Ltd, would be affected by the proposed closure of a packaging division, a spokesman for the Chemical Workers' Industrial Union said yesterday.

The union added the company, which was the largest employer in the chemical industry in Pinetown, was planning to reduce its present workforce of 270 by more than 90 percent. The company intended moving to Gazankulu where labour was 'cheap'.

Fishing ban hits 3 000 employees

CAPE TOWN. — An estimated 3 000 fishing industry employees are out of work following the suspension of catches of all pelagic fish.

The suspension was announced on Wednesday by the chief director, marine-development branch, of the Department of Environment Affairs, Dr J Serfontein.

The decision followed a meeting between the Minister of Environment Affairs, Mr John Wiley, senior officials of his department and leaders of the pelagic industry.

Fishermen said factories from St Helena Bay to Gansbaai had closed and no boats were being allowed to go to sea.

Reagan's nazi visit linked to S A policy

NM 22/4/85 337

Simon Barber

WASHINGTON— President Reagan's decision to visit a nazi war cemetery at Bitburg, West Germany, and his policy towards South Africa were linked, the Rev Jesse Jackson told 26 000 cheering demonstrators gathered in Washington at the weekend to protest against Administration policies.

Dubbed 'Four Days in April', the mass demonstration was expected to culminate in arrests outside the White House today. It brought together activists from around the country to denounce Mr Reagan on a pot-pourri of issues. South Africa, Central America, nuclear weapons and jobs featured heavily.

Outrage

The only kind words for the President came from 50 fundamentalist Christians who gathered outside the South African Embassy on Saturday to applaud 'constructive engagement' and show solidarity with Pretoria.

Speaking from the steps on the Capitol, Mr Jackson said: 'Honouring the fascists in Bitburg and embracing the fascists in Johannesburg should outrage us, but not surprise us.

'The same ethical standards that applied to Hitler's Germany must apply to Botha's South Africa.'

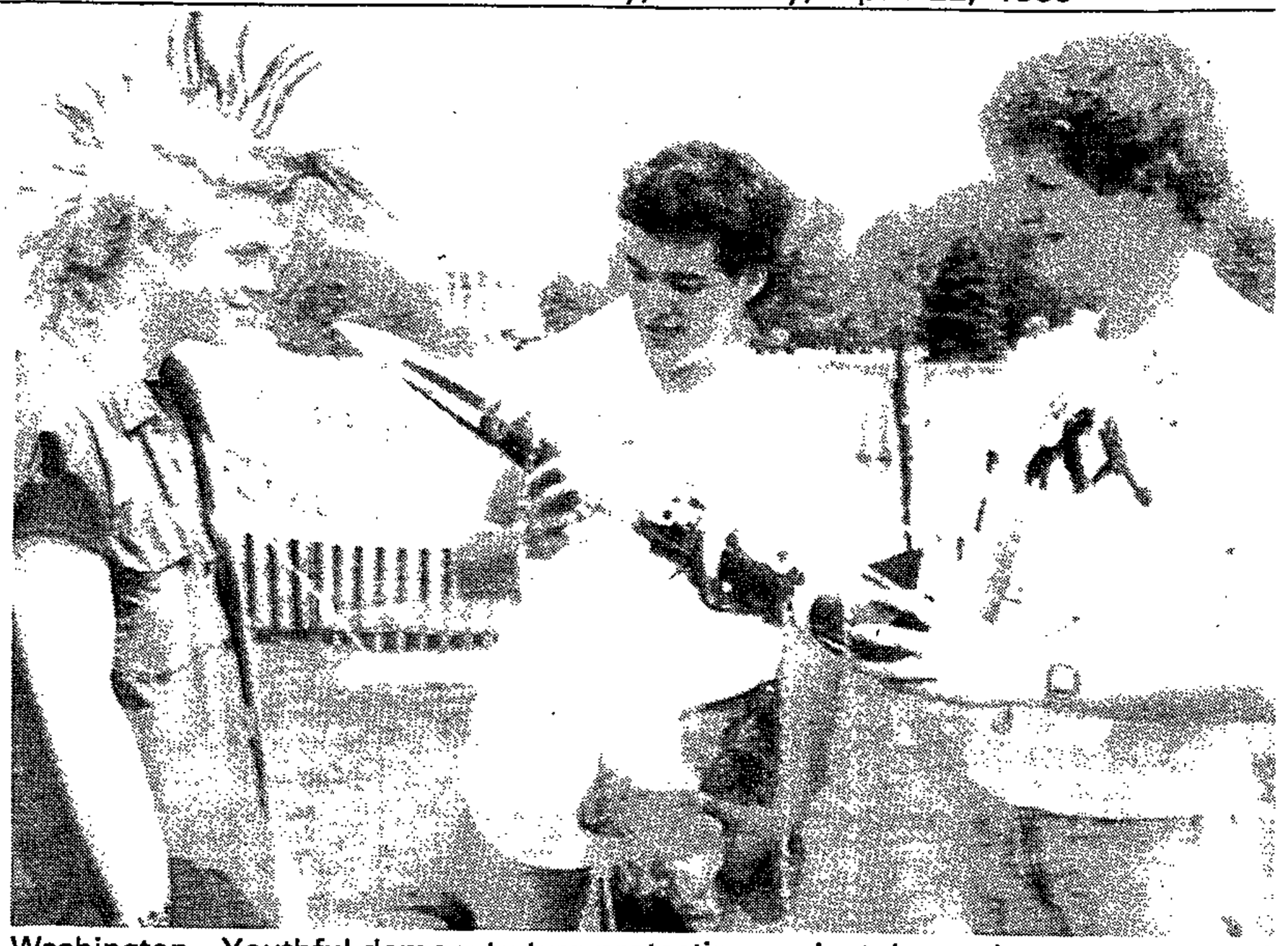
A lone heckler cried out: 'Go back to Russia.'

Sweltering in unseasonable 35 C heat, the crowd was festive. It was almost as if the usual influx of tourists had picked up placards and decided to make a change from the traditional round of museums and monuments.

A similar rally, drawing some 50 000 people, was being held in San Francisco.

The U S National Park Service has given permission for protesters to gather on Pennsylvania Avenue outside the White House today. A sit-in, leading to arrests, has been co-ordinated with the authorities.

On Friday concern that the out-of-towners might ignore the ground rules for the daily demonstration outside the S A Embassy and try to rush the building forced Free South Africa Movement organisers to move up their schedule and get the habitual arrests over with early.



Washington—Youthful demonstrators protesting against the nuclear arms race wait behind the White House for the beginning of the march to the Capitol and rally organised by the April Actions Coalition. Domestic budget cuts, apartheid in South Africa and U S involvement in Central America were other issues being protested against. — (Reuters)

Millions go to E Cape

Ormande Pollok
Political Correspondent

CAPE TOWN—Millions of rands are to be pumped into the strife-torn Eastern Cape to alleviate rising unemployment in the area, President Botha announced.

Speaking in the House of Representatives, he said two development schemes in the Orange River Project were to be updated and that, as far as possible, labour-intensive methods would be used to create the maximum number of jobs possible in the Eastern Cape.

Mr Botha said an extra R6 500 000 had been made available to the Department of Water Affairs which meant that, apart from the R94 million which had been provided for the Amatola regional scheme, work could start earlier than planned on the Lower Fish and Lower Sundays schemes.

'The up-dating of these two schemes will mean that the average R31,4 million which was to be spent on ORP developments annually for the next 10 years will have to be increased substantially,' said Mr Botha.

He appreciated, however, that this would not solve the unemployment problem in the short-term.

Much had already been done though to create jobs in the area.

As many as 50 000 people had found work as a result and R100 million had been voted in the last Budget to alleviate unemployment in the short-term.

River plan

NM 23/4/85

THE Government will spend an average of R31,4 million a year on the Orange River Development Scheme over the next 10 years, President Botha announced yesterday.

335

He said the State had spent R500 million on the project since the start of the scheme in the 1960s.

Because unemployment had increased in the Eastern Cape, preference would be given to the parts of the scheme which fell in that area. — (Sapa)

Strike rate

Parliamentary Correspondent

NM 23/4/85

THE strike rate in South Africa compared very favourably with other Western countries, the Department of Manpower said yesterday.

Although the 469 strikes involving 181 942 workers last year was higher than 1983 when 64 469 workers were involved in 336 strikes, this compared 'very favourably' with Western countries in terms of the number of work days lost.

5 000 lost jobs

By JOSHUA RABOROKO

THE South African Boilermakers' Society has lost approximately 5 000 members in the past few months because of retrenchments caused by the recession, delegates were told yesterday.

Delivering his presidential address at the triennial meeting of the society in Johannesburg, Mr G Ahrends said these members were effectively declared "bankrupt" and deprived of their only means of making a living.

He said what remained pathetic was the fact that they might not be replaced because "we know that there are fewer jobs available than was the case in 1983 and 1984."

The union has begun the 1985 round of negotiations for better wages and working conditions in all industries in which they were involved, and they have been told to accept wage cuts because employers could not afford to pay higher wages without retrenching some of the workforce.

He blamed the Government for the increase in the price of petrol, sales tax and inflation which came as "a bitter shock to all", and perhaps most of all those in the lowest pay categories.

Referring to strikes, he said the society believed that, while the right of strikes remained as undefined and uncertain as it was at present, the mass of workers will not believe that the true freedom of association and full trade union rights existed in South Africa.

He added: "We still maintain that those unions which regard the present system of registration as some sort of protection for them, are at fault. In the same way, employers who seek safety behind the present system may sooner or later find out that it provides no protection from trade union action."

Dealing with political issues, he said they did their best to convince the Government that the Orderly Movement and Settlement of Black Persons Bills should be withdrawn.

"We spent a lot of time on this because we were convinced that the provisions in the Bill were not in the interests of the workers. We based our objections on those aspects which, as a trade union, we are best qualified to speak on," he said.

"It is obvious that all aspects of the political and social life, not even to mention the economy, of our country intimately affects our society and its members."

200 out of work as clothing plant closes

Labour Reporter

ALL money owed to the 300 workers who lost their jobs when a major clothing factory in recession-hit Atlantis closed down will be paid, according to spokesmen for the company, the union and the Industrial Council for the clothing industry.

And the clothing industry has suffered another blow with the closure of a Lansdowne clothing plant employing 200 workers. A spokesman for Topstitch Clothing said the factory closed about two weeks ago.

Workers at the Atlantis factory were dismayed when they found that money deducted from their wages for savings and rent had not been paid into their banks or to the Divisional Council's rent office.

But a company spokesman said today that about 80 workers who had had savings deducted would be paid today. Mr Louis Peterson, general secretary of the Garment Workers Union, said arrangements had been made for the rent to be paid.

Representatives of the company, the Industrial Council and the union were today expected to meet the workers who lost their jobs on Friday when Laurence Manufacturers went into liquidation.

According to an Industrial Council spokesman, holiday pay which had been deducted from their wages would be paid soon after final liquidation.

R6,5 m for E Cape to boost job drive

D. Rajinder

CAPE TOWN — Millions of rands are to be pumped into the Eastern Cape to alleviate rising unemployment in the area, the State President, Mr P. W. Botha announced yesterday.

Speaking in the House of Representatives, he said that two development schemes in the Orange River Project (ORP) were to be updated and that, as far as possible, labour intensive methods would be used to create the maximum number of jobs possible in the Eastern Cape.

Mr Botha said that an extra R6,5 million had been made available to the Department of Water Affairs, which meant that apart from the R94 million which had been provided for the Amatola regional scheme, work could start earlier than planned on the Lower Fish and Lower Sundays schemes.

"The up-dating of these two schemes will mean that the average R31,4 million which was to be spent on ORP developments annually for the next 10 years will have to be increased substantially," said Mr Botha.

He appreciated, however, that this would not solve the unemployment problem in the short-term.

Much had already been done to create jobs in the area, though.

As many as 50 000 people had found work as a result and, he pointed out, R100 million had been voted in the last budget to alleviate unemployment in the short-term.

Apart from this, a special committee to investigate a speeded-up programme of regional development in the Eastern Cape had found that various authorities and agencies had set up new projects or were about to do so.

"The impact on unemployment, particularly during the construction phase, could be considerable, particularly if it is done on a co-ordinated basis," he said. — PS.

Reaction page 2.

Atlantis jobless in 'crisis'

Cape Times 23/6/85 335

Labour Reporter

ATLANTIS was in a "crisis situation" which seemed set to worsen further unless steps were taken to halt the current economic decline, the chairman of the Atlantis Residents' Association, Mr Noel Williams, said last night.

His warning came after the closure of a large Atlantis clothing firm — Laurence Fashions — last week which has left almost 300 more workers jobless in the already hard-hit "decentralization point" for coloured people.

Mr Williams said 1 179 workers had already lost their jobs from January to March this year.

"The situation in the community is really bad and getting worse all the time," he said. "More and more people are cooking outside on fires because their electricity has been cut off, and some children are really starving."

He said increasing numbers of people could not afford to pay rent and although rentals of retrenched workers were being reduced on application, the threat of eviction remained.

"The State must bear the responsibility of what is happening here. We demand that the State and the Divisional Council sit down with representatives of the community to discuss the situation," he said.

Divco spokesmen dealing with Atlantis were not available for comment yesterday.

Meanwhile, Laurence Fashions workers were continuing their battle for full severance benefits yesterday after being laid off with no pay on Friday morning.

Ms Zubeida Jaffer, the Clothing Workers' Union's general secretary, yesterday said representatives of the company and the Industrial Council for the Clothing Industry in the Cape had agreed to meet the workers in Atlantis today.

Workers are demanding notice and holiday pay, and their final week's wages from the industrial council.

They were also demanding savings deducted from their wages which they claimed had not been paid into their accounts, as well as the payment of rentals which had also been deducted from their pay.

A company spokesman yesterday said the decision not to pay out the workers had been taken by the liquidators.

He confirmed he would meet the workforce today and added that savings and rent would "definitely" be paid out to them.

An Industrial Council spokesman the Garment Workers' Union had paid workers their last week's pay on Friday and would be reimbursed by the council. Notice and holiday pay would also be paid.

Multi-million rand boost outlined by PW

Big job plan for E Cape

Political Correspondent

CAPE TOWN. MILLIONS of rands are to be pumped into the strife-torn Eastern Cape to alleviate rising unemployment in the area, the State President, Mr P W Botha, announced yesterday.

Speaking in the House of Representatives he said that two development schemes in the Orange River Project were to be updated and that as far as possible labour-intensive methods would be used to create the maximum number of jobs possible in the Eastern Cape.

Because unemployment had increased in the Eastern Cape, preference would be given to the parts of the scheme which fell in that area.

Mr Botha said that an extra R6 500 000 had been made available to the Department of Water Affairs, which meant that apart from the R94-million which had been provided for the Amatola regional scheme, work could start earlier than planned on the Lower Fish and Lower Sundays schemes.

"The updating of these two schemes will mean that the average R31 400 000 which was to be spent on ORP developments annually for the next 10 years will have to be increased substantially," said Mr Botha.

He appreciated, however, that this would not solve the unemployment problem in the short term.

Much had already been done to create jobs in the area, he said.

As many as 50 000 people had found work as a result. A significant number of these had been employed in Transkei and Ciskei.

And, he pointed out, R100-million had been voted in the last Budget to alleviate unemployment in the short term.

The money would be used for the continuation of work creation programmes while in-service training and the promotion of self-building schemes would also be considered.

Apart from this, a special committee to investigate a speeded-up programme of regional development in the Eastern Cape had found that various authorities and agencies had set up new projects or were about to do so.

"The impact on unemployment, particularly during the construction phase, could be considerable, particularly if it is done on a co-ordinated basis," he said.

ROM 24/4/85

Union with 4 000 jobless calls for halt in needless furniture imports

335

CAPE TOWN. — The National Union of Furniture and Allied Workers of South Africa has called for a halt to all unnecessary imports of furniture.

The union has 4 000 unemployed members.

In the first nine months of last year R36-million worth of furniture was brought into the country.

The union believes there will be an even greater volume of imports this year in spite of the low value of the rand.

"At the present some 4 000 of our members are unemployed and, if the volume of imports is translated into local production, it could provide employment for at least 1 500 of our members in about 70 small factories," the union said.

Mr S Redelinghuys, executive director of the Furniture Traders' Association, said his organisation sympathised with those out of work and fully understood the plight of unemployed union members.

The redundancy figure in the retail sector of the furniture industry now topped 10 700.

However, the percentage of furniture being imported was infinitesimal compared to the R2,6-billion annual turnover in the trade.

Mr Redelinghuys said he doubted that any "dumping" of household furniture had taken place as this practice had largely been confined to appliances.

The union has complained that furniture may be imported free of permits at a time when the industry is suffering the effects of the recession.

Mr Redelinghuys said his organisation would discourage any curbs on the free enterprise system such as import permits.

The union said it was confronted daily by unemployed members who were losing their homes, having their household goods repossessed and were facing starvation due to the "irresponsible attitude of the local business community".

"We are not prepared to let this matter rest and we appeal to the Government to stop all unnecessary imports of furniture by all the means at their disposal," the union said.

Factory under judicial control

EAST LONDON — The Altshuler garments factory at Wilsonia here has been placed under judicial management after its two directors were arrested in connection with bribery allegations, their attorney, Mr D. Maree, confirmed yesterday.

The two men, Mr Alan Altshuler and Mr Brian Laden, appeared briefly in the regional court here on April 18.

No charges were put to them, and they were not asked to plead.

They were released on bail of R5 000 each, on condition that they hand in their passports, report daily to the Fleet Street police station, do not enter the premises of A. Altshuler and Co or any warehouse without being accompanied by a customs official or a police officer and do not interfere with state witnesses.

Mrs Muriel Nama, the organiser of the Garment Workers' Union, said workers at the factory had been told by the management to stay at home from Friday until today.

She said more than 300 employees were affected.

Mrs Nama said according to the agreement with the company, the workers were entitled to their full pay since they did not initiate the stay-away.

Up to yesterday, the union had not been informed of the latest developments concerning employees, she said.

The layoff could be temporary until the company had sorted out its problems, Mrs Nama said.— DDR

Official statistics 'meaningless'

Shortage of jobs a growing problem

335
24/4/85
5 few

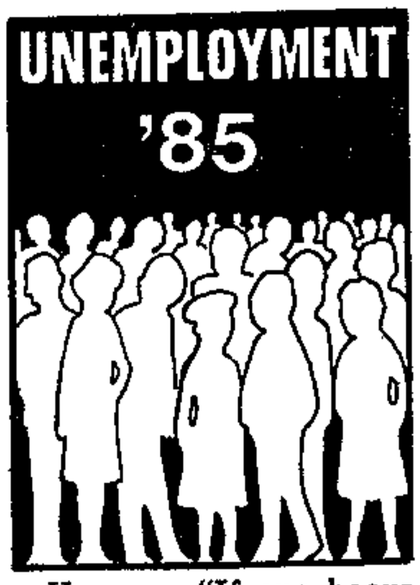
By Sheryl Raine

Official statistics on black unemployment are so inaccurate as to be completely meaningless, says Mr Andre Malherbe, labour adviser to the Johannesburg Chamber of Commerce.

He writes in the Chamber *Bulletin* that there are more unemployed black workers in South Africa at present than ever before and the problem is one of ever-increasing proportions.

He says: "It is doubtful in the extreme whether South Africa has the capacity to create the number of jobs that are necessary to absorb the annual influx of school leavers, let alone provide employment for current work seekers."

Between now and the year 2000, writes Mr Malherbe, South Africa will have to create new job opportunities for between 20 000 and 30 000 people each year.



He says: "If one bears in mind that the work seekers who will be coming on to the market during that period have already been born, the suggestion that unemployment could be reduced by population control becomes completely impractical."

Mr Malherbe adds that South Africa either has to find ways and means of creating additional employment or has to face the prospect of escalating socialism in unemployment benefits for a generation which has no prospect of ever earning a living.

Mr Malherbe says a simple but unpopular solution would be for people to accept a lower wage for a shorter working day to enable businessmen to offer employment to the unemployed.

He proposes a solution which he believes is worthy at least of full investigation.

It is that the working day be shortened and trading hours lengthened to enable businesses to employ more people without any reduction in wage levels of existing employees.

Such a move, says Mr Malherbe, could have other positive effects such as better use of commuter transport for double-shift working days, fuller use of business equipment and a boom for the entertainment industry as workers would have more leisure time.

11

Some of the unemployed members of the Garment Workers' Industrial Union present their unemployment cards to a union official in Bolton Hall yesterday to qualify for assistance from the union.

Garment union to help jobless

Labour Reporter

A 'HELP U Fund' started by the Garment Workers' Industrial Union to provide relief for its unemployed members is drying up and the union is planning to embark on a further fund-raising drive to counter the effects of unemployment in the garment industry.

Disclosing plans for a new fund yesterday, Mr Frankie Hansa, general secretary of the union, said the previous fund had paid out R123 000 to its members since it had been started in January last year.

The union, an affiliate of the Trade Union Council of South Africa, hopes to raise more than R200 000 in the next six months.

'We hope to achieve this target by getting workers to contribute 20 c each a week.

With a membership of about 45 000 workers in the garment industry in the Durban area a weekly contribution of 20 c a worker would bring in an average of R9 000 a week. Over a six month period the fund will have more than R200 000, he said.

He said at present union members who were employed as qualified machinists received 25 percent of their weekly pay which was about R16,37 a week while unqualified staff — cleaners and service hands — received R13,37 a week.

About 150 unemployed union members were currently receiving aid from the union.

'We will continue to provide assistance for a period of three months in which time we will do everything in our power to find them suitable employment,' he said.

The unemployed also qualify for aid from the Department of Manpower's Unemployment Insurance Fund

Union calls for halt to furniture imports

NM 25/4/85 60 135 186 335

CAPE TOWN— The National Union of Furniture and Allied Workers of S A, with 4 000 of its members unemployed owing to the economic recession, has called for a halt to all unnecessary imports of furniture.

The union says it is deeply concerned at the amount of furniture being imported into South Africa. In the first nine months of last year R36-million worth of furniture was brought into the country.

The union believes even greater volumes of imports will be dumped on the South African market this year in spite of the low value of the rand.

'At the present time some 4 000 of our members are unemployed and, if the volume of imports is translated into local production, it could provide employment for at least 1 500 of our members in about 70 small factories,' the union said.

Mr S Redelinghuys, executive director of the Furniture Traders' Association, said his organisation sympathised with employees who were out of work and fully understood the plight of unemployed union members. The unemployment figure for people who had been made redundant in the retail sector of the furniture industry now topped 10 700. — (Sapa).

Shoe company retrenches workers

Labour Reporter

ABOUT 80 workers at the S A Bata Shoe Company Ltd have been retrenched in the past week.

Mr Terence Deven, branch secretary of the National Leather Workers' Union, confirmed yesterday that some workers had been retrenched, but he declined to divulge any further information.

'It is union policy not to disclose such information to the Press,' he added.

Comment

Mr D A Bell, industrial relations and personnel manager of the company, also declined to comment when approached by the Mercury yesterday after he attended an Industrial Council meeting in Durban with union representatives.

The company's managing director, Mr S Finlayson, could not be reached for comment.

A spokesman for the National Industrial Council of the Leather Industry of South Africa said it was up to individual companies to decide on policy matters regarding staffing requirements.

However, the Industrial Council agreement provided for one week's notice of termination of employment and the council was therefore not directly concerned with retrenchments as such, he added.

Retrenched journalists to launch independent paper

(335 N Mercury 25/4/85)

Mercury Correspondent

JOHANNESBURG—A group of journalists from the Rand Daily Mail and the Sunday Express are launching an independent weekly paper after the closure of the Mail.

Called the Weekly Mail, it will be aimed at former Mail and Express readers.

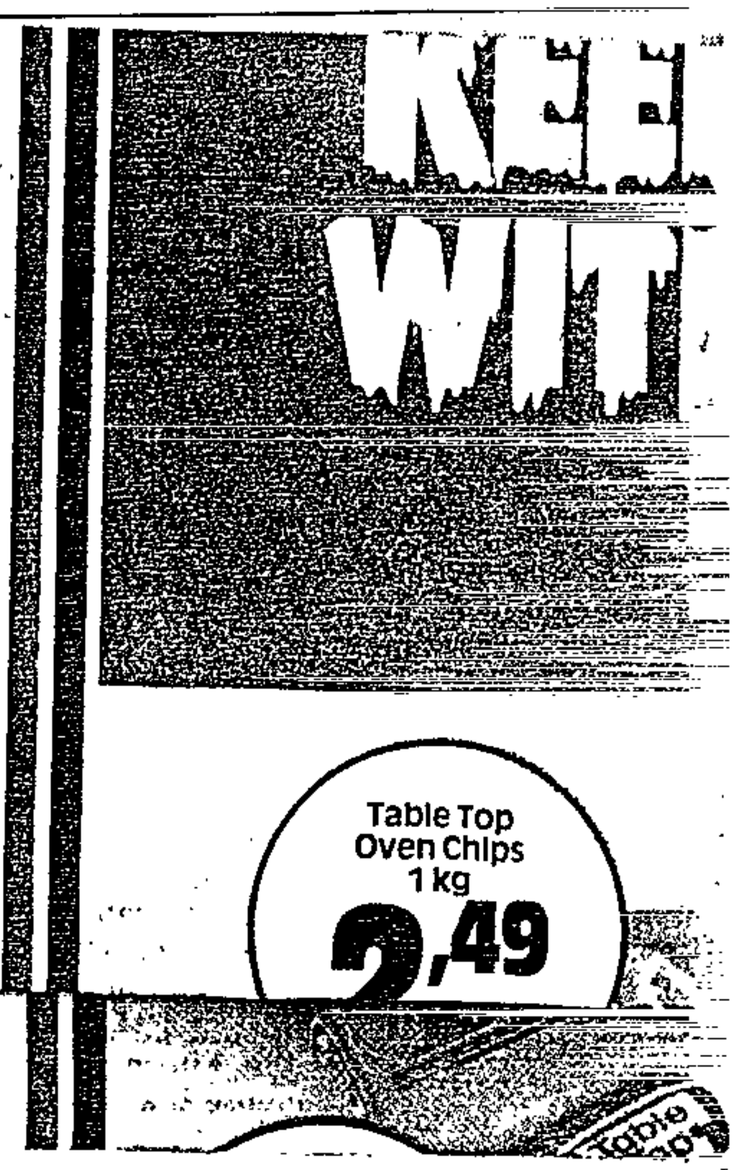
A feature of the new venture is that subscribers will be invited to elect representatives to liaise with the editors on policy.

A spokesman for the group, Mr Anton Harber, said: 'Hundreds of people have expressed dismay over the closures of the Mail and the Express and their hope that something would be done about it.

'That is why we are launching a new publication. We believe that if there is strong public support for such a venture, we have the makings of a good and valuable journal,' he said.

According to a brochure produced by the group, the weekly will provide a wide range of topical features dealing with local, southern African and international affairs.

Weekly Mail is being financed partly by journalists and partly by the sale of shares.



WHAT a marvellously var-

TELEVISION

FOUR The new T-Cars

whom — proved stimulating and showed just how

SA unemployment problem worsening say the surveys

Post Correspondent

DURBAN — In the first six weeks of this year, 219 companies were dissolved in South Africa, according to World Vision of Southern Africa, which conducted a survey on unemployment in South Africa.

Commenting on the extent of the unemployment problem, the organisation said that it had already reached serious proportions and would reach crisis point by the turn of the century.

"By far the worst hit has been the motor industry. Since June last year, most major motor manufacturers have resorted to short-time, plant closure and retrenchments," the report stated.

"In March, 1982, the sector employed 50 282 people. A year later this figure had dropped to 46 681. By September, 1984, there were 43 412 people in the industry.

"Furniture retailing has also been affected and a spokesman for the Furniture Traders' Association stated that 10 000 jobs were lost in a six-month period last year.

"Cutbacks in State spending have resulted in the shelving of massive construction projects. The postponement of Escom's Majuba power station alone will result in the loss of 10 000 jobs."

The report added that the Government's economic development plan, 1977 to '87, calculated the total number of people unemployed in 1977 as 903 000.

"If the economic growth rate over the same period was 4,5%, this figure would climb to 1 649 000 by 1987. Should the growth rate total only 3,6%, the jobless total will reach 2 406 000 by 1987," the report said.

Under-educated black workers under 30 years old were the hardest hit by unemployment.

Two-thirds of them did not studied beyond primary school, 21% had no education or had gone no higher than Std 1 and 17% reached only Std 2 or 3.

Teenagers accounted for 18% of the jobless and 42% of the total were aged between 20 and 29.

Pretoria economists also believe South Africa's unemployment problem will worsen in the next 12 months.

A National Productivity Institute survey claims that even without disinvestment the country's pool of workless blacks will grow to 2,4 million by 1987 — virtually the same figure as that given in the World Vision report.

And latest figures from the Central Statistical Service show the number of people employed in six major areas of the economy — mining, manufacturing, construction, electricity, communications and transport — plunged by nearly 43 000 between October and December last year to 2 912 270.

The CSS gives the latest unemployment count among blacks as 580 000 or 8,6%. However, this figure has been criticised

The official figure takes no account of unemployment in the homelands and classifies a worker as being in employment if he has worked more than five hours in the previous two weeks.

Official: jobless figures misleading

QUEENSTOWN — Unemployment figures for whites and coloureds in Queenstown did not give a true reflection, a Department of Manpower spokesman, Mrs A. D. Bosch, said.

She said many unemployed people did not register, or registered with other organisations.

Unemployment among white males increased by 33 per cent from the first quarter last year to the first quarter this year.

Mrs Bosch said this percentage could be misleading as the monthly average in the first quarter last year was 13 compared with 16 this year. She said most of the men were over 50 and included pensioners. Their average educational standard was Std 8.

Unemployment among white females had increased by 43 per cent during the same period. Mrs Bosch ascribed that to the wives of many new residents.

She said the women were all between 21 and 50 and their education standard between Std 8 and 10.

Unemployment among coloured men declined by 30 per cent during the same period. The monthly average of 42 in the first quarter last year had fallen to 32 now. Mrs Bosch said the average educational standard was around Std 7 and the age group 21 to 50 with most men under 35.

Among coloured females, unemployment rose by 10 per cent from the monthly average of 23 during the first quarter last year to 25 this year. Most of the women had an educational standard between Std 7 and 8.

A spokesman for the East Cape Development Board in Port Elizabeth, Mr J. Mathee, said it was not necessary for unemployed black people to register any more.

Existing figures only indicated how many people received unemployment benefits and therefore excluded all those people who never paid unemployment insurance, he said.

Present figures indicate that 177 black men and 41 black women receive unemployment benefits in Queenstown.

The regional inspector for the Department of Manpower in East London, Mr M. A. du Preez, said no figures existed to indicate how many black people were unemployed.

He said any attempt would only result in guesswork.

The Queenstown Town Hall with its distinctive clock tower next to the town's post office.

15 workers fired in Pta

335
Sowetan
26/4/85

ABOUT 15 workers at a tool manufacturing company in Pretoria yesterday claimed they had been fired by their boss because they spent too much time in the toilet.

They also complained that their boss always told them negative things about Bishop Desmond Tutu and Dr Allan Boesak. "He once told us that South African whites will shoot blacks from Cape Town to Cairo because we blacks are stupid," the employees said.

Court orders strikers to quit hostels

Violence as mines fire 2 400 men

RDM 27/4/85

By PHILLIP VAN NIEKERK

ANGLOVAAL has fired more than 2 000 miners for striking at Hartebeesfontein, and Anglo American has sacked about 400 workers at Vaal Reefs, amid continuing labour unrest on gold mines in the Klerksdorp area.

At Hartebeesfontein, police reported that one miner had died after tearsmoke, rubber bullets and birdshot were used at 3am yesterday to disperse protesting workers.

A spokesman for the National Union of Mineworkers (NUM) confirmed the death and said several other miners had been seriously injured after management called police to the mine.

A spokesman for Anglovaal said the death was "accidental", saying a man had jumped over a fence and "impaled himself". He denied management had called in the police.

The NUM claimed yesterday that the mine's entire black labour complement of 18 000 were participating in the stoppage, while Anglovaal claimed only 15% of the total labour force of 16 500 was on strike.

The spokesman said all the workers who were out — about 2 500 — had been fired for striking illegally, and said management had the "right to maintain law, order and discipline".

The NUM spokesman said the workers were demanding the reinstatement of four shop stewards who, they said, were dismissed without a hearing and without granting them the right to be represented by other shop stewards.

"The shop stewards were driven out at gunpoint, and put on a security van which dumped them in Kroonstad," the spokesman said. "Then they were put on a train to the homelands."

Anglo American yesterday dismissed about 400 workers at Vaal Reefs and a further 300 already fired workers were ordered to vacate their hostel accommodation by order of the Pretoria Supreme Court yesterday.

A spokesman for Anglo American claimed the dismissed workers had been participating in go-slows, intimidation and working short shifts underground.

He said the dismissals had followed strenuous efforts over several weeks by the mine management to maintain normal working operations.

Meanwhile, Vaal Reefs brought two separate actions against two groups of miners before Mr Justice L L Esselen in the Pretoria Supreme Court yesterday.

The judge issued a rule nisi on 264 miners to show reasons on May 7 why their contract of service concluded with the mining company should not be lawfully summarily terminated on April 23.

The miners were further ordered to vacate their accommodation on the mine premises.

Sapa reports that a statement issued last night by the police public relations division on the situation at the Hartebeesfontein mine said the number of blacks involved in yesterday morning's incident was 500 and not 3 000 as reported in the earlier police statement.

Police were not summoned by the mining authorities, but had acted to disperse an illegal gathering, the statement said.

Shock, anger over Atlantis factory closure

By GARY VAN DYK

WORKERS at Laurence Fashions in Atlantis turned up for work as usual on Friday morning, only to learn that they had become yet further statistics in the Boland town's tale of economic woe. The factory had been closed down and they were without work.

Between 270 and 300 workers were met by closed doors and were eventually told by a manageress who stuck her head out of a window that they could clear their lockers one by one.

The nonplussed workers contacted Mr Noel Williams, chairman of the Atlantis Residents' Association, for help.

He arranged for representatives from the Clothing Workers' Union (Clowu) to meet with the workers, but while they were on their way to Atlantis, the workers were paid off by Mr Cedric Petersen, an official of the Garment Workers Union.

Workers were given two weeks' pay.

STRANGE

Some workers alleged that savings had been deducted from the pay. They found this strange because they would no longer be working for the factory and would not need to save in this manner.

Clowu representatives, with a delegation of workers, met the factory manager, a Mr Green on Friday.

He said he wasn't the only shareholder in the company and that the major shareholder, a Mr Sher, had telephoned him on Thursday, to tell him to close the factory the next day.

Workers said the closure had been on the cards since the beginning of last week. They alleged that a driver went to collect buttons at a factory in Cape Town last Monday, but was told he couldn't because the factory was due to close down.

PREDICAMENT

Most of the workers met on Monday at Atlantis Civic Centre to discuss their predicament with Clowu officials.

Miss Elizabeth Erasmus, a Clowu organiser, said it was disgusting the way people were treated.

"They deserve an explanation and better treament if the factory is closing down. We are meeting today to discuss how these people are going to pay their rents and keep living here in Atlantis. We will try to answer any other questions workers may have".

Union represenatatives will meet with the factory management later this week.

26 000 without work in Natal

335 NM 27/4/85

Labour Reporter

A TOTAL of 26 267 people of all races in Natal registered as unemployed with the Department of Manpower during March, according to latest figures released yesterday by Mr J Hitchcock, the department's divisional inspector.

Of these, 15 056 were blacks, he said, adding that the number of unemployed blacks registered had dropped slightly compared with the previous month's figure of 19 878.

Of unemployed for the Durban area alone Indians formed the largest group with 6 176 registered as unemployed, followed by whites, 3 411, and coloureds, 1 624. Figures for blacks were not available.

In Pietermaritzburg, 1 236 Indians registered as unemployed, whites, 460, and coloureds, 437. Newcastle had 146 whites, 19 coloureds, and 94 Indians unemployed in March and during the same month in Ladysmith there were 86 whites, 22 coloureds and 72 Indians without jobs.

Job seekers

Mr Hitchcock said the overall figures for March represented a slight drop compared with the previous month's figure of 29 959. The number of registered Indian unemployed had jumped by more than 1 000 between February and March while the difference for whites and coloureds had been slight.

The Natalia Development Board registered 1 003 blacks in the Durban area alone as job-seekers in March, Mr H J Venter, the board's director of employment services, said yesterday.

'Of these, 79 people were found jobs. The others are probably still unemployed or have already found jobs,' he said.

Speaking from Pretoria yesterday, Mr Jack Scheepers, commissioner of the Department of Manpower's Unemployment Insurance Fund, told the Mercury the fund had paid out unemployment insurance benefits totalling R105 million to 186 000 unemployed contributors throughout South Africa last year. Figures for current payouts were not immediately available, he said.

He was not in a position to say how many of the unemployed had exhausted their benefits.

4/85 (337) C.Pics

(335) C.Pics 28/4/85

What do we do?

THOUSANDS of black graduates all over the country are battling to find jobs — but the economy continues to send out "No vacancies" signals.

Scrambling for the few job opportunities, new graduates find themselves competing with experienced people — and face the stark reality of staying without a job indefinitely.

This prospect has driven many new graduates to settle for any job that will keep them going.

Central Statistics Service statistics reveal that about 5 000 economically active black graduates were without jobs in July last year — one percent of the 506 000 economically active black people who were without jobs.

But private sector observers say there are more likely two million black people unemployed — and the number of unemployed black graduates is likely to increase too.

ss
E PAGE TWO

By SANDILE MEMELA

In the past, most graduates had little difficulty in finding jobs. But this decade the economy has reduced its intake.

Many companies are willing to take on new graduates — but are unusually selective. New jobseekers may find posts — But not the ones they want.

City Press spoke to a few graduates about their battle to find a job.

Ponds Mdaka, 28, of Hospitalview in Tembisa, graduated last year from Tufts University, Massachussets, in America. She holds a Masters degree in urban development and planning and buys all the local newspapers every day in her hunt for a job.

Sitting alone at home, facing the stark reality of remaining unemployed, she reflected on the plight of more than 5 000 recent black graduates.

"I am pessimistic about ever getting a job," said Ms Mdaka.

"I am very frustrated. I have been led to believe that there is a demand for urban planners in the country, yet I am walking the streets — with qualifications."

Ms Mdaka said the call for "qualified, black manpower" is Government strategy calculated to impress the international community.

Tilly Gasela, 26, from Alexandra — an industrial psychology major from Fort Hare — said she was "very frustrated and disappointed" that her expectations can't be fulfilled.

"We often hear of change which opens up more advancment opportunities for black people," she said. "But this is not the case when it comes to job-hunting.

"Black graduates will continue to battle to find jobs — because companies tend to give whites preferential treatment, irrespective of their qualifications," she said.

Lizzie Mantsho, 23, from Mofolo Central also graduated from Fort Hare, but wherever she applied for a job, there were no vacancies or experience was demanded.

"The biggest obstacles in my job hunting are that I lack experience and that I am too young," she said.

"I have now resolved to take any kind of job — regardless of my qualifications."

Gab Zwane, 26, from Senaoane — also a Fort Hare graduate — rationalised his plight and said his unemployment was temporary.

"What annoys and irritates me, is that it causes pressure on me from my family — who often ask me if I have a job yet," Mr Zwane said.

Mohale Mahanyele, managing director of Manpower Assignments Consultants — which recruits, places and trains high-level black manpower — said his company has received more than 3 000 applications from graduates this year.

They have found placements for less than 60.

"The future for black graduates is gloomy," he said. "Many of them are jobless.

"In most cases they are under-employed — placed in wrong or unsuitable jobs which puts them at a disadvantage.

"Companies cannot go on blaming the present recession as the cause of the plight of black graduates.

"Discrimination is the force behind the problem — and unless there is a change of heart from the Government and white companies, there will be no improvement," said Mr Mahanyele.

4/25 (335) C.Pics

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14 000 sacked miners go home

CAPE TIMES 29/4/85

335

Own Correspondent

JOHANNESBURG. — Anglo American yesterday began returning more than 14 000 sacked workers from the Vaal Reefs gold mine to the Transkei, Lesotho, Swaziland, Mozambique and other Southern African territories by bus.

The workers, who were fired at the weekend in the country's largest-ever mass dismissal of workers, are being bussed out after a mass payout yesterday at the Ernest Oppenheimer sports stadium on the Vaal Reefs complex.

The workers were fired for taking part in industrial action which has reportedly cost Vaal Reefs, the world's largest gold mine, revenue losses of up to R25-million in the past few weeks.

The firings follow the mass dismissal of 2 000 workers at Anglovaal's nearby Hartebeesfontein mine on Friday night and could lead to a major showdown between the National Union of Mineworkers (NUM) and the mining houses.

A NUM statement last night said they were "horrified" by the dismissals and accused Anglo American of a breach of faith.

The giant mining complex, which is near Orkney in the Western Transvaal, was tense yesterday as rifle-wielding security guards blocked off entrances to the number three, seven, eight

Workers said teargas and rubber bullets were fired earlier during a meeting at the number eight shaft hostel, also the scene of unrest the previous day.

Workers said police fired rubber bullets as they were running in all directions, choking from tearsmoke. Some of their colleagues had been taken to hospital at the number six shaft.

One Swazi miner showed a swollen, bruised face, caused by a rubber bullet, he said.

Dispute

The mine management forbad the Cape Times correspondent to take photographs, to enter the hostels or to go near the stadium where the workers were being paid off.

About six weeks ago, almost the entire Vaal Reefs complex workforce — more than 40 000 workers — went on strike over the granting of increases to a small number of monthly-paid workers, and other grievances.

Unrest at the mine has been simmering ever since and last week the NUM declared a dispute with Anglo American for its refusal to grant the workers as were being paid to monthly workers.

The NUM yesterday claimed that hundreds of workers were fired last week for refusing to perform tasks which the Mines and Works Act stipulates should be reserved for white workers.

In a statement, the NUM said the fact that workers had been compelled to do these tasks without proper training and had been fired for refusing to do them had sparked the dispute at the end of last week which led to miners taking strike action.

The NUM also said workers had been dismissed without proper procedures, management had refused to compromise over the dismissals and provocative action by white officials had played a role in preventing the situation from returning to normal.

"Management's action is calculated to deal a devastating blow to the union. Had negotiations been held timeously, the whole situation would have been resolved," the statement said.

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At a press conference yesterday, the managing director of Vaal Reefs, Mr Theo Pretorius, said that after the strike in April the NUM had said it would guarantee that the situation at the mine would return to normal.

'Unfair'

By April 17, however, the go-slow situation had worsened and the NUM had not provided a "satisfactory" response to management's inquiries.

Mr Pretorius said management had "bent over backwards" during a five-week period, waiting for the NUM to do something about the situation.

● Meanwhile, miners said they were being forced to leave the mine — although they were prepared to work.

The miners said they had been unfairly dismissed after refusing to report for work on Saturday and Sunday.

"We are still prepared to work. What we were doing was merely to protest against the unfair dismissal of our colleagues. Now this!"

Alfa SA launches big marketing drive

335 E. Post 29/4/85

By LOUIS BECKERLING
Business Editor

ALFA ROMEO (SA) has launched an aggressive marketing drive aimed at reversing substantial losses and mounting speculation that it plans to withdraw from South Africa.

Key features of the campaign, unveiled in Johannesburg at the weekend, include announcements that:

- Parent company Alfa Romeo SpA, of Milan, has injected R28 million of finance capital into its Brits-based South African subsidiary.
- The management of Alfa Romeo (SA) Pty Ltd has been restructured, with the "import" of two top executives of Alfa Romeo.
- New dealers have been appointed.
- A company-wide computerisation programme is to be introduced.
- And the Brits assembly plant is to undergo a modernisation program.

"In short a whole new Alfa Romeo is coming into being in South Africa," said Dr Gianni Marinelli, who was seconded from his post as corporate planning director of Finmeccanica, holding company of Alfa Romeo, to become acting managing director of the South Africa subsidiary.

Dr Antonio Guglielmi, a director of Alfa Romeo SpA, Milan, remains chairman of the SA company, and Dr Rino de Cristofaro, chairman of Alfa Romeo International, will remain a local director.

New to the board are Dr Lucio Lotti, general manager of Alfa Romeo Auto SpA, in Milan, and Dr Marinelli, while Mr Mario d'Errico has been transferred from his post as controller of finance of Alfa Romeo Belgium to become financial manager and an alternate director of the SA company.

Detailing the decisions taken in the two months since his arival in South Africa, Dr Marinelli said in Johannesburg on Saturday the overall objective was to reconcile Alfa's organisation with the marketplace.

"This has meant going through the painful process of reducing our employment total from the peak of 1 300 in July last year to 900 today," he said.

The cuts came mainly among unskilled workers at the Brits assembly plant and administrative staff at both Alfa SA's headquarters in Wynberg, Sandton, and its parts depot at Midrand (Halfway House).

These cuts, said Dr Marinelli, contrasted with expansion and upgrading of staff in three key areas: marketing, sales, and quality control.

Furthermore, by the year-end, Alfa SA will have tooled up for, and launched two new models "to give us a range of vehicles retailing from R9 000 to R39 000".

New budgets indicated that at present trading levels, Alfa SA would "break even this year — a significant improvement of last year's performance".

"In order to give us the time and people resources to bring about this rapid recovery, we are keeping our sales target static at R100 million for this year — the same figure as was recorded last year and only R5 milion ahead of the 1983 level."

Alfa SA had appointed McCarthy to handle its sales in Natal, while Brian Porter would handle sales in the Western Cape, and Bill Trotskie Motors would do so in the Orange Free State. All existing dealers had been retained in the Transvaal.

Flights

Mines sack 15 000 workers

By ALI MPHAKI

ABOUT 15 000 black miners were fired at two gold mines in the Western Transvaal for "illegal strike action" and more may be fired if no "genuine" excuse for missing work is made, a mining official said yesterday.

At the Vaal Reefs gold mine near Klerksdorp, about 13 000 black miners were dismissed. At the Hartebeesfontein gold mine, also near Klerksdorp, about 2 000 black miners were at the weekend moved out in buses after being paid off following a strike on Friday.

A man was killed at the Hartebeesfontein mine on Friday when police used tearsmoke, rubber bullets and birdshot to disperse about 500 miners who gathered outside mine property.

A police spokesman said police were acting to disperse an "illegal gathering" and had not been summoned by mine management.

A spokesman at the Vaal Reefs said the dismissals followed efforts by the mine management to maintain normal operations in the face of work stoppages, incitements and intimidation by "irresponsible" elements seeking to create a climate of disorder and unrest in the last few weeks.

At Hartebeesfontein a mine management spokesman said on Friday about 900 of the more than 2 000 nightshift workers had refused to go underground at 10 on Thursday night, and about 1 400 of the 7 000 dayshift workers did not go underground on Friday morning.

He said checks were being made on those who might have a genuine excuse for missing work, but those who had joined an illegal strike would be dismissed.

Grievance procedures had been ignored and no official approach had been made to management, he said, so the mine had no idea what the strike was about.

A spokesman for Anglo American Corporation said yesterday that the situation at the Vaal Reefs was "peaceful" and the mine was arranging for the mineworkers to be paid, "giving them the relevant documentation" and arranging transport for those who intend returning home.

At the Hartebeesfontein mine the situation was also reported to be peaceful. "It is all quiet at the moment", a spokesman said.

ARGUS 30/4/85

335

1 179 in Atlantis are redundant

Staff Reporter

AT least 1 179 Atlantis residents have been retrenched, according to a report from the Atlantis Management Committee.

The report — noted at the Divisional Council of the Cape's monthly meeting today — was given to the Minister of Local Government, Housing and Agriculture on February 28 1985.

From August 1984 to February 18 1985, "no less than 1 179 workers" were retrenched, the report stated. School-leavers could not find jobs.

EMPLOY RESIDENTS

The committee recommended that a moratorium be declared on interest and redemption payments of unemployed tenants and property buyers.

It also recommended that legislation be brought in to force new Atlantis industrialists to employ Atlantis residents and that a labour bureau be set up.

The report said the cost of living in the isolated town was higher than in the city. Industrialists who set up businesses in Atlantis received concessions and subsidies from the Government, but families who lived and worked there were granted no concessions.

Low-interest rates on interest and redemption payments on property loans should be introduced to help residents, the committee recommended.

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SAAN, union agree on pay

Mail Reporter

THE Southern African Society of Journalists has reached agreement with South African Associated Newspapers on the basic elements of severance payments for journalists being retrenched

But it has stated that it neither accepts the closure of the Rand Daily Mail, Sunday Express and other divisions of SAAN, nor the dismissals arising out of the closures, as justified, the president of the SASJ, Miss Pat Sidley, said yesterday.

The SASJ stated: "That in negotiating with you as we have done, and in reaching agreement with you on the items above, we in no way accept that the dismissals arising from the closure of the Rand Daily Mail, the Sunday Express (and other divisions), or the closures themselves, are justified"

The SAAN chapel of the SASJ passed a unanimous motion of no confidence in the managements of newspapers to ensure free and independent journalism and called on its members, other unions and their members to play a vigilant role in preserving the remnants of Press freedom.

The SASJ has secured a commitment from SAAN that there would be no retrenchments or redundancies on Business Day for a full year.

Among the remaining areas of disagreement still to be resolved are

- The lack of negotiation of selection criteria used to select which journalists stayed and which left, and
- The victimisation of leading journalists on the grounds of political belief and union activity — including the top national and local executives of the SASJ at SAAN.

"We note that a significant number of highly respected journalists refused on principle to take up posts on Business Day.

"We know that those of our members who remain on Business Day will continue to uphold the highest standards of journalism as they have done in the past."

- The agreed items — after six weeks of tough negotiations — ensure a minimum of two months salary with allowances, plus one month for every two years worked (and a pro rata amount). All leave and long leave accrued is to be paid in cash, medical aid coverage will be extended for six months to those who cannot find jobs. The pension fund is to pay out, in terms of its rules, at least double employees' contributions.

A sad new SA

UNEMPLOYMENT — 1985

MAY — AUGUST.

Fired miner would get 'preferential treatment'

Sowetan 1/5/85

By Own Correspondent

AFTER a meeting lasting several hours last night, the National Union of Mineworkers and Anglo American agreed that preferential treatment would be given to re-application for jobs by some of the 14 000 miners dismissed from Vaal Reefs at the weekend.

The management did not give a figure as to how many would be considered for re-employment.

At the same time, the union said negotiations with Anglovaal management, owners of the Hartbeesfontein mine where about 3 000 were fired, had been "positive" and would continue today.

The procedure for the re-employment of the fired miners would be discussed at further meetings with Anglo American, a Num spokesman said.

An Anglovaal spokesman said earlier yesterday that applications by dismissed employees would be given preferential treatment.

The situation at Vaal Reefs and Hartbeesfontein was described as "quiet" by management.

The Anglovaal spokesman said the last of the dismissed miners would probably leave the mine premises yesterday.

He said recruitment of new staff, which had begun as soon as the discharges took effect, would continue.

Workers at both mines were dismissed following alleged illegal strikes last week.

PLANNING

The awesome needs of the SA of tomorrow

Labour Reporter DICK USHER reports on an expert's view of the demands which a burgeoning urban black population will place on South Africa's economy

THE expected growth of the urban black population of South Africa to 76 percent of the total will create a fast-growing demand for social infrastructure and employment.

At this week's conference on the social responsibility of business, organised by the Public Relations Institute of South Africa, some of the implications of this growth were outlined by Mr P W G Rossouw, human resources director for Stellenbosch Farmers Winery.

Creating enough employment opportunities in South Africa should be seen as the most important priority for the country over the coming years, said Mr Rossouw.

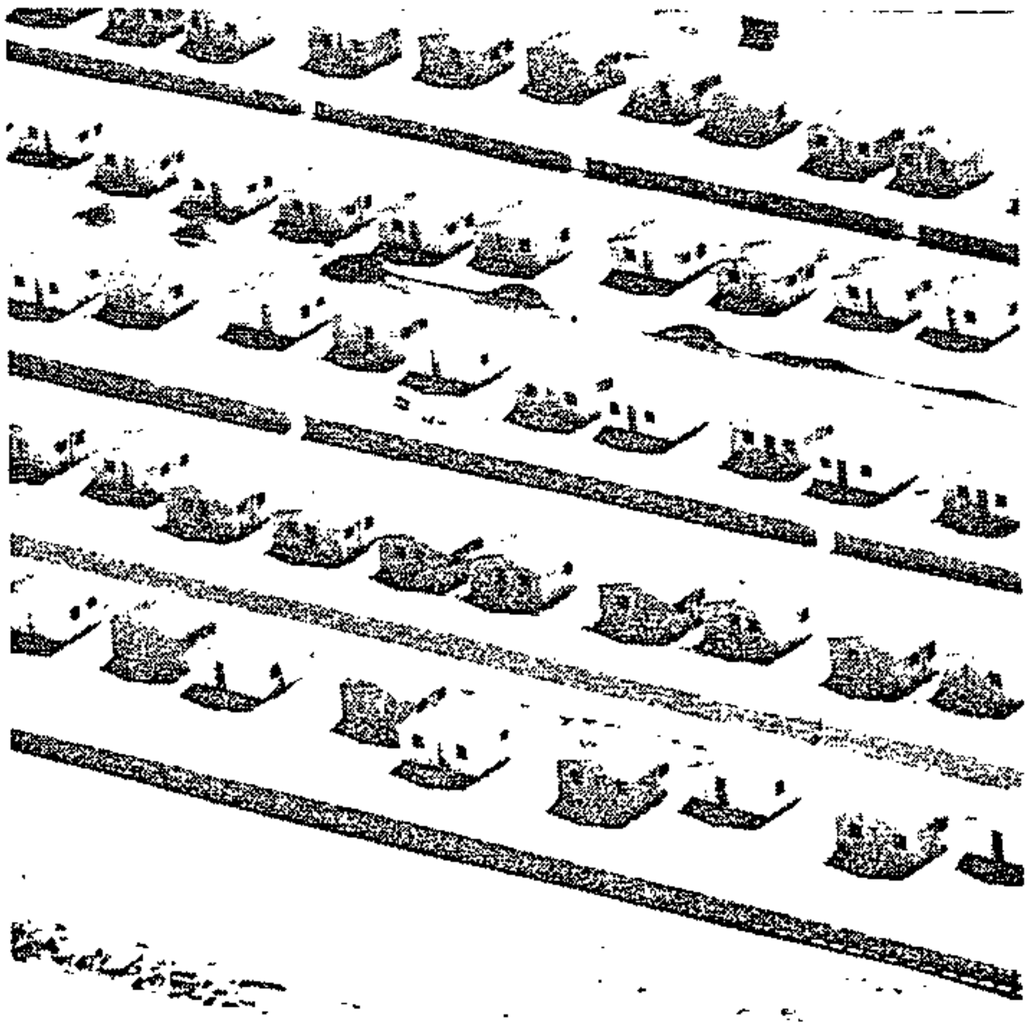
Current trends in the South African labour market and in employment creation were most disturbing and could have a negative effect on the growth potential of the South African economy — they could reverse efforts to promote a free market economic structure in this country and could have a destabilising effect on the internal political structure.

Mr Rossouw said it was estimated that at least 163 600 blacks were needed by 2000 to fill expected vacancies in the labour force, ranging from executive white collar workers to semi-skilled blue collar workers, slightly more than half of whom would be in the white collar category.

In both categories the demand had exceeded the supply in the past decade.

The implication was that there is already an urgent need for more educational and training facilities, especially in the executive and highly skilled categories.

But South Africa's educational problems were not likely to be solved by the traditional remedies of spending more money, building more schools and training more teachers.



Core housing in Khyelitsha — South Africa will need millions more homes in the next 20 years

"It seems unlikely that even large investments in the traditional system could significantly improve the existing situation, especially since the shortages of skilled labour in the economy could leave the teachers training colleges unable to compete for the best qualified professionals," said Mr Rossouw.

The need was for bolder and more imaginative solutions such as the use of information technologies which were likely to make a vast impact on education even in the short to medium-term future.

The population growth would also be likely to result in a greater redistribution of the cost of education with the affluent bearing a greater burden.

Business might also have to assist with the cost of educating employees and their children to have a sufficiently skilled and up-to-date labour force.

Significant new solutions for black housing were required as South Africa would have to build between 2 000 000 and 3 000 000 houses for all race groups during the next 20

"These could be based on two qualities of the current black urban scene, namely a growing number of unemployed and underemployed blacks in urban areas and a considerable potential for employment generation if labour-intensive building techniques are used.

"These two qualities could be combined to good effect to solve the black housing and unemployment problems."

At the same time, it was obvious that serious consideration should be given to the techniques and methods of building houses and that many ideas about building plans and regulations might have to be adjusted.

Present finance for housing was inadequate. In 1981 South Africa spent a significantly lower proportion of its gross national product on housing — 2,9 percent or about R2 122-million — than did most comparable foreign countries.

Of this about 70 percent was spent by the private sector and about 90 percent of all housing for blacks was provided by the public sector.

For the future a large proportion of the necessary finance would have to be provided by the private sector and in giving a high priority to housing for the lowest income groups the State would probably render the best service by providing infrastructure such as serviced sites.

The high cost of housing should be reduced to provide more houses with the limited funds available.

Subsidies for housing, except on a very selective basis and only for the lowest income group, were undesirable, said Mr Rossouw.

One aspect of this undesirability was that whites who qualified for subsidies tended to develop high housing standards which tended to highlight the difference in living standards between whites and other races.

A serious aspect was unemployment because it was unlikely that employers would assist with housing for people other than their employees, and limiting population growth combined with education and training were also a priority because that would be the major problem in providing housing.

Life insurance industry urged to create jobs

NM 2/5/85

335

Mercury Correspondent

CAPE TOWN— The Minister of Finance, Mr Barend du Plessis, has asked the life insurance industry to consider directing more of its accumulated funds towards the creation of jobs.

He also invited the industry to discuss this with him.

Speaking at the 50th anniversary dinner of the Life Offices Association in Cape Town last night, Mr du Plessis praised the contribution by the life insurance industry to the economic growth of South Africa.

Perhaps the most important contribution it had made, he said, was the mobilisation of capital contributed by the public and organisations through insurance premiums and contributions to pension funds.

Assets

The R30bn in assets held by the industry on behalf of policyholders helped to keep the wheels of industry and commerce turning.

At a time when public savings had shown a disturbing decline in recent years, the life insurance industry had shown a marked growth in premium income, contributing to the growth of South African society.

Mr du Plessis said, however,that he wished to pose a question connected, on the one hand, with the mobilisation of capital and; on the other hand, with the achievement and maintenance of a high rate of job-creating economic activity.

The policyholder had the right to expect a double benefit in the earnings of his investment.

Firstly, he expected the direct earnings and bonuses which accrued from his policy.

Secondly — and of equal importance — he could expect the indirect benefits he shared when the economy grew, when there was peace, prosperity and progress through, for example, the provision of sufficient work opportunities for those entering the job market.

Control

He said all parties were aware of the responsibilities attached to the administration of trust funds.

He asked, however, whether ways could not be found to direct less of the industry's accumulated funds towards the achievement of control over existing companies.

He asked the insurance industry to consider, 'particularly in these exceptional times,' moving funds into investments in new job-creating assets.

'A greater role in the provision of pensions'

CAPE TOWN— There was little doubt the insurance industry would show many changes during the next 50 years in adapting to the changing society in which it will be operating, the chairman of the Life Offices' Association (LOA), Dr Morris Bernstein, said last night.

Speaking at the association's Golden Jubilee dinner in Cape Town, he said one of the areas in which the industry would play a greater part was in the provision of pensions. Advances in medical techniques and better standards of living would mean an increasing percentage of the population will be living longer, so requiring retirement incomes for longer periods.

'I do not wish to pre-empt the findings or considerations of the Parliamentary Joint Select Committee on pensions.

NM 2/5/85

'However, the fact that it has been reconstituted to consider the broad field of pension provision for the people of South Africa, indicates an awareness at Government level of an essential requirement,' Mr Bernstein said.

He was convinced the role the life insurance industry played would continue and it would make major contributions in the next half-century. — (Sapa)

Shipping lines make deal

CAPE TOWN— Safmarine and the Bank Line have announced that a space-sharing agreement has been reached in principle between the two companies in their U S-Southern Africa trades.

The agreement, which is subject to the approval of the Federal Maritime Commission, would take effect from July 1, 1985.

The main feature of it is space-sharing, which would enable both companies to load and book cargo on each other's vessels, and the co-ordination of scheduling to allow for a 14-day frequency both south and northbound.

'Govt placed over 400 000 unemployed'

335
Sowetan
2/5/85

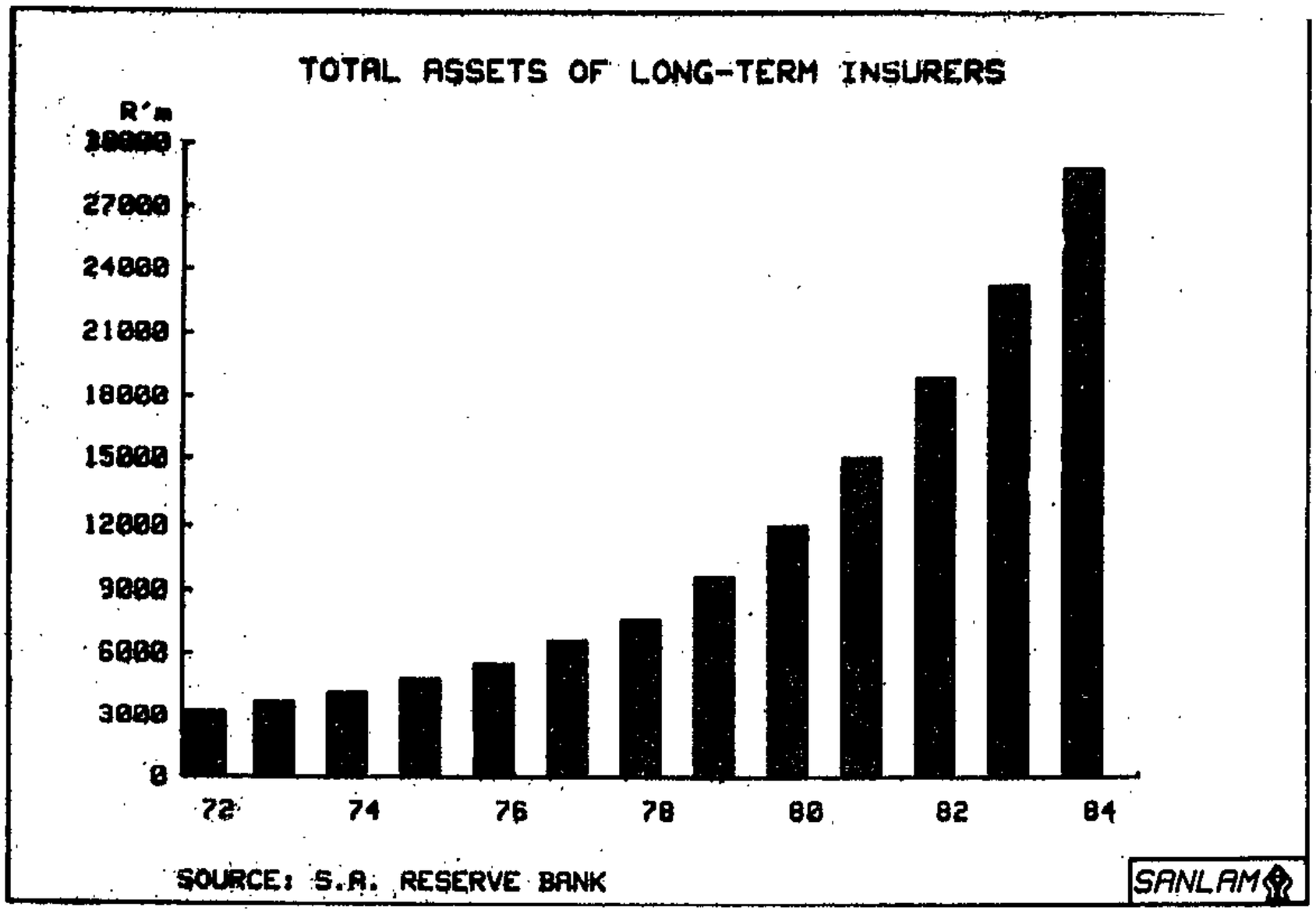
ABOUT 400 000 work-seekers and school leavers, of all races had been placed through the Department of Manpower last year, the Minister, Mr Pietie du Plessis, said in the House of Representatives this week.

Of these, 15 574 — or 1 300 a month — were coloured, he told the House of Representatives at the start of the Budget Debate on his vote.

This placement was one of the four major areas in which the department played a role in tackling the unemployment problem in South Africa.

"But there is unfortunately no instant solution to unemployment, and the creation of jobs is not only the task of the Government or that of a single department — it is a task for all of us," Mr du Plessis said.

Economic growth and its promotion, as well as a population development programme remained, for South Africa, the most important methods of relieving the unemployment situation.



The past 14 years has seen exceptional growth in the life insurance industry. Since 1972 the industry's assets have risen almost 10-fold, from about R3-billion to just under R29-billion at the end of 1984. Growth in the industry's assets partly reflects the steady growth of the economy in this period.

MR645 2/5/85 (448) (335)

Invest in jobs, life industry urged

Financial Editor

The Minister of Finance, Mr Barend du Plessis, has called on the insurance industry to give consideration to investing more of its funds in work-creating activities and less in achieving control over existing companies.

Addressing the 50th anniversary dinner of the Life Offices Association in Cape Town last night he said the life insurance policyholder had the right to expect two benefits from his premiums.

The first was earnings and bonuses from the policy itself. The second, and certainly just as important, was the indirect benefit when the economy grew, when there was increasing prosperity and when there was peace and progress because there were sufficient jobs for those seeking them.

He emphasised that South Africa badly needed increased work opportunities.

LOA chairman Dr Morris Bernstein said there was little doubt the insurance industry would show many changes during the next 50 years in adapting to the changing society in which it would be operating.

He said one of the areas in which the industry would play a greater part was in the provision of pensions. Advances in medical techniques and better standards of living meant that an increasing percentage of the population would be living longer, so requiring retirement incomes for longer periods.

"I do not wish to pre-empt the findings or considerations of the Parliamentary Joint Select Committee on Pensions.

"However, the fact that it has been reconstituted to consider the broad field of pension provision for the people of South Africa, indicates an awareness at Government level of an essential requirement," Mr Bernstein said.

He was convinced the role the life insurance industry played would continue and it would make major contributions in the next half century.

8 000 clothes makers jobless

By PRISCILLA WHYTE

SOME 8 000 jobs have been lost in the clothing industry this year and the National Clothing Federation (NCF) is predicting further losses.

Mr Mike Getz, president of the NCF, said yesterday he planned to alert the Government that the difficulties of the clothing industry were symptomatic of what was happening in South Africa and would entrench economic stagnation in the country.

It was difficult to forecast the future profile of the clothing industry.

The future really depended on the role Government intended for manufacturing in South Africa. The most vulnerable companies have been those that were under-capitalised.

Enterprises making basic products and those dependent on one or two customers had also been seriously hampered.

Especially hard hit had been cut, make and trim manufacturers, an important sector of the clothing industry.

This area has traditionally provided a quick turn-around in production time. Some 50 000 jobs had been lost in the manufacturing sector since 1980, Mr Getz said.

The retrenchment problem had become worse in 1984, 1985 and the outlook for next year was bleak. Mr Getz said recovery could only take place if there was first an upturn in the general economy.

The trend of non-growth in manufacturing generally needed to be reversed and changes were necessary to stabilise industry's opportunities.

There had been no growth in real terms for clothing sales at the retail level since 1980, he said.

Mr Getz said the annual turnover of the clothing industry was under R2bn a year, and the NCF had been advised that retail sales would decline by 10% in real terms (inflation adjusted) for 1985.

The NCF would be consulting with customers to seek ways and means to alleviate hardship within the industry, as the retail sector adjusted to present and expected conditions.

The federation would be discussing problem areas with suppliers such as the sharp rise in the cost of raw materials. Raw material price increases were leading to a steady decline in the consumption of clothing.

Mr P D Jacobson, chief executive of Progress Industries, said in his company's recent annual report that synthetic fibres, which are not produced in South Africa, had increased by 60% in price.

Wool, although produced domestically, had risen 50% in rand terms over the last 15 months. Cotton, also grown locally, had risen by 23% compared with last season.

At the moment there were serious constraints on this sector, as illustrated by the low rate of investment it has been able to attract and its steady loss of jobs.

Tej lays off 300 workers

By RIAAN DE VILLIERS
Labour Reporter

ABOUT 300 workers were laid off for three weeks and a smaller but unknown number dismissed at the well-known Tej clothing factory in Steenberg yesterday.

A management spokesman said later that reporters should "rather interview Dr Dawie De Villiers", Minister of Industries, Trade and Commerce, on why the factory had been forced to take this step.

He said the clothing industry had been declining since 1982 and was now in a "crisis". He claimed at least one other major employer was considering laying off about 1 000 workers.

A rumoured protest did not materialize and workers streamed in quietly from 1.30pm to receive their last pay. Many expressed apprehension about their future.

Most said they had been laid off for three weeks but several said: "We don't believe we're going to get our jobs back."

Mrs Alice Jephta, a mother of three, said: "We are very upset. There is no work. We don't know where we are going to get money."

A spokesman confirming the steps said the cutbacks were "obviously tragic" but it had become essential to restructure the company to match the economic climate. Numerous other clothing firms had been forced to take similar steps.

"We cannot afford to keep workers sitting with their arms folded," he said. However, the company itself was not threatened.

Imports

Major reasons for the decline in the clothing industry were the fall of the rand and the fact that many companies were bringing in cheaper clothing and textiles from the Far East, where workers were paid far less than in South Africa.

The recent visit of a Taiwanese delegation received by Dr De Villiers "scares the hell out of us", he said.

"If Dr De Villiers wants a free enterprise economy, a lot of people are going to be out of work. If he wants to retain jobs he had better think again."

He added the situation was "very fluid" and management could not determine at this stage whether the workers would get their jobs back in three weeks.

4 000 unemployed in Western Cape clothing industry

By ROBERT GREIG

NEARLY four thousand jobs in the Western Cape's clothing industry have gone because of the recession this year.

The process is continuing and will until South Africa has a comprehensive economic plan which would reverse the decline of the manufacturing sector as a whole, says the president of the National Clothing Federation, Mr Mike Getz.

He says more than 8 000 people have lost work in the clothing industry this year. Yesterday Tej laid off 400 workers — estimated to be a quarter of their workforce.

The Bureau for Economic Research, Stellenbosch, predicts 10 percent unemployment in the clothing industry in 1985 i.e. 11 000.

Forecast

"The forecast is that further job losses may occur in line with expected economic trends."

Employment levels are heading to where they were before 1978.

"The loss of jobs obviously has a spillover effect on associated industries," says Mr Getz.

"Although this is not necessarily on a one-for-one basis, it could be significant."

The medium and long-term future of jobs in the industry and of the industry itself depends on "the intended role of manufacturing generally in South Africa," Mr Getz says.

Mr Mike Getz ... arrest manufacturing sector decline.

He argues that the shrinkage of the industry — there has been no growth in real terms of clothing sales at retail level since 1980 — mirrors the decline of the manufacturing sector in South Africa generally.

In this sector, there has been an average annual loss of 50 000 jobs since 1980. The rate of loss has increased in 1984, 1985 and is expected to increase in 1986.

In all, there are 180 000 fewer jobs in the manufacturing sector today than there were in 1980.

"In essence, we need to reverse the trend of non-growth in manufacturing generally," Mr Getz says.

"The future of the industry depends on the intended role of manufacturing in South Africa.

Constraints

"At the moment, there are serious constraints on this sector as illustrated by the low rate of investment it has been able to attract and its steady loss of jobs.

"The problems are greater than merely First World costs of inputs or the exceptionally onerous direct and indirect rates of taxation.

"Ultimately they come back to the absence of any overall plan for South Africa's economic future."

● In Monday's Business Report, Mr Getz says who has gone to the wall in the clothing industry and what can be done.

Disinvestment threat to millions of jobs

FOREIGN disinvestment will mean one-way tickets to dole queues for thousands of unskilled workers.

Unemployment in South Africa is said officially to be about 530 000, but unofficial estimates of above a million are closer to the truth.

But the supply of executive, managerial, professional and technical skills does not meet demand. The shortage will be worse in the year 2000.

Predictions from the Bureau for Economic Research at the University of Stellenbosch are that demand for skills will outstrip supply by 545 000 in the next 15 years.

These people will be in a position of strength, almost holding employers and the economy to ransom.

On the other hand, the unskilled are on a hiding to nothing. They will become less and less employable.

Even if gross domestic product grows at 4½% a year, which is highly optimistic, more than 2,7-million unskilled workers will join those already without jobs in the next 15 years.

Bring the growth in GDP down 2½% and the there could be 4,7-million unemployed people by the year 2000 — more than 25% of the economically active population.

Willem Crous, executive director of the Institute of Personnel Management, thinks 2½% GDP growth is the sort of figure disinvestment would result in.

Perhaps he is being optimistic and the growth rate will be negligible, especially if gold is spurned on overseas markets and sanctions are applied to South Africa.

Racial mix

Mr Crous has no doubt that the business community has to set the pace for real change and to counteract disinvestment campaigns.

He says: "Foreign investment is the answer. It will change the racial mix of manpower and force changes in social and political terms.

"Foreign investment is needed more than anything else to accelerate education and training and the upward mobility of all races."

Miners sacking: Lesotho plea

Sowetan 6/5/85

MASERU — The Lesotho Prime Minister, Chief Leabua Jonathan, has called for Basotho workers sacked by South African mines to be reinstated, and for the establishment of a fund to set up industrial projects that could absorb Basotho mine workers locally if they lost their jobs in South Africa.

Addressing a public meeting in the Malimong constituency at the weekend, Chief Jonathan said such a fund would enable Lesotho to create at least one major industry a year, and brace itself for hard times that would follow an influx of repatriated mine workers.

He said there were more than 3 000 Basotho men among the 17 000 workers recently fired from South African mines.

His Minister of Foreign Affairs, Mr Vincent Makhele, would ask the South African Minister of Foreign Affairs, Mr Pik Botha, to intercede with the mining houses on behalf of those 3 000 Basotho miners. — Sapa.

ket commentary with the the contrary school ar- loser in its own right.

Cape Times 6/5/85 335

Clothing industry casualties

Nearly 4 000 West Cape clothing workers are out of work, part of a general decline in the manufacturing sector generally, says the National Clothing Federation's president, Mr Mike Getz. Employment levels are fast approaching those that obtained in 1978 and the buying of clothing is shrinking rapidly. What kind of companies have gone to the wall and what can be done about this?

By ROBERT GREIG

WHO has gone to the wall in the clothing industry, and what can be done?

According to the National Clothing Federation's president, Mr Mike Getz, the companies that were undercapitalized have been vulnerable.

So, surprisingly, have the companies making "basic products", like socks and underwear.

Conventional wisdom, attributing rationality to consumers, would assume that they continue buying the essentials even in recession.

The practice is the reverse. Consumers put fashion before function and buy to face the world. So manufacturers of basics suffer.

Third on the list of likely casualties are those enterprises dependents on one or two customers.

In the clothing business, where three groups — SA Breweries, Wooltru and Foschini — account for 50% of retail sales, this can be hard to avoid.

Says Mr Getz: "Particularly vulnerable have been cut, make and trim operators, a very important part ofn the industry traditionally providing flexibility and quick turnaround."

With their small capital base — rented accommodation, low-cost labour and leased machinery — they are where the industry lets in entrepreneurs — the air in the soda

on quick movement of stocks. Some may be inclined to change emphasis, too, from marketing-related to accounting skills.

This, says Mr Getz, can amount to a shifting of risk from the retailer to the manufacturer who has to become sensitive to the need for shorter product runs and lead times.

Again, this depends on the fleetness of textile manufacturers.

What can be done?

According to Mr Getz, the NCF will be consulting its customers about trying to alleviate hardship within the industry as the retail sector adjusts to present and expected conditions.

It will also discuss with suppliers what can be done to retard "the sharp escalation in the cost of raw materials, bearing in mind that this established trend is leading to

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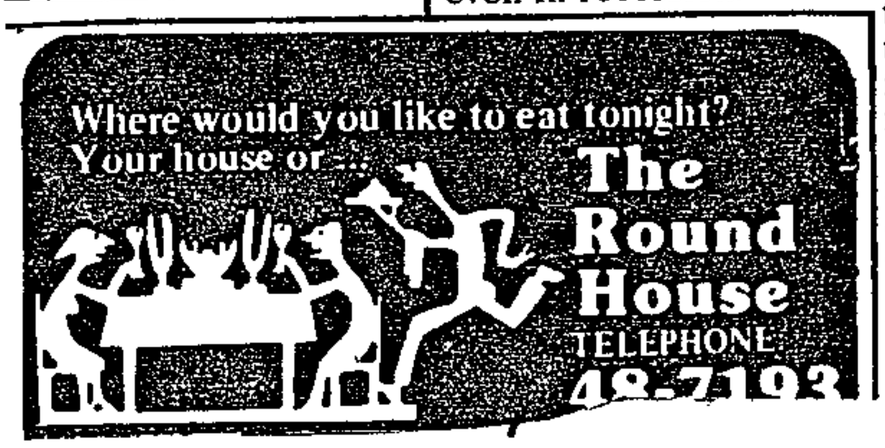


. — AP.

8 000 clothing workers lose jobs

CAPE TOWN — More than 8 000 people have lost work in the clothing industry this year, nearly four thousand of them in the Western Cape, because of the recession.

And, according to National Clothing Federation president Mr Mike Getz, the process will continue until South Africa has a comprehensive economic plan that will reverse the decline of the manufacturing sector as a whole.

Last week TEJ laid off 400 workers — about a quarter of their workforce.

The Bureau for Economic Research, Stellenbosch, predicts unemployment in the industry will reach 10 percent (about 11 000 workers).

"The forecast is that further job losses may occur in line with expected economic trends.

"The loss of jobs obviously has a spillover effect on associated industries," says Mr Getz.

"Though this is not necessarily on a one-for-one basis, it could be significant."

The medium and long-term future of jobs in the industry and of the industry itself depends on "the intended role of manufacturing generally in South Africa", Mr Getz says.

He argues that the shrinkage of the industry — there has been no growth in real terms of clothing sales at retail level since 1980 — mirrors the decline of the manufacturing sector.

970 sacked workers can reapply for their jobs

Labour Reporter

THE 970 workers at the BTR Sarmcol rubber factory in Howick, who were sacked on Friday after striking, could reapply for their jobs today, Mr R J Sampson, the company's administrative director, said yesterday.

He said the company would begin re-engaging workers at 8 a m.

Production ground to a halt last Tuesday after all weekly-paid workers downed tools following a dispute over union recognition agreement. They demanded the company sign a recognition agreement with the Metal and Allied Workers' Union.

Mr Sampson said the decision to sack the workers was taken reluctantly by management after several months of sporadic disruption.

'The work stoppage is alleged by the union to be a protest against the management's refusal to sign a recognition agreement.'

Clothing industry is in tatters

By DICK USHER, Labour Reporter

CHEAP imports and the recession are wreaking havoc in the clothing industry and at least 4 000 jobs have been lost in the Western Cape in recent months.

In the leather and footwear industry about 3 000 jobs have been lost nationally for the same reasons.

And one major Cape clothing manufacturer is reported to be considering laying off about 1 000 workers as the recession bites deeper.

Mr Simon Jocum, chairman of the Cape Clothing Manufacturers' Association, said today that a prime rate of 25 percent, an inflation rate of at least 16 percent and a weak rand were killing the industry.

Half the costs in the clothing industry were imports — of yarn and other items — which had to be paid for in dollars.

Mr Jocum also said the industry believed imports from Ciskei were finding their way to the local market.

"The Ciskei gets tremendous subsidies from the South African taxpayer to encourage employment there, but effectively it seems that we are subsidising Ciskei to put people out of work in urban areas," he said.

Mr Bobby Jacobs, chairman of Tej which last week retrenched 45 monthly-paid staff and put 292 workers on short-time, said the knitwear industry was particularly vulnerable to cheap imports.

"And it doesn't help that we have a Taiwan within our borders. Wages in border areas and homelands are much lower," he said.

Mr Louis Peterson, general secretary of the Garment Workers' Union, agreed that Ciskeian imports were affecting the South African industry, mainly at the cheaper end of the market.

he said.

Motor industry giant to close for 25 days

ARGUS 7/5/85 Argus Correspondent

PRETORIA. — The giant new motor manufacturer, Samcor, will shut down its Waltloo plant intermittently from Friday.

A spokesman for the South African Motor Corporation said today about 1 400 hourly-paid workers would be affected by the decision, which was aimed at bringing production into line with market demand.

This follows closures and "short weeks" which have plagued the industry for the past 18 months.

Samcor's Waltloo plant worked a four-day week from February. On March 25, the factory closed down for three weeks until April 17. It re-opened to a five-day week.

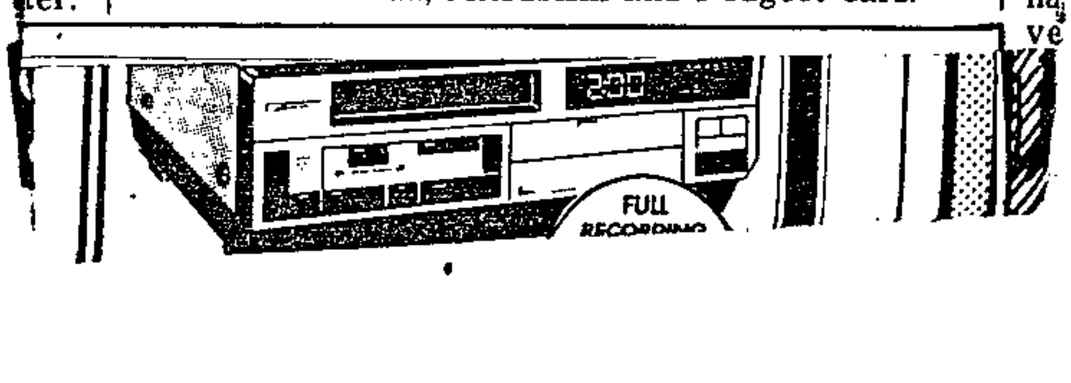
A PERCENTAGE

From Friday production will cease for 25 working days. The plant will not operate on May 10, 13, 16, 17, 20 and from May 27 to June 21.

However, workers will receive a percentage of their wages during the shutdown.

Samcor is the result of the merger between Anglo American Corporation's car manufacturing division (Amcar) and Ford Motor Company announced in January this year.

The Waltloo plant is responsible for the manufacture of Mazda, Mitsubishi and Peugeot cars.



2 000 work short shifts

EAST LONDON — About 2 000 hourly paid workers at the passenger car plant of the Car Distributors Assembly (CDA) here, have been working half-day shifts this week.

This was disclosed yesterday by the Mercedes Benz public relations manager, Mrs Delene Macfarlane, who said that it was hoped workers could resume normal hours tomorrow.

She said that the decision to go on half-day shifts had been reached, in the interests of quality and to normalise an imbalance in production flow that had resulted from work stoppages at the plant.

Mrs Macfarlane said that CDA management had given shop stewards four days' notice of the decision to introduce half-day shifts.

She said that they had acknowledged the management's decision.

"I stress that there is no trouble at the plant and the atmosphere is good," she said.

Last night, the East London regional secretary of the National Automobile and Allied Workers Union (Naawu), Mr C. J. Fazzie, confirmed that the union and management had reached an agreement over the shortday shifts. — DDR

Industry Employee

Car plant to shut for 25 days

The giant new motor manufacturer, Samcor, will shut its Watloo, Pretoria, plant intermittently from Friday.

A spokesman for the South African Motor Corporation said today about 1 400 hourly paid workers would be affected by the move which was aimed at bringing production into line with the market demand.

This follows closures and short weeks which have plagued the industry for the past 18 months.

From Friday, production will cease for 25 working days. The plant will not operate on May 10, 13, 16, 17, 20 and from May 27 to June 21.

Workers will receive a percentage of their wages during the shutdown. — Pretoria Correspondent.

Cheap imports, recession hitting clothing industry

CAPE TOWN—Cheap imports and the recession are wreaking havoc in the clothing industry and at least 4 000 people have been retrenched in the Western Cape in recent months.

In the leather and footwear industry, about 3 000 jobs have been lost nationally for the same reasons.

One major Cape clothing manufacturer was reported to be considering laying off about 1 000 workers as the recession bit deeper.

Mr Simon Jocum, chairman of the Cape Clothing Manufacturers' Association, said yesterday that a prime rate of 25 percent, an inflation rate of at least 16 percent and a weak rand were killing the industry.

Half the costs in the clothing industry were imports of yarn and other items which were paid in dollars.

Mr Jocum also said the industry believed imports from Ciskei were finding their way to the local market.

Vulnerable

'Ciskei gets tremendous subsidies from the South African taxpayer to encourage employment there, but effectively it seems we are subsidising Ciskei to put people out of work in urban areas,' Mr Jocum said.

Mr Bobby Jacobs, chairman of Tej, which last week retrenched 45 monthly paid staff and put 292 workers on short-time, said the knitwear industry was particularly vulnerable to cheap imports.

'And it doesn't help that we have a "Taiwan" within our borders. Wages in border areas and homelands are much lower,' he said.

Mr Louis Peterson, general secretary of the Garment Workers' Union, agreed that Ciskeian imports were affecting the South African industry, mainly at the cheaper end of the market.

Mr Jocum said that although factors such as the exchange rate and inflation were pushing prices beyond people's capacity to pay, there was tremendous competition in the industry which was helping counteract this. — (Sapa)

Payout plan upsets some workers

E. Post 8/5/85

By KIN BENTLEY

THE closure of the Amcar truck plant at Markman Township, Port Elizabeth, at the end of the month could see about 115 people lose their jobs.

And there is dissatisfaction at the plant about the conditions of retrenchment.

Some workers said today management was refusing to disclose full details of the retrenchment payout until the day before the plant closed.

A concerned worker, who asked not to be identified, said there were about 120 employees at the factory. Of these, only about five had been assured of a job at the Samcor plant in Pretoria.

The worker said the "severance package" was "not so great".

It comprised a monthly basic payment equal to half of the employee's wage. But, he said, the Unemployment Insurance Fund provided 45% of this, which meant the company only gave them 5% monthly.

Retrenched employees would receive the allowance for 12 to 18 months, depending on their length of service.

He said he understood workers were entitled to 13 weeks pay on severance, but this was being held back for six months. The workers wanted the lump sum.

Management had said if they were paid out immediately then the workers due to be retrenched next year when Ford's Neave plant closes would demand the same.

The employees had also indicated they wanted a statement as soon as possible giving full details of the money they would receive. They were told, however, that they would receive it only the day before closure.

He said this month the workers were still going to have to pay weekly medical fees (to the company's scheme) totalling monthly amounts ranging from R35 to R60, with families only benefiting for the following month. They would rather use the money to pay their own doctor, if necessary.

He said there was gross dissatisfaction with the closure process.

A Samcor official had been unable to answer questions convincingly yesterday, he said. There would be another meeting today between a liaison committee, workers from the floor and management.

He added that while the severance agreement had been signed jointly by management and the National Automobile and Allied Workers Union (NAAWU), there was confusion as to whether the factory had ever recognised NAAWU.

NAAWU was not involved yesterday and would not be involved in today's talks, he added.

The Evening Post could not reach an appropriate Samcor spokesman for comment today.

Influx control renders UIF useless, says Fosatu report

South African employers' contributions to the Unemployment Insurance Fund have dropped considerably from about 2,4 percent to 0,3 percent in the 40 years since 1945.

The fund has also been put under severe strain by another reduction in the State's contribution from 50 percent to five percent.

These are some of the findings of a study of the fund by the Federation of South African Trade Unions (Fosatu), one of the country's biggest black trade union federations.

In the study, Fosatu warns that unless the Government and employers contribute more than workers to the almost bankrupt UIF, it will run into difficulties.

"The drastic reduction in the State's contribution must be seen as part of its strategy aimed at cutting expenses in areas of least resistance — for example, the UIF," the report says.

It adds that the State has failed to protect the funds' resources by excluding more and more workers from its benefits. When this measure failed to alleviate the State's obligation, it argued that its contribution should be lessened since the fund had accumulated sufficient reserves for its continued existence.

Meanwhile community-based organisations and workers have in the past complained about the delay in getting UIF money, despite the spiralling unemployment that is sweeping the country at the moment due to retrenchments, inflation and recession.

Unofficial statistics put the unemployment figure at 3 million while the official figure is only 760 000 and rising.

Worsening recession

Most of the unemployed workers are blacks and it is feared that with the worsening recession more will lose their jobs.

The federation says in some years between 1957 and 1981 benefits exceeded contributions. During these years no contributions were invested for future recessions or crises.

It says that although the State's contribution is now at about R7-million a year, it should be more than R25,5-million. "This would be more in line with a 25 percent contribution it commited itself to in 1977.

"In reducing and limiting its contribution to only R7-million in absolute terms, the State has allowed UIF to run down and it cannot cope with the demands made on it.

"We would go further and say that in terms of the needs which must be met in South Africa today, the fund is virtually bankrupt," the report says.

Increased contributions from employers and the State alone will not rescue the fund from the potential crisis it faces. And, to try to pay improved benefits from the present fund would bankrupt it. The fund's structure should be changed.

The federation also calls for a social security system that is not based on the insurance principle, but on social responsibility to care for all disadvantaged people.

The influx control system has rendered the UIF useless, the report says.

"As workers we know only too well that the real problem lies in the creation of unemployment. Work should be a right and not a privilege. What a human tragedy it is to let strong hands stand idle when people are starving without homes, schools, hospitals and roads. For us as workers — in fact for everybody in society — this is unacceptable," Fasatu says.

A spokesman for the UIF has agreed that employers were contributing about 0,3 percent of their wage bills to the fund, but could not confirm that the 1945 figure was as high as 2,5 percent.

The spokesman also said although contributions might have exceeded claims, interest earned on investments was nevertheless reinvested to cope with possible increases in claims.

Parliament and Politics

R100m relief for jobs crisis

By ANTHONY JOHNSON
Political Correspondent

PRESIDENT P W Botha last night announced a R100-million emergency relief programme to alleviate the unemployment crisis in South Africa.

A total of R32,5 million will be spent on existing projects in rural areas, while R67,5 million has been earmarked for urban projects, including training of the unemployed, do-it-yourself housing schemes and the upgrading of urban residential areas.

Mr Botha stressed in a statement released in Cape Town that the programme — which will give special attention to the Eastern Cape — would as far as possible not compete with the creation of permanent employment opportunities.

Remuneration paid to the unemployed people will constitute a major part of the cost of projects.

"Only those not employed and not entitled to unemployment benefits, or where benefits have been fully exhausted, will be employed, and workers will not be recruited in competition with other sectors of the economy," Mr Botha said.

President P W Botha ... "The government also trusts that the private sector will join forces with government bodies to relieve unemployment in the areas where it is most urgently needed."

He said that projects would provide employment for all races and would be implemented by the government sector in co-operation with the private sector.

He emphasized that as far as possible emphasis would be given to the bread-winner from a family with no other means of livelihood.

"The government trusts that in the light of the serious housing shortage, funds set aside for do-it-yourself housing schemes will provide an important contribution towards providing housing for black communities and at the same time enable labourers to earn income."

These actions, as well as painting, cleaning, clearing of terrain and refuse removal, would as far as possible be done by manual labour, he said.

Mr Botha noted that he had announced that the government had decided to use the R100 million from current income for special programmes of job creation. The original idea was for the programme to be launched mainly in the rural areas.

However, the cabinet, following a recommendation of the Central Economic Advisory Service, yesterday decided that because of the extent of unemployment, such programmes should be extended to also cover urban areas.

An interdepartmental "action committee" will take the responsibility for supervising the distrubution of funds.

The Administration for Own Affairs was also in the process of identifying projects for this purpose.

"The government also trusts that the private sector will join forces with government bodies to relieve unemployment in the areas where it is most urgently needed."

Parliament and Politics

Boraine plan to create jobs

CAPE TIMES 9/5/85

335

Political Staff

HOUSE OF ASSEMBLY. — The Minister of Manpower was urged last night to appoint an employment opportunities commission comprising commerce, industry, trade union, university and government representatives to mount a programme of job creation as part of the fight against unemployment.

Dr Alex Boraine (PFP Pinelands) made the call during the Manpower Vote in the House.

He said unemployment was public enemy number one and also one of the most significant causes of the unrest in the townships where jobless people were alienated, angry and hungry.

While there was no easy solution to long-term unemployment, a commission would bring together representatives of different sectors to mount a dynamic programme to foster job creation.

Dr Boraine also called for a planned movement away from a capital-intensive to a labour-intensive economy, by offering tax incentives to industrialists in urban areas.

Economic growth must be encouraged at all levels, but training would have to be improved to increase productivity.

He said the greatest hope for job creation lay in the active development of the informal sector, warning that regulations and red tape would smother rather than encourage this sector.

He said agriculture would also have to be revamped to reverse the declining number of capital-intensive farms and encourage the development of a large number of small, viable farms.

Pass laws

The pass laws contributed to unemployment and would have to be scrapped, he said.

Labour mobility was central to the free-enterprise system, but most South African workers were deprived of this.

He also called for the introduction of social security. If this was stubbornly rejected, the country would put at risk "the very fabric" of society and nobody would be untouched.

Urban areas gain too

PFP welcomes emergency job plan extension

335

Star 9/5/85

By David Braun,
Political Correspondent

CAPE TOWN — The Progressive Federal Party today welcomed the announcement of the details of how the Government was going to spend the R100 million allocated to create new jobs, but cautioned that the money should be spent wisely to create maximum employment.

President Botha released the details yesterday, after his announcement three weeks ago that R100 million would be spent from current income in special job-creation programmes.

UPGRADING

The original idea was that the money should be spent in rural areas, but the Cabinet decided yesterday that the special programmes should be extended to urban areas in the form of do-it-yourself housing schemes, training of the unemployed and the upgrading of residential areas.

The Eastern Cape, a region hit particularly hard by the recession, has been singled out for special attention.

The programmes are to be seen as emergency measures which are not meant to compete with permanent employment opportunities.

Dr Alex Boraine, the PFP spokesman on manpower, welcomed the announcement today, but cautioned that because R100 million was not a large sum of money in view of the magnitude of the unemployment problem, the money should be spent circumspectly.

The first part of the scheme was announced during the Parliamentary debate on the State President's budget vote when Mr P W Botha said the intention was to combat unemployment in rural areas resulting from the recession, Sapa reports.

The projects would provide employment for all races and the administrations for own affairs were identifying suitable projects, Mr Botha said.

R32,5 million would be spent on the extension of existing rural programmes and departmentally allocated as follows: Co-operation and Development R18 million, Foreign Affairs R10 million, Agricultural Economics and Marketing R2 million, provincial administrations R250 000 each and Environment Affairs R1,5 million.

A sum of R67,5 million would be allocated to urban projects and shared by departments as follows: Manpower R20 million, development boards R5 million, Co-operation and Development R25 million, Eastern Cape projects R7,5 million, own affairs administrations and various projects R10 million.

Job creation plan to get top priority

E. Post 9/5/85

By KIN BENTLEY

A CO-ORDINATING committee will probably meet tomorrow to discuss details of the R100 million job creation programme announced by the State President yesterday.

A spokesman for the Department of Co-operation and Development today said top priority was being given to implementing the scheme.

Yesterday, Mr P W Botha said the money would be spent where the problem of unemployment was "most acute" and that an amount of R7,5 million would be spent on "projects in the Eastern Cape".

Of the total, R32,5 million would be spent in rural areas and R67,5 million on the training of the unemployed, on do-it-yourself housing schemes and on the upgrading of residential areas.

Apart from the R7,5 million to be spent in the Eastern Cape, the remainder of the R67,5 million will be allocated as follows: Department of Manpower, R20 million; Development Boards, R5 million; Department of Co-operation and Development, R25 million; projects of Own Affairs administrations, R10 million.

He said the funds were aimed at alleviating the housing shortage in the black communities and providing work opportunities.

The spokesman said a Central Co-ordinating Committee (CCC) would probably meet tomorrow to consider recommendations from the various Government departments, Own Affairs (white, coloured and Indian) administrations, the national states and (probably) the provincial authorities.

He said the scheme was not new. Between R5 million and R10 million was allocated last year for a similar purpose, although this had been spent on projects in the national states.

So far there had been no decision on the final division of the funds.

He said his department had a special representative on the CCC. He could not be contacted today.

● The Chief Director of the East Cape Development Board, Mr Louis Koch, said today his board had submitted recommendations to the CCC.

He gave no further details on the nature of projects planned for the Eastern Cape.

Action to help unemployed

CAPE TOWN—President Botha last night launched an all-out campaign against unemployment and said a R100 million emergency relief programme would create jobs in towns and rural areas.

Parliamentary Correspondent

Family breadwinners who were out of work and unable to make a living would get priority as far as possible, he declared.

Housing targets would provide many jobs while the unemployed would be put back to work painting, cleaning, clearing terrain and removing refuse, he said.

A total of R32,5 million would be spent on existing projects in rural areas, while another R67,5 million had been earmarked for urban projects, including training of unemployed, do-it-yourself housing schemes and the upgrading of urban residential areas.

Mr Botha emphasised that the programme, which would give special attention to the Eastern Cape, would as far as possible not compete with the creation of permanent employment opportunities.

Pay for the unemployed would take up most of the cost of job projects.

The plan would aim to aid only those not employed or not entitled to unemployment benefits, or those whose benefits had been fully exhausted.

All races

They would be employed in emergency Government schemes but workers would not be recruited in competition with other sectors of the economy, Mr Botha said.

All races would benefit from the plan, which would be implemented by the Government in co-operation with the private sector.

'The Government trusts that in the light of the serious housing shortage, funds set aside for do-it-yourself housing schemes will provide an important contribution towards providing housing for black communities and at the same time enable labourers to earn income.'

Mr Botha noted that he had announced the Government had decided to use the R100 million from current income for special programmes of job creation.

The original idea had been for the programme to be launched mainly in the rural areas.

However, the Cabinet, following a recommendation of the Central Economic Advisory Service, yesterday decided that because of the extent of unemployment, such programmes should be extended to cover urban areas, too.

An inter-departmental 'action committee' would take responsibility for supervising the distribution of funds.

The Administration for Own Affairs was also in the process of identifying projects for this purpose.

'The Government also trusts that the private sector will join forces with Government bodies to relieve unemployment in the areas where it is most urgently needed.'

Argus 9/5/85 335

P W Botha gives details of scheme to boost jobs

Political Correspondent

PRESIDENT P W Botha has given details of the R100-million special programme to create job opportunities which he announced recently.

He said the original idea was to concentrate mainly on the rural areas but it had now been decided that, because of the extent of unemployment, the programme should be extended to urban areas.

In the urban areas, attention would also be given to do-it-yourself housing schemes, training of the unemployed and the upgrading of residential areas.

Private sector

The Government would implement the programme in co-operation with the private sector.

Mr Botha said the programme must be seen as an emergency measure and would not compete with permanent employment opportunities.

Only those not employed and not entitled to unemployment benefits would be employed and workers would not be recruited in competition with other sectors of the economy.

An amount of R32,5-million would be spent on the extension of existing projects in rural areas. The money would be apportioned to various departments.

The Progressive Federal Party has welcomed the President's announcement, but cautioned that the money should be spent wisely.

Dr Alex Boraine said because R100-million was not a large sum of money in view of the magnitude of unemployment and the money should be spent circumspectly, if it was not to "disappear in a hole".

President P W Botha

CAPE TIMES 10/5/85 - 335

Retrenchments cut by 140 after negotiations

JOHANNESBURG. — One of the most successful union negotiations in reducing retrenchments has been achieved by the Food Beverage Workers Union, a Cusa affiliate, with the Coca-Cola Bottling Companies of the East and West Rand.

Union spokesmen, who met with Coca-Cola management yesterday, said 203 workers from three different Coca-Cola factories had initially been faced with retrenchment. But the company had reduced the intended number to 63, following further negotiations with the union this week.

Spokesmen said the first retrenchment announcements had been made in February and would have affected 104 workers at the Bedfordview and Benrose branches.

After negotiating with the union, management reduced the number to 20. The rest of the workers agreed to work on a "rolling-leave system" which entailed taking unpaid leave every sixth week.

Last week Coca-Cola management announced that 99 workers would be retrenched at their Devland branch, but after negotiations only 43 will be affected.

Workers had indicated through the union that they were willing to either go on rolling leave, work every 20 days and forfeit two days of their monthly salary, or put in a limited amount of unpaid overtime work to save costs.

Union spokesmen said management had also agreed to implement some of the alternatives suggested by the union to save the jobs of remaining workers.

They said these were the first retrenchments by Coca-Cola and an agreement had also been made with the company that there would be no further retrenchments for the rest of the year.

Union officials are still discussing the position with management, but criteria for retrenchments have been jointly settled upon and consist of a "last in, first out policy", key skills and work attendence records.

Company spokesmen could not be contacted for comment yesterday.

Union wants strike clause barred

By JOSHUA RABOROKO

10/5/85

THE METAL and Allied Workers Union has called for the scrapping of the clause in the Labour Relations Act that provides for a legal strike.

This call is made following the dismissal of about 1 000 strikers at Sarmcol, a subsidiary of a British company, BTR, in Howick, Natal, last week.

The workers, members of the union, were dismissed after what the company insists was an illegal strike, while the union contends that it followed all the procedures in the Act necessary for a legal strike.

A Mawu spokesman said action by the workers followed the union's three-year battle for recognition at the plant. Agreement was just about to be reached when the workers were fired.

The spokesman said after they had followed all the procedures for a legal strike it was "pointless for workers to go through the grievances." The whole clause in the Act should be scrapped.

"It is no longer necessary for workers to go on legal strikes because whether they do or not they will still be fired. So the provision for a legal strike in the Act should be scrapped," the spokesman said.

"We are going to put pressure on the management to reinstate the workers and this may mean calling for a boycott of their products countrywide," the spokesman said.

The company has claimed that it took the action after "several months of sporadic disruption and industrial action taken by the members of the union."

'Better exports balance means more job chances'

JOHANNESBURG— The business community has to apply its mind and its creative abilities towards the major economic and social problems of the country, Dr A J J Wessels, chairman and founder of Wesco Investments Ltd, said in Johannesburg last night.

Addressing the graduation ceremony of the Faculty of Commerce of the University of the Witwatersrand, he said the business community could no longer expect to continue undisturbedly with its economic activities, creating careers for its sons and daughters and earning dividends for its investors.

He was not suggesting that businessmen become politicians or even aspire to advise politicians how to run the country.

'I merely want to say that the most complicated issues, both economic and social, should be considered in board rooms, rather than on political platforms, and solutions should be worked out by businessmen independently of, but complementary to, what is attempted by the Government.

High on the list of priorities facing businessmen was the creation of job opportunities and an important aspect of achieving this was to work towards a better balance of exports.

'Gold and minerals represent 64 percent of South Africa's exports but provide employment to only 800 000 people; whereas manufactured goods of industry which employs about 1,5 million people represent only 12 percent of exports.

Dr Wessels said the main emphasis should be on manufactured goods which provide by far the best opportunities of job creation and more attention should be devoted to it.

The countries which during the last three to four decades made the greatest progress and which created not only the largest job opportunities, but also the highest wage and salary increases, are invariably those which concentrated on the export of manufactured goods.

He gave as examples Japan, Hong Kong, Taiwan and Korea.

He said the most important requirements to achieve higher exports of those goods was to establish and maintain quality standards.—(Sapa)

'Levies will increase jobless and inflation'

335

Mercury Reporter 10/9 10/5/85

ORGANISED commerce and industry yesterday hit out at the method of funding regional government proposed by the Regional Services Councils Bill and said it would increase inflation and put more people out of work.

Spokesmen for the Durban Metropolitan Chamber of Commerce and the Natal Chamber of Industries said the levies would further depress industry and commerce and lead to higher inflation, higher unemployment and more businesses going under.

Chamber of Commerce general manager, Mr Ken Hobson, said the chamber agreed with the concept of regionalisation.

'But we are quite convinced the authorities have no idea of the widespread implications of the two new taxes.

'It verges on the unbelievable that while the Government is voting considerable funds to relieve unemployment, they can at the same time contemplate a tax on wages, which can only aggravate the existing unemployment.'

But Mr Owen Jones, chairman of the Metropolitan Consultative Committee, said without the power to levy taxes the regional services councils would be 'totally incapable of operating, especially in the Durban area'.

A Metrocom-sponsored financial investigation had last year shown that regionalisation would lead to an overall reduction in the rates burden of R5 000 000 a year, he said.

The executive director of the Natal Chamber of Industries, Mr Roland Freakes said: 'We recognise the need to finance the councils and that they must have an ability to generate income.

'But industry is already saddled with extremely burdensome taxation and in many ways has its back to the wall at the moment.

'We have heard that some of this taxation could be levied within the next few months and the timing is very unfortunate.

'Industry has already retrenched a large number of people.

'The payroll tax will tend to make people do all they can to limit their payrolls by reducing the number of employees.

'We were told the levies would be recovered by means of a tax abatement, but instead it is just a deductible expense, so we are only compensated by about 50 percent.

'The Government said we would get some relief by way of reductions in transport service levies and so on.

'But none of these concessions have not been spelled out and it looks like we're simply faced with another tax burden, another factor that can only depress industry further.'

Both the Chamber of Commerce and the Chamber of Industries said they had asked the Government not to introduce the new taxes until the Margo Commission investigating the tax structure had examined them and made reccommendations.

'The levies take no account of ability to pay. They will have to be paid even if companies are not making a profit or are on the verge of liquidation,' said Mr Hobson.

More companies could be forced into liquidation.

'It could well be the straw that breaks the camel's back.'

Our Parliamentary Correspondent reports that the reservations of commerce and industry were backed by Mr Harry Schwarz, MP for Yeoville and chief finance spokesman for the Progressive Federal Party.

Mr Schwarz said the turnover tax could have an effect on prices comparable to an increase of up to 2 percent in GST.

Mr Schwarz said that in spite of appeals by the minister that the tax not be passed on to the consumer he had no doubt that, at a time when profits were under pressure, this was inevitable.

He described the payroll tax as a hindrance to job creation in urban areas: it would encourage an intensification of capital-intensive industry, and act as an incentive to decentralise at a time when the country needed to create jobs as cheaply as possible — which was best achieved in urban areas because of the lower cost of infrastructure.

He also predicted that the Bill's poor definition of the manner in which it would tax non-GST paying vendors would lead to serious problems.

He drew attention to the heavy tax burden carried by business and consumers and called on the Government to refer its proposals to the Margo Commission.

'Major obstacles to social security plan'

Dr Alex Boraine

Mr P T C du Plessis

Political Staff

PARLIAMENT — The plight of the thousands of jobless in South Africa featured prominently in the debate on the Manpower Vote in the House of Assembly.

Responding to a call by chief Official Opposition spokesman on Manpower, **Dr Alex Boraine**, for a social security plan for the unemployed, the Minister, **Mr P T C du Plessis**, said there were major financial obstacles to such a plan.

Mr du Plessis added that an Employment Opportunities Commission, also suggested by Dr Boraine, was not warranted as a Government White Paper on the Strategy for the Creation of Employment Opportunities had dealt with the question, while the Economic Advisory Committee was giving ongoing attention to the issue.

Speaking later in the debate, Dr Boraine said he was glad that Mr du Plessis had recognised in principle the need for a social security system to cater for the jobless.

"Would he not go one step further and set up a study to look at the desirability and feasibility of such a system?

"Unemployment is very serious and its getting worse," he said.

Earlier in the debate, **Mr Wynand Malan (NP, Randburg)** said the protection of existing jobs was equally important as the creation of new ones.

"We should not make indiscriminate use of technology that threatens jobs," he said.

Mr Jan Hoon (CP, Kuruman) made a special plea for the protection of white workers jobs.

The stream of blacks into "white" areas threatened white jobs, and work opportunities should be created in the homelands, he said.

A Government member, **Mr George Balliot**, told the CP that whites could not hide unproductively under the protection of their white skins.

"Those days are gone," he said.

Balance needed in asbestos row — Vilonel

PARLIAMENT — South Africa's safety margins in the asbestos industry fell well within those set by the International Labour Organisation's prescriptions, **Dr Johan Vilonel (NP, nominated)** said in the House of Assembly yesterday.

During the debate on the Manpower Vote, he said that there was balance needed in the recent debate over asbestos.

"South Africa does not only comply with the standards set by the ILO in every respect, but has considerably improved on them," he said.

SOWETAN, Friday, May 10, 1985

Doubts behind the R100-m jobs plan

By JOSHUA RABOROKO

MAJOR trade unions and community-based organisations were sceptical of the announcement that the Government was to spend R100-million towards creating new jobs in urban and rural areas.

The State President Mr P W Botha announced last week that the government will spend R100 million for emergency job creation programmes in rural and urban areas.

The programme will be extended to urban areas in the form of do-it-yourself housing schemes, training of the unemployed and the upgrading of the residential areas.

The Eastern Cape, a region hit particularly hard by the recession, has been singled out for special attention.

The co-ordinator of the Azanian Confederation of Trade Unions, Mr Pandelani Nefolovhodwe, said it was still premature to comment on the announcement. "We still have to study it. But generally the Government of this country cannot cope with the problem of unemployment, let alone creating jobs.

Fosatu's president Mr Chris Dlamini said the Government had promised many things which it did not fulfil. "We shall welcome the scheme once it gets off the ground. We are doubtful about the scheme."

Black Sash's Mrs Sheena Duncan welcomed the move, but immediately said that the Government should rethink its taxation measures which could increase unemployment.

The Progressive Party's spokesman on manpower, Dr Alex Borraine, has welcomed the announcement.

orities said that The major problems We should say they page 1

Sowetan 10/5/85

400 sacked: Cusas make plea to Luyt

335

THE Council of Unions of South Africa has expressed solidarity and called on local trade unions to support the struggle of more than 400 workers sacked by a fertiliser company, Triomf, owned by millionaire Mr Louis Luyt.

In a new development Cusa-affialiate the South African Chemical Workers Union (Sacwu) representing the workers, yesterday sent an urgent telex message demanding to meet Mr Luyt in an attempt to resolve the matter.

Triomf's public relations officer yesterday confirmed that they had received the message.

The parties will meet on May 20.

The federation was considering exploring various means, including calling for international support, to pressurise the company to reinstate the workers who have been unemployed for almost a year now, according to Cusa's general secretary Mr Phiroshaw Camay.

He said the federation and its affiliates have agreed to continue to support the workers and call on especially the Fosatu-affiliate Chemical Industrial Workers Union (CIWU) to obtain support of the Triomf workers at Richards Bay.

The workers were dismissed after they had refused to respond to an ultimatum that they should return to work following a gathering at the plant in Potchefstroom on April 12 last year.

Colleagues arrested

Some of their colleagues were arrested by police who arrived at the scene the following day and charged with intimidation, but the charges were later withdrawn by a magistrate, the federation said.

Efforts made by the union and its lawyers to resolve the dispute were not fruitful when the company said it could only take back 300 of the 463 workers. The offer was refused by the union representing them — South African Chemical Workers Union — on grounds that they wanted all to be reinstated.

Various other meetings between the parties took place in an attempt to have the workers reinstated, but the company has since employed new workers on contract basis. Most of the dismissed workers were also contract workers.

He said support has already been obtained from the Commercial Catering and Allied Workers Union and the Railway and Harbours Workers Union to explore ways to "boycott" Triomf products.

138

Area of vital concern to all South Africa

Mr Peter Gastrow, MP for Durban Central, recently spent several weeks in the Eastern Cape as the Progressive Federal Party legal representative at the Kannemeyer Commission investigation into the Uitenhage shootings. In this article Mr Gastrow gives his impressions of the situation in the strife-torn area and suggests solutions.

A trip along the Port Elizabeth/Uitenhage freeway gives any traveller a precursory impression of what he can expect to find in the Uitenhage area. One passes the Algoa Park police station where a temporary police base with tents, a helicopter, Casspirs and military vehicles serve as a reminder of the abnormal situation which exists. Further on, miles of black townships ringed by shanty-towns are visible.

Life in Uitenhage appears to carry on as usual, but to the visitor the effect of the recession and the tensions which exist are apparent. Casspirs with armed police or the smaller Buffels carrying soldiers are a common sight in the street.

The town's sports complex has been turned into a tented police camp. The attitude of whites is hardening. Many demand firmer action by the police.

The almost daily reports of unrest in the surrounding townships of Langa and kwaNobuhle, of people being shot by police, of attacks on black policemen, of burnings and of violence between blacks certainly contribute to the feeling that Uitenhage is a town under siege.

Where will it all end? A show of force or strong police action will, on its own, certainly not solve the problems. The situation is far too complex for such a simplistic approach to succeed. Blacks in the Eastern Cape are probably more politicised than anywhere else in the country; their political sophistication is a reality which has to be addressed in any attempt to stabilise the region.

The recession has affected the Port Elizabeth/Uitenhage area more than any other part of the country. Some put the unemployment level among blacks as high as 25 percent.

Thousands are flocking to the townships from the Ciskei and other rural areas with the hope of finding jobs.

There is an alarming lack of communication between leaders of the black community and the authorities. The Government regards black community councillors and no one else as the spokesmen for their communities. Besides the fact that the council system does not have the support of the community as a whole, it has now collapsed without anything replacing it.

Only recently when the mass funerals were about to be held were the police prepared to meet recognised community leaders to discuss arrangements.

A large section of the black community does not view the police force as a protective agency. It is perceived as a law enforcement agency, with the emphasis on enforcement.

The many laws which prop up the political system are identified not only with the Government but also with the police.

The ordinary uniformed policeman sometimes has to handle unrest situations which result from questionable decisions taken by the security police.

Police action at funerals has led to deaths, which has led to more funerals and more police action. The spiral has just continued. The recent mass funeral attended by between 30 000 and 40 000 took place without incident mainly because police kept a distance and because of their prior meeting with the organisers of the funeral.

What clearly complicates matters for the police is the fact that criminals and tsotsi elements thrive in times of unrest.

Instances of mindless violence, arson and some barbaric acts such as burnings of bodies have taken place not necessarily in terms of a particular political strategy but as a result of impulsive thuggery.

A recent further complicating factor which contributes to instability in the black townships is the rivalry between the UDF and Azapo and between trade union movements such as the Federation of South African Trade Unions and the Motor Assembly and Component Workers' Union.

The war of words is now turning into physical attacks on individuals.

Taking all the above factors into account, what can be done to defuse the situation?

- The new Constitution has left blacks, particularly the urban blacks, with a feeling of rejection and frustration. When the State President, therefore, talks about negotiating with real leaders he should start doing so in the Eastern Cape. When he talks about future black participation at all levels of decision-making he should spell out what he has in mind.
- The Government should take urgent steps to stimulate economic growth in the Port Elizabeth/Uitenhage area. The incentives which are provided for areas such as East London should also apply to this area.
- At local levels channels of communication should be opened between community leaders and white local authorities, police, government departments and other institutions.
- The Government needs to go back to the drawing board to look afresh at black local government. In spite of good intentions the existing community councils system has failed in the Eastern Cape.
- The police should act with greater appreciation of the sensitivity of the area.
- There is an urgent need for the establishment of a legal aid clinic or a legal resources centre through which victims of the unrest can seek redress or channel their complaints.
- Essential services should be restored as soon as possible.
- Local community leaders should attempt to put an end to the clashes between rival black groups.

Not only the Eastern Cape community has a stake in the stability of the region. Political events among blacks in that part of the country have in the past often served as a pointer of what can be expected elsewhere. Uitenhage should therefore be of vital concern to us all.

100 Years Ago

From The Eastern Star

Mr William Hay opened the session of the St Andrew's Literary Society in King Williamstown with a lecture on "Colonial Newspapers, the Colonial Public, and their mutual obligations". He showed the fallacy of cutting down advertisements, the effect of which was to lessen the amount spent upon the literary portion of the paper, and consequently to injure its circulation.

Durban leaders welcome plan for jobless

NM 10/5/85

535

Municipal Reporter

THE Government's R100 million unemployment relief programme was welcomed by Durban leaders yesterday, but no one could say how it would work in the city.

The Mayor, Mr Neil MacLennan, said: 'It is an excellent idea. Only the Government can act in this sort of thing. The City Council couldn't really do anything.

'But it is important for the unemployed to have a chance to earn something and preserve self-respect.'

Mr MacLennan said careful thought would have to be given to the sort of jobs created, so that fully-paid work was not taken away from anyone.

Mr Ken Hobson, general manager of the Durban Metropolitan Chamber of Commerce, said the need for relief in Durban was no less than in other parts of the country.

'The trouble is that with the introduction of modern mechanised methods, very few things are still labour-intensive. Without more details on the Government's plans for the scheme, it is difficult to understand how it will be implemented,' he said.

'Disturbed'

The chairman of the council's Management Committee, Mrs Sybil Hotz, said the City Treasurer had already been asked to find out how much of the R100 million would be available for Durban.

'We realise Durban is not the worst area, but there is a great deal of unemployment in the city,' she said.

The Town Clerk, Mr Gordon Haygarth, said Durban would be prepared to co-operate with the Government and create unskilled work, provided the full costs were borne by the State.

Councillor Henry Klotz, who last month asked the council to consider introducing a relief scheme, said he was 'disturbed' that Durban had not acted before.

'Pietermaritzburg has already applied for R4 500 000 from the State for job relief. I'm disturbed that our officials did not act on my suggestion sooner. Durban should have taken the lead in this in the light of the large unemployment,' he said.

Hard times again

Well below the breadline

Johnny X and his brother Steven have not had a decent breakfast for a long time.

Children from a poverty-stricken family in Johannesburg's eastern suburbs, their main source of food is at school where they are given soup and sandwiches a couple of times a week.

Their father, who recently moved out of home to live with his girlfriend, was retrenched a couple of months ago. Their mother is unemployed. They have a small welfare grant but it only covers the rent. Essentials such as food have to be found elsewhere.

The school principal said: "When their mother is able to borrow money from an aunt, uncle or brother for food, the children leave school early to fetch their lunch. These children are really living below the breadline."

Pupils from an eastern suburbs school clutch mugs of hot soup and sandwiches which are distributed by teachers.

Hunger hits white pupils

By Susan Pleming, Education Reporter

Hundreds of white children in central and eastern Johannesburg are going to school hungry and six schools in the eastern suburbs have started feeding schemes for pupils.

Previously such schemes were found only in black areas where they have benefited thousands.

Now, as a direct result of the recession, small pockets of poverty have emerged in white residential areas such as Joubert Park, Hillbrow, Doornfontein, Troyeville, Jeppe, Fairview and Malvern.

The headmaster of an eastern suburbs school says that about 200 of the 250 pupils are malnourished and school attendance has dropped dramatically.

Mr Hennie Bekker, MPC for Jeppe, said that about 500 children — mainly from primary schools in the eastern suburbs — had been found to need food.

Community help

He pointed out that, because it was no longer the Transvaal Education Department's policy to run feeding schemes in its schools, the community had decided to help.

"It will cost us about R1 000 a month to run the scheme and this will cover only bare essentials such as soup and bread. We are planning to run this project during the winter months only but, obviously, if we can get financial support from the public we will be able to extend it.

"We will be feeding children from about six schools — but there may be eight or nine schools needing help," he said.

Mr Bekker said he was concerned that there would be a marked stayaway by pupils during the cold winter months.

Chairman of the "Winter School Feeding Scheme" and chairman of the Jimmy O'Connor Welfare Services Club in Malvern, Mr Ronnie West, said some schools were already distributing food.

"Before these pupils received food at school the teachers said they were tense, tired and continually fought in class. But, since they have been fed, there has been a marked improvement in their behaviour and classwork," he said.

Anyone who can help the committee with donations should telephone Mr West at (011) 58-1133 during office hours or (011) 58-5233 at home.

Fed every day

While hundreds of white children are struggling to survive during the recession, about 11 000 black pupils on the Reef are fed every day by the African Children's Feeding Scheme.

The chief sister of the scheme, Mrs Jeannette Molefe, said that the number was increasing daily.

Most of the feeding schemes focus on Alexandra township, according to Mr Mohammed Dangar, administrative director of Operation Hunger.

"We are feeding some children at creches but, because the need has become so desperate in Soweto schools, we will also be feeding those children soon ," he said.

Anyone who can help the African Children's Feeding Scheme should telephone (011) 339-1762. The telephone number for Operation Hunger is (011) 339-7636.

Samcor will stick to deal on severance

E. Post 10/5/85

By KIN BENTLEY

SAMCOR has released a statement on the workers' dissatisfaction at their Amcar truck plant in Markman Townhip, which is due for closure at the end of May.

This week workers expressed concern over severance payouts. About 115 people face retrenchment.

The statement, released by Samcor's public relations manager, Mr Reuben Els, says that during March it reached an agreement on the severance package for retrenched workers with two unions, the SA Iron and Steel Workers' Union and the National Automobile and Allied Workers' Union.

Workers claimed no trade unions were active on the shop floor and therefore could not reach agreement.

Ford's public relations manager, Mr Bob Kernohan, said the company was sticking to that agreement.

The statement says workers will receive 5% of six months' wages as a lump sum when the plant closes. They will also receive one week's notice pay and a pro-rata payment of their annual bonus.

"Additionally, those employees who do not retire on pension will receive their personal pension contributions, plus 2% interest thereon after six weeks.

"All affected workers will also be able to claim up to 45% of their present wages from the unemployment insurance fund for a period of six months.

"From six months after the closure they will receive 50% of their present wages for a minimum period of six months, or a maximum period of 12 months depending upon length of service."

Influx control to be revised

Political Staff

DRAFT legislation involving a "thorough" revision of influx control is likely to be submitted to a parliamentary standing committee before the end of the year.

And an easing of the hated pass laws seems to be on the cards.

This was announced last night by the Minister of Co-operation and Development, Dr Gerrit Viljoen, in an address in the City to the Cape Employers Association.

Stating that he did not believe that the total scrapping of influx control was practical in terms of the demographic and economic realities of South Africa, Dr Viljoen said the aim was to achieve "much greater simplicity and flexibility" in arranging and ordering urban settlement.

Technical

At the same time, he said, an effort was being made to "eliminate unnecessarily restrictive regulations which have the effect of creating large numbers of technical transgressions and cause much unnecessary frustration, in particular regarding the ready availability of identity documents".

Dr Viljoen warned at the same time that serious attention would have to be given to "abating the continuing influx of newcomers expecially from the Eastern Cape, the Ciskei and Transkei" into the Western Cape.

He said the best way to counter influx was through development and creation of jobs in the areas from which the migrants originated.

This was why the government was giving special attention to the creation of black employment opportunities in the Eastern Cape, Transkei and Ciskei.

R53 million

● The Department of Co-operation and Development has been allocated R53m of the R100m allocated in the budget to bring employment relief, Dr Viljoen said.

His department would spend:

● R18m on job opportunities in urban and rural areas and in the national states.

● R25m on job opportunities through self-build housing.

● R5m for environmental care through litter removal.

● R5m for jobs for upgrading hostels for migrant workers.

The Department of Foreign Affairs has received R14m for job creation in independent neighbouring states, and the Department of Manpower R25m for training the unemployed.

335 (1985) (1153) Star 10/5/85

Sacked 400 rehired

More than 400 workers fired by Pilkington Tiles at Meyerton late last month are to get their jobs back after a settlement between the firm and the Building, Construction and Allied Workers' Union.

Agreement came after three days of negotiations.

Threat of US disinvestment eases — but police hold key

CAPE TIMES 11/5/85

335

The Pattern of Politics

By Hermann Giliomee

SOUTH Africa has been bracing itself for tough economic sanctions imposed by the United States Congress to force accelerated reform of apartheid.

The American foreign policy mood is unpredictable (except for the knee-jerk reaction to everything Cuba does), but my impression during a recent visit to Washington was that the threat of serious curbs on American investment in South Africa has passed.

It is hardly necessary to qualify this with the statement that should a large number of blacks die tomorrow in clashes with the police, disinvestment (even trade sanctions) is a real possibility.

Exacerbating black unemployment

Business leaders in South Africa and the United States have lobbied vigorously against disinvestment on the following grounds:

● Disinvestment will hurt South African blacks, the people it is designed to help, by exacerbating black unemployment.

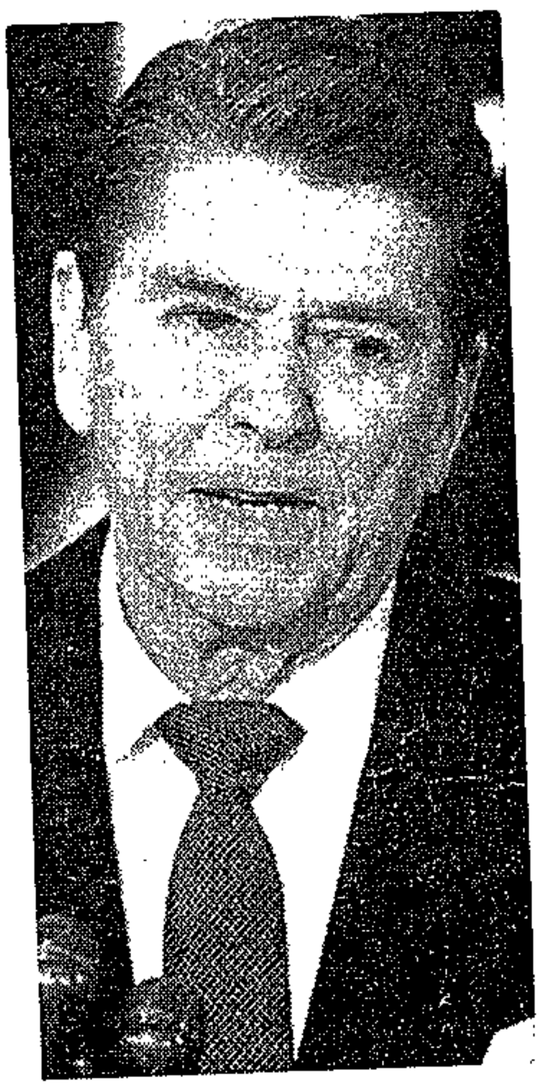
● America has limited leverage and is unable to accelerate the pace of apartheid reform since it is responsible for less than 20 percent of the foreign investment in South Africa.

The argument that disinvestment will be counter-productive for evolutionary reform in South Africa has steadily gained ground in recent weeks. A pro-investment attitude draws on the deep-seated American belief, shaped by historic experience, that economic growth will produce the rise of a black middle class which will command increasing power and respect on behalf of all blacks.

There is, in fact, no American public consensus for far-reaching trade and investment sanctions. A recent Harris poll (conducted, however, before the Uitenhage shootings) showed that majorities in the United States opposed economic sanctions against South Africa: they were against prohibiting bank loans by 51 percent to 41 percent, against blocking new business investment by 54 percent to 39 percent, against ending all trade with South Africa by 64 percent to 29 percent and against forcing US businesses to close down South African operations by 76 percent to 18 percent.

There is also a changed perception of the possible effect on South Africa of severe diplomatic and economic sanctions. Initially, there was widespread support for the view that tough American action would "traumatize" South African politics, a reaction that would presumably force Pretoria to face up to the need for power-sharing with blacks.

In recent times, the realization has dawned that America has but limited leverage over South Africa. In Congress there is a growing bipartisan approach towards South Africa which has rather more limited objectives.



President Reagan
. . . difficult veto

It above all wants to signal its displeasure with whites and sympathy for blacks. If this has the effect of hardening white attitudes, so be it, for the United States wants to distance itself from apartheid. It is no longer enough for America to profess abhorrence of apartheid, some concrete steps must be taken.

The bill Congress is likely to pass by September is, barring some major atrocity in South Africa, unlikely to contain the economic sanctions suggested by Senators Kennedy and Weicker. The chances are good that it will prohibit new loans to the South African government and state corporations, make it compulsory for US companies to comply with the Sullivan labour code aimed at the desegregation of the workplace and training of blacks and provide American funding (in the region of $10m to $20m) for black advanced education and training.

"Displeasure with South African whites" may well take the form of cutting down on consulates, withdrawing American military attachés in South Africa and dealing the serious symbolic blow of withdrawing the landing rights of South African Airways.

Experienced Washington watchers believe that President Reagan will find it difficult to veto such a bill if it finds strong bipartisan support as appears likely now.

In economic terms these measures will not affect South Africa much. The jump to a mandatory Sullivan Code is not big. Moreover, American banks have already virtually stopped lending to the South African government and its agencies while greatly increasing their loans to the private sector excluding banks (up from $495 billion in 1981 to $1,1 billion in 1984) and to banks (up from $1,08 billion to $3,5 billion in the same period).

US not unwilling to introduce curbs

It is not possible for the South African government to "reloan" from the private sector but it is more likely that it will look for credit in the European money markets.

Compared to what was envisaged a few months ago, this will be a rather limited American response. *Instead of actually imposing sanctions, it rather warns that America is not unwilling to introduce curbs, but will for the moment stop at this point.*

In mainstream American politics, the argument is now generally accepted that the threat of sanctions probably has much more effect than would the reality of their implementation.

In the next year or two, most of the action will occur outside Congress. The move to divest institutional funds from American companies with subsidiaries in South Africa has made great strides. On American campuses, South Africa has become the hottest issue since the days of the Vietnam demonstrations.

Since 1976, about 40 universities have sold $292 million of stocks in South African-related companies, but this figure is destined to grow dramatically and local governments last year alone divested $12 billion of stock from companies involved in South Africa.

These divestment moves have been encouraged by recent findings that they need not be costly. Institutions which sold SA-related stock tended to switch to high-technology stock which has generally out-performed shares in companies with South African interests.

As yet, this has had no impact on the shares of these companies but there are many companies who worry about how their public image will be affected. Coming on top of the decreasing profitability of their operations in South Africa and their fears concerning our country's stability, the option of selling out is becoming more attractive.

As to the extent that American companies voluntarily withdraw, it will be easier for Congress in future to impose further curbs on US economic and diplomatic ties with South Africa.

South Africa has no reason to be complacent over the softer line Congress is likely to take this year.

Food aid for whites

◆ FROM PAGE 1

result. The last time we heard about this happening was four or five years ago. NM 11/5/85

'There is no doubt that the poor economic situation of the country is having a marked effect on families in the Peninsula, particularly in Atlantis and Mitchell's Plain,' he said.

'Malnutition and tuberculosis have been linked by medical authorities.

'It is therefore possible to assume that the present situation will aggravate the task of those combating TB in the Peninsula.

'The worst malnutrition is seen in country schools, especially the farm schools,' said Mr Freeman.

In the past month about 6 000 children had joined the school fe ding programme and many more are expected to join soon.

The association was now feeding about 140 000 children in about 260 schools, using at least 5 000 loaves of bread daily.

White children getting food aid

NM 11/5/85

Colour that went to their heads

Mercury Correspondent

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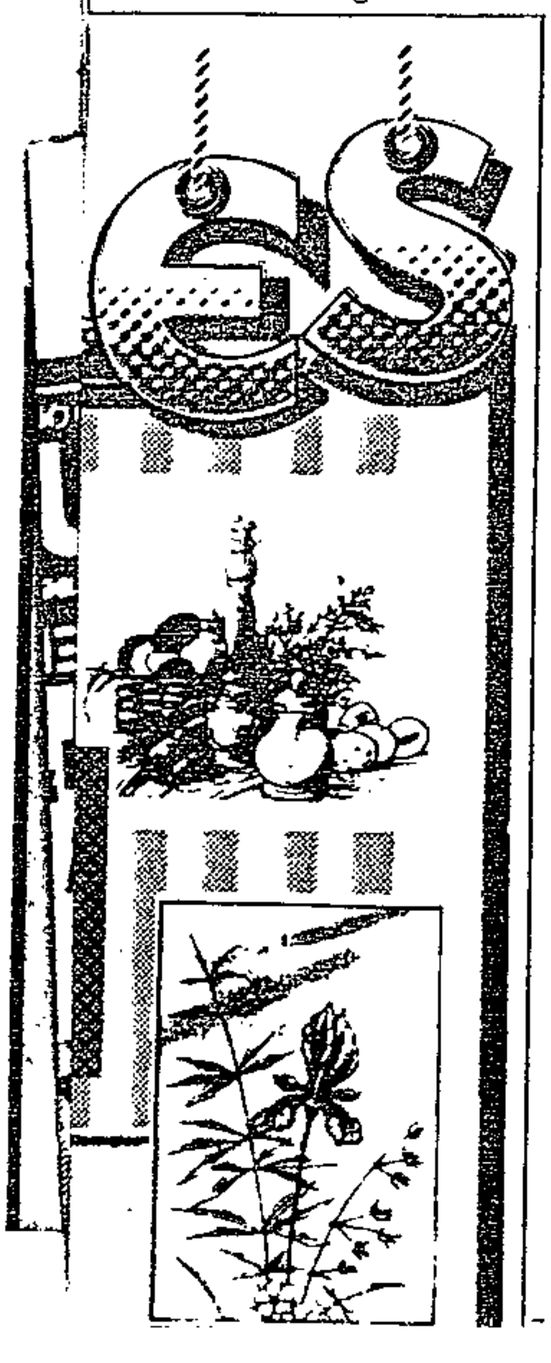
Mrs McKay said: 'The tremendous increase in unemployment has had a major effect, and people who have been retrenched are coming to us desperate for food.

'We give R12 food parcels containing fortified foods so that children get basic nutrition, but we have had such a demand we are in danger of our sources running out.'



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'It is clear that these children need more food. When they get it, they climb in and enjoy it,' said Mr West.

Pride

'At our own kitchen, a little chap has regularly been coming back for a third cup of soup. There's no Oliver Twist here. He can have as much as he likes.

'The kids have pride, though. They don't show their hunger. But it affects their behaviour in the classroom,' Mr West said.

Teachers had reported that hungry pupils were irritable, tired and 'wanted to scrap all the time' and class attendance had dropped dramatically.

Meanwhile our Cape Town correspondent reported that for the first time in years reports were reaching the Peninsula School Feeding Association of children fainting because of malnutrition.

Mr N F H Freeman, organiser for the association said yesterday: 'We have received a number of reports from headmasters of a relatively large percentage of their pupils arriving at school without having had breakfast and having no lunch.

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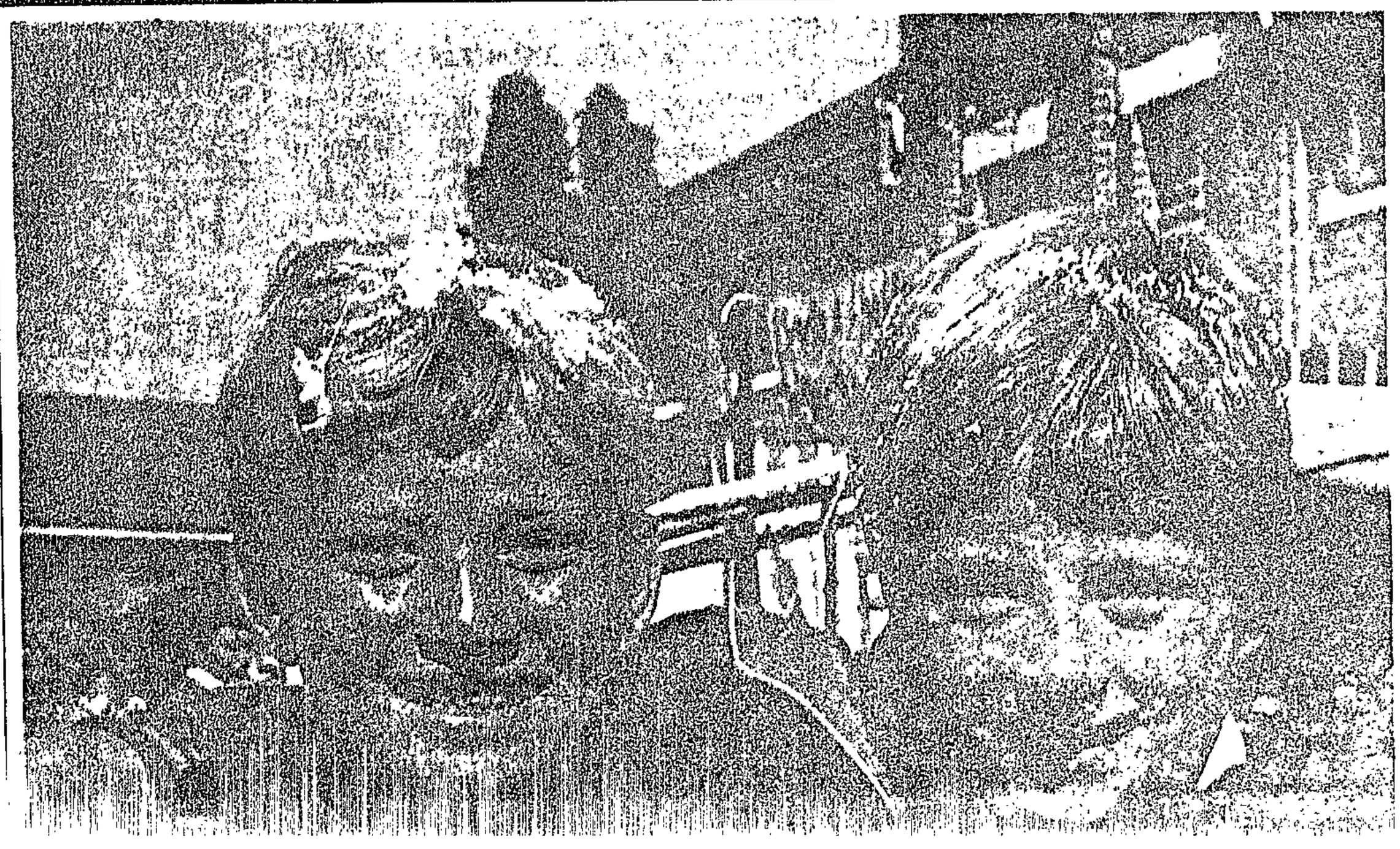

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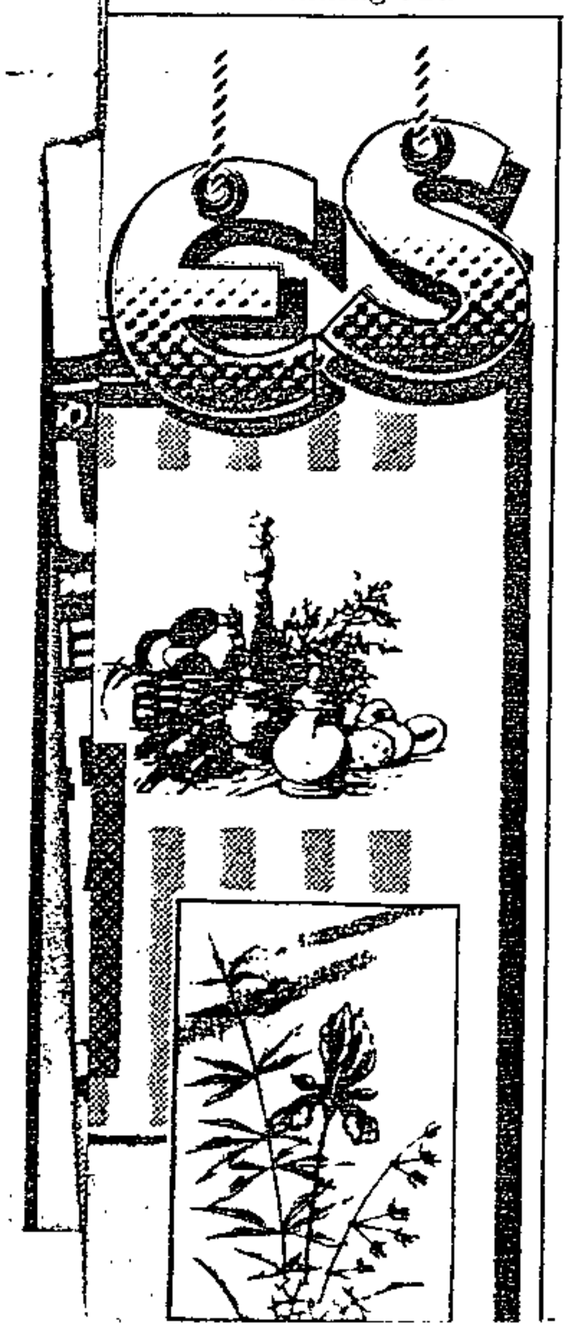

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NM 11/5/85 (90)

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100 000 whites looking for jobs

JOHANNESBURG — More than 100 000 urban white adults were unemployed and looking for either full or part-time work in March this year. A further 30 000 were in part-time employment, and looking for a full-time job.

These findings are based on Market Research Africa's Employment Index which is monitoring employment among urban whites and metropolitan blacks. Measurements will be made for both races in March, July and November this year.

Unemployment was highest among 16-24 year olds, 8% of whom were out of work, and among the lower income group with household incomes of less than R700 a month, where 7% of adults were without a job.

"It is important to have a regular measure of the extent to which people are out of work as a basis for forward planning," says Mr Clive Corder, managing director of Market Research Africa.

The worst hit provinces are the Cape and Natal, followed by the Transvaal. — Sapa

● See Page 4

100 000 whites out of work in Jo'burg — survey

335

Star 15/5/85

Own Correspondent

More than 100 000 urban white adults in Johannesburg were unemployed and looking for either full or part-time work in March this year.

A further 30 000 were in part-time employment and looking for a full-time job.

These findings are based on Market Research Africa's Employment Index, a new service monitoring employment among urban whites and metropolitan blacks.

Unemployment was highest amongst those aged 16 to 24, eight percent of whom were out of work, and amongst the lower income group with incomes of less than R700 a month, where seven percent of adults were without a job.

Mr Clive Corder, managing director of Market Research Africa said: "Unemployment is highest among young people because of the need to absorb both school leavers and those who have completed their service with the Defence Force."

Of 48 000 young people unemployed and looking for full-time jobs, 30 000 were women, he said.

● Unemployment among returning national servicemen has jumped from five percent to more than 30 percent because of the recession, says Major Pieter Breytenbach, Natal co-ordinator of the South African Defence Force Orientation Forces.

He has just visited three bases at the border where, he said, he found 138 out of 446 men had not yet found work.

Major Breytenbach said a major campaign was under way to notify 8 500 employers in Natal.

"We are hoping to muster the forces of commerce and industry," he said. — Sapa and Own Correspondent.

Decrease in EP jobless 'an illusion'

335 E. Post 15/5/85

By CATHY SCHNELL

OFFICIAL unemployment figures for the Eastern Cape last month once again showed a decrease in the number of coloured, Indian and black men registering as jobless.

But labour experts regard this as a sign of hopelessness among people leaving the area or no longer bothering to register as unemployed.

Figures from the Department of Manpower show that only the number of whites men registering as unemployed has increased — from 1 016 in February to 1 069 during April.

This figure is more than double the number of white men registered as unemployed during April last year.

For all race groups the highest levels of unemployment are recorded among semi-skilled and unskilled workers. The second highest number of white men to register as jobless are those in the professional and clerical fields.

A total of 62 white men in the motor industry registered their names with the department as unemployed. However, only nine coloured men, one Asian man and 11 black men in the motor industry registered with the department — despite retrenchments in the industry.

A similar pattern of those registering for unemployment was prevalent among women. The number of white women registering as jobless increased — as did the number of Indian women (though only marginally). There was a decline in the number of black and coloured women registering as jobless.

The highest rate of unemployment among women were those in semi-skilled and unskilled jobs.

There was a high rate of white women in professional and clerical positions registering as unemployed this month. A total of 1 028 of the 1 175 white women registered as jobless belonged to this category. This number is considerably higher than the total number of white woman registered as unemployed in April last year.

However, any statistical figure on unemployment will be hopelessly understated.

Labur experts see the implications in the decline in the number registering as unemployed as serious.

One labour specialist said many people had given up looking for jobs. Some had left Port Elizabeth to look for jobs elsewhere.

He said African workers who lost their jobs became victims of influx control.

1 000 servicemen face civvy street with no job

NM 15/5/85

335

Mercury Reporter

AS MANY as 1 000 national servicemen who return to Natal in June after their two-year stint may have no jobs to come back to.

Appealing to employers to make efforts to take on returning servicemen, Maj Pieter Breytenbach, of the SADF Orientation Services, said he had found in a survey at three bases in the operational area that 31 percent of servicemen had no employment lined up.

This figure was a 'dramatic increase' compared with about 5 percent of returning servicemen who had no jobs in previous years.

'I can imagine nothing more demoralising than coming back and having to pound the streets looking for a job,' Maj Breytenbach said.

Liaison

'In December, in spite of the economy being as bad as it was, only the usual 5 percent or so did not have jobs. But if things carry on the way they are, the picture could be even worse by the end of the year.'

He said liaison had been established with the Durban Chamber of Commerce, the Afrikaanse Sakekamer and the Natal Chamber of Industries. These organisations had promised to try to help.

But, even assuming only 25 percent of the 3 000 servicemen who would return to civvy street in Natal in June would be jobless, that meant 750 men would find themselves on the depressed job market.

News item: Queen Elizabeth, reputedly worth R6-billion, saves string and dislikes waste

ARGUS 15/5/85 335

DISINVESTMENT

'Morality is cheap when someone else is paying'

RICHARD COHEN of The Washington Post discussed disinvestment with the PFP's financial spokesman, Mr Harry Schwarz, in Washington recently. This was the upshot of their meeting

LAST week H H Schwarz, as his business card reads, was working Capitol Hill, telling Senators and Congressmen that it was a bad idea for American firms to pull out of South Africa — not a very surprising position for a member of the South African Parliament, you might think.

Harry Schwarz would shoot you a look for suggesting that. He abhors his Government. But he loves his people.

Schwarz, a member of the opposition Progressive Federal Party, is someone you hate to meet. He's a challenger of convictions, a person who hangs question marks on the end of sentences that should end with ringing certainty.

He does this by asking questions himself. This is one of them: Have you ever looked into the face of a man who has no job?

Schwarz has. It was his father, a German refugee who arrived in South Africa during the depression of the 1930s. He went out one day to seek a job as a clerk at Woolworths and returned still unemployed. Schwarz looked into his father's face and has never forgotten what he saw.

That face many times over would be seen all over South Africa if American corporations pulled out, Schwarz says. Men and women — most of them black — would be thrown out of work.

The 120 000 people working for some 300 US corporations would have to seek work elsewhere. They could work no more for firms that, prodded by American civil rights groups, have integrated their workplace and pay equal wages.

These are firms that are teaching skills, that are developing a black middle class and, in the case of IBM, that have established a trade school for blacks.

Why, Schwarz asks, should the blacks of South Africa have to lose jobs so that Americans can make an unambiguous statement about racism — a statement that costs them nothing? What, he asks, is accomplished by simply washing your hands of South Africa so that you can announce you are morally untainted by apartheid, when doing that means the loss of jobs and the disintegration of families?

Maybe, as some people say, this hardship will forge revolutionaries. The theory is nice. The reality of revolution often is not. The two extremes take up arms and those in the middle tend to get mowed down.

Harry Schwarz robs people like me of the satisfaction of unambiguous indignation — of pretending that the entire South African issue is as easy as being arrested at their embassy.

Maybe the reality and the symbolism of economic sanctions would so jolt the South African Government that it would have to change its policies. And maybe in that case the jobs of a small percentage of the work force is a price worth paying.

Mr Harry Schwarz

But the point that Schwarz makes is that these are hard choices, not easy ones like choosing between good and evil. Morality is always cheap when someone else pays the cost.

This business of either washing your hands of South Africa or punishing it economically is a complicated one. Even black South Africans cannot agree on the proper course.

Of course there is always something to be said for asserting your own morality, for proclaiming something so rotten that it cuts through all complications; something so evil that, as Tevye discovered in *Fiddler on the Roof*, sometimes "there is no other hand". Apartheid ought to be that something. But Schwarz won't permit it.

Schwarz is the other hand personified. He respects university students for their moral indignation, but he wants to tell them it would be best if American corporations remained in South Africa and pressed for reform. It would be best, he says, if the American government consistently denounced apartheid, prodding South Africa to do away with it but exerting pressure in a way that the victims of apartheid do not also become the victims of the anti-apartheid movement.

Schwarz asked: Do you withhold aid from Ethiopia because their government is abhorrent? Do you let people starve because their rulers are communists?

The questions Schwarz asks, however you answer them, complicate what for many people is the moral equivalent of a free lunch. They look upon the face of racism and find it repugnant.

Schwarz asks that they also look upon the face of an unemployed father. It makes this free lunch no different from any other. It has its price.

JOBS

The spectre of unemployment

IN the debate on the Manpower vote in the House of Assembly, DR ALEX BORAINE, PFP spokesman on manpower, warned of the dangers of growing unemployment and suggested steps to combat the problem. This is an edited version of his speech.

- **"We are beginning to talk of jobless in millions."**
- **"Behind the statistics are ordinary men and women."**
- **"The unemployed are mainly among the voteless."**
- **"A commission on the problems must be appointed."**
- **"We have to improve training .... and education."**
- **"The greatest hope lies in the informal sector."**
- **"As a matter of urgency the pass laws must go."**
- **"Of the utmost importance is a social security plan."**

THERE is considerable disagreement on how many people are unemployed in South Africa. The situation is not only bad but is getting worse. Black unemployment in particular is soaring.

Because of the recession and the low growth rate, the future looks even bleaker. It is estimated that with a growth rate of 3,6 percent unemployment will reach 21,9 percent in 1987. With a growth rate of 5 percent it will be 11,5 percent.

Every day there are bankruptcies and retrenchments and the list of unemployed grows longer. We are beginning to talk not only of hundreds of thousands but of millions.

At present approximately 408 920 job seekers come on to the market every year, of whom 77,3 percent are blacks. By the year 2000 the figure will increase to 535 000 of whom 83,3 percent will be black and by 2015 there will be 641 000 people looking for work of whom 87,2 percent will be black.

Unemployment should be seen as Public Enemy No 1. It has numerous implications. It cannot be interpreted as mere statistics in a national growth plan. Behind the statistics are ordinary men and women for whom it has terrifying implications. When unemployment knocks on their door it brings with it companions who are persistent in their cruel demands.

For some it means the loss of dignity and self-worth, the loss of a home, the denial of opportunities for their children or not knowing where the next meal will come from; for thousands it means losing the right to remain in the urban areas and being forced back to homelands where there are no jobs; for many it means leaving school after years of study and preparation with no prospect of employment whatsoever.

When considered, too, that by and large the unemployed are to be found within the disenfranchised sections of our population it takes on serious socio-political implications. No doubt one of the most significant background causes of disturbances in townships is the lack of job opportunities.

Hand in hand with spiralling unemployment is the increasing number of black matriculants coming on to the labour market. Can there be anything more frustrating for one who has been battling against all the odds to find there are no vacancies?

Unemployment fans the flames of anger and resentment. In the townships of Uitenhage it has been estimated by businessmen and trade unionists that unemployment is running at more than 25 percent.

There is an increasing mass of people with nothing to do. What better ingredients for demonstrations and mob action? What better fuel to add to our racial tensions when the overwhelming number of unemployed are black and the employers, who do the hiring and firing, are in the main white?

Large-scale and long-term unemployment is a serious problem in any country. But when there are deep-felt political grievances and a highly unequal distribution of income the problem is compounded. It is a price South Africa cannot afford.

One of the primary motivations in the fight against disinvestment is that any more unemployment can only cause greater dislocation and therefore add to the problem rather than resolve it.

There is no easy and swift solution. Cyclical unemployment is corrected in the normal course of events as the business cycle improves. But structural unemployment, which exists even though there are people who desperately seek work and who have some qualifications which enable them to work, is a problem which demands urgent and serious consideration.

Some initiatives to alleviate the problem are:

● The appointment of an employment opportunities commission to analyse the problems and bring together the best people in commerce, trade, industry, the trade unions, universities and the government to mount a dynamic programme to foster job creation.

● There must be a planned movement away from a capital-intensive economy to a labour-intensive economy, encouraged by better tax incentives to industrialists to move towards labour-intensive investment in urban as well as rural areas.

● Economic growth must be encouraged at every level. Part of the answer to increased growth is increased productivity. But to increase productivity we have to improve training which in turn rests upon the foundation of a sound basic education.

● The greatest hope for job creation lies in the active development of the informal sector, which shows the most scope for expansion and upgrading. It is essential that the entrepreneurial spirit in this more dynamic part of the modern informal sector be nurtured rather than stifled. Instead of breaking down modest shacks being used to operate one-man businesses, instead of bedevilling the informal sector with laws and regulations we ought to be encouraging it in rural and urban areas.

● There must be a change in agricultural patterns. This is possibly the only sector capable of absorbing relatively large numbers of workseekers within a fairly short period. The irony is that while agriculture has grown, the number of jobs in this sector has shrunk.

There will have to be a radical redistribution of economic resources. At the moment there is a comparatively small number of large farms with a great deal of capital equipment. What is required is a large number of economically viable farms which rely more on labour than on capital.

● As a matter of urgency pass laws, which are a symbol of the inferior status of blacks, must go. Influx control contributes to unemployment and should be scrapped. Labour mobility is central to the free enterprise system.

● Of the utmost importance is the introduction of a social security plan. This will be highly controversial. There will always be those who will abuse the system but we have to distinguish between socialism and social security. They are not the same.

The reason why Britain and the United States can cope with high unemployment is because there is a social security system which enables families to keep body and soul together.

In South Africa, where first and third worlds rub shoulders, where there is massive poverty, malnutrition and increasing joblessness, it is of the utmost importance that a social security system be introduced without delay.

If we stubbornly reject this, we could put at risk the very fabric of our society and none of us will be untouched.

335

C a aim to help the jobless

The Council of Unions of South Africa (Cusa) and several other unions have set up a project to develop structures to help the unemployed solve problems facing them. Sowetan

A draft proposal recommends that the Government set up two benefit schemes — an unemployed insurance fund and a subsidiary fund — was accepted by the unions. 14/5/85

The unions have also committed themselves to:

— establishing a district workers' centre in an agreed geographical area.

— helping the unemployed to make representations on issues which affect them directly.

— providing counselling, advice, educational and training assistance.

— providing a forum for discussion and information dissemination.

In a statement the unions say each district workers' centre will be established in an independent venue accessible to workers. The centre will conduct its operations through a democratically elected committee of unemployed workers who will decide on the operations and functions of the centre.

The centre will co-ordinate its work through an appropriate regional or national co-ordinating office.

Unemployed workers can contact Cusa at any of its offices throughout the country for information about the planned centre.

Cusa and the unions released a memorandum in which it called for wide-ranging change to the UIF last year.

A key recommendation was that the Government set up two benefit schemes — an unemployed insurance fund (similar to the present UIF but with better benefits) and a subsidiary fund.

Among other recommendations were: the Government give more money to the UIF (at least on a rand for rand basis to the total contribution of the workers and the bosses and — the Government must increase benefits to at least 60% of the workers' average wage in the last 13 weeks.

The importance of these recommendations are once again emphasised by recent UIF figures released by the Department of Manpower in Parliament in February.

An amount of R196 286 366 was paid out to 305 197 unemployed workers at the end of 1984. This means each worker received a total of R643,17 for 1984 — which works out to about R53,58 a month.

Herald 11/5/85

335

A long wait to find a new job

NEARLY 40 percent of the men and more than half the women unemployed in South Africa at present, have been jobless for more than two years.

The average duration of unemployment today is five years and seven months.

This was disclosed last week by Professor Jeremy Keenan, chairman of the Graduate Development Studies Programme of the University of the Witwatersrand, at a seminar on retrenchment organised by the Institute of Industrial Relations.

He said South Africa tended to focus on the number of employed and largely ignored important factors, including the duration of unemployment and its causes.

"In the 1960s, about 250 000 people were jobless in the homelands. By last year that figure had risen to 1,43 million.

"If one looks at the duration of unemployment, one finds that in 1977 eight percent of men and four percent of women who were unemployed had been out of work for more than two years. Today 38 percent of men and 54 percent of women who are out of work, have not worked for more than two years.

"The average period of unemployment in South Africa today is five years and seven months."

ILL-HEALTH

In the rural areas, 36 percent of the unemployed had never worked and 64 percent had lost their jobs. Among those who had lost their jobs, 30 percent had lost them through ill-health.

"In rural areas, we are looking at the complete collapse of families," said Professor Keenan.

Using a case study of a company in Brits, he said many companies used economic arguments and the recession to flush out unions and their members. The political and socio-economic implications of such victimisation were enormous.

His department had monitored the impact of such victimisation in the Brits case and found that it had spurred unions to organise more vehemently.

The case had caused widespread bitterness towards management and the government in the surrounding communities and had had tragic consequences for the families affected.

Murder suspect hated human company - cop

DURBAN. — A policeman last week claimed that murder suspect Sivaji (Raymond) Govindsamy admitted that he could have "harmed" three Natal schoolgirls who were kidnapped and killed.

But he said he could

R7,5m E Cape work project clarified

335

E-Post 13/5/85

By KIN BENTLEY

EMPLOYMENT under the recently announced special R7,5-million employment project for the Eastern Cape will be given only to workers officially registered as unemployed.

Recruitment will be done by the Department of Manpower and the various development boards.

Explaining the mechanics of the programme which is due to be implemented soon, the director of the Port Elizabeth Chamber of Commerce, Mr Tony Gilson, said unemployed workers should register if they wanted to benefit from the programme.

Next Thursday, May 23, Mr Gilson is to meet Mr Jan Dreyer, chairman of the Action Committee on the Special Employment Projects, which was formed to oversee the plan announced by the State President Mr P W Botha, last week.

In announcing the allocation of R100 million for job creation, Mr Botha said a special amount of R7,5 million would go to creating employment in the Eastern Cape.

Mr Gilson said an action committee to look into the unemployment situation had been formed in the PE-Uitenhage area. It included bodies such as the Chambers of Commerce, the Midland Chamber of Industries, the Afrikaanse Sakekamer, the black local authorities, the city and town councils, the African Chamber of Commerce and others.

He said among ideas for labour-intensive schemes they had identified — and there were many more — was the repairing of flood damage and the clearing of bush under transmission lines: work which had not been completed due to constraints on spending.

He said the projects would not be "work for work's sake", but would be of value to the community while alleviating unemployment.

Mr Gilson said he would also be discussing with Mr Dreyer remuneration details, worker selection and other mechanics for the programmes.

Mr Dreyer said Mr Gilson was to be asked to clarify a few points concerning recommendations made to the Government.

Due to the seriousness of the situation in the Eastern Cape, he said, they were envisaging an "emergency programme". One of the conditions regarding planned projects was that they could be implemented as soon as possible.

Other conditions were that the projects be labour intensive and that they required low capital overheads.

They would provide labour for one bread-winner per family.

● At the end of April, an Eastern Cape Chambers of Commerce delegation met with the Minister of Co-operation and Development, Dr Gerrit Viljoen, in Cape Town.

They also sent a memorandum about the unrest to the Government.

Bid to form union for Natal's unemployed black seamen

335 NM 25/5/85

Shipping Reporter

THOUSANDS of unemployed black seamen living in Natal are finding it increasingly difficult to get work on both foreign and South African ships.

This has been disclosed by Mr Vincent Mofukeng of Chesterville, who is trying to unite black seamen by forming a union.

Yesterday he produced a list of 156 seamen in the Durban area who were out of work.

Mr Mofukeng explained the background to the hardships experienced by about 6 000 men since 1974.

'In 1974 we were told the ships in which we were working were going back to their owners overseas and they no longer needed our services — some of us had worked on the ships for more than 10 years,' he said, adding that no benefits were given.

Attempts were made to get jobs through the South African Marine Corporation in Cape Town, but this failed, as employment could be offered only to coloureds living in the Peninsula, Mr Mofukeng said.

Although the men had been able to seek employment by going on board ships in Durban harbour, the main job source was at Richards Bay, but the distance involved made it impossible to travel there regularly with no assurance of getting a job, he said.

Mr Mofukeng now hopes to get all unemployed seamen in the Durban area together to discuss the possibility of appealing to foreign governments for help in getting jobs on foreign lines. This would increase the chances of forming a union.

'If the shipping agents in Durban and Richards Bay need us, we have all the experience they need in any of the three departments — deck, engine-room and catering,' he said.

Sorry plight of sacked workers

By JOSHUA RABOROKO

FOR almost a year now the prospects for over 900 sacked workers previously employed by Illman Plastics in Johannesburg of regaining their jobs have been bleak.

The workers have been gathering at their trade union offices, praying to get their jobs, consoling each other by chanting songs and even playing games. But luck has never struck.

The workers joined the Fosatu affiliate Metal and Allied Workers Union with the hope that their rights — a demand for higher pay and better working conditions — would be met by management.

Problems started in May last year when they demanded that management should deduct money from their pay in order to pay subscription fees to the union. It refused and started victimising workers.

Several attempts by **The SOWETAN** to get a response from the company's personnel manager, a Mr Surshud, have drawn a blank. He was either said to be in meetings or not answering his phone. Messages were never returned.

However, a spokesman for Mawu said they experienced a lot of difficulties in the case because they were not recognised by the company which was "always stubborn."

A spokesman said the issue was in the hands of their lawyers who would take legal action soon.

Chief shop steward Mr Billy Makgobutlana, says five colleagues were dismissed because of their involvement in union matters.

"We approached management, voiced our dissatisfaction about the dismissal of the workers. Management was stubborn and insisted that the workers sacking was justified.

"The workers became angry and downed tools in protest over the firing of their colleagues. Management did not want to listen, but fired the entire workforce.

"We have tried several avenues in a bid to get our jobs back and the union even threatend to take legal action, but in vain. The union has also left us in the cold," he declared.

PART of the sacked workers of Illman Plastics . . . They pray, sing and console each other.

When the Metal and Allied Workers Union failed in its attemts to fight for the reinstatement of the workers, they left it quite disgruntled, and sought help from the Council of Unions of South Africa (Cusa).

Since then, Mr Makgobutlana adds, the workers, who have been left unemployed for several months, have been gathering at the union offices waiting for the outcome of a battle for reinstatement.

Some of the workers have gone back and were re-employed selectively, but the majority are still out, depressed, frustrated and without money to keep their home fires burning, Mr Makgabutlana said.

"They are elderly people who have children, families, rent to pay and other things to look after. We are desperate for jobs or to be reinstated," he says.

Another worker, Mr Mphenduli Dumakude, says: "I have not been able to pay my house rent. I have been threatened with eviction by the authorities. What is worse I have children who go to school. They are miserable and we live desperately in need of food daily.

However, he continued: "I managed to get a part-time job with a company in the city, but the money is not enough."

Most employers have indicated that there are reeling under rising inflation recession and GST, and as such cannot employ more people in their workplaces, another worker, Mr Thulani Dladla said.

Ms Cleopas Zamisa says it has almost become impossible for her to support her aged parents. She has not had wages for close to a year now, and "I have also not been lucky to strike a job since I was dismissed.

"We feel the union still has to battle hard to secure us our jobs, although we are told the company has already employed other people. They informed us they will advise us if there are vacancies.

She asserted that the management was still anti-union because workers have been asked if they still belonged to the Mawu.

D. Dispatch 24/5/85

EL stevedores face retrenchment

By JOEL JACOBSON

EAST LONDON — The South African Stevedores management here is in the initial stages of negotiations with unions and worker committees for a retrenchment programme.

This was disclosed yesterday by SAS's manager, Mr Tony Aylott, who said the negotiations had come after an immense downturn in trade had been experienced by the stevedores.

"Effectively at this stage we do not have the work to go round for the 200-workforce.

"Only some sort of disaster at another port could save the situation and benefit us.

"Port Elizabeth, however, has the edge with a deeper-draught to allow for bigger ships.

"Companies are loathe to divert cargo here because the ships able to berth are big enough to hold only half the shipment.

"South African Transport Services (Sats) could also prefer to send traffic through Port Elizabeth because rates there for certain commodities could be less than to East London.

"In other words we are uncompetitive," Mr Aylott said.

He said as a company they could not afford to absorb the losses and stick around for a year when trade would pick up.

"We must wind up the operation according to the volumes we handle passing through."

Mr Aylott said some of the losses the stevedores suffered were the lack of maize exports or imports, a loss of the contract for copper concentrate from Zaire and loss of handling carton stock in breakbulk as well as copper mattes.

He said maize would start being exported again in the latter part of next year.

Defeat for union in Pinetown factory poll

NM 24/5/85

335

Labour Reporter

THE National Union of Textile Workers' battle for recognition at a Pinetown clothing factory ended in defeat yesterday when a majority of the workers voted in favour of a rival union — the Garment Workers' Industrial Union.

The 864 workers at Natal Overall Manufacturers were asked to vote following the intervention of the Industrial Court to settle the long-standing recognition dispute with the company.

The dispute posed serious threats to the GWIU, which has guarded its membership at several clothing factories, mainly in the Pinetown industrial complex, by entering into a 'closed shop' agreement with the companies.

The agreement effectively barred other unions from being recognised at the plants.

After the NUTW took the latest matter to the Industrial Court, the company was ordered to hold the ballot to determine whether its workers supported the NUTW or the GWIU.

The dispute arose from lay-offs at the factory which NUTW claimed took place without the union being consulted. However, the company maintained that it was not obliged to consult the NUTW because of the closed shop agreement with GWIU.

Results of the ballot released yesterday showed that 533 workers voted in favour of GWIU and 321 for NUTW. There were 10 spoilt papers.

Approached for comment yesterday, Mr Trevor Aron, managing director of the company, said: 'The wishes of the workers were expressed loud and clear.'

GWIU's general secretary, Mr Frankie Hansa, said he was delighted with the results of the ballot. Mr Jabulani Gwela, NUTW's Pinetown branch organiser, could not be reached for comment yesterday.

Spar boycott called off

Sowetan
23/5/85

335

THE Commercial Catering and Allied Workers Union of SA has called off its boycott of the country-wide Spar stores because the company has agreed to re-employ the 143 sacked workers at its Natal plants.

The union had put pressure on the W G Brown group, sole owners of Spar in South Africa, to reinstate the workers dismissed from the supermarkets in Durban and Pietermaritzburg six months ago.

A joint statement by the retail group and the union this week said the workers will be given jobs similar to those they held prior to their being fired.

Their service would be treated as unbroken, on condition they rejoined the company's pension fund.

They were fired from eight stores following a strike over higher wages and recognition of the union.

Other terms of the agreement include:

- that the workers would get pay ranging from 10 percent of their last monthly salary to full pay while waiting to be re-engaged;
- the calling off of the consumer boycott by the union;
- and an undertaking by the company to negotiate a recognition agreement with the union.

Ccawusa gained another wage victory when it signed with Frasers' Ltd. In terms of the agreement workers will receive R54 across-the-board increases at all stores in the country.

Staff cutback likely on Natal paper

Argus 23/5/85

335

Argus Correspondent

DURBAN. — The managing director of Robinson and Company and of Robprint, Mr David Robinson, confirmed today that an investigation is being made into possible retrenchments of staff because of the continuing downturn in the business climate.

Robinson and Company are proprietors of The Natal Mercury.

Mr Robinson said it was too early to say how many retrenchments there might be.

"We didn't retrench anyone last year or in the first couple of months of this year like many other people did, but the business cycle really hasn't picked up and does not look like picking up in the next few months."

He said the Fathers of the three Natal Mercury staff chapels had been sent a memorandum informing them of the investigation.

Mr John Allen, national organiser of the South African Society of Journalists, has flown to Durban from Johannesburg following the announcement but he declined to comment today.

ARGUS 22/5/85 NATIONAL/INTERNATIONAL

Ford plant closes for six weeks

Argus Bureau

PORT ELIZABETH. — The Ford Motor Company is to close its Struandale motor assembly plant here for more than a month.

The company said today the move was necessary because the new vehicle market remained depressed.

About 850 hourly-paid workers will be affected by the closure from today until July 2, and Ford has said it will help financially stricken employees by organising special long-term, no-interest loans, and by helping to secure special unemployment benefits.

The move has been criticised by the National Automobile and Allied Workers' Union, which will discuss the closure at a special meeting. Union officials say they will suggest that Ford reschedules production in preference to total closure.

The Ford statement said other company plants in the city would continue to work a four-day week.

of Mississipp. State, which oversees Calhoun City.
the Kraaifontein police

600 workers laid off from city knitwear plant

2-1c 11465 (BK) 33 May 1985

By TRISHA BAM and TOM HOOD
Weekend Argus Reporters

SIX hundred workers from the Tej knitwear factory have been laid off in the past week.

It seems that about 200 were asked to leave permanently last Friday and that another 400 were asked to work short-time from either last Tuesday or from yesterday.

The Argus tried for two days to get comment from Tej management, but one director kept referring inquiries to the chairman, Mr Bobby Jacobs, who is in hospital and will be back at work next week.

Attempts to get comment from the GWU was equally unsuccessful and The Argus was told to wait for the secretary, Mr C Petersen, who will be available next week.

Tej, a public company, has not made a profit for more than two years.

Mounting losses were reported last month by the chairman, who announced a R541 000 loss for the half-year to December after a loss of R412 000 for the financial year ending June 1984.

The company has not paid a dividend to its shareholders for more than 10 years.

Deposit
35

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- Foot-operated on/off switch
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R35 000 boost for the jobless

Sowetan 17/5/85

By ALI MPHAKI

EMPLOYMENT in South Africa may well be given a boost by budding entrepreneurs participating in a competition with a R35 000 prize money. The contest has been launched by the SA Institute of Chartered Secretaries and Administrators.

The competition is entitled Build Your Own Business and is sponsored by Anglo American Corporation. The patron is former Minister of Finance, Senator Owen Horwood.

It is aimed at creating employment and encouraging entrepreneurship.

Participants are required to submit a proposal showing how they would either start a new business or expand an existing one. They stand to win a first prize of R15 000 or one of four runners-up prizes of R5 000.

"The competition is open to all residents of the Rand currency area, regardless of race, age, sex or qualifications," says CIS president, Mr Charles McDulling.

You do not need a degree to enter. What the competition judges will be looking for is a sound business idea supported by a well conceived plan detailing marketing, production, manpower and financial considerations.

A team of evaluators, drawn from commerce, industry and universities, will ascertain the viability of the proposed businesses and put forward a list of ten finalists to a panel of judges who will select the winners.

"Apart from the substantial cash prizes, participants are provided with an opportunity to commit to paper a business idea which may have been at the back of their minds for years," says McDulling.

"Each entrant will be given a written evaluation which can assist the person to implement his scheme," he said.

Participants are encouraged to consult professional people such as lawyers, chartered secretaries, accountants and bank managers. Joint entries are permitted.

A panel of prominent South African businessmen will choose the winners from a selection put forward by evaluators. They include business leaders such as Eric Ellerine, Bill Venter and Piet Liebenberg.

Closing date for entries is May 30. Entry forms and competition guidelines may be obtained from the Competition Secretary, SA Institute of Chartered Secretaries and Administrators, PO Box 1917, Johannesburg. Telephone (011) 29-6116 alternatively.

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FROM 25.00
IMPORTED MISTER SHOES
Normally R129,99
This weekend!!!
FROM 49.99
BRAZILIAN CASUALS
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FASHIO
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Laurenz
Gold Collection
SAVE
LADIES
TRACKSI

UIF forced to sell investments

Own Correspondent

PRETORIA. — The demand on the Unemployment Insurance Fund is becoming heavier, and to meet it fund investments are being sold

In the past few months the fund's receipts from interest on investments and employers and employees contributions have failed by between R2m and R3m a month to meet the need

So far about R30m of the funds investments have been cashed.

The Unemployment Insurance Commissioner, Mr J Scheepers, said on Wednesday the position was being monitored weekly by the Unemployment Insurance Board "and there is no reason for concern".

Interest on the funds investments, which total about R240m, is between R22 and R26m a year.

He pointed out that in addition to employers and employees contribution and the interest, the government contributed R7m a year to the fund.

Unemployment continues to mount, greatly increased by the estimated 250 000 new workers who come onto the labour market every year.

The vast majority of them, according to economists, will fail in their search for permanent work under current conditions.

Workless

The R100-million allocated by the government to relieve unemployment, although welcome, hardly touched the fringe of the problem.

Senior economist at the University of Stellenbosch Bureau for Economic Research, Dr O D J Stuart, said it was clear the number of workless would continue to rise.

Last month the National Productivity Institute claimed that even without disinvestment the pool of unemployed blacks would grow to 2,4 million by 1987.

Institute for Futures Research

The Institute for Futures Research at Stellenbosch University said that more than 3,3 million potential workers were not employed in the "modern" sector in 1980.

The Institute's Elizabeth Dostal said this meant about 33 percent of the country's potential workforce were either unemployed, underemployed, worked in the informal sector or were subsistence farmers.

Ms Dostal said if one removed the subsistence farmers — there were roughly 600 000 of them — then the figure would drop to 2,7 million.

According to the Department of Manpower, more than 104 000 unemployed people have registered with the department this year.

Coloured and Asian unemployment had risen to 31 500 from 17 000, and blacks were up to 50 000 from 36 000.

But academics, organized commerce and industrial relations experts say the figure for all categorie of unemployed is in fact much higher.

Market Research Africa's managing director, Clive Corder, said the young and less qualified were particularly hard hit.

Economists estimate about 250 000 job seekers enter the market each year and they estimate the vast majority of them will fail to find work.

But despite the gloomy picture, Assocom's manpower committee secretary, Vincent Brett, said there was still a demand for matriculants who had commercial subjects like computer science, mathematics or accountancy.

But the unemployed or peripheral sector would increase still further by the year 2000.

Rocketing jobless figures

Own Correspondent

JOHANNESBURG. — The number of unemployed whites registered with the Department of Manpower has increased by a staggering 30 percent to 22 500 from last year's figure of 14 900.

The comparable figures for coloured and Indian registered unemployed are up by about 50 percent.

The growing numbers of unemployed are creating a massive drain on the Unemployment Insurance Fund, which has had to sell off investments of R300-million because it is now paying out R2-million to R3-million more than it gets in.

And, according to Market Research Africa's employment index released yesterday, more than 100 000 urban white adults were unemployed in March this year.

Another 30 000 were in part-time employment and looking for full-time work.

Particularly badly affected among whites are national servicemen. The SADF orientation services' Natal organizer, Major Pieter Breytenbach, has estimated that unemployment among returning national servicemen had leapt from 5 percent last year to around 30 percent this year.

Economists who monitor unemployment among blacks say that while difficult to estimate, current unemployment among blacks is about three million.

The Johannesburg Chamber of Commerce's labour adviser, Andre Malherbe, said it was almost impossible to determine an exact figure for unemployment, particularly among black workers.

But he said black unemployment had probably doubled in the last two years. "It is the unskilled and semi-skilled who have been particularly hit by the recession" he said.

Wits University lecturer Jeremy Keenan said he estimated the unemployed to number in excess of three million. He said a more alarming fact to emerge from research among rural blacks was not how many were unemployed but the duration that they remained unemployed.

He said in one area, eight percent of the men had been unemployed for more than two years in 1977. This figure had rocketed to 34 percent in 1984.

Few jobs for national servicemen

Argus Correspondent

DURBAN.— Umemployment among returning national servicemen has jumped alarmingly from five percent to more than 30 percent of the total, because of the recession.

Major Pieter Breytenbach, Natal co-ordinator of the South African Defence Force Orientation Forces, said he had just visited three bases at the border where he found that 138 out of 446 men (31 percent of the total) had not yet found employment.

"In past years the percentage has never been higher than five percent," he said. "The problem affects employment in all sectors. It has even become difficult for young men to find apprenticeships — which used to be relatively easy in the past."

"Those with lower educational qualifications — among the servicemen I spoke to was one with only a standard seven — are having the greatest problems.

"Many National Servicemen who finish in July would like temporary employment before beginning their tertiary education, but many of them haven't been able to find work either.

Major Breytenbach said a major campaign was under way to notify 8 500 employers in this province.

"We are hoping to muster the forces of commerce and industry to deal with the problem."

He said he would now advise pupils to start looking for work before they finished school.

"If you leave it too late now, you could end up among the ranks of the unemployed."

He added, however, that fewer employers were prepared to give work to those about to go to the army.

Rent relief for some unemployed coloureds

335 NM 14/5/85

Mercury Reporter

THE Department of Local Government, Housing and Agriculture in the House of Representatives has agreed to stay all evictions of unemployed people with rent arrears in Government-controlled flats or houses.

A spokesman for the department's regional office in Durban confirmed at least 20 evictions of people with a serious rent arrears problem had been stayed.

He said the directive had come from the office of Mr David Curry, Minister of Local Government and Housing in the House of Representatives.

The spokesman said the number of people in coloured townships in Durban on the eviction list for rent arrears had risen sharply and would would rise further.

'We don't know for how long people will be without jobs and when the economy of the country will improve,' he said, adding the department was in control of at least 90 percent of the homes in Wenwtorth and Mariannridge.

Written

Mr Morris Fynn, a member of the Durban coloured Local Affairs Committee, welcomed the moratorium.

He said he had written to Mr Curry and President Botha calling on them to stay all evictions until the economy of the country improved.

'I hope the Durban City Council, which controls some of the houses and flats in coloured townships, will also stay the evictions of unemployed people,' he said.

However, Mr Fynn said since it was difficult to predict when the economy would improve, the Government should, with the help of social workers, monitor the rent problem of unemployed people in the townships to prevent an abuse of the moratorium.

Mrs Margaret Winter, chairman of the Durban City Council's Health and Housing Committee, said she was unaware of any request to the council by Mr Curry for a similar moratorium regarding council-owned houses and flats in coloured townships.

The only request from Mr Curry was that the council lower the monthly instalments of rented and sold accommodation of people who are unemployed.

Workless force UIF fund to sell

Mercury Corresponden 335

PRETORIA — Rising unemployment has increased the demand on the Unemployment Insurance Fund, and to meet it fund investments are being sold. NM 14/5/85

In the past few months the fund's receipts from interest on investments and employers and employees' contributions, have failed by between R2m and R3m a month to meet the need. So far about R300m of the funds investments have been cashed.

The Unemployment Insurance Commissioner, Mr J Scheepers, said the position was being monitored weekly by the Unemployment Insurance board 'and there is no reason for concern.'

Interest on the funds investments, which total about R240m, amounts to between R22m and R26m a year.

He pointed out that in addition to employers and employees contribution and the interest, the government contributed R7m a year to the fund.

Meanwhile unemployment continues to mount, greatly increased by the estimated 250 000 new workers who come onto the labour market every year.

The vast majority of them, according to economists, will fail in their search for permanent work under current conditions.

The R100m allocated by the government to relieve unemployment, although welcome, hardly touched the fringe of the problem. Senior economist at the University of Stellenbosch's Bureau for Economic Research, Dr O D J Stuart, said it was clear the number of workless would continue to rise.

Last month the National Productivity Institute claimed that even without disinvestment the pool of unemployed black workers would grow to 2,4m by 1987.

100 000 whites now out of work

(335)

NM 16/5/85

JOHANNESBURG—More than 100 000 urban white adults were unemployed and looking for either full or part-time work in March this year. A further 30 000 were in part-time employment and looking for a full-time job.

These findings are based on Market Research Africa's Employment Index which is a new service monitoring the extent of employment among urban whites and metropolitan blacks.

Measurements would be made for both races in March, July and November this year. Personal interviews with representative samples of 1 000 adults of each race would be carried out.

Unemployment was highest among 16-24-year-olds. 8 percent of whom were out of work, and among the lower income group with household incomes of less than R700 a month, where 7 percent of adults were without a job.

Service

'It is important to have a reliable index of employment and a regular measure of the extent to which people are out of work as a basis for forward planning,' said Mr Clive Corder, managing director of Market Research Africa.

'Unemployment is highest among young people because of the need to absorb both school leavers and those who have completed their service with the defence force.

'The situation is being made worse because there is evidence that more people are wanting or needing to work than before.'

Of the 48 000 who are unemployed and looking for a full-time job, 30 000 are women.

The worst-hit provinces are the Cape and Natal, followed by the Transvaal. — (Sapa)

Estate agency to be liquidated

Court Reporter

AN estate agency which started business at Sherwood in August 1983 was provisionally liquidated yesterday after a judge was told the company was in grave financial straits.

Mr Justice Booysen granted a rule calling on P Larmour Estate Agents (Pty) Ltd and all interested parties to show cause on June 28 why the company should not be finally wound up.

In an affidavit before the Court Mr Patrick Charles Larmour said initially the business had prospered and a number of properties had been sold. By mid-1984, however, the effects of the present recession had begun to be felt and sales had fallen with the result that personnel left as they were no longer earning commission.

Mr Larmour attributed the company's difficulties to a variety of factors concomitant with the country's economy.

He told the Judge that the company's liabilities totalled about R55 000 and its assets were R11 000.

Mr F G Richings instructed by Lutge, Muller and Partners appeared.

The Judge also issued final orders of liquidation against two Durban companies, Larwin Mo-

Young, unskilled hit hardest

Runaway jobless rate leaves official figures at post

By PETER WALLINGTON and GERALD REILLY

THE number of unemployed whites registered with the Department of Manpower has increased to 22 500 from last year's 14 900.

The comparable increases for coloured and Indian registered unemployed are about 50%.

The growing numbers of unemployed are creating a massive drain on the Unemployment Insurance Fund, (UIF) which has had to sell investments worth R300m because it is now paying out R2m-R3m a month more than it receives.

According to Market Research Africa's employment index, released yesterday, more than 100 000 urban white adults were unemployed in March.

Another 30 000 were in part-time employment and looking for full-time work.

Particularly badly affected among whites are ex-national servicemen. SADF Orientation Services Natal organiser Major Pieter Breytenbach estimated that unemployment among returning national servicemen had leapt from 5% last year to about 30% this year.

Economists who monitor unemployment among blacks said that, although it was a difficult estimate to make, the black unemployment figure was thought to be about 3-million.

Johannesburg Chamber of Commerce labour adviser Andre Malherbe said it was almost impossible to determine an exact figure for unemployment, particularly among blacks.

But he said black unemployment had probably doubled in the past two years. "It is the unskilled and semi-skilled who have been particularly hit by the recession" he said.

Wits University lecturer Jeremy Keenan said he estimated the unemployed to number more than 3-million. But he said a more alarming fact to emerge from research among rural blacks was not how many were unemployed but the duration of unemployment.

He said that in one area, 8% of the men had been unemployed for more than two years in 1977. This figure had rocketed to 34% in 1984.

The Institute for Futures Research at Stellenbosch University said more than 3,3-million potential workers were not employed in the *modern* sector in 1980.

Insititute spokesman Elizabeth Dostal said this meant about 33% of the country's potential workforce were either unemployed, under-employed, worked in the informal sector or were subsistence farmers (the last numbering about 600 000).

According to the Department of Manpower more than 104 000 unemployed registered this year.

Coloured and Asian unemployment had risen to 31 500 from 17 000, and blacks were up to 50 000 from 36 000.

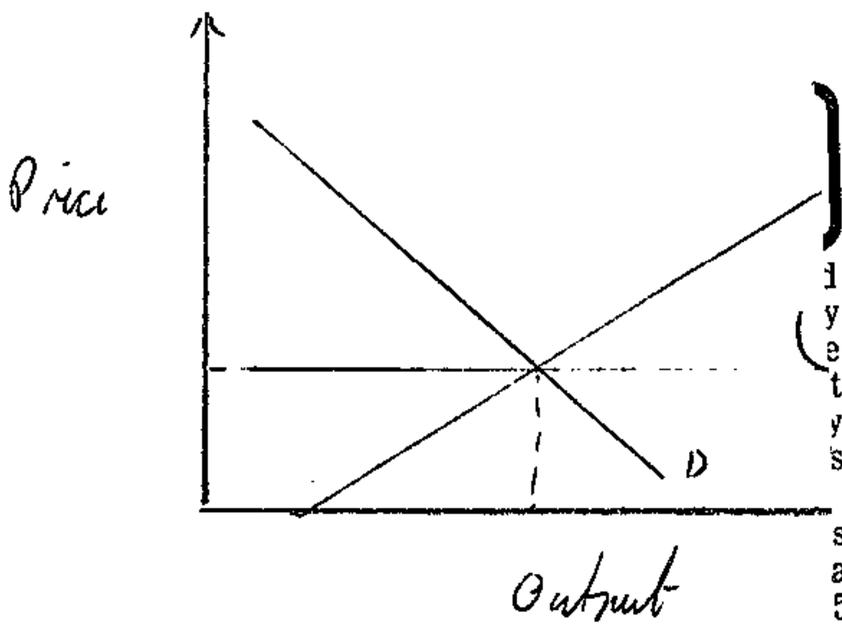
But academics, organised commerce and industrial relations experts say the figure for all categories of unemployed is in fact much higher.

Market Research Africa MD Clive Corder said the young and less-qualified were particularly hard hit.

Economists estimated that about 250 000 job-seekers enter the market each year and that most of them fail to find work.

Despite the gloomy picture, Assocom manpower committee secretary Vincent Brett said there was still a demand for matriculants who had taken commercial subjects like computer science, mathematics or accountancy.

The unemployed, or peripheral sector, would increase still further by the year 2 000, he said.



NM 16/5/85

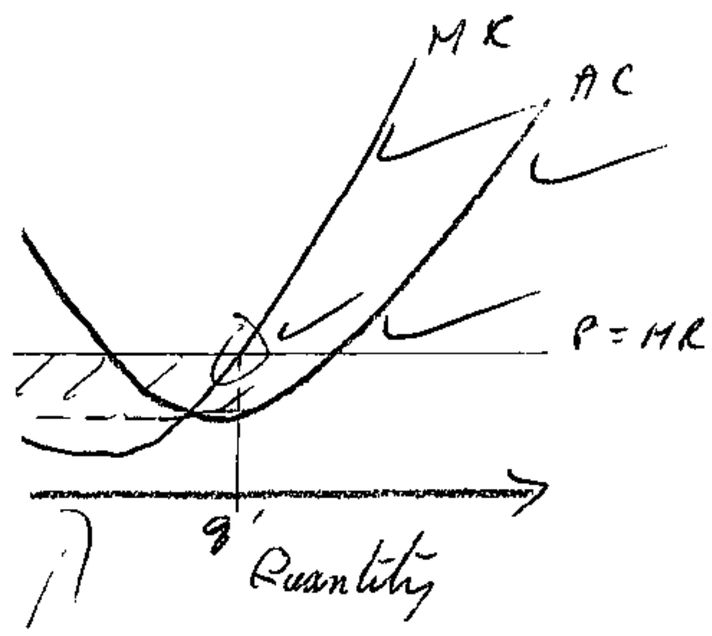
Triomf expects 50pc staff cut

JOHANNESBURG — Triomf Fertilizer said yesterday that a 50 percent reduction of personnel is expected following a decision that the Richards Bay factory will in the 'foreseeable future' be operating at only 50 percent capacity.

In a statement, Triomf said the step 'was necessitated due to the present economic climate as well as reduced demand for and price of export products.'

However, supplies of fertiliser to the South African farmer would not be affected and all supply contracts, both local and overseas, would be executed.

The statemewnt said: 'These actions will result in considerable savings to the advantage of the company.' — (Sapa)



In perfect competition a firm will produce up to the point where its marginal revenue (which is more than its average revenue) equals its marginal cost. By producing at this point the firm is making abnormal profits and so more firms would enter the industry until the price fell to P'. The profit a firm makes is its opportunity cost of entering that industry.

We assume our profits are a part of costs and are included in the MC curve. Hence in the long run firms will produce at P' where MC = AC = MR and q' is the optimal output.

Only 5 days

More are now jobless

Unemployment figures for blacks in South Africa are "grossly inaccurate and meaningless."

White unemployment has risen rapidly during the recession but the figure is lower than for other races.

A study of employment, released by the Trade Union Council of SA (Tucsa) shows that unemployment among all races has risen sharply, but official statistics do not accurately reflect the situation since they are based only on the number of registered jobless.

Trade unions and academics have in the past disputed unemployment figures released by the government, while unofficial reports have estimated the figure at over 2,5 million and still rising.

The Tucsa analysis reveals that unemployment in March this year was 68,5 percent higher than a year earlier.

Of all the races, according to the study, the hardest-hit (excluding blacks) were Asian workers, where the percentage increased by more than 100 percent. Coloureds were the next on the list at more than 70 percent and whites followed at just over 50 percent.

Tucsa says it has ignored figures for black unemployment since these are "grossly inaccurate and meaningless." In fact Tucsa would like the government to gather its unemployment statistics, not on a racial basis but as is commonly done in other countries, where the unemployed are categorised into non-skilled, semi-skilled etc, and not according to race.

"The figures for job advertisements in the newspapers are also taking a nose-dive. The federation attributes the causes of retrenchment to:

- The general recessionary conditions in the economy and lack of sufficient demand for local products,
- Competition by imported products and,
- Government decentralisation policies which, for political considerations, motivate businesses to move from urban to rural areas.

The federation questions the wisdom of these "depressing economic policies" aimed at fighting inflation in a country where so many of its residents are near the subsistence level.

Indian jobless increasing by 500 a month

Labour Reporter

UNEMPLOYMENT among Indians in the Durban area continues to rise by 500 a month, according to the latest figures released yesterday by Mr J N Hitchcock, divisional inspector of the Department of Manpower.

In March, 6 176 Indians registered as unemployed in the city and in April the number rose to 6 665. Between February and March more than 1 000 were registered as work-seekers.

The department also recorded a sharp increase in unemployment among blacks in Natal, with 15 140 people still without work during April. In the previous month the figure was 15 056.

In April, 3 518 whites and 1 613 coloureds registered as unemployed in Durban. For the same period in Ladysmith, 75 whites, 16 coloureds and 116 Indians were registered as unemployed.

Newcastle had 156 whites, 19 coloureds and 89 Indians without jobs. Pietermaritzburg recorded 483 whites, 443 coloureds and 1 261 Indians as unemployed.

Commenting on the high rate of unemployment among Indians, Mr Ashwin Mohanlall, president of the Durban Indian Benevolent Society, said yesterday that the society had also experienced a big demand for help from families of the unemployed.

'In addition to providing groceries to needy families, we've made representations to the Durban City Council not to eject families who have fallen in arrears with their rent.

'The council's housing section has been very co-operative and has agreed to reduce the rent of tenants unemployed,' he said, adding that those in arrears were allowed to pay off their debt in monthly instalments.

'SEE YOU IN COURT'

By MARTIN NTSOELENGOE

AN INDUSTRIAL court case is looming between the Paper, Wood and Allied Workers' Union and C & C Radio Cabinets in Brits.

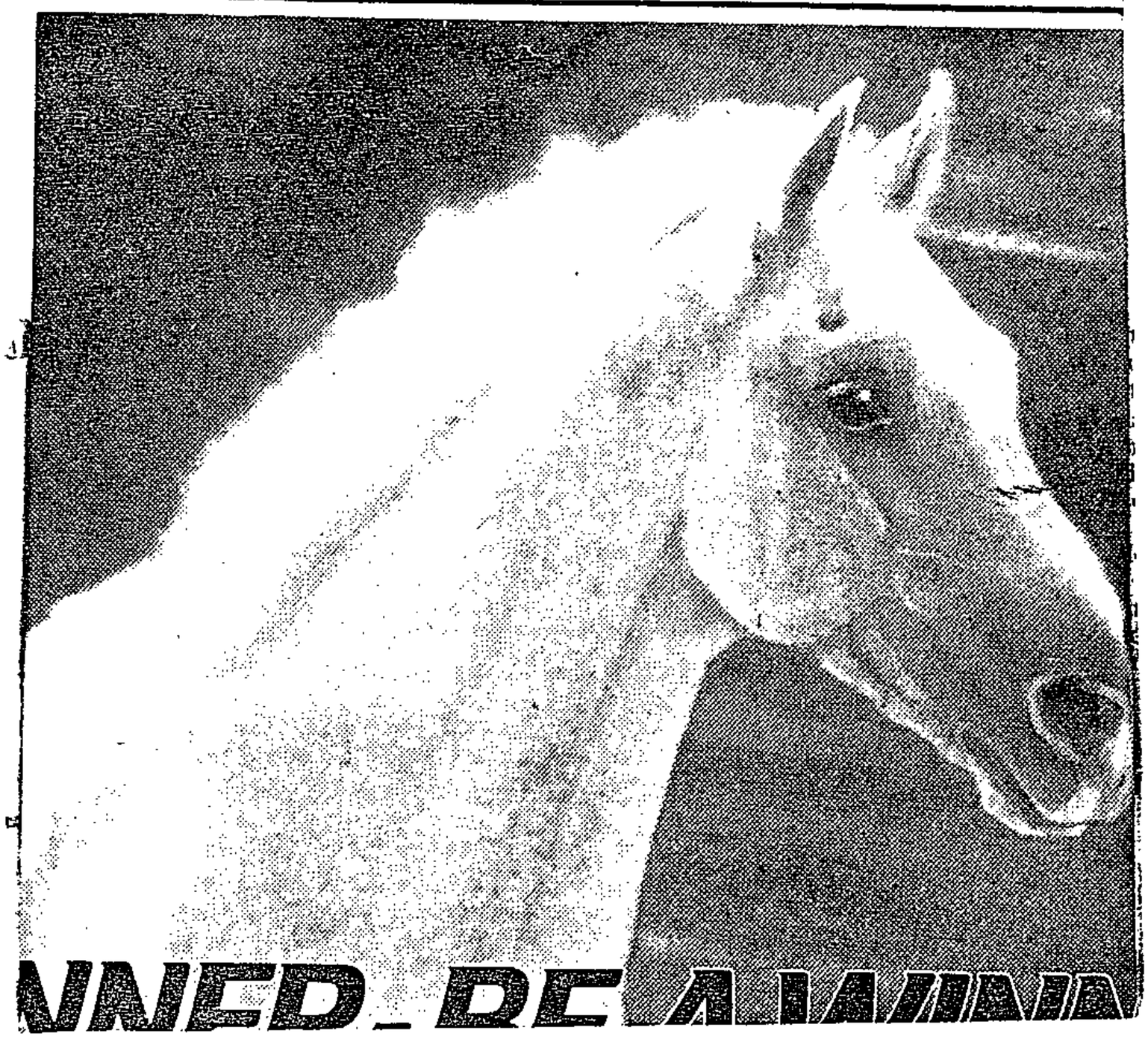
The union issued this warning after six of its members were retrenched on an hour's notice.

Other workers fear they will be retrenched in the same way.

A Pwawu spokesman said the retrenched six have worked for the company for 14 years. And he said management had never discussed retrenchment with the workers of Pwawu – a Fosatu affiliate.

Management was also accused of retrenching workers according to their ages, or employers' feelings about them.

Workers feel management is victimising them – over the years the company has refused to negotiate with a union of the workers' choice, but favours closed-shop furniture unions.



Bus drivers face layoffs

335 ~~333~~ ~~275~~

E. Post 27/5/85

By CATHY SCHNELL

A NUMBER of bus drivers would have to be retrenched unless buses were allowed to operate normally in the townships by tomorrow, Mr Fred Stamp, general manager of Port Elizabeth Tramways, said today.

He said the company was suffering substantial losses by not being able to operate its service to and from the townships.

Unless the Transport and Allied Workers' Union managed to sort out some compromise with United Democratic Front and Pebco leaders by today, the company would have no option but to lay off some bus drivers tomorrow, Mr Stamp said.

Mr Henry Fazzie, vice-president of the local branch of the UDF and of Pebco, warned the company not to retrench any bus drivers.

If even one driver was retrenched it would cause a lot more trouble and people would be likely to boycott the service entirely, he said.

Mr Fazzie said this would harm PE Tramways more than the people, who would find alternative transport.

For some time bus drivers have been afraid to enter the townships as some have been the target of stoning and petrol-bomb attacks.

During recent unrest several bus drivers have been seriously hurt in attacks.

Mr Stamp said the company could cope with broken windows and the occasional burnt bus, but not with the lack of revenue caused by buses not being able to go safely into the townships to carry passengers.

Mr Stamp said he did not know how many drivers would be affected if it was not possible to reach a compromise.

The problem applied only to the Algoa Bay region.

Hundreds of jobless face starvation

335

Sowetan 27/5/85

Hundreds of unemployed black men — some have been out of work for up to two years — gather every morning on Johannesburg street corners in the desperate hope of finding a job. Some have not seen their families for years — and a few are near starvation.

SEFAKO NYAKA spent a day at Albert Street last week. What he saw shook him. He pens the situation at the labour bureau where thousands congregate everyday with the hope of a job whatever the wages.

Some call them bobos some call them tramps, and just about everyone refers to them as loafers. But they do not see themselves as any of these.

Who are these men who bid the lowest every time a car pulls up and looks like the driver is looking for casual workers?

To find out **The SOWETAN** visited the area bordering the Albert Street Labour Bureau this week and spoke to some of the men about their lives. Some startling facts to emerge are:

- Some have not seen their families for more than a year;
- They mob strangers who pull up in cars, begging for work;
- They sleep in parks, the Johannesburg station or anywhere they can find warmth;
- Sometimes a cousin at a hostel in the townships or in the northern suburbs of Johannesburg offers times shelter, without the employers knowledge;

After spending months sleeping in the open veld at labour recruiting offices in their homeland", some have painstakingly trekked to the towns and cities, hoping to end years of unemployment and starvation.

Meters

They eat what they get. They inspect parking meters for stuck coins. Their trained nostrils instinctively drive them to a rubbish bin that will yield a meal. They don't hesitate to join a complete stranger as he sits on a pavement having his lunch.

But they are not particular happy about relating their plight to strangers. Some are even hostile. As a stranger draws up in his car, particularly if he looks presentable, the people rush up to him offering their service as they mistake him for a recruiting agent.

You explain your mission and that seems to infuriate them more. "How's that going to help? What do you want to do with our stories?

Others listen, then turn away in disgust, hurling insults as they walk away. But Mr John X, a father of three, was prepared to relate his story.

When Mr X, with tears in his eyes, tells you that he has been out of a job since he was retrenched in December 1982, the stark realities of massive unemployment and its effects on a man's dignity hit you square in the face.

He is not just a number — a statistic component of the number of the nation's jobless who have been laid off as the recession bites deep into the economy. He is a man with dignity. A man looking for a job, to live a normal life like other men.

Animals

He has not seen his wife and his three school-going children since he set out from his home in Nebo, near Sekhukhuneland in Lebowa in January this year.

His wealth was his 30-odd goats. Now, five months later, he doubts if any of his precious animals remain.

"One by one, my wife sold the goats," he said shaking his head. She had to. Her children were starving and she had no money to keep them at school.

He had sworn he would never work in a mine.

"But now I am prepared to do anything, just to live. If somebody from the mines can come, I can go now. I've never been out of job for longer than two months before."

He said urban unemployed were better off than those in rural areas. "In the cities you can go around looking for temporary jobs".

But Mr Samson N, a father of five from Chiawelo, Soweto, does not agree. "The cost of goods in the city is higher than in rural areas. If you are found walking the streets of the city looking for a job, you are arrested for loafing."

Mr N was retrenched at a clothing factory in Denver more than two years ago, and since then he had been faithfully going to the labour offices everyday hoping for an end to the 24-month job drought.

Money

The little money he had soon ran out and the little he got from the Unemployment Insurance Fund couldn't keep the family together. He was separated from his wife less than a year ago.

At about midday the crowds diminished, with the jobless men drifting away as the realisation that today was another "wasted day."

According to the men jobs are only available form about 7.30 in the morning and after 11 am there is definitely no chance that one can find a job.

The men from Soweto then drift to the small park in Nugget Street to lean against the walls of the sleuce rooms there — basking in the sun.

When a familiar face passes by, they openly ask for money — money to see to the immediate needs of the home. Candles, sugar — food.

And maybe money to buy another ticket into town — maybe tomorrow might yield better prospects — "tomorrow might be his day and he will get a job to keep the wolf from the door".

Meanwhile for Mr X and others like him its back to sleeping in the park or the station. Maybe a relative will be kind tonight.

DALES

SOW

Hundreds of jobless face

Sowetan 27/5/85

335

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- They mob strangers who pull up in cars, begging for work;
- They sleep in parks, the Johannesburg station or anywhere they can find warmth;
- Sometimes a cousin at a hostel in the township takes them in for the night — but only for the night. Otherwise the cousin might get into "trouble" with the hostel authorities and might then also join the queue of jobseekers;
- Occasionally a relative employed in the Northern suburbs of Johannesburg offers times shelter, without the employers knowledge;

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You explain your mission and that seems to infuriate them more. "How's that going to help? What do you want to do with our stories?

Others listen, then turn away in disgust, hurling insults as they walk away. But Mr John X, a father of three, was prepared to relate his story.

When Mr X, with tears in his eyes, tells you that he has been out of a job since he was retrenched in December 1982, the stark realities of massive unemployment and its effects on a man's dignity hit you square in the face.

He is not just a number — a statistic component of the number of the nation's jobless who have been laid off as the recession bites deep into the economy. He is a man with dignity. A man looking for a job, to live a normal life like other men.

Animals

He has not seen his wife and his three school-going children since he set out from his home in Nebo, near Sekhukhuneland in Lebowa in Ja... this year.

His wealth was ... 30-odd goats. No... five months later, h... doubts if any of h... precious animals r... main.

"One by one, ... wife sold the goats, he said shaking h... head. She had to. H... children were starvi..., and she had no mon... to keep them a... school.

He had sworn h... would never work in ... mine.

"But now I am prepared to do anything, just to live. If somebody from the mines can come, I can go now. I've never been out of job for longer than two months before."

He said urban unemployed were better off than those in rural areas. "In the cities you can go around looking for temporary jobs".

But Mr Samson N, a father of five from Chiawelo, Soweto,

LABOUR SEEKERS mob a car at a labour bureau.

DA

Mercury staff cuts would be minimal

335

Mercury Reporter

STAFF cuts at The Natal Mercury would be 'minimal', Mr David Robinson, the managing director of Robinson and Company, proprietor of the Mercury, said yesterday. NM 28/5/85

Mr Robinson was commenting on Press reports about possible retrenchments at the newspaper.

He said the feasibility of reducing staff levels throughout the company because of the continuing economic downturn had been discussed at a management meeting yesterday afternoon.

But staff reductions would be minimal because management had found other ways of reducing costs, Mr Robinson said.

'The company has always run a fairly tight ship and my managers have convinced me that there is very little room to manoeuvre in this area.

'Some people affected by the staff cuts have been told already and others will be informed within the next few days,' he said.

Drivers won't be retrenched

335 By CATHY SCHNELLE, POST

DRIVERS would not be retrenched yet, despite buses not operating in the townships, Mr Carl Coetzee, managing director of PE Tramways, said today.

Yesterday the company announced that bus drivers would have to be retrenched unless buses were operating in the townships normally by today.

If this happened the people might boycott all buses completely, warned Mr Henry Fazzie, vice-president of the local branch of the United Democratic Front and of the Port Elizabeth Black Civic Organistion (Pebco).

28/5/85

Yesterday afternoon members of the Transport and Allied Workers' Union tried to sort out a compromise with the UDF and Pebco leaders.

For some time now bus drivers have been afraid to enter the townships as they have been the target of stonings and petrol bomb attacks.

GNP figures miss 1-million workers, says professor

ARGUS 28/5/85 335

By STEPHEN ROBINSON

SOUTH Africa's GNP could be officially underestimated by as much as 25 percent, Professor Wolfgang Thomas of the University of the Western Cape, believes.

The slowness in the annual growth in per capita GNP might not be nearly so bad as some people believe, as there had been substantial growth in the informal economy in recent years, he says.

"Official figures fail to acknowledge the increased economic activities between the subsistence, informal, and formal sectors of the economy which are not captured by official data."

Progress in this sector presented a major opportunity to benefit the whole economy.

"Unemployment has now reached such a critical level that this sector must be encouraged to grow, and two thirds of the rules and regulations discouraging the informal economy must be abolished."

He estimated that between 1-million and 1,5-million people were employed full or part time in the non-recorded sector of the South African economy.

Professor Thomas also said South Africans should stop viewing their country as a cross between a first and third world economy, and should identify themselves more closely with other developing countries which are experiencing the same trends and problems.

"We must stop referring to our 'traditional trading partners', while complaining that our growth rate does not match that of the United States, as though our economies were in any way equivalent."

Taking into account per capita GNP, and the size of the economy and population, South Korea, Algeria, Argentina, Yugoslavia, and Venezuela show striking similarities to the South African economy.

"I am not suggesting that South Africa should necessarily follow the examples of these countries — each of which has experienced major economic and political crises during the last decades — but the problems facing South Africa at present are not as unique as is often felt by South Africans.

"In fact, the solutions might not be so unique either," he said.

Professor Thomas has made a comprehensive study of the medium term prospects for the South African economy.

250 face retrenchment

NM 29/5/85

335

Labour Reporter

ABOUT 250 employees at Durban Overall Company, manufacturers of Ruffies overalls, face retrenchment tomorrow following the company's decision to rationalise and relocate its operations.

Mr Trevor Aron, managing director of the company, yesterday confirmed that the Umbilo Road factory would be moving to Pinetown, but emphasised that the move 'in no way affects the administration and running of the company'.

He said the decision to transfer its operations to Pinetown had been made 'in the light of the economic recession'.

The company had reached 'an amicable settlement' with the Garment Workers' Industrial Union (GWIU) over the retrenchments, he said.

A GWIU spokesman said the workers at Durban Overall had struck an 'excellent deal'.

D. Dispatch 29/5/85

Training at Q'town

335

QUEENSTOWN — The Emthonjeni Training Centre, of Port Elizabeth, intends establishing a temporary facility here next month to train unemployed people.

The Queenstown Town Council has received a letter requesting minor assistance.

Emthonjeni said it wanted to establish a centre here by June 3 to train people in skills such as heavy duty driving, painting, basic building skills, storekeeping and security guard training.

Emthonjeni said it anticipated receiving R1 million from the government to train unemployed people following the announcement that R100 million would be made available as a short-term emergency measure. — DDR.

Petrol war could mean loss of 40 000 jobs

NM 29/5/85

PORT ELIZABETH— Petrol companies did not want a price war as it would ultimately lead to monopolies and the possible loss of 40 000 petrol attendants' jobs, the Director-General of Mineral and Energy Affairs, Dr Louw Alberts, said yesterday.

He was delivering the keynote address at the Sectoral Motor Congress and said oil companies had put it to him directly that they did not want market-related price competition in South Africa.

'Refineries are operating at approximately 60 percent of capacity and a price war can easily be triggered which will leave only one or two strong survivors,' he said.

'In addition, such competition will lead to cost-cutting efforts such as automatic self-service which, in turn, will threaten 40 000 petrol attendants with unemployment — something this country can least afford.'

A further development would be the elimination of small garagemen faced with the competition between filling stations coupled to other large undertakings such as chain stores. This would create further undesirable results.

Petrol would also become particularly expensive in remote areas.

The Motor Industries Federation's report on conditions in Europe also recommended that the status quo be maintained. 'The problems in certain European countries where petrol is sold without any controls, are legion,' he said.

The reasons he had given could be rejected but he hoped they were convincing enough to indicate that before one spoke too readily of State interference in the petrol industry, the well-meant reasons for such interference needed to be considered.

'The Department of Mineral and Energy Affairs derives no pleasure from unnecessary control and officialdom.

'Should certainty be achieved that the private sector's profit motive is coupled to a social conscience so as to serve the entire South African society — which after all, ranges from third to first world culture — fairly and efficiently, then control can be removed with pleasure, Dr Alberts said.

He believed this was the ideal to strive for. — (Sapa)

D. Dispatch (335)

Natal Mercury to cut staff

29/5/85

DURBAN — Staff cuts at The Natal Mercury would be "minimal", Mr David Robinson, the managing director of Robinson and Company, proprietor of The Mercury, said yesterday.

He said the feasibility of reducing staff levels throughout the company because of the continuing economic downturn had been discussed at a management meeting.

But staff reductions would be minimal because management had found other ways of reducing costs, Mr Robinson said.

"Some people affected by the staff cuts have been told already and others will be informed within the next few days," he said. — DDC.

335 E.Post **

300 to be paid off tomorrow

29/5/85

Post Reporter

THREE hundred workers — men and women — at Dorbyl Automotive Products in Port Elizabeth's Neave Township will be paid off tomorrow because of the slump in the motor industry.

The company's executive director, Mr J H Herdman, said the retrenchments would be carried out in agreement with the two trade unions concerned.

The company has a total workforce of 1 800 and the retrenchments were made on the "last in, first out" principle.

Half of the 300 affected worked in the bus division and the other half in the auto components division.

Mr Herdman said they were given a week's notice of their impending retrenchment.

EVENING POST, WEDNESDAY, MAY 29, 1985

Bid to stay dismissal of transport workers

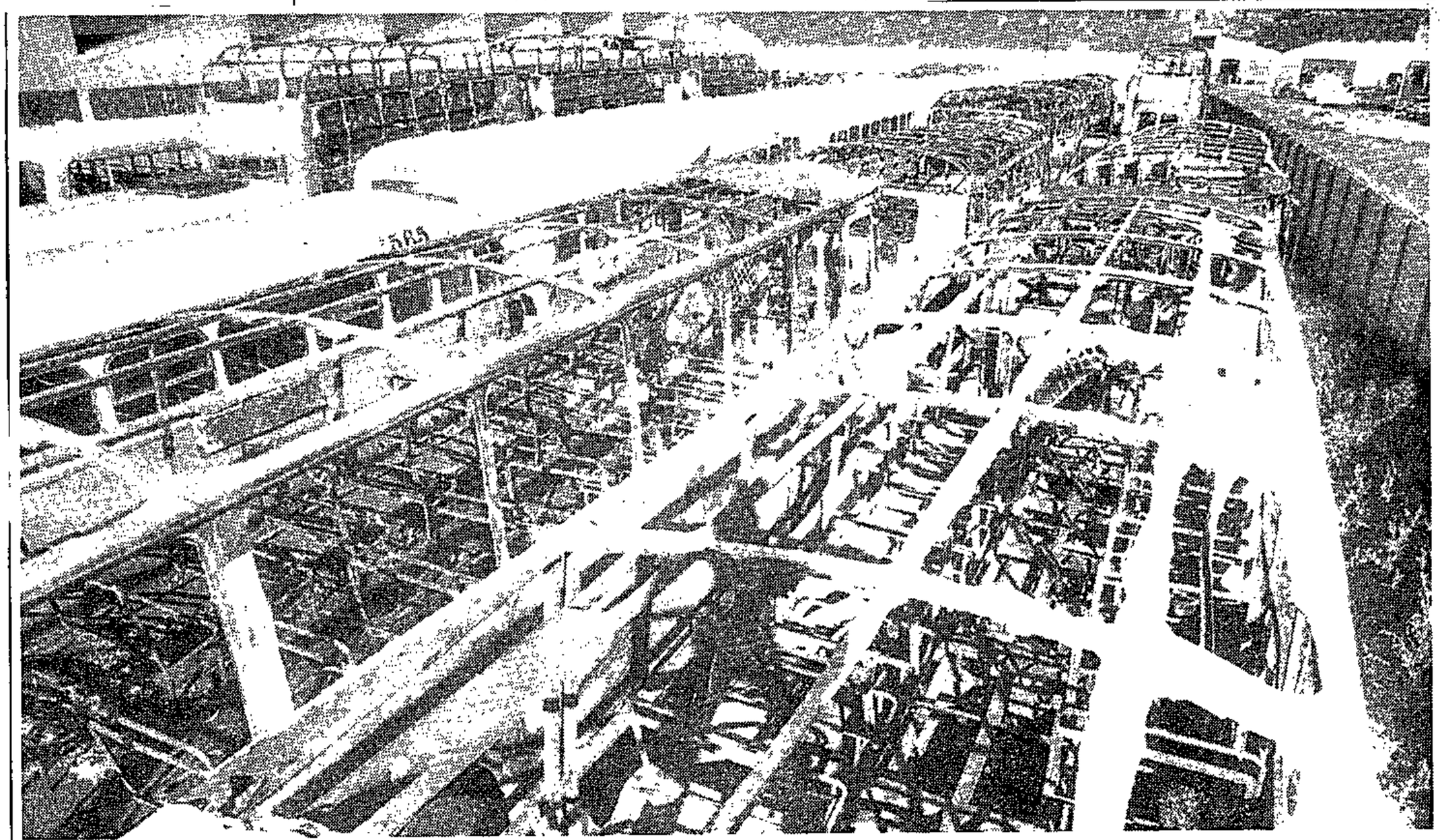
Post Reporter

AN attempt to stay the looming dismissal of about 186 Port Elizabeth Tramways workers, in the wake of R5,5 million losses in the last five months, has been made by its managing director, Mr Carl Coetzer.

The losses incurred by the company through the disruption of its service to PE's black townships have resulted in the redundancy of staff in all categories.

Mr Coetzer confirmed today that he had given the Transport and Allied Workers' Union a list of options, which could prevent his taking the final option of dismissing staff. These included reducing costs by doing away with part-time work and overtime, and working short time.

Attempts to contact a spokesman for the union were unsuccessful.



Rows of charred bus skeletons litter the Port Elizabeth Tramways Perl Road depot — a macabre reminder of the ongoing unrest in the Eastern Cape which has disrupted many essential services and caused millions of rands damage. Over the past five months PE Tramways has lost 20 buses and incurred losses of R5,5 million in PE's black townships.

2. The dual econom ... at the economy of
an underdevelope ... two sectors, hence
the word dual . T ... good example of such
An underdeveloped ... to this definition

The first of these h ... developed sector. Th
an underdevelope ... tends to be very small,
normally only at ... population live in
the cities . The o ... sector is small and
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Output ~~to~~.
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most underdevelo ... usually composis
about 80% of t ... The emphasis on the
farming is one of ... fact only about
10% of the prod ... Production is very
limited because ... orginal returns of
factors of production (labour), poor health,
Communal ownership of land obsolete methods of
farming

In addition with the population growth rate of
most underdeveloped countries, Transkei being no
exception Growing at an alarming rate of 2,5%
p.a, the growth rate per capita is totally
cancelled out.

With the effective growth rate per capita equalling
zero, the ~~cod~~ citizens of Transkei are in an
unfortunate position as all will agree their
income is low therefore their savings are low and

Dorbyl in PE lays off 300 workers

ARGUS 29/5/85

~~180~~ 335

Argus Bureau

PORT ELIZABETH. — Three hundred men and women at Dorbyl Automotive Products here will be paid off tomorrow because of the slump in the motor industry.

The company's executive director, Mr J H Herdman, said the retrenchments would be in agreement with the two trade unions concerned.

The company has a workforce of 1 800 and the retrenchments were made on the "last in, first out" principle.

COMPONENTS

Half the 300 affected are in the bus division and the other half in the components division.

Mr Herdman said they were given a week's notice of retrenchment.

Those affected will be given first preference to work for the company if the economic position improves.

Employees have been working a 35-hour week instead of a 46 hours for seven months.

NM 29/4/85

Busloads of miners sent home

Mercury Correspondent

JOHANNESBURG—In a massive buslift operation yesterday, Anglo American began returning more than 14 000 sacked workers from the Vaal Reefs gold mine to Transkei, Lesotho, Swaziland, Mozambique and other southern African territories.

The workers, who were fired at the weekend in the country's largest-ever mass dismissal of workers, were bussed out after being paid out yesterday at the Ernest Oppenheimer sports stadium on the Vaal Reefs mining complex.

The workers were fired for participating in industrial action which has reportedly cost Anglo American's Vaal Reefs, the world's largest gold mine, revenue losses of up to R20 million in the past few weeks.

The sackings follow the mass dismissal of 2 000 workers at Anglovaal's nearby Hartebeesfontein mine on Friday night and could lead to a major showdown between the National Union of Mineworkers (NUM) and the mining houses.

A statement by the NUM accused Anglo American of a breach of good faith.

The giant mining complex, which is near Orkney in the Western Transvaal, was tense yesterday.

Workers reported that tear-gas and rubber bullets were fired during a meeting at the number eight shaft hostel, which was also the scene of unrest the previous day.

A mine management spokesman said they had no record of tear-gas being fired into mine hostels, or of rubber bullets being used.

Anglo American's Gold Division has already incurred revenue losses of up to R20 million during the past few weeks following go-slow strikes and short shifts at Vaal Reefs.

About six weeks ago almost the entire Vaal Reefs complex workforce — more than 40 000 workers — went on strike over the granting of increases to a small number of monthly paid workers, and a number of other grievances.

Unrest at the mine has been simmering ever since and last week the NUM declared a dispute with Anglo American for its refusal to grant the same increases to weekly workers as were being paid to monthly workers.

The NUM yesterday claimed that 700 workers had been fired last week for refusing to perform tasks which the Mines and Works Act stipulates should be reserved for white workers.

In a statement the NUM said the fact that black workers had been compelled to do these tasks without proper training and had been fired for refusing to do them had sparked the dispute at the end of last week which led to miners taking strike action.

Procedures

The NUM also said the workers had been dismissed without proper procedures.

'Management's action is calculated to give a devastating blow to the union and had negotiations been held timeously the whole situation would have been resolved,' the statement said.

At a Press conference yesterday the managing director of Vaal Reefs, Mr Theo Pretorius, said that after the strike in April, the NUM had said it would guarantee that the situation at the mine would return to normal.

By April 17, however, the go-slow situation had worsened.

Management felt that if by April 19 the situation had not normalised action would have to be taken.

It, however, waited until this week before it began issuing 'final warning' notices to employees that they should either return to work or face dismissal.

Natal Mercury to cut staff

D. Dispatch (335) 29/5/85

DURBAN — Staff cuts at The Natal Mercury would be "minimal", Mr David Robinson, the managing director of Robinson and Company, proprietor of The Mercury, said yesterday.

He said the feasibility of reducing staff levels throughout the company because of the continuing economic downturn had been discussed at a management meeting.

But staff reductions would be minimal because management had found other ways of reducing costs, Mr Robinson said.

"Some people affected by the staff cuts have been told already and others will be informed within the next few days," he said. — DDC.

Daily.

D. Dispatch

300 retrenched

335 ~~195~~ ~~185~~ 30/5/85

PORT ELIZABETH — Three hundred workers at Dorbyl automotive products in Neave township will be paid off today because of the slump in the motor industry.

The company's executive director, Mr J. H. Herdman, said the retrenchments would be carried out in agreement with the two trade unions concerned.

The company has a total workforce of 1 800 and the retrenchments were made on the "last in, first out" principle.

Mr Herdman said workers were given a week's notice of their impending retrenchment.

Employees have been working a 35-hour week during the past seven months. — Sapa.

Another 300 PE motor firm workers retrenched

E. Post 335
20/5/81

By KIN BENTLEY

THE "highly unususal economic situation in South Africa" has led to Dorbyl Automotive Products retrenching 15% of its work-force in Port Elizabeth, the firm's managing director, Mr J H Herdman, says.

Yesterday and today about 300 of the 1 800 staff were retrenched — the first time in 25 years the company, which is totally reliant on new car sales, shed so many people at one time.

The "very regrettable" step had been pending for about seven months, with many workers on short time and expecting retrenchment at any moment.

He said the unions had kept their members fully informed of the situation which meant there were no problems today as workers left the factory.

Mr Herdman said that for every worker in the car assembly industry there were three to four in the manufacturing industry.

The country, he said, was not going through a "casual, short recession like in 1978" and he saw little likelihood of a revival in the industry this year.

● Eveready in PE recently retrenched 98 employees across the board.

● Sappi Novobord say they have started to recruit new permanent employees in PE and that previously retrenched workers should apply for re-employment while there are vacancies.

strategy

Cape Times, Friday, May 31, 1985

335

Council adopts seven-year planning

By HILARY VENABLES
Municipal Reporter

THE City Council yesterday adopted a seven-year planning strategy for Cape Town which would, in the words of the Town Planning chairman, Mr Clive Keegan, "arrest the City's decline into economic stagnation".

Presenting the town planning branch's new Programme for Planning report, Mr Keegan said this report offered a "blueprint" for job creation and economic development in the metropolitan area.

He said Cape Town had reached a decisive point in its evolution.

"It is declining in national economic importance, unemployment is increasing and the revenue base of the council is eroding.

"A growing American disinvestment campaign and current recessionary conditions make the prognoses for the coming years even more ominous."

Unless the council adopted a "proactive" planning strategy instead of the traditional approach of reaction and control "it would simply not be equipped to meet the future".

"The City, and more specifically, this council, must consciously and purposefully influence its economy in order to create jobs for its residents, increase per capita income and reduce the necessity to increase local taxes.

"Proactive planners seek out new investors, negotiate with developers and offer constructive criticism on their proposals, call for public involvement, seek ways to create new jobs, conserve the natural and built heritages and work towards a desirable future for the city as a whole."

Mr Keegan said Cape Town needed to create 77 new jobs each working day "just to halt the *growth* of unemployment".

The population was expected to increase by 50 percent within the next 20 years — "a figure which by all accounts grossly under-estimates the anticipated increase of informally settled blacks on our periphery".

He said the existing town planning branch was not equipped to solve these social problems and would have to be extended to plan ahead as well as cope with the massive backlog of work.

Important studies such as the Centre versus Sub-centre Growth Policy, the Economic Development Plan and Programme and the report on Decentralized Employment in Residential Areas were just three which were "marking time".

"All of these are specifically designed to strengthen the economic base of Cape Town and create employment."

He said the implementation of the new report would be a "costly exercise".

"But the short-term additional costs must be seen against the long-term gains which a proactive planning approach must yield in improving the environment of Cape Town, and in boosting economic development and job creation."

1 500 jobless as 7 companies wound up

ABOUT 1 500 workers at seven companies within the Lockhat Brothers group, one of the oldest-established Indian family businesses in Durban, were paid off yesterday after the companies closed, owing R21 million.

Labour Reporter

The holding company, Lockhat Trading and Finance Company (Pty) Ltd, and its six subsidiaries were placed under provisional liquidation in the Supreme Court, Durban.

Mr Cassim Paruk, managing director of Lockhat Trading, told the Mercury that the group had suffered massive foreign exchange losses, estimated at R8 000 000, and its problems had been further compounded by high interest rates.

'The company did not have sufficient funds at the end of this month to pay its weekly and monthly-paid staff, but well-wishers came forward and every member of the staff has been fully paid,' he said.

'Primarily because of the failure of the rand to recover against the U S dollar and other international currencies, the group will not get itself out of its liquiditity problems,' he said.

Mr Paruk said the directors would try to reestablish the group and employ as many people as possible.

Wept

Among those paid off were employees at the group's clothing factory in Leicester Road, Mobeni. Some had more than 40 years' service.

Outside the factory gates yesterday many expressed shock at the sudden announcement, shortly before closing time on Wednesday that the factory would shut.

'We were told to report at the front gates on Thursday morning to collect our pay,' said one of the workers. Some of the women had wept when told about the closure.

Mr Frankie Hansa, general secretary of the Garment Workers' Industrial Union, said the company had informed the union.

Seven of the 10 companies owned and run by the Lockhat family in Durban are to be wound up.

They are Lockhat Trading & Finance Company (Pty) Ltd, Lockhat Brothers & Co (Pty) Ltd, Jet Clothing Manufacturers (Pty) Ltd, Larway (Pty) Ltd, Tayclo Manufacturers (Pty) Ltd, Exquisite Fashions (Pty) Ltd and Earl Fashions 1970 (Pty) Ltd.

Mr Justice Nienaber, who heard the applications, granted rules placing the companies under provisional liquidation and called on them and all interested parties to show cause on July 10 why final orders of liquidation should not be granted.

Interest

In an affidavit supporting the liquidation application of Lockhat Trading & Finance, Mr Paruk said the group liabilities of the holding company and its subsidiaries were R21 million and assets amounted to R14 million.

The companies involved in the liquidation applications operated as clothing manufacturers, clothing wholesalers, wholesale merchants and as property owners.

There were three other companies in the group, Kei Close Investments (Pty) Ltd, Media Properties (Pty) Ltd and S A Bazaars (Pty) Ltd.

Mr Paruk said the principal reasons for the company's unsatisfactory financial position and that of its subsidiaries was the fact that during 1983 some subsidiaries had borrowed R3 000 000 in Eurodollars on which interest at between 11 percent and 13 percent was payable.

During 1983 and 1984 the group had imported raw materials and other merchandise from overseas suppliers paid for in U S dollars.

The group's total foreign exchange liability was R6 871 000 and it was estimated that the losses on foreign exchange transactions were about R8 000 000.

Some members of the group had not taken fixed forward cover in respect of foreign exchange liabilities.

Mr Paruk said the unpredictable performance of the rand had worsened the group's position and it was now impossible for it to recover.

An amount of R12 million was owed to banks and R7 000 000 to shippers.

Province planning to sack 800 black road workers

IrNews 31/5/85 335

Provincial Staff

THE Provincial Roads Department has been critisised for its intention to dismiss up to 800 black labourers when road-building units are closed — while white staff will keep their jobs.

In the Provincial Council budget debate yesterday, Mr Jan Pienaar (MEC Roads) said that the Kimberley and Humansdorp units would finish their work in June or July and would then be closed. Trained staff would be distributed among the remaining six units, but labourers would be dismissed.

Mr Frank van der Velde (PFP Wynberg) said he did not believe road-building was the task of provincial authorities as it competed with the private sector.

"But if road units are to be closed this should be a planned process. You don't just put people out of work in this economic climate."

Mr Pienaar interjected: "I'm not talking about whites. We'll absorb the whites, but the blacks will be dismissed."

More people without jobs

wlt. Mgus 1/6/85

335

South Africans are sliding deeper in debt

Weekend Argus Correspondent

PRETORIA. — South Africans are sliding deeper into debt. This is evident from new Government figures which show that 385 065 civil judgments for debts, totalling R357,8-million, were handed down by the courts in 1984.

These figures are almost seven percent up on those for 1983, when there were 360 305 such judgments for debts totalling R222,7-million.

But even this may not show the true size of the problem, for the number of debt summonses issued every quarter is double the number of judgments — many squabbles being settled out of court.

Economists have said the growing debt burden has meant that many South African families are now living a desperate hand-to-mouth existence and the nation's savings are said to be at an all-time low.

Every new quarter sees a significant rise in the number of civil debt judgments as businesses and individuals are sued.

In a single month, such as in February, civil judgments can involve debts amounting to a staggering R54-million.

Most cases involve goods sold, with open accounts being the place where most people default on payment. Last year saw more than 164 000 judgments involving R75-million outstanding on such accounts.

Many people also failed to pay their rent and the courts decided more than 12 000 cases involving R11-million in back rent last year.

And a total of 22 737 cases settled last year involved more than R71-million in loans.

By PETER FABRICIUS and ADA STUIJT
Weekend Argus Reporters

UNEMPLOYMENT in Cape Town has increased by 132 percent in six months and nearly doubled in the Western Cape, rocketing from 7 976 in December 1984 to 14 681 in April 1985. And the figures are still climbing.

Between December last year and the middle of May the queues of the unemployed in Cape Town have swelled from 4 985 to 11 568.

These figures are supplied by the Department of Manpower and do not reflect the true situation, because many workless people are not registered. The department has doubled or even tripled the number of dole-collection days, so queues do not stretch too far.

"Chaotic

A department spokesman said it was the "only way to bring order into what seems to be a chaotic condition at times".

Unemployment figures at the Bellville office have increased by 96 percent since September last year — from 1 194 to 2 337 people.

An outstanding feature of the Bellville figures is the dramatic increase in the proportion of white unemployed. In September only 290, or 24 percent, of the 1 194 were white.

By the end of April there were 1 334 whites — or 57 percent — out of a total of 2 337. And unemployment among Bellville whites in the higher socio-economic group has risen particularly dramatically since the start of the year, the department said.

In Cape Town coloured people have born the brunt of the recession. In December there were 3 170 coloured people of 4 985 unemployed — about 63 percent. By May this figure had shot up to 8 570 of a total of 11 568, or 74 percent.

The white figure rose from 1 439 to 2 157. But as a percentage of the total unemployed, this represents a drop from 29 to 18. Few blacks or Asians registered.

The department expects the May unemployment total to be "considerably higher" than last month's.

Mr Johan Braesler, president of the Tygerberg Chamber of Commerce, has attributed the sharp increase in white unemployment in the northern suburbs to the type of business most common there.

These were mainly smaller units which employed up to five workers. Many of these businesses were now forced to retrench between 40 to 60 percent of their labour force because of the recession, and many large businesses had also cut down on white-collar personnel.

w/t Argus 1/6/85 (331

Atlantis can't pay

Health fears after year without water

By ROBERT HOUWING
Weekend Argus Reporter

RESIDENTS of strife-torn Atlantis who cannot afford to pay their water bills have had their supply cut off by the Divisional Council and fear health difficulties — particularly for their children.

Some residents of the depressed town — plagued by unemployment and mass retrenchments — have been without water for up to a year, but a number had their supplies stopped this week.

The Divisional Council, which responds to Press queries by telex, said the connections were cut "due to non-payment of accounts — this is the council's normal practice".

Many residents approached said they couldn't afford to pay for their water at the same time as other essentials like the rent, lights and electricity.

Survival

"We are fighting a battle for survival; it boils down to a monthly choice between these and food for some people," said Mrs Sylvia Brand, a community worker in the Atlantis Residents' Association.

"You will understand why residents can't pay their water accounts when you go to the supermarket here and see their children picking up scraps from the bread-cutting machine.

"There are literally hundreds of people here in arrears with the council, which shows no sympathy at all and controls our way of life."

She said many of the families without water suffered through the main breadwinner being unemployed. "Once the water has been cut off it is particularly difficult to get it back due to the R10 reconnection fee."

Mrs Brand said residents without water were "terribly anxious" about their children's wellbeing. "It's so unhealthy not being able to wash properly or flush the toilet, particularly when the children get upset stomachs."

The Divisional Council's deputy medical officer of health, Dr S Fisher, said those whose supplies were cut off "always had neighbours" so he did not envisage health problems.

Dr Fisher said the council's health division was kept informed of water stoppages, and that if health problems seemed likely, the supply would be "immediately restored."

Mrs Brand said neighbours were "not always co-operative," and that they sometimes locked their taps in the evenings.

Five months

A resident in Penelope Street, Mrs Elizabeth Coenraad, has five children and has been without water for the last 10 days and without lights for five months.

Another Penelope Street resident, Mrs Alette Moses, said she was also without water and had to collect it in buckets from her mother's house in another part of Atlantis.

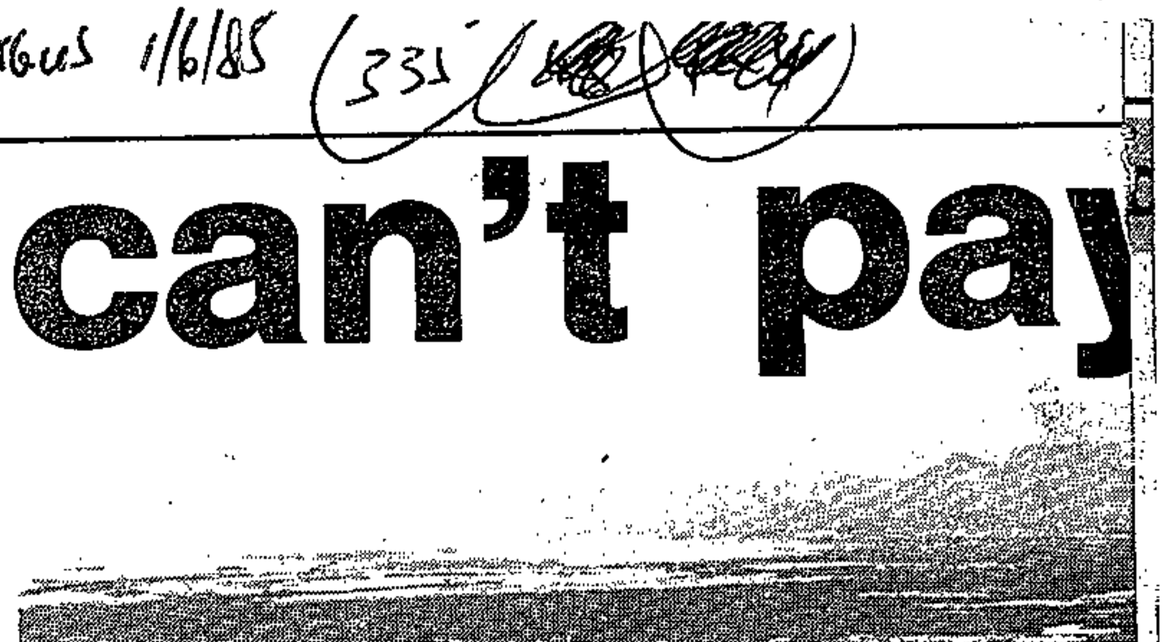
Mr Willem Peters, of Bittern Crescent, said he had been without water since Monday. "Fortunately my neighbours are very good to me, but at night I have to walk into the bushes to go to the toilet. For hot water, I have to make fires outside."

A Geranium Crescent resident, Mrs Miriam Jacobs, has not had water for a full year, and uses that of her neighbour, with whom she shares the cost.

She suffers from heart trouble and is pregnant with her second child, but carries heavy buckets between the two houses.

Mrs Susan Green, a mother of six from the same area, was visited by a council employee at 8.15 on Thursday morning. "He told me I was in debt and immediately cut the supply — he wouldn't even allow me to fill up a final bath of hot water."

The secretary of the Residents' Association, Mrs Sybil McKinna, said even those with a regular water supply experienced problems. "The water is often brackish — I have to boil mine before I can drink it."



An aerial view of the sprawling town of Atlantis.

2/6/85
Sun. Times

SUNDAY TIMES, June 2 19..

Handshake!

The Gold-less

80 employees get the sack (335) — without warning or pay

By NEIL HOOPER

Eli Levine — "lost millions"

SHOCKED employees of the South African Gold Coin Exchange were dismissed without notice this week within hours of the foundering Krugerrand exchange being placed in provisional liquidation.

This was confirmed yesterday by the former chairman of the Exchange, Mr Eli Levine, who said the judicial managers told the staff of about 80 that they were being dismissed at 4.30pm on Thursday.

Mr Levine said his personal loss through the collapse of the Exchange was close to R5-million.

He said the price of four of the five categories of proof coins valued by the Exchange had dropped by an average of 25 percent since the Exchange was placed under judicial management two weeks ago.

Only hours before the Exchange staff were laid off on Thursday, Mr Levine had brought an urgent application to the Supreme Court for the provisional liquidation of the Exchange.

He told the court that the judicial managers were no longer prepared to keep the Exchange open as, "in the prevailing climate", it could not operate profitably.

Yesterday Mr Levine said that he had tried desperately to keep the Exchange going, and had even as late as midday on Wednesday had a meeting with the judicial managers, Mr Ben de Wet and Mr Harry Kaplan, in a bid to salvage the gold coin operation.

"Originally the judicial managers had agreed to give the staff one month's notice, but on Thursday they sent out a memorandum saying that everyone was being dismissed as of 4.30 that afternoon.

"They said the Exchange just did not have sufficient money to generate the profit necessary to keep going," he added.

A shocked member of the staff, who asked not to be identified, said:

Drastic

"When the Exchange was placed under judicial management the price of proof Krugerrands plummeted to little more than that being paid for ordinary Krugerrands and business dropped drastically and there was no profit.

"Then on Thursday afternoon we were sent this memo telling us that our services had been terminated immediately.

"We asked for our salary cheques, but were told we would have to wait. We were told that our claims for salaries and leave pay would be treated as preferential claims against the Exchange — but that we would have to wait up to two or three months before we received any payment.

"There is not much we can do about it now, since the Exchange has been placed in provisional liquidation .... but the least they could have done was to give us some notice.

"That would have given us an opportunity to find other work," the employee said.

Mr Levine said that although all the staff had been dismissed, a few selected members had later been asked by the judicial managers to stay on to handle the return of proof Krugerrands held for clients.

When Mr Levine applied to have the Exchange placed under judicial management two weeks ago, he said that he was opposed to liquidating the Exchange as this would "result in the collapse of the marketability and thus the market price of proof Krugerrands".

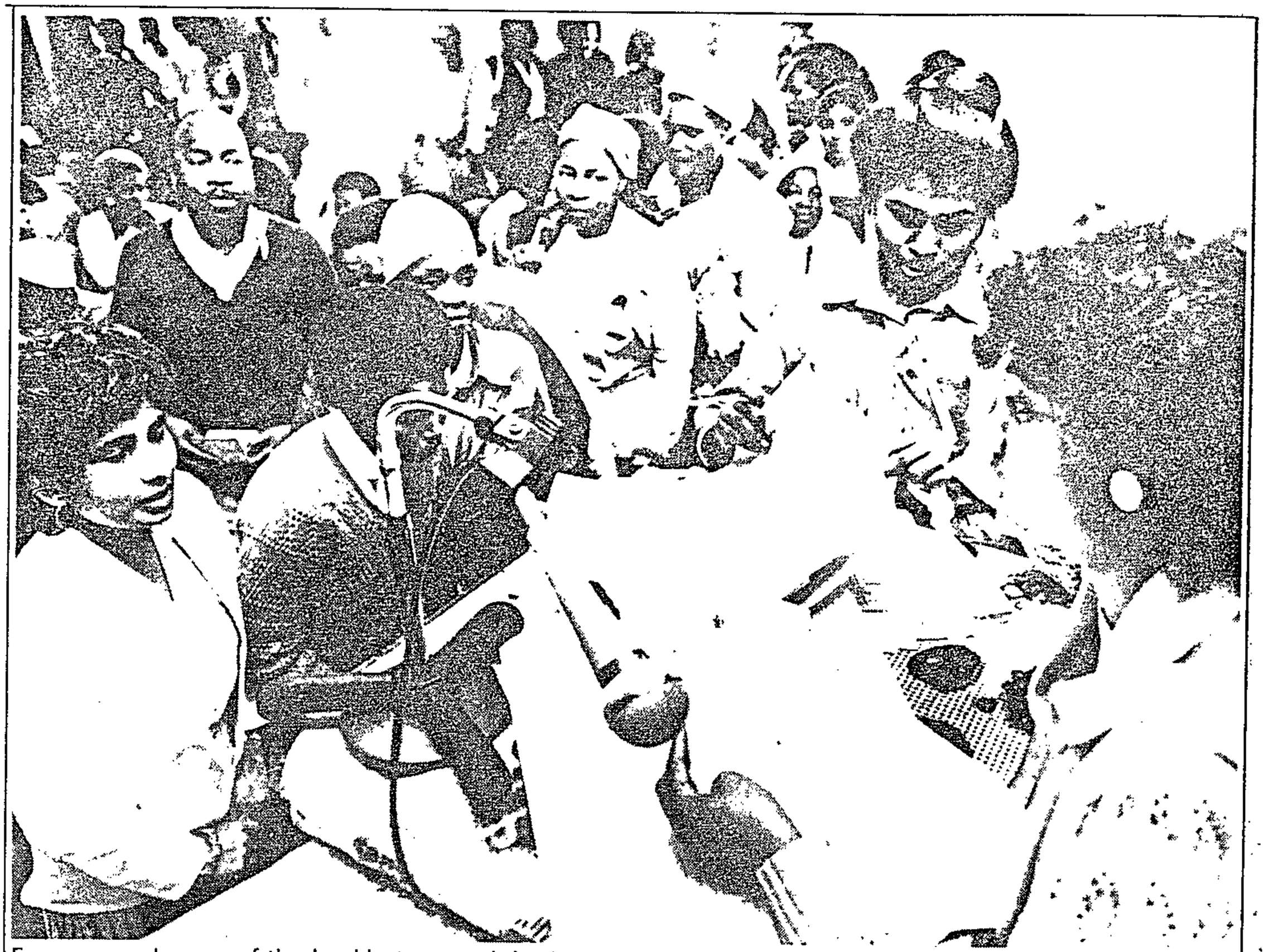
He added that there were about 25 000 holders of proof Krugerrands worth more than R414-million and that they stood to lose a significant proportion of this if there was a major drop in price through the liquidation of the Exchange.

Asked yesterday whether he still believed this was the case, Mr Levine said: "Those people who panic will lose a lot, but those that hold onto their coins will be okay ... if they hold out until the market comes together again."

Drop

He said that there had been little panic selling of Krugerrands, and that to date only about a third of the people for whom the Exchange was holding proof coins, had come to collect them.

The judicial management of the Exchange had however led to a significant drop in the price of the various categories of proof Krugerrands, with the exception of those in Category One — the rare 1968 coins — which were still selling at their previous price.



Former employees of the Lockhat group join the scramble for jobs at the union offices yesterday. Taking down details of the unemployed are some of the union staff.

Ripple effect feared after group's closure

Labour Reporter

THE collapse of Lockhat Brothers, one of the longest-established Indian family businesses in Durban, is likely to have a ripple effect on other, small, independently-owned businesses, placing the jobs of hundreds more in jeopardy.

Mr Frankie Hansa, general secretary of the Garment Workers' Industrial Union, said a number of small factories depended heavily on the Lockhat group for supply of clothing material.

'This trade is known as CMT, cut-make-and-trim. It is not yet known how many people will be affected, but is expected to run into hundreds,' he said, adding that about 40 factories would be affected.

Meanwhile, the scramble for jobs by the 1 500 former employees of the Lockhat group started in earnest yesterday.

Particulars

Still reeling from the shock of the group's sudden collapse, they crowded the union offices to ask for help in finding jobs. The Lockhat group was one of the major employers in the clothing industry.

Union staff took down particulars of the unemployed and asked them to return tomorrow to check whether they had been able to find them jobs.

Mr Hansa said everything possible was being done to place as many people as possible in jobs. 'There is still plenty of scope for employment in the clothing industry,' he said.

A special 'Help U' fund created by the union to help the unemployed would provide financial aid for those who were unable to find employment.

'Each person will receive 25 percent of his or her wages from the fund for up to two months, in addition to receiving benefits from the Unemployment Insurance Fund run by the Department of Manpower. This is about 45 percent of a member's wages,' he said.

Hardest hit

Interviewed by the Mercury as they queued outside the union offices, former employees said they were still shocked by the loss of their jobs.

For some it meant the loss of their livelihoods as they were the sole supporters of their families. The hardest hit were a husband and wife who worked for the same company.

Supervisor Mr Siva Pillay had 28 years' service while his machinist wife, Violet, worked for the Lockhats for eight years.

'We have three school-going children and have no other means of income,' said Mr Pillay.

'I don't know where to find the money to pay my next month's rent of R195 if either my wife or I are still without a job.'

Mrs Musi Mzolo, a mother of eight children and sole supporter, said this was the second time she had lost her job. 'The first time was when a boys' hostel in Woodlands where I worked as a cleaner for 13 years, closed down. Now after five years' service as a machinist I am back in the street in search of a job,' she said.

Mrs Tryphina Chilie, of Umlazi, a mother of seven children, joined the company as a machinist in 1978. Her husband is unemployed and her family has no other means of income.

Mr Richard Savage, chairman of the Natal Clothing Manufacturers' Association, said job prospects were not bright in the clothing industry and the position was not likely to improve in the immediate future.

FINANCE

ARGUS 7/6/85 335

Wages spiral must be broken — Du Plessis

PIPPA GREEN
Parliamentary Staff

LABOUR costs in South Africa were a "pillar of inflation" which had to be cracked, the Minister of Finance, Mr Barend du Plessis, told the House of Assembly.

Speaking during the third reading of the Budget, Mr du Plessis said it was "absolutely imperative to address the problem of average salary and wage increases".

He said an agreement had to be negotiated whereby trade unions and employers built a "productivity formula" into annual increases.

"Too many people rely on regular increases and this lies at the bottom of the strong upward pressure on inflation."

Referring to the disinvestment campaign against South Africa, Mr du Plessis said those who would feel the worst effects would be blacks.

He said Government fiscal policy had achieved good results in reducing the money supply.

The chief Opposition spokesman on finance, Mr Harry Schwarz, asked Mr du Plessis whether alternative anti-inflationary measures could have been adopted that would not have had the "harsh effects" of the present ones.

Mr Schwarz cited business bankruptcies, increased unemployment and the "permanent destruction of jobs in South Africa". He said the Government had not tackled the "real structural problem at the root of inflation".

He said: "The result is that, when the next upswing comes, these sacrifices will be shown to have been made in vain."

Spelling out the dangers of unemployment, Mr Schwarz said South Africa did not have the social benefit system to cushion its effects.

Unemployment could lead to "endemic unrest which, if not controlled, can turn to revolution".

There was "grave concern" that the type of economic policies the Government was applying would lead to increasing unemployment and affect the stability of South Africa.

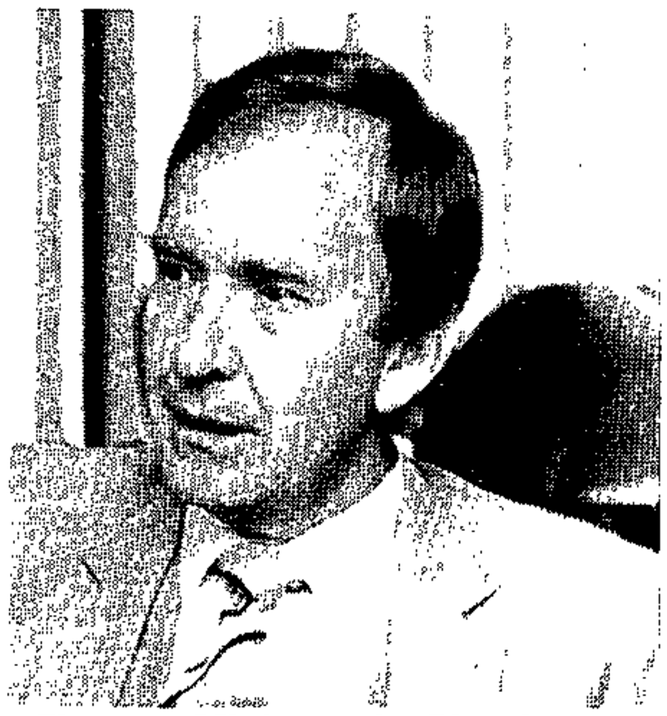
On the disinvestmemt campaign, Mr Schwarz said the greater the degree of new investment, the more wealth there would be to redistribute among blacks.

He said: "Anything which hinders economic progress will hamper job creation."

However, many abuses of the spirit of the law have crept in.

PEs were used to allow profitable companies to increase by 50% the return on cash on call in bank deposits, for instance. And, with another scheme, a R1m investment in a PE yielded R24m after 10 years.

PEs, as a financing product, were also taken out on the life of several company directors — to avoid having to claim before the end of the 10-year period. The financing product, and variations on it, was used for practically every conceivable form of normal business financing, including property development. Certain life offices used them to attract a minimum R1m/year in premiums per contract.



Finance Minister du Plessis ... reaffirming the spirit of the law

To quote one life office, a principal area of concern with this product was the resultant 10-year investment term. "With regard to this, we have, in consultation with leading tax authorities, structured a method *in terms of current legislation*, whereby any participant may withdraw *total* proceeds of the fund at any given stage, tax free."

Such a statement, true as it may be, is flouting the spirit of the law, where clearly it was intended that standard policies had a minimum 10-year term. Du Plessis' effective ban on such products merely brings practice in line with the intentions of the legislature.

Another life office boasted figures that indicated a tax-free amount would accrue to a company after 10 years *twenty-four* times the initial amount invested. Furthermore: "A company can build up a tax-free cash reserve via the medium of a life office by making any growth in a life policy totally exempt from tax."

This type of PE product was used to finance factories, plant and machinery, office blocks and various other investments. The vehicles employed were project financing, the restructuring of gearing to maximise profitability and fund holding of surplus liquidity.

Again, in the words of a life office: "We pass on the advantage of our lower tax rate to the investing company." The contract is taken out by several company officers, but "the lives are merely coincidental to comply with the Act."

An example of this financing product in action shows that a company wishing to invest R5m, and seeking a 35% internal rate of return, increases its *after-tax profits* by 22% by using a PE mechanism. For one thing, the financing product allows the investor immediately to borrow back 85% of the amount invested, or R4,25m.

The interest paid on the borrowing is an assumed 20%, which, at the company tax rate of 50%, costs just 10%. But the life office, in this example, also *guarantees* a return of 15% on the R5m invested. The investing company just cannot lose: there is simply no other such competitive form of investment.

This financing product can be used for surplus funds in a way that must have delighted profitable companies. Cited is an example of a company with R1m on call, earning 23%, or 11,5% after tax. If the R1m is handed over to a life office, it also places it on call. But since the life office is effectively taxed at 20% in the example (for this year, 27,5%), the after-tax return is increased to 18,4%, on which the life office takes a cut.

The yield to the company means a "guaranteed increase" of 50% from the 11,5% to 17,25% after tax. Although Du Plessis' ban on PEs may come as little surprise to industry insiders, of great concern is that any policy which is borrowed against immediately becomes non-standard — in effect, it taxes all benefits arising on the policy.

This has severe effects in practice: many businesses, and individuals, signed for this kind of product on the basis of projected cash flows over the term of the product. Against the projections, says a tax consultant, many contracts were signed for the future delivery of goods, capital equipment and so on.

Given the recession, it will not be surprising if many such commitments cannot be met, purely because of the retrospective nature of the ban. As the tax consultant asks: "If tax laws are legitimately exploited, who is to blame?"

The use of this financing product employing PEs once again epitomises the inconclusive battle between taxpayer and tax collector. It's a merry roundabout with no ending: taxpayers find loopholes; imaginative professionals structure financial packages; competitors have to offer products to keep clients happy; Revenue feels dejected for losing tax money; and politicians strike back with *ad hoc* changes in the law. ■

BLACK EMPLOYMENT

Fewer controls?

The long-awaited repeal of section 3 of the Physical Planning Act (PPA) has been welcomed by industry. But some observers say, rucfully, "the damage has already been done."

In terms of the Physical Planning Amendment Bill, factory owners can from now on employ as many black people as they wish without obtaining prior permission from the Minister of Constitutional Development and Planning.

Responsible for restricting the numbers of blacks in factory employment, the section has obviously had an adverse effect on the economy. By limiting worker mobility, various distortions have been set in motion affecting wage bargaining, promotional opportunities and industrial location.

Rhodes University economics professor Trevor Bell, however, believes other factors, aside from the PPA, have played a more important role in industrial relocation. He cites the recession and the attractive subsidies as examples. Over the years, some businesses have relocated factories to the homelands to avoid the PPA restrictions.

"It is not the PPA," he says, "but rather the slow economic growth that has restricted black employment opportunities." Indeed, he adds, it is difficult to establish just how many jobs have been lost as a result of the PPA, but it is not nearly as many as have been lost through mechanisation and the economic downturn.

Besides, as Bell points out, the Act has not always been strictly applied over the last few years. "The authorities have been winding it down for some time."

Sam van Coller, executive director of the Steel and Engineering Federation of SA (Seifsa), says many in the industry had opposed the PPA from the word go. "Because of the artificial restrictions on employment practices the PPA has made businesses difficult to run," he says.

Business has had to operate from a limited market, which is a reason it has been unable to obtain the required labour skills. He adds that the restriction has obviously limited the employment opportunities for black workers as well. For example: "Coloureds instead of blacks have invariably been promoted."

The Afrikaanse Handelsinstituut (AHI) also welcomes the repeal of section 3. AHI executive director Frits Stockenstrom notes that it should lead to orderly planning and provide for a more market-related deployment of labour.

The stated intention of the authorities is to "abolish control over the establishment and extension of factories."

There is more to it than this, however. The scrapping of section 3 does not entirely remove restrictions on employers. It could be argued that the new payroll tax, for example, will obviously impose limits on companies' preparedness to accept new recruits. In a sense, the payroll tax is viewed by some as simply a replacement of one form of direct influx control by an *indirect* one.

The decision to scrap section 3 was taken by the Cabinet in November last year after the Venter Committee reported that discriminatory aspects of control over the establishment of factories could be eliminated. This was not the first time such suggestions

were mentioned. In 1979 the Riekert Commission recommended section 3 be repealed. Still on the statute books, however, is section 2 of the PPA. This limits the zoning, sub-division and use of land for industrial purposes, which again puts controls on industrial growth. ■

SA ECONOMY

Off target?

Some economists now believe it is inevitable that government expenditure will exceed the budgeted R30,982 billion, despite a resolute commitment to curtail this growth. This is reinforced by government spending figures for April, the first month of the current fiscal year, which are 19% up on last year's figures.

The Treasury outlay amounted to R2,907 billion after deducting R108,883m for the discount on the sale of RSA bonds, compared with last year's figure of R2,450 billion.

Although it is difficult to predict a trend on the basis of one month's figures, some economists believe there is room enough to predict a possible pattern for the year. It is clear, however, that only after the traditionally bloated first quarter of the fiscal year is passed, will the spending picture really begin to take shape.

Says Volkskas' Adam Jacobs: "A moderate increase of about 1,5% in real expenditure is inevitable. One reason is that the deflator which applies to government spending will probably rise at a much slower rate than the cpi. But slightly higher spending than budgeted will be a godsend as far as I'm concerned."

According to Nedbank economist, Rudolf Gouws, the government will come in quite close to its original estimate. "We will see a sharp increase in May as well, but for the year as a whole, there will be a one to two percent overshoot at most."

Sources in the Reserve Bank say the April increase represents a normal seasonal trend in government expenditure. During the first month of the financial year, certain payments, such as contributions to the Medical Aid Fund, the payment of service bonuses for the preceding quarter and certain subsidy payments, are made.

In fact, the first quarter of the fiscal year is normally characterised by the outflow of funds deliberately postponed at the end of the previous financial year. Departments have to reduce their drawings on the Exchequer during January, to keep within their available cash flow until their votes have been ratified by Parliament.

FACE TO FACE

ADRIAAN EKSTEEN

Transport policy route

Adriaan Eksteen is the Director General of the Department of Transport (DOT). The *FM* spoke to him about the issue of privatisation and subsidies in the transport industry.

What is current thinking in government ...les about subsidies in general?

...ksteen: It is current national policy to ...er private initiative and effective com... tion. Within these goals the DOT sees a ... for the private sector to participate as ... as possible. The government must cer... ly distinguish between socio-economic ... and economic efficiency goals. If the ...er are to be achieved at a cost, the cost ...st be identified; and the merits of the case ...ould be debated. If it is accepted that ...sidies are to be paid, then it should be ...e in a direct and open way so there is ..., or no, need for cross subsidisation be...en profitable and unprofitable services.

...at of the future of Sats and SAA?

...one accepts the above principle, semi...vernmental enterprises can be allowed to ...come much more like private companies; ...they should also be treated as such in ...ect of accounting practices and rates of ...rn on capital. Once this is achieved the ...ership issue is less complicated and it ...ld be possible to list such companies on ...JSE.

...easonable to expect black commuters to ...fully for their costs of getting to work?

...here there is a need, we will continue to ... subsidies to passengers who cannot af... to pay the economic fare. As long as ...mmuters have to travel long distances to and from work, the government will have to pay part of the costs. There is only one solution to this: if employers pay a high enough salary to compensate for transport costs, subsidies will not be necessary.

Do you feel, then, that employers should pay the subsidy?

No, this is central government's responsibility. We are trying to phase the subsidy out gradually, but this will take a long time. There is a limit as to how much we can pay out. Last year we paid out over R207m in subsidies to black bus passengers.

What is the bottom line regarding privatisation?

There are limits to privatisation. It is essential the private sector achieve a certain rate of return on invested capital to remain profitable. When the costs of buildings, runways, equipment and other fixed costs are considered, the picture becomes less rosy and not too many entrepreneurs will be so quick to take on the responsibility. It is no use privatising when the private sector cannot be relied on to provide unprofitable services. One has to consider the social costs as well as economic costs, and in certain cases the government is compelled to render a number of uneconomic services. It is unlikely the private sector is prepared to provide uneconomic services.

Are bus routes likely to be opened on a more competitive basis?

One must distinguish between commuter and passenger services over longer distances. Applications to open the longer routes are being considered, and their success depends on the extent to which these routes can be opened. As regards commuter service routes in the larger metropolitan areas, we have not a single application for a permit to operate these bus routes. Our policy is that we cannot allow single bus operators to run routes, as this is not in the interests of the SA economy. We must ensure buses arrive on time at the correct place otherwise chaos will arise. Only those who have the infrastructure, expertise and facilities can ensure reliability.

How is transport policy, especially financing, going to fit in with regional policy and the Regional Service Councils (RSCs).

We must obviously be consistent with current constitutional and regional economic development. Transport is a general affair which must, to some extent, devolve to the regional level, although transport must always be under central government control to ensure uniformity in policy. RSCs will have the powers the Metropolitan Transport Advisory Boards (MTAB) previously had. This involves a change in funding as the MTAB's activities were partially funded by the central government, whereas the RSCs' are to be funded through levies, and will most probably play an increasing role in raising finances, *inter alia*, for passenger services. All organisational, administrative and regulatory matters are being considered with the new dispensation in mind.

How do you intend depoliticising transport?

The RSCs are an attempt to do just this. There are also plans to implement a transport tribunal to consider cases. Transport can never be divorced from politics.

Are you concerned about the long distances that some commuters have to travel to get to work every day, which can be up to seven hours every day?

This is why we pay subsidies — to assist those people who have to travel far. As long as there is a great distance between home and work, there will have to be subsidies. This is why the government has tried to establish industries near the homelands. ■

300 laid off as clothing factory closes

NM 5/6/85

335

Labour Reporter

ABOUT 300 workers lost their jobs in Durban yesterday when another major clothing factory closed its doors for the last time.

Employees of Elite Clothing Manufacturers were handed their termination notices and told to call at the factory on June 17 to collect their pay.

Mr J G Ratcliffe, the company's managing director, was not available for comment, but in the notices, he said: 'Unfortunately, due to the current shortage of work, it has become necessary to reduce staff.

'We hereby give you notice of our intention to terminate your employment with Elite Clothing on June 7. When business improves jobs will be available again. Please keep in touch with your supervisor.'

The factory made men's and boys' wear, including the well-known brand names of Elder Sports, Statler, Gates, Bogarts, Dalton Casuals, Young American, Cartel and Trend 400.

The closure came as a shock to workers. Outside the factory in Chamberlain Road, Jacobs, worried workers milled around in groups pondering over their future.

A divorced Inanda mother of six and former checker at the factory, Mrs Elsie Mchunu, said: 'I don't know what to do. I do not have any money for food for my family this weekend, let alone for my rent of R20 which is already overdue.'

Mrs Harriet Nene, a mother of seven and sole supporter of her family, said she was 'penniless'.

Several Indian employees said they did not have money to pay their rent and light accounts.

Mr Yunis Shaik, deputy general-secretary of the Garment Workers' Industrial Union, said the company's lawyers had advised the union that the company would apply for provisional liquidation, possibly next week.

'They said the company was not in a position to pay workers because of insufficient funds. The matter has been referred to the Industrial Council,' he said.

Some of the staff of Elite Clothing Manufacturers with their termination notices yesterday.

Mrs Elsie Mchunu, a divorcee and a mother of six, is among those dismissed by Elite Clothing Manufacturers in Durban.

Jobs for the unemployed

335

Tom Boya

Sowetan 10/6/85

THE black local authorities will create job opportunities for some of the thousands of people who are presently out of work.

Mr Tom Boya, the vice-president of the Urban Councils' Association of South Africa said at the weekend that the Government has made available a sum of R5 million to assist the unemployed as a temporary measure.

Jobs on offer include street cleaning, rubble collection, painting of town council's property, cleaning of graves and parks and repairing of fences.

Mr Boya said the new posts will be offered as from July 1. He said the scheme will be in practice for a year only and if more funds are available, the scheme will be continued even next year.

He did not say how many people will be employed.

Workers retrenched

Sowetan June 1985

MORE THAN 1 200 workers have been retrenched at the 60-year-old company Lockhat Trading and Financing in Natal when the company went into liquidation because of massive foreign exchange losses.

Some of the workers would have gone home without their final wage packet if one of the creditors had not come to the rescue and paid their wages up to May 25, according to sources.

The workers were told that 1 000 weekly-paid workers at the manufacturing plants of J T Clothing and Taycle (two subsidiaries) were without jobs.

Regret

The general secretary for the Garment Workers' Industrial Union, Mr F Hansa, said his union regretted that so many of their members had been retrenched. However, he was "pleased" that they got some pay.

He said the union's unemployment department will look for jobs for them and if they fail the workers will be paid 25 percent of their wages, over and above unemployment benefits.

Mr Cassim Paruk, managing director of the company, said the foreign exchange losses suffered by the company was about R8-million, which was compounded by prohibitive interest rates on the money market.

Job crisis will push up crime

335 Herald 8/6/85

Only a major exercise will solve problem

By TED DOMAN

ONE cannot pass the queue of unemployed men outside the Labour Bureau in Cape Town without feelings of unhappiness, and of helplessness.

It is an unhappiness born of concern that, somewhere on the Cape Flats, there is a household waiting for the man of the house to return home with something for the pot. The concern is the greater because, in today's economic climate, that pot is likely to remain empty, and because "the man of the house" is beginning to feel that he is a failure.

One is helpless in that it will take a major exercise to employ those many men, even if only in menial jobs.

BEGGING

What is now of even more concern is that, in recent days, the unemployed men who wait in the off-chance of a casual job have taken to adopting a begging attitude, their gestures and mouthings pleading with on-coming motorists to employ them. These men are obviously not layabouts. They WANT to work.

If they do not get a job today, or tomorrow, or the day after, and they go home empty-handed, their homes will begin to disintegrate. Their electricity and water bills will go unpaid, and they will have their lights and water cut off. Their health will suffer through malnutrition, and that is shown up first in their children. It is not for nothing that the Peninsula School Feeding Association has noticed that more schools than ever have asked for school feeding. It is significant that, for the first time, schools in Mitchells Plain have introduced school feeding.

It is an accepted fact, a cold fact, that in times of economic depression, the crime rate increases.

It is with this in mind that one sees these begging out-of-works in a new light — not just as men looking for jobs, but as potential criminals. And it is here that one links them with last week's soccer riot in Belgium, and with the death sentence passed on a Kewtown (Athlone) man for murder.

For this unlikely trio has a common background of poverty and unemployment.

The soccer riot was hardly unexpected — there have been so many riots in which English soccer and its so-called supporters have been involved, that it was only a matter of time before something as nationally damaging as the Belgian disaster occurred. And it didn't take long for students of human behaviour to lay the blame at the door of England's long-standing, almost chronic unemployment situation.

Nearer home, a Kewtown man was sentenced to death for murder, and while no other address than "Kewtown" was mentioned in reports of the case, one can indicate with almost absolute certainty in which particular part of that extension of Athlone he lived.

It would be in a section which, when Kewtown was established 40 years ago, was a model of propriety. Today it is a run-down, over-populated, hooligan-infested section with the buildings damaged by gangs of layabouts. This is an environment which breeds more crime. It bred a man who, for reasons best known to himself, turned into a murderer.

FAILURES

And again one wonders about those unemployed men. For how long are they going to accept that they are failures? For how long are they going to be able to face their families without a pay-packet? How long will it be before they crack, and commit a crime?

June 1985

Clothing firm in difficulty retrenches 60

335 **Labour Reporter** 604

ABOUT 60 workers from a Durban clothing firm — the third within weeks to experience financial difficulties — have been retrenched after the factory closed down.

An application for the sequestration of the estate of Mr Edwin Bradfield, of Bradfield Clothing Manufacturing Co in Moore Road, Durban, is expected to be made in the Supreme Court today.

Approached for comment at his Glenwood home last night, Mr Bradfield said the factory closed down 'about three weeks ago'.

Mr Yunis Shaik, deputy general-secretary of the Garment Workers' Industrial Union, an affiliate of the Trade Union Council of South Africa, said the union had been informed of the closure.

Meanwhile, more than 500 former employees of the Lockhat group — among the 1 500 who lost their jobs when the group's seven companies folded about three weeks ago — have found new jobs so far, according to Mr Shaik.

The union was still trying to find jobs for the others, but its task had become more difficult by the recent spate of dismissals from other clothing factories.

'We are virtually back to square one, but nevertheless we are still hopeful of placing most of them in jobs. The response from factory managers so far is very encouraging.

'We have set aside staff in our department to telephone all clothing factories to try to find employment for as many people as possible.'

A Merebank family outside their 'squatter camp' in a Durban City Council-owned park in Raj Mahal Road, Merebank, yesterday. They are (from left) Mr Krish Ramiah, his wife Joan, and two of their four children — Joan, three, and Kevin, one. With them is a family friend, Mr Sadah Naidoo, who helps guard their belongings at night.

Evicted family squatting in tent

335 11/6/85 NM

Labour Reporter

A MEREBANK family of five, evicted from their rented house after the breadwinner lost his job, are squatting illegally in a tent in a Durban City Council-owned park in the Indian suburb.

Seated amid his family's possessions in a secluded spot at the recreational grounds in Raj Mahal Road, Mr Krish Ramiah, a former panel beater, said yesterday they would not move until the council provided them with alternate accommodation.

His family was ejected from a privately-owned outbuilding at 71 Raj Mahal Road last Thursday after being in arrears with their rent. 'I have been unable to pay my monthly rent of R110 since March this year when I became unemployed.

'My wife works as a machinist at a clothing factory and earns R58 per week, but this is barely enough to keep us going. There is just no money left to pay the rent.

'In spite of numerous attempts to find employment I was not successful,' he said, adding that after his furniture and other possessions were stacked on the pavement he went in search of alternate accommodation throughout Merebank, but nobody was prepared to help him when he told them he was unemployed.

'The pastor at my church was kind enough to lend us his kombi which we used as a bedroom and kitchen since last Thursday, but at the weekend somebody loaned us a tent which were now using as our home,' he said.

They have four children. The eldest is Jeanette, 13, who is in Std 6 and presently writing her mid-year examinations. 'My daughter has been shattered by the loss of our home and I am worried that it might affect her perfomance in the examinations,' he said.

Since their move into the park, the Ramiahs have become the 'talk of the town'. People in the neighbourhood cooked food and allowed them use of toilet facilities.

A spokesman for Durban's Parks, Recreation and Beaches Department said yesterday his department would investigate and notify the relevant authorities to take the necessary action.

Dr Gerrit Viljoen

Mr Harry Schwarz

COPPER MINING

Argus 11/6/85 335

Bid to secure future of O'Okiep

Parliamentary Staff

A Bill enabling the Minister of Finance to enter into a formal financial agreement with the O'Okiep Copper Company in Namaqualand was read for a second time in Parliament.

Motivating the Bill at a joint sitting, the Deputy-Minister of Finance, Mr Kent Durr, said a dramatic decline in the copper market in 1981 threatened to close the mine at Carolusberg if additional funds could not be found.

The copper company, which has retrenched thousands of people in recent years, approached the Government for aid.

"It bears noting that some 13 000 people, mostly coloured, are dependent, either directly or indirectly, for their livelihood on the continued operation of the mine and that very little alternative economic activity is available in the region," Mr Durr said.

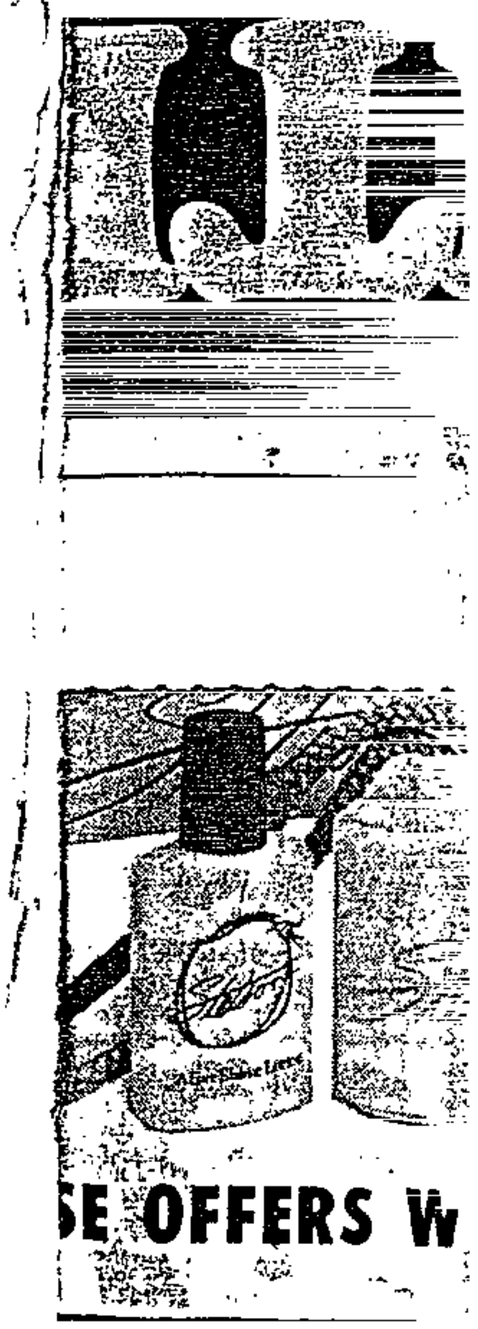
In addition, three villages and their infrastructure were managed by O'Okiep.

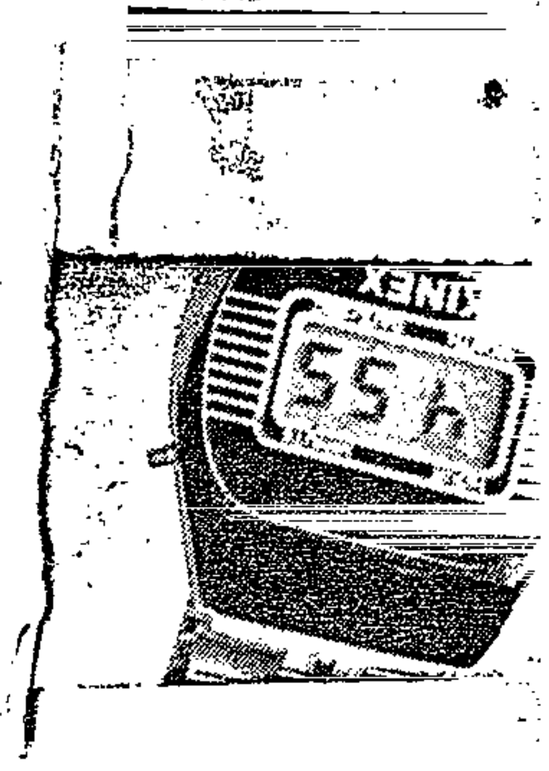
In order to ensure social stability in the area the Government issued a guarantee of up to R40-million on a new loan to the company by Barclays Bank.

However, the copper market "remained in the doldrums" and the Government was obliged to pay Barclays R32,8-million, now regarded as a loan to the company repayable to the Government by 1990.

Mr Durr said adequate security had been put up for the loan.

The action was a "positive step in combating the de-population of the rural areas in line with Government policy of regional economic development," Mr Durr said.





Dairy firm in court bid to save jobs of 1 300

Finance Reporter

CREAMLINE Dairies are to embark on a major restructuring this week in an attempt to avoid insolvency and save the jobs of more than 1 300 employees.

The move is to be made in the Durban Supreme Court today in the form of an application for provisional liquidation of two of the companies in the Creamline Dairy Group.

The two companies are Creamline Dairies and Creamline Natal Melkery.

There is also a probability that through the restructuring, other Creamline companies could also go into liquidation.

Mr T L Reynecke, chairman and managing director of the company, said yesterday that the main reasons for the company's unsatisfactory financial position were the high levels of borrowing coupled with crippling interest rates.

The group is faced with liabilities of about R20 million, excluding contingent liabilities, and the book value of its assets is about R11 million.

However, the company has stated that it will continue to deliver milk to clients' homes, to cafes and retail outlets, as well as honouring coupons while in liquidation.

'This we believe is imperative, because the supply of milk to the consumer must not be interrupted, and our creditors are being asked to support this move,' he said.

The major creditors are the Milk Board, Volkskas Bank, various packaging companies and the shareholders.

The restructuring, if successful, would avoid any staff retrenchments in the foreseeable future, Mr Reynecke said yesterday.

A consortium of Natal businessmen and farmers with considerable experience in the diary industry has for the past four weeks been investigating the affairs of the company.

One of its members, Mr Russell Stevens, said yesterday that he was confident they had the expertise and financial support to assist in solving the company's problems subject to the finalisation of the investigation.

'Support of creditors'

Creditors are to be asked to consider an offer of compromise, the details of which will be determined within the next six to eight weeks. During this time the company will trade on a cash basis.

Mr Stevens said the reconstruction move had the support of the major creditors, including bankers, 'and I believe that under a revised directorate and financial structure, Creamline Dairies could become viable and have a long-term future'.

Company spokesmen made it clear that no milk producer would be affected by the liquidation of the firm, as they were paid by the Milk Board and not Creamline.

Part of a national group, Creamline has dairies in Natal at Pinetown and near Pietermaritzburg, and at Vereeniging, Nelspruit, Pietersburg and Sasolburg in the Transvaal. It also has distribution depots at Newcastle, Tzaneen and Louis Trichardt.

In the Durban and Pietermaritzburg areas, the company is responsible for about 43 percent of all milk and a significant percentage of milk by-products sales and should it cease trading there would be considerable disruption to both consumers and farmers.

Yesterday Mr Eric Hornby manager of Clover Dairies in Natal — Creamline's closest competitors in the area — said he was always concerned to hear of 'anyone going under' and more so with Creamline.

'We are most concerned to hear that that this has happened, and sincerely hope it can be sorted out.'

Reacting to a question on how consumers would be affected in terms of the zoning agreement — which deliniates milk distribution into two distinctive areas divided between the two companies — if Creamline folded, Mr Hornby said Clover would be able to handle the situation 'under pressure' if need be.

'The time has come for zoning to be re-examined. We believe it is not needed anymore and should be done away with, and have been working towards that.'

According to Mr Hornby, if the worst came to the worst, the consumer would be looked after, 'even if we have to break a gut in the short term'.

Mr Stevens said that if Creamline did become insolvent, it would have a major effect on consumers by disrupting their distribution patterns, and also have social implications on the black population, which used milk as their main source of protein.

Mr Stevens said the misfortunes of the company had really begun four years ago — shortly after Creamline had acquired a number of companies — when the chairman and four other top management personnel were killed in an air crash near Parys.

'New leadership had to be found and in hindsight it appears mistakes were made.'

He said that since then some of their Transvaal operations had recorded losses and although they had been absorbed, the losses had eroded the equity base of the company.

Jobless figures still rising

335
NM. 13/6/85

Labour Reporter

UNEMPLOYMENT among all race groups in Natal continued to rise at a steady pace, according to figures released yesterday by Mr J N Hitchcock, divisional inspector of the Department of Manpower in Durban.

A total of 31 802 were registered as unemployed with the department last month. Of these, blacks numbered 16 995. In April, 15 140 blacks were registered while the overall figure for the month was 29 508.

Durban had the highest number of unemployed, followed by Pietermaritzburg, Newcastle and Ladysmith.

Registered

During May, 3 660 whites, 1 466 coloureds and 7 013 Indians registered as out of work. In the previous month there were 3 518 whites, 1 613 coloureds and 6 665 Indians out of work in the city. A regional breakdown of the number of blacks out of work was not available.

In Pietermaritzburg, 530 whites were registered as unemployed in May, with 478 coloureds and 1 237 Indians. Ladysmith had 69 whites, 14 coloureds and 74 Indians out of work. Newcastle registered 162 whites, 16 coloureds and 88 Indians as unemployed.

Arrears

Meanwhile a spokesman for the Durban City Council said there had been no noticeable increase in the number of council tenants falling in arrears with monthly rent payments in spite of the escalation in unemployment.

Mr John Muir, the council's financial officer in charge of housing, said it was still too early to say how the rise in unemployment affected rent payments.

'Many of the unemployed in the council's renting schemes had their rents substantially reduced after producing their unemployment cards,' he said.

The extent of the relief was substantial and varied according to individual tenants' income.

Ccawusa warns of action

Sowetan 13/6/85

THE COMMERCIAL, Catering and Allied Workers' Union of SA has threatened to take legal or industrial action after Foschini decided to put its members on part-time.

The union has declared a dispute with the company over its decision to place more than 230 workers at Pages Stores nationwide on part-time from July 1, the union's organiser, Mr Kaizer Thibeli, said this week.

The affected workers would lose a third of their wages.

"This is the issue we are fighting," he added.

Foschini's representative on industrial relations Mr John Corlett confirmed that the union declared a dispute in terms of their recognition agreement.

Mr Thibedi said the union would take various steps, including calling for a consumer boycott, if the matter was not resolved.

Mr Corlett said the boycott would be unfair on the company.

He said: "We have a good relationship with the union. We would be surprised if they were to do that."

If workers resolved to take industrial action, then they should go through the necessary procedures prescribed in the recognition agreement. Otherwise, their actions would be illegal, Mr Corlett said.

Mr Thibedi said they intended applying for a conciliation board and a court interdict to prevent the company from placing their members on part-time.

Meanwhile, Ccawusa said another chain-store has indicated the possibility of putting workers on a part-time basis. "We are busy negotiating with them," a representative said. She declined to mention the group.

$$Z = \frac{x - \mu}{\sigma/\sqrt{n}} =$$

$$500 - \mu = 1{,}96 \times 4$$

$$= 7{,}84$$

Downturn in economy has hit clothing firm

NM 13/6/85

375

Court Reporter

A DURBAN clothing firm, which, according to its managing director had traded viably for 25 years and had 'enjoyed a fair reputation as a manufacturer', was placed under a provisional liquidation order following an application made in the Supreme Court, Durban, yesterday.

An order for the provisional liquidation of Elite Holdings (Pty) Ltd, which operated factories in Chamberlain Road, Jacobs, and Gale Street, Durban, was granted by Mr Justice Shearer.

The rule nisi is returnable on July 16.

In papers before the Court Mr David Peddar, managing director of Elite Holdings, said the company had been affected by the downturn in the economy since the beginning of 1983 and had experienced a drastic reduction in orders.

The directors had been forced to borrow R500 000 to assist the company in what they had believed was a short-term downturn in the economy.

In an attempt to achieve profitability the company had contracted with certain customers for the manufacture and supply of clothing during the 1984 financial year.

However, six months after production had begun the company's directors had discovered that their pricing structure had been based on incorrect accounting information. Notwithstanding the error the company's profit between July and December 1984 was R9 000.

Mr Peddar said during 1985 the company had experienced great difficulty in obtaining orders and at present had only been able to obtain orders for R750 000 for the remainder of 1985.

He told the Court that on June 5 the company's directors had advised the 375 employees to return to work on June 17 by which time it was hoped that there would be sufficient orders to enable the factories to continue operating. However there were not sufficient funds to pay the wages which were due.

Mr Peddar said the company's assets were approximately R927 000 and its liabilities were R1 333 000.

Mr P Meskin, instructed by Merret and Berkowitz, appeared.

In another matter the Judge granted a provisional liquidation order, returnable on July 26, against a Clairwood clothing wholesaler, Tempest Clothing Co (Pty) Ltd after an application had been made by Merchant Shippers S A (Pty) Ltd.

In an affidavit Mr Ian Bailey, an accounts executive of Merchant Shippers, said Tempest Clothing Co had guaranteed an amount of R1 467 000 owed by College Clothing Manufacturers (Pty) Ltd which was now in liquidation. The debt had not been paid by College Clothing and accordingly Tempest Clothing was liable to pay.

Mr A K Kissoon Singh, instructed by Zubeda K Seedat & Co, appeared.

Mixed
Some confusion
62

Fears that fund for jobless will run dry

Labour Reporter

FEARS that the Unemployment Insurance Fund — which is presently under heavy financial strain — could approach exhaustion in two years have been expressed by the Natal Chamber of Industries.

Benefits paid by the fund during the past year exceeded contributions by R23 000 000 and during the first three months of this year by R21 000 000, the chamber said in its weekly bulletin to employers yesterday.

'All indications are that this deficit will rise in the coming months and it is clear that the fund will become increasingly financially strained and, at the present rate, will approach exhaustion in the latter half of 1987.

'This is a dark forecast based on the unlikely assumption that there will be no economic recovery before that time. It nevertheless highlights the need to re-examine the structure of the fund and its financial viability,' the chamber said.

The increase in unemployment was the most serious side effect of the prevailing economic recession, it said.

Attention

'Lack of demand and the reduction in capacity utilisation have compelled rationalisation and reduction of staff. In extreme cases cash flows were clogged and high costs of finance have led to factory closures and the laying off of workers.

'These are difficult times we live in. They have placed unprecedented pressures on the Unemployment Insurance Fund which is the only official source of relief for the victims of cyclical unemployment,' it said.

The chamber said that organised industry was currently giving attention to the position of the UIF and had sent out questionnaires to industrialists in Natal asking for their views on possible changes to the fund.

These included level of contributions, extension of contributors and extension of benefits.

At present the fund receives a total of 0,8 percent of every eligible member's salary. Of this, 0,3 percent is contributed by the employer and 0,5 percent by the employee.

If the employer's contribution were raised to 0,5 percent to bring it on a par with the employee contribution, the fund would receive an additional R80 000 000 a year.

The chamber said that from an employer point of view this would represent an additional cost at a time when all costs are rising in spite of the recession, and, at a time when the employer is about to be saddled with a payroll tax.

'For all that, employers may perceive a rise in the contribution as being a social necessity,' the chamber added.

10 000 workers laid off this year

Metal industries face low orders and short-time

By DAVID FURLONGER

METAL industry employment has declined by more than 20% in the past five years.

More than 10 000 workers have been laid off this year alone.

The latest quarterly survey of Seifsa — the Steel and Engineering Industries' Federation of South Africa — says an estimated 360 000 people were employed in metal industry production processes at the end of March compared to 454 000 at the end of 1981.

It adds: "Employment statistics, based on a comparison between the 1984 year-end and first quarter 1985 wage surveys, reflect a loss of some 10 000 jobs during the period, highlighting the strong recessionary conditions which now characterise the Seifsa group of industries."

The survey says the downturn in the first quarter of this year was most evident in the general engineering sector and machinery, electrical machinery and foundry industries.

Most sectors reported slack production, more short-time working and poor order intake.

"In addition to deteriorating domestic demand, Seifsa's manufacturing sectors are contending with increased costs of raw materials and other inputs and a continuing loss of market share to imports, despite the weakness of the rand."

On the positive side, exports of base metal and some secondary steel products are expected to improve this year. The rand's weakness is expected to bolster primary steel exports, despite South Africa's voluntary cutback to the US, while ferro-chrome and ferro-manganese exports are also expected to perform better.

"In contrast, the machinery and electrical machinery sectors expect no improvement in their poor export performance during 1984."

The survey says further slowdowns in the activities of major steel consuming sectors, such as the motor vehicle industry, are expected to cause a 12% drop in domestic primary steel demand this year compared to 1984.

"Nevertheless, steel producers are of the opinion that the higher levels of world steel production and consumption experienced during 1984 will continue through 1985 and these trends, coupled with a continuing weakness of the rand, will stimulate export sales, now targeted at 2,5-million tons, and help to sustain satisfactory capacity utilisation."

Production returns for the first quarter of 1985 suggest a possible bottoming-out of the foundry industry but the industry's short-term to medium-term prospects remain bleak, says the Seifsa survey.

Engineering and metal fabricating industries are expected to suffer narrowing profit margins and continued difficulty in securing adequate short-term work to satisfactorily use production facilities.

The non-electrical machinery industry is also experiencing severe depression and little relief is seen this year.

The survey concludes: "Against this background, the year 1985 is seen as a critical period for the metal and engineering industries, with activity levels remaining low throughout the year."

Another nudge for UK inflation rate

LONDON — British prices rose again last month, pushing inflation to an annual rate of 7%, its highest rate for two and a half years.

British Employment Secretary Tom King said he expected inflation to stay around this level for the rest of the summer before falling to around 5%. It was 6,9% in April.

It was the fifth successive increase in inflation since the rate stood at 4,6% at the end of last year.

King said the rise in inflation was due to widespread, small price increases for goods and services which included motor vehicles, petrol, gas, electricity and home loans. — Sapa-Reuter.

Political comment in this issue by Nigel Bruce. Newsbills by Reg Rumney. Headlines and sub-editing by Michael Allwright. All of 171 Main Street, Johannesburg.

Steel industry slump costs 94 000 jobs

JOHANNESBURG — The metal and engineering industries had suffered a further downturn in activity levels during the first quarter of this year, reports the Steel and Engineering Industries Federation of South Africa (SEIFSA).

In its survey SEIFSA said the downturn in business conditions had affected, in particular the large general engineering sector and machinery, electrical machinery and foundry industries.

"Most sectors report that production is slack, hours worked continued normally, but with a tendency towards short-time in the more depressed industries, and new order intake is poor."

Some 10 000 jobs were lost between the 1984 year-end and the first quarter of this year.

There had been a decrease in employees in production processes in the metal industries of 94 000 from the 1981 year end until the first quarter of 1985, SEIFSA said.

This year there are 360 000 employees in this field, compared with 454 000 in 1981.

"In addition to deteriorating domestic demand SEIFSA's manufacturing sectors had to contend with increased costs of raw materials and other inputs, and a continued loss of market share to imports, despite the weakness of the rand."

However, export sales in the base metals and certain second steel product sectors were expected to show some improvement over last year.

"The current rand exchange rate, combined with continuing growth patterns in South Africa's major foreign markets, suggests some reasonable growth in primary steel exports, in spite of South Africa's voluntary cutback to the United States."— Sapa.

Argus 18/2/85

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R25m Govt scheme to help train job seekers

Labour Reporter

THE State has made R25-million available for the training of work seekers as part of a drive to alleviate unemployment.

The scheme was introduced to Cape businessmen by Department of Manpower officials at a seminar today.

It is to be run by the private sector which is being asked to provide short training courses for unemployed people. Costs will be subsidised by the department and unemployed people taking part in training courses will receive a small payment and transport costs for the duration of the courses.

CONCERN

Officials expressed concern at the mounting unemployment rate. At least 717 000 people are now registered as unemployed, but they pointed out that this figure was far short of the real number as some people did not register as work seekers.

The R25-million is part of the R100-million package for unemployment relief announced by the Government earlier this year. And R5-million has already been earmarked for training schemes by development boards and the remaining R20-million would be available to the private sector.

Mr D C Moodie, assistant registrar of manpower training, said the idea was to organise the scheme for the maximum benefit, providing short training courses of up to three weeks for as many unemployed people as possible.

10 000 workers laid off

From PHILLIP VAN NIEKERK

JOHANNESBURG. — About 10 000 workers were laid off in the metal industry in the first three months of this year, according to the quarterly survey of the Steel and Engineering Industries Federation of South Africa (Seifsa).

The survey also shows that employment in the industry has dropped by 84 000 since the beginning of the recession.

At the end of 1981 there was a peak of 454 000 workers employed in the industry, but this had dropped to 360 000 by the end of the first quarter of this year.

The report says the job losses since the beginning of the year highlighted the "strong recessionary conditions" which currently characterized the Seifsa group of industries.

These conditions have been forwarded as a reason for the low increases offered by Seifsa to the metal unions, which in turn has sparked a dispute that threatens to leave the industry without an agreement at the end of the month.

Jobless, homeless father of six taken ill

335

NM 18/6/65

Mercury Reporter

AN UNEMPLOYED Newlands East man, who has been sleeping with his family of six in the corridor of a building for the past week after being evicted from his home, has been admitted to hospital.

Mr Derek Smith, of Brusher Place, was evicted by the Durban City Council after he fell into arrears with his rent.

Mrs Maureen Smith, 38, said yesterday her husband had lost his job about a year ago because of the recession and had not been able to meet the rent.

An amount of R150 was paid to the council last month and she could not understand why they had been evicted.

Concerned

'We have been sleeping in the corridor for the past week because we do not have anywhere else to go,' said Mrs Smith, adding that all attempts to get the House of Representatives or the council to stay the eviction had failed.

Mrs Smith said the worry and tension had been too much for her husband, who had been concerned about his five children and the household contents which were left in the street by Messenger of the Court. He had had to be admitted to hospital.

Mr Trevor Bonhomme, chairman of the Newlands East Residents' Association, said he had received 'no joy' from either the council or the Department of Local Government and Housing in the House of Representatives.

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Arrears

Mr John Muir, financial officer for the Durban City Council's housing section, confirmed the Smith family had been evicted for rent arrears and was sleeping in the corridor.

He said Mr Smith was 13 months in arrears and had paid an amount of R140 in May.

'In order to be reinstated he would have to give the council an undertaking that he is employed and is capable of paying,' said Mr Muir, adding the council could not indefinitely carry tenants who defaulted on payments.

500 axed workers march in protest at lack of payment

NM 18/6/85

Labour Reporter

ABOUT 500 workers of Elite Clothing Manufacturers, who lost their jobs two weeks ago after the company closed down, marched to the factory in Gale Street, Durban, yesterday to demand their outstanding pay.

When their services were terminated on June 7, they were told to call at the factory yesterday to collect their pay, but when they arrived at 7 a m they found the place locked.

A notice on the front gate stated that they should get in touch with the Industrial Council.

Mr Frankie Hansa, general secretary of the Garment Workers' Industrial Union, said the workers were angry at what they had found. 'They immediately came to the union offices where they had a meeting in the Bolton Hall,' he said.

After the meeting they marched to the factory, chanting and carrying banners, which stated: 'We want our wages,' 'We worked, pay us now,' 'We are hungry and penniless,' and 'We don't have money for rent — we'll be thrown out of our homes.'

The group assembled outside the locked factory gates and demanded a meeting with management. But after an hour-long wait, Mr I Whiteford, a spokesman for the firm of liquidators, arrived and addressed them.

He told the crowd, which became rowdy at times, that the factory closed down and had been placed under provisional liquidation in the Supreme Court.

The company did not have funds to pay its workers, but they would be paid once sufficient assets of the company had been realised. There were angry rumblings from the crowd when he said he did not know how long it would take before they got paid.

Their unemployment cards had been handed to the union and they should keep in touch with the union which would make representations on their behalf for claims from the Unemployment Insurance Fund.

The doors were opened later for the workers to remove their belongings.

Mr I Whiteford, a representative for a firm of liquidators, speaks to protesting workers through a loudhailer outside the locked Elite Clothing factory in Gale Street, Durban, yesterday.

120 will lose jobs

335 Sowetan 19/6/85

ABOUT 120 employees at Chlor-Alkali and Plastics, a subsidiary of AECI in Ballengeich near Newcastle, will be retrenched when four of the company's chemical plants close down in August.

This was confirmed by the company's group personnel manager, Mr Bokkie Botha, who said the action will be taken as a result of "economic factors" which have severely affected their performance at Ballengeich.

Mr Botha said the situation has been intensified by seven strikes at the factory over the past 16 months. Retrenchments have been unavoidable and "we regret that we have to resort to these means."

The company has held talks with the union on the matter and "we explained our position to them," he added.

The AECI plant has been the scene of industrial action since the beginning of the year when 600 members of the South African Chemical Workers' Union (Sacwu) went on strike over wages.

The situation became tense when workers from four other plants in the Transvaal, Cape Province and Orange Free State, voted to go on "sympathy strikes" in solidarity with the Newcastle workers.

However, the workers at these plants have not taken any action so far, and union sources say "it is only a matter of time before the workers down tools."

Mr Botha said the union did not seem to be happy about the fact that the company was in an economic crisis which had forced the company to retrench workers.

Sacwu's general secretary Mr Michael Tsotesti was not available for comment.

DEFENCE

ARGUS 20/6/85 335

SADF plan for unemployed

Parliamentary Staff

A DECISION has been taken in principle to establish a Defence Force unit for underqualified coloured men.

The aim is to provide military and technical training for young men who are unable to find employment and many of whom are out on the streets due to economic and other circumstances.

Announcing this in the House of Representatives yesterday, the chairman of the coloured Ministers' Council, the Rev Allan Hendrickse, said the decision had been taken in consultation with the Minister of Defence, General Magnus Malan.

A possible site for the proposed training scheme was the Nelspoort Sanatorium near Beaufort West, which was to be vacated soon.

Mr Hendrickse said thousands of young men applied each year to join the Cape Corps, but many had to be turned away because of their low school qualifications.

Due to economic, social and other circumstances beyond their control, many of the men were out on the streets.

The idea was to make it possible for such men to receive military and technical training, with particular emphasis on discipline.

The proposed unit would be run on a multi-departmental basis and would consist mainly of two wings.

These would be:

- A military wing which would provide military training, sport, physical education and other related training:
- An educational wing which would provide technical training in a variety of trades.

THE CONSTITUTION

'A right to stay white'

THE National Party was geared to serve the interests of whites and should be allowed the right not to open its ranks to members of other races, the Deputy-Minister of Constitutional Development and Planning, Mr Piet Badenhorst, said.

He was replying yesterday to the debate on the Constitutional Affairs Amendment Bill, which provides for the repeal of the Prohibition of Political Interference Act.

The National Party was not yet opening membership to other population groups because of practical reasons, said Mr Wynand Malan (NP Randburg). — Sapa.

Call to ease burden for the jobless

NM 20/6/85

335

Labour Reporter

THE Unemployed Workers' Union, which represents black, Indian and coloured job seekers, yesterday called on the Minister of Manpower, Mr P T C du Plessis, to take urgent steps to alleviate some of the problems facing the unemployed.

Mr H Patel, acting secretary of the union, said in a letter the unemployment problem was reaching crisis proportions.

'More and more factories are closing down almost daily and from various sources it is estimated that more than 3 000 000 of the economically active part of the population is unemployed.

'In the rural areas alone about 3 000 000 are without jobs. Economists predict that the situation is going to get worse,' he said, adding that the unemployed were burdened even further with the daily increase in the cost of living.

Most of the unemployed could not buy milk, bread and other essentials and hundreds of families faced eviction from their homes because they could not afford to keep up their rent payments.

The minister was asked to consider increasing unemployment benefits and extending the period of payment from its present 26 weeks to until the recipient was able to find employment again.

The minister was also urged to investigate problems at offices of the Department of Manpower where, because of the lack of staff, people had to wait in queues for many hours.

Cumbersome

Problems facing unemployed blacks, especially over payment from the Unemployment Insurance Fund, weres also brought to the minister's attention.

'Apart from the fact that black workers have been hardest hit by the severe economic depression, they are enmeshed in the cumbersome procedures they are forced to follow when applying for unemployment benefits,' he said.

AKaus 21/6/85

Army unit for unemployed men slammed

335

Staff Reporter

PLANS to set up a military unit to absorb young unemployed coloured men were seen today by opponents as "the foot in the door" to full conscription of coloured people and Indians.

The Rev Allan Hendrickse, chairman of the coloured Ministers' Council, told the House of Representatives this week that it had been decided in consultation with the Minister of Defence, General Magnus Malan, to establish an SADF unit for coloured men with low school qualifications.

The United Democratic Front was "aghast" at the announced intention, the regional secretary, Mr Trevor Manuel, said in a statement.

"To utilise the unfortunate disposition of the unemployed to prop up the State's war machine is rank opportunism."

200 lose jobs as firm closes

By JOSHUA RABOROKO

SOWETAN, Friday, June 21, 1985

TWO hundred workers in Natal have been left jobless after the closing down of their company which is moving to Gazankulu.

The Chemical Workers Industrial Union (CWIU) yesterday accused NCS Plastics in Pinetown, Natal, of "running away" to Gazankulu "homeland" at the cost of more than 200 jobs in the urban area.

The company is closing down its largest packaging division in the Pinetown district and moving to Gazankulu, both trade union and management spokesmen confirmed yesterday.

Bantustan

The union said NCS must now be seen as one of "apartheid backers" and a full supporter of the Bantustan policy by moving to the "independent state" where they will exploit cheap labour.

It said it was "nonsensical" for a country to follow a decentralisation policy where the taxpayers faced a "double burden".

The attack by CWIU on the plastic company is one of the many several black emerging trade unions have made against South African and multinationals which have moved to rural or homeland areas.

The unions have maintained that while managements claim to be creating jobs for blacks in these areas, the opposite was the truth because they (companies) were "running away" from trade unions' wrath and exploiting workers who might not be represented.

The company's spokesman has declined to comment further on the issue and said "this is not a matter for the Press."

Recession hits blacks worst

By JOSHUA RABOROKO

MORE than 10 000 workers, mostly blacks, have been laid off in the metal industry this year alone because of the recession.

The latest quarterly survey of the Steel Engineering Industries Federation of South Africa (Seifsa) says metal industry employment opportunities have declined by more than 20 percent in the past five years.

It says an estimated 360 000 people were employed in the metal production process at the end of March compared to 454 000 at the end of 1981.

"Employment statistics, based on a comparison between 1984 year-end and first quarter 1985 wage surveys, reflect a loss of some 10 000 jobs during the period, highlighting the strong recessionary conditions which now characterise the Seifsa group of industries," says the report.

Concern

These latest statistics have caused concern among trade unions operation in the metal industries, especially the Metal and Allied Workers' Union, the South Africa Boilermakers' Society and the Steel Engineering and Allied Workers' Union.

The three unions, which are affiliated to the International Metalworkers' Federation (IMF) have said that they will lose a vast majority of members.

Mawu's Transvaal secretary, Mr Moses Mayekiso, said the retrenchments come in the wake of a deadlock reached between the unions and Seifsa over wages and working conditions. Mawu will meet its members at the weekend to discuss the issue.

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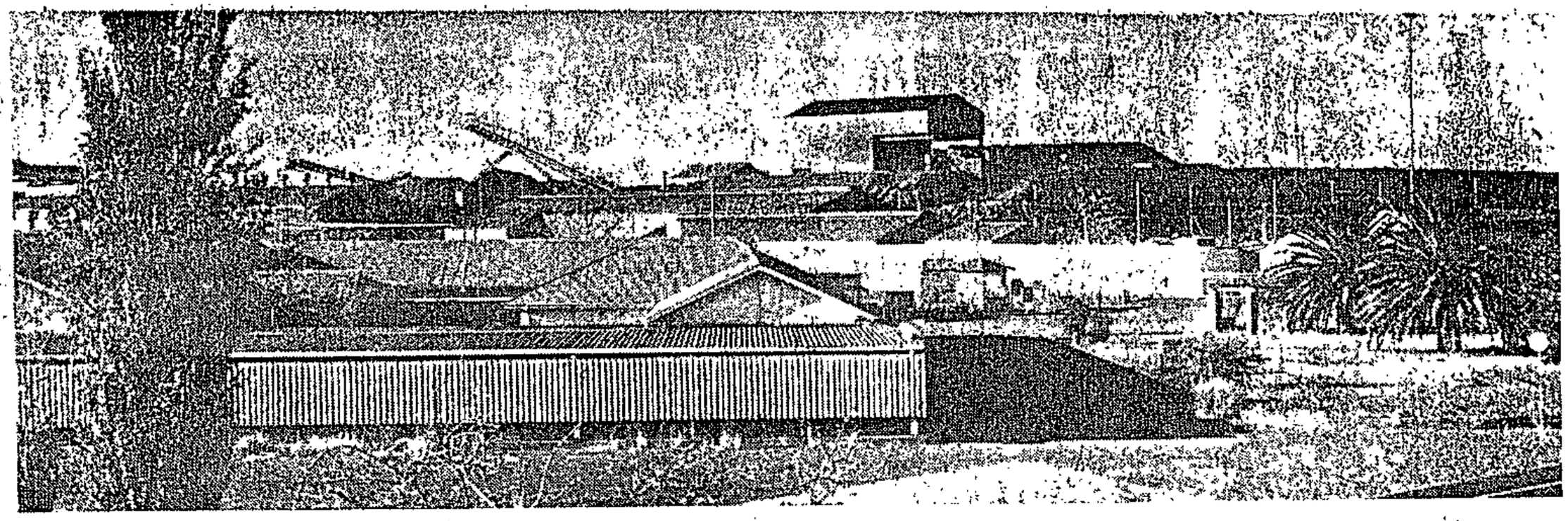


The plant at Sishen's south mine stands idle. Iscor officials say R22,5-million of equipment is gathering dust.

Sishen now ghost town

CHRIS WHITFIELD
Weekend Argus Correspondent

SISHEN, once the thriving centre of Iscor's Northern Cape mining operations, has turned into a ghost town with more than 300 houses empty and R22,5-million of mining equipment gathering dust.

"Blunders" by the corporation have forced it to shut down the mining plant at the Northern Cape town and move out its employees.

And the future of Sishen, itself built over a massive iron ore reserve, is in the balance.

The town, which once boasted a population of about 1 500, is now home for about 30 people.

The last Iscor employees moved out on January 31 this year after the mining plant at the "south mine", flanking the town, had been closed.

Most of the employees were moved to and housed in Kathu, 16km away and now the main ore producing centre in the area.

Iscor's senior general-manager for mining, Mr Ben Alberts, said the corporation had been forced to close the plant because demand for exports had dropped.

He said the corporation had decided to "rationalise" its operations in the area and decided the "north mine", with a plant at Kathu, could meet both domestic and export demands.

He said the south mine was still being mined from Kathu but "at a much lower rate of extraction".

Mr Alberts said an oversupply of iron ore on the world market had caught the corporation unawares.

He said both mines had been planned to produce 27 million tons a year, based on contracts already secured, but demand now was for only 18 million tons.

He said buyers in Japan and Europe were reneging on the contracts and Iscor was powerless to do anything about it.

An Iscor spokesman said the current book value, "at depreciated prices", of the equipment was R22,5-million and the housing R2,5-million.

Mr Alberts said this week the money lost on the town was not included in the R814-million losses on the Sishen-Saldanha ore-export railway line. The Government has announced that taxpayers will have to bear the costs of this scheme.

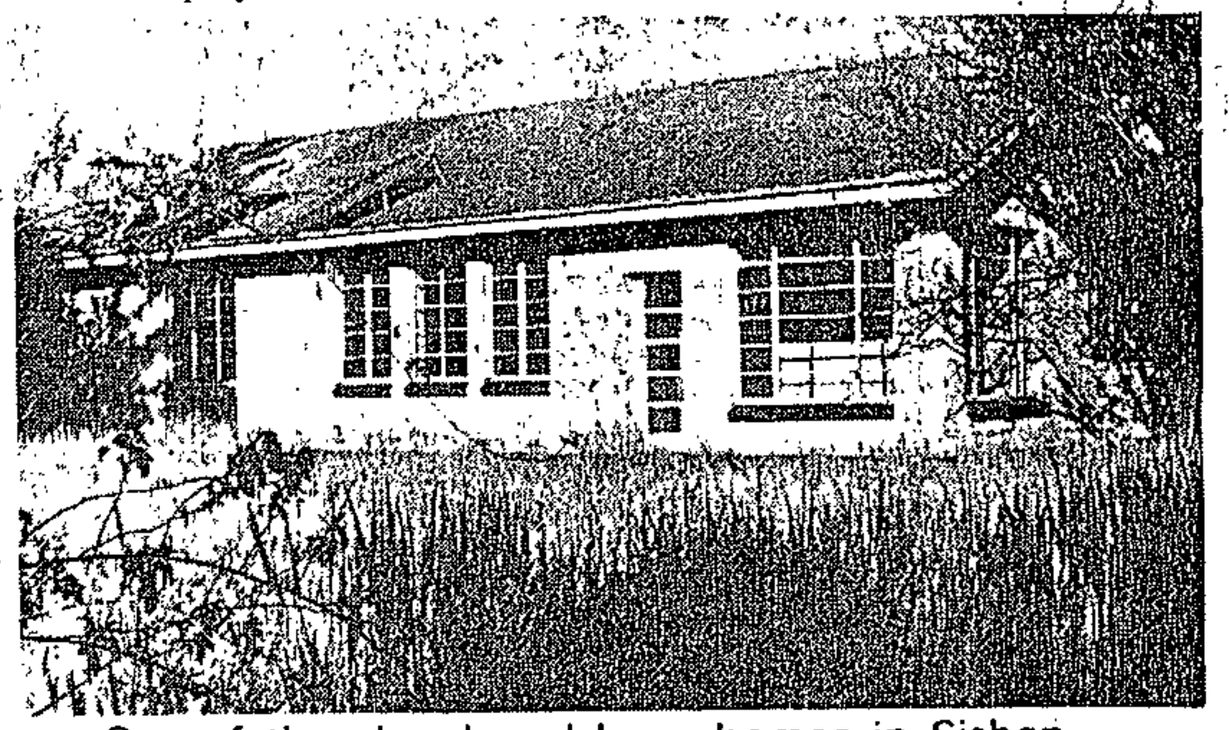
The chief Opposition spokesman on finance, Mr Harry Schwarz, said the Sishen project "came into existence only because of lack of forward planning".

"I imagine the total cost of that mine would be very substantial," said Mr Schwarz.

The 300 empty houses are still in fairly good condition. Most are medium-sized three-bedroomed houses and could probably fetch more than R50 000 each in a normal market.

The first signs of Sishen's demise came in 1974 when it was discovered that Iscor had built the town in the wrong place.

The town, founded in 1953, had been placed right on top of one end of the estimated 4 000 million-ton iron-ore field.



One of the abandoned Iscor homes in Sishen.

ARGUS 24/6/85 335

Many jobless as recession hits furniture trade

Argus Correspondent

DURBAN. — More than one in three of the 29 000 workers in the furniture industry at the begining of August last year have been adversely affected as their employers have either gone bust, retrenched or gone on to short time.

And although a secrecy clause in the Manpower Act would not allow any breakdown of figures by province to be made public, Natal had been worst hit, said executive director of the Federation of Furniture Manufacturers Dr Winston Smith.

The Western Cape was faring better than other regions, he added, mainly due to public service orders by and on behalf of Indian and coloured parliamentarians in the Houses of Delegates and Representatives.

VOLUNTARY CLOSURE

Figures supplied by the various Industrial Councils for the Furniture Industry show that 33 of the 1 183 factories in Natal, the Western Cape and the Transvaal last August had gone into liquidation by the end of April this year.

Nearly 1 392 workers lost their jobs as a result, while a further 821 were put out of work by the voluntary closure of another 105 plants.

In addition, 2 386 employees were retrenched, resulting in a combined loss of 4 599 jobs, or almost 16 percent of the total.

Another 5 641 men and women went onto short time in 156 factories as production fell 30 percent. And short time in an industry which pays hourly for a normal 44-hour working week, could be as low as 20 hours, said Dr Smith.

"We have about the same number of workers as the motor industry, but our statistics have lacked the impact because they are spread out over a great many more factories."

The relaxation since February of the repayment period on hire purchase agreements to 24 months had been of some benefit to manufacturers but the market for consmer durables would not improve until interest rates came down and the economy picked up, said Dr Smith.

● Nine small furniture manufacturers in Natal are to be prosecuted for not registering with the Industrial Council.

A spokesman for the council said that since the council agreement on wages and conditions was extended to a number of areas outside the three major urban centres in the province in December, 11 of the affected 45 companies had made it known they were opposed to complying with the the agreement — particularly as it affected wages.

The manufacturers claimed they could not afford to pay the same wages as their competitors in Durban, Pietermaritzburg and Pinetown and the Minister of Trade and Industry had requested a Wage Board inquiry into the issue.

A spokesman said the council was not enforcing the agreement on wages, but was insisting that manufacturers go along with other provisions of the council agreement until a decision was made by the Government probably by the end of July.

IPRCUS 25/6/85

335

Union members leave in protest after 100 dismissed

Labour Reporter

ELECTRICAL workers on contract at a Mitchell's Plain hospital have walked out in protest against the company's dismissal of about 100 fellow union members working on a major contract in the city.

Mr Cecil Theys, chairman of the Western Cape region of the Electrical and Allied Workers' Union, said the 100 were fired on Friday by JMR Electrical.

WORKERS' COMPLAINTS

He said there had been complaints from workers about racism, wages and a system of calling workers by numbers instead of by name.

After 15 were retrenched on Friday two resigned in protest and the workforce left the site in the city centre to meet union representatives, said Mr Theys.

A committee was formed to talk to management. After a meeting all workers were told they had been fired.

About 70 workers at the Mitchell's Plain contract walked out yesterday to protest against management actions.

Management and union representatives met this morning to discuss the situation. Mr J Hutchinson, manager of JMR, was in the meeting and not available for comment.

Strike in support of laid-off worker

Labour Reporter

THE dismissal of a worker from a Durban transport firm, Storm and Company, led to a strike by about 200 other workers, causing a disruption in goods deliveries.

A spokesman for the company yesterday confirmed the work stoppage by warehouse and transport workers at the company's Umbilo head offices and said talks were continuing between representatives of the workers and the management.

Most of the trucks, some with loads on them, were parked in the yard in Feniscowles Road.

Some workers said one man had been retrenched. This had angered his colleagues, who had sent a petition to the management demanding his immediate reinstatement. They had decided to stop work as a protest.

By late yesterday the dispute remained unresolved, they said.

500 job loss forecast with factory closure

335 NM 26/6/85

Labour Reporter

THE shock closure of one of the oldest established factories in Dundee, Royal Beech-Nut (Pty) Ltd, will affect about 600 workers — the majority of whom will be left without jobs.

The sweet factory is moving to its headquarters at Chloorkop in the Transvaal as part of the company's plans to rationalise its operations.

Although a number of key personnel will be transferred to the new plant, at least 500 workers, mainly blacks, will be out of work when the plant shuts early next year.

The announcement has shocked workers and residents in the Northern Natal town. The factory, which is situated almost at the entrance to the town, has been a landmark for more than 35 years.

Mr A C Percy, manager at the Dundee plant, could not be reached for comment yesterday, but in a Press statement, he said it was with regret that the company announced the plant's closure.

'The manufacturing operations will be relocated at Chloorkop and transfer of the operations will start at the end of August and continue through May next year.'

The decision to relocate the plant was based on several factors, the most significant being the rationalisation of the company's overall business in South Africa, he said.

The factory makes sweets and other confectionery. The closure is likely to hit local businesses in Dundee which depended on the labour force for their clientele.

Samcor: another 48 to lose jobs

Post Reporter

ANOTHER 48 salaried staff at Samcor's Port Elizabeth and Silverton plants are to be retrenched next month.

Others retrenched earlier are due to leave work tomorrow.

The number to be retrenched next month in PE has not yet been disclosed.

The salaried employees will all receive letters this week informing them of their retrenchment.

Mr Ruben Els, public affairs manager of Samcor in Pretoria, said the retrenchment occurred uniformly and not from any particular department.

TAX REFORM

Assocom's curate's egg

Assocom has submitted a far-reaching tax reform programme to the Margo Commission.

But, in a 51-page document, the proposals accept — without discussion — that income is a satisfactory tax base and that the treatment of capital gains under the present tax system is sound.

Disappointingly, the Assocom programme shies away from fundamental tax reform. The organisation, whose views carry a great deal of weight with government, as a rule practises the art of the possible. It has done so again and this raises the possibility that Margo, too, may favour a more cautious approach to its mandate.

For example, Assocom does not even mention the main alternative to the income tax base, "consumption tax." This is a direct household tax which taxes consumption and exempts savings. However, unlike gst or sales tax, which also tax spending, the consumption tax can be adjusted for individual circumstances.

Another omission from Assocom's otherwise persuasive line of reasoning is that it does not discuss income tax's three fundamental flaws: that income is an elusive concept — it is still not defined in the SA Income Tax Act; its effects on productivity are unclear; and it encourages spending rather than saving.

The submission includes staunch criticism of government's departure from the "canons of taxation" espoused by Adam Smith: equity, certainty, convenience and economy. It also dwells at length on how the departure of SA's tax system from these canons has affected most indicators of economic activity.

The consumption tax simplifies the tax base; is equitable; and fosters economic neutrality. Moreover, it broadens the tax base by taxing the realisation of savings *in addition to* the traditional sources of receipts such as salaries and wages.

Also, "capital" gains, fringe benefits and windfall winnings are taxed, extending the tax net and allowing rates in general to fall. Assocom opposes the introduction of a capital gains tax on the basis that "it would tend to discourage capital formation by inhibiting the flow of funds for risk-taking investment." Nowhere does Assocom define its use of the word "capital."

What is not income in terms of the Act is a capital gain which the Act has never defined. The classic definition of income is what you can spend without reducing your ability to spend in the future — that is, without a reduction in capital.

The taxman finds the concept unworkable and useless. Instead, the Income Tax Act is used as a departure point. The hope is that tax inspectors — and failing them, the courts — will recognise income when they see it.

Assocom rejects a flat tax rate on the grounds that "it conflicts with a basic principle of equity, that is, the ability to pay." Such a statement erroneously assumes that a flat tax is paid at every level of income, no matter how poor the taxpayer.

A flat tax rate, combined with a personal allowance, has a progressive, not proportional effect. If individuals are given a personal allowance of, say, R10 000 with a flat tax rate of 10%, earnings of R20 000 would attract tax of only R1 000 — an effective tax rate of 5% and not 10%.

Assocom recommends indexation of tax rates — to avoid the impact of inflation on salaries. Here the criticism is that indexation of tax rates recognises inflation as endemic to an economy and institutionalises it in the tax system. The real objective should be to achieve a low or nil inflation rate through monetary and fiscal policies — and cut rather than index taxes.

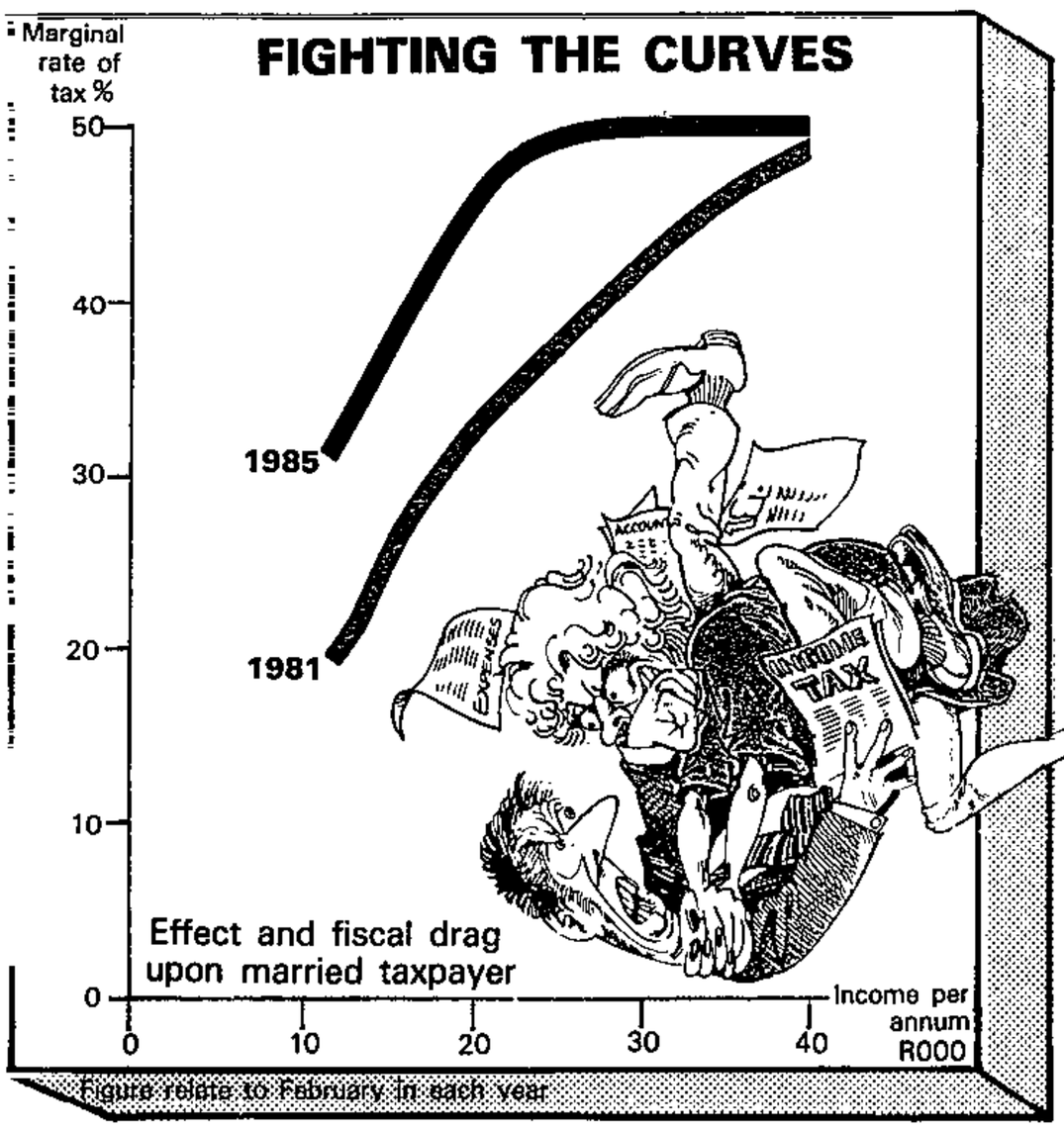
Disappointing as Assocom's roughshod treatment of income and capital gains might be, its thinking is often clear: "High taxation, especially by way of customs duties, on imported inputs into manufacturing industries, damage export competitiveness," and "high-tax countries lose their competitiveness in world markets and also in their own domestic markets."

Assocom makes the vital proposal that privileged taxpayers should be excised from the tax system. Here, there is a crying need for reform, regardless of what tax base is accepted by government when the Commission reports.

Where a concession *is* granted, the cost of each concession should be fully quantified.

Briefly, Assocom's proposals are as follows:

- ☐ A maximum marginal personal tax rate of 30% to 40% for individuals, with the company rate the same as the maximum individual rate;
- ☐ Separate taxation for married women (which would cost the fiscus R500m);
- ☐ The continuing non-allowance of mortgage bond interest tax relief, although first-time homeowners may be given direct assistance;
- ☐ The number of taxes and tax authorities to be reduced to a minimum;
- ☐ A review of estate duty, an unproductive tax form, which is "inequitable and a disincentive for saving";
- ☐ Single and not double taxation of dividends;
- ☐ The abolition of *ad valorem* excise duties;
- ☐ All expenditure not of a capital nature reasonably incurred for the purpose of trade to be allowed as a deduction;
- ☐ Broadening of the sales tax base to include all sales and services, thus enabling reversion to a much lower rate and eliminating the necessity for exemptions; and
- ☐ The introduction of a loss transfer system for the taxation of certain companies within the same group. ■



INFLATION RATE

Measuring muddle

Despite the significant progress made in achieving the initial objectives of the current stabilisation policy, the one goal that re-

Fam 28/6/85

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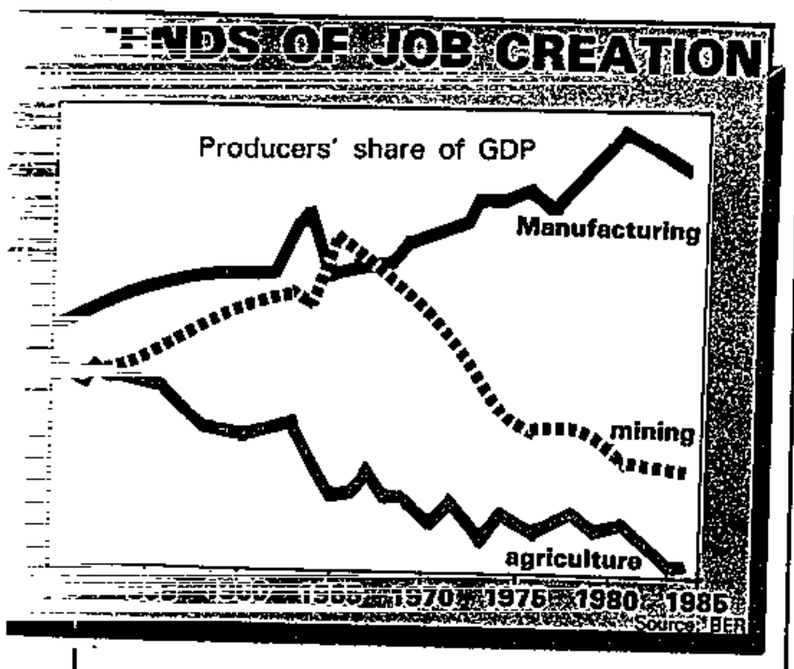
to 24,3%).

The 1980 census showed that manufacturing employed 1 465 000 while contributing 25,6% of gdp, while a similar number of people were employed in agriculture (1 306 000) which contributed only 8,2% of gdp. But, per unit of output, manufacturing



does not have the same employment potential, and is unable to absorb those workers released from the agricultural sector.

Worse still, while agriculture uses unskilled workers, manufacturing needs mainly semi-skilled and skilled workers, indicating the over-supply of labour is a structural one with a mismatch of supply and demand. According to the survey, only 50% of manufacturers are now reporting shortages of skilled labour, compared to a peak of 90% in mid-1981.

The numbers of unemployed whites, coloureds and Asians, registered at government employment exchanges, already exceeds 40 000. However, not all unemployed people register while, according to projections made by BER — based on the current Population Survey — about 606 000 blacks are unemployed.

Entrepreneurs should be more willing to consider the possibility of using labour-intensive methods to produce goods instead of, but as efficiently as, the capital-intensive counterpart. More informal job training, in addition to formal instruction, is something that should also be encouraged.

The survey, which covered the second quarter of 1985, shows manufacturers are still pessimistic and the most adverse conditions are being experienced by transport equipment manufacturers "with manufacturers of wood products, non-metallic mineral products and electrical machinery not far behind.

"In the textiles, furniture and chemicals sectors, some signs of improvement, however slight, can be observed."

Price reductions which would counteract the low general level of demand were not seen as practical because of increasing input costs. In wholesale and retail trade, sales and orders were down on the second quarter of 1984. Wholesalers in consumer goods are more optimistic than those in non-consumer goods. ■

SASRIA

Causing a riot?

Recent changes to the 1984 Finance Act that affect political riot insurance are costing SA companies millions, according to Colin Walton, a director of Minets marketing and technical services.

A regulation promulgated on March 1 obliges them to put their first R100m of insurance with the SA Special Risks Insurance Association (Sasria) (*FM* March 8). Both the compulsory first layer of cover and the fact that no more is accepted by Sasria are considered by brokers to be costing their clients considerable sums of money.

They believe they could negotiate better deals, given the freedom to go anywhere with their business — in spite of the fact that capacity overseas is shrinking and premiums are being forced up by adverse trends.

But the problem is compounded for clients with large assets, because they have to find more cover than Sasria is willing to provide. This incurs more costs, since overseas insurers "tend to ignore the first R100m."

"They would normally give you a substantial discount, but because the risk exposed is still enormous, the client has to pay for that R100m twice."

The big conglomerates, which are classified as "one insured," suffer most. They are believed to be paying millions extra under the new arrangements.

Sasria's Schneeberger . . . giving sound reasons

Rodney Schneeberger, MD of Sasria, says there are sound reasons for the arrangement. "Before the introduction of this regulation, Sasria was being selected against. It was being used as a dumping ground for high-hazard risks, and the more desirable risks were being taken elsewhere."

Dennis Gamsy, chairman of Gamsy Melnick Insurance Brokers, criticises Sasria on several scores. "Why should the entrepreneurial public pay the same rates as government and quasi-government organisations. Those are the targets and must make up 90% of the claims."

The rates, however, are under constant review, according to Schneeberger. He refers to changing patterns of damage claims: "At one stage the majority of claims were for damage in the townships. Then there was a phase when it was to office blocks. Since September, the pattern has reverted to the townships.

"We monitor the situation on a daily basis, and if we think changes to the rating scale are warranted, these will be made."

A further criticism by Gamsy is that procedures are cumbersome. Because political and non-political claims are insured separately, clients have to wait until the insurer is satisfied which category of riot caused the damage.

Gamsy

"In April, Sasria gave the go-ahead to underlying insurers to pay up to R2 000 on motor accidents," says Gamsy.

"But this is not very much, and if it's not acceptable to Sasria as a political riot claim, then who pays?"

As long as clients have both covers, this should not be a problem, according to Schneeberger. "Payments can be made and liability allocated afterwards."

Gamsy disagrees. In his experience, when a client can't come up with enough proof that the riot was political, the underlying insurer is not prepared to pay under the conventional policy.

Says Schneeberger: "Should such a situation arise, there is provision for the formation of an arbitration committee. If there are specific problems, we should be contacted."

Nevertheless Gamsy insists: "It's time we insurance brokers asked ourselves whether we are putting the matter forward forcefully enough.

"We should arrange a meeting with the Minister and put the case on behalf of the insuring public." ■

LLOYD'S OF LONDON

Deposit dated

The announcement recently that Lloyd's underwriters will have to deposit 130% of the value of premiums in a SA trust fund might well have caused critical comments from some quarters, but it was no surprise to Lloyd's itself.

The provision, effective March 31 1985, called for an increase of 60% in the deposit. However, according to Michael Barry, general representative in SA for Lloyd's of London, the 1985 Financial Institutions Amendment Bill simply gives legislative effect to a

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mains singularly elusive is the lowering of the inflation rate.

According to the latest Reserve Bank quarterly bulletin, total spending has been curbed while the balance of payments and the exchange rate of the rand has been strengthened. However, the further short-term policy objective of lowering the inflation rate has not yet materialised, with the May figure running at 16,1% year on year, compared to April's 15,8%.

The Reserve Bank is confident, however, that the beneficial effect of the reduction in demand will be reflected in prices after a time lag.

"For the time being, price rises are still accelerating as several delayed administered and other price adjustments are made in the wake of the excess demand situation of 1983/4 and the accompanying sharp depreciation of the rand between September 1984 and January 1985."

In addition to the sharp rise in petrol prices and transport tariffs in February, higher rates of increase in other prices occurred fairly generally. The 2% increase in the gst rate from March as well as upward adjustments in certain administered prices, such as postal, telephone and transport tariffs, contributed to a rise of 2% in the consumer price index from March to April.

Of increasing concern to the Reserve Bank is the measurement of inflation levels. "The greater variability and higher level of the inflation rate during recent years has led to a greater need for the appropriate measurement of price changes ... to assist the authorities in the formulation of economic policy."

There is a need, according to the Bank, to distinguish between the underlying level and the current rate of price changes. An appropriate method is to calculate percentage changes over a twelve-month time span in a centred twelve-month moving average of the index.

"However, because end values are lost in the calculation of such a moving average, changes in actual price index observations may be measured relative to centred twelve-month moving average base figures as an alternative approach."

Changes from one month or quarter to another reflect short-term price tendencies, but the latter are often obscured by short-term irregular fluctuations. Such fluctuations cannot be eliminated altogether from measured short-term price changes, but should not be accentuated or unrealistically suppressed by the method of measuring the price changes.

"For this reason, an appropriate method of measuring the current tempo of price changes appears to be the so-called smoothed-base method. This measures current price changes over a time span of seven months relative to base figures smoothed by means of a centred twelve-term moving average. It also has the advantage of indicating changes earlier than the conventional method of comparing the current month with the same month a year ago."

Consumer price changes are also distorted by indirect tax adjustments. These need to be excluded from the consumer price index. However, in determining the level of the inflation rate, interpreted in the sense of the rate of change in the cost of living, the effect of indirect tax adjustments should not be eliminated. ■

SA ECONOMY

Message of misery

Expect no immediate relief in economic conditions. This is the message contained in Sanlams' latest Economic Survey in which certain highlighted figures clearly indicate the recession is deepening.

GAUGING THE SURPLUS

Balance of payments current account (R'm)

1984	Exports[1]	Imports[2]	Trade surplus
November	2 596	2 049	547
December	2 014	1 640	374
1985			
January	2 778	2 362	416
February	2 421	1 509	912
March	2 858	1 671	1 187
April	2 641	1 876	765

Latest seasonally adjusted at annual rate R4 230 m.

1) Including gold, 2) Including oil and military equipment
Source: Sanlam

Unemployment, the report notes, is no longer restricted to unskilled and semi-skilled workers. "Even skilled workers and managers are being retrenched." Consequently, the rates of salary and wage increases have been considerably lower than the inflation rate.

Consumers have been severely hit. Low levels of employment, moderate salary increases, tough hire purchase conditions, rising inflation and a greater tax burden are all mentioned by Sanlam as factors contributing to consumers' woes. As a result, consumers are pessimistic and are finding it difficult to balance their budgets. "Consequently, the immediate prospects for private consumer spending are not very bright." Sanlam expects retail sales to decline by around 2,5% over the year as a whole.

The industrial sector's potential for expansion has been severely restricted because of the marked fall in domestic demand and the sustained depletion of inventories. "This weaker trend is also reflected in the decline in the level of capacity utilisation in manufacturing industry," says Sanlam.

Real production in the construction industry has dropped considerably. Sanlam attributes this to the weakening of individuals' financial position, high mortgage rates, the tax on housing benefits, and building cost increases.

On a more positive note, the agricultural and mining sectors are the only ones showing real growth. This, the report notes, is largely due to better weather and increased exports.

The mining sector, particularly the non-gold sector, is doing reasonably well. This is because of the favourable economic conditions in the industrial countries and the low value of the rand, which, together, are creating an increase in demand for some SA mining products such as coal, manganese, diamonds and copper. The production of asbestos, iron ore, and building materials remains "extremely poor."

Sanlam concludes: "Most short-term indicators and related information suggest widespread, sustained curtailment in economic activity." Although, for the long term, it is more positive: "Various developments are paving the way for a new expansionary phase in the economy." Included in these developments is the better-than-expected current account improvement, the downward trend in interest rates and signs that inflation is beginning to peak. "We believe the continuation of these more favourable factors will lead to a new, although moderate, expansionary phase in the economy later this year or early in 1986."

Sanlam is optimistic about the balance of payments. As the table illustrates, exports exceeded imports by some R3,3 billion. Over the corresponding period in 1984, the foreign trade surplus was R675m. It estimates that the current account showed a surplus of over R1,5 billion in the first quarter of this year — "considerably more than expected."

As far as the capital account is concerned, Sanlam feels that conditions "do not look promising at all." The greater part of the surplus in the current account will be used to repay SA's large short-term foreign debt. "It seems unlikely SA's foreign reserves will improve so much that they will be able to accommodate a strong recovery in the economy."

Sanlam envisages that exports, assisted by a weak rand, will increase considerably despite slower growth rates internationally. It expects a relatively stable gold price and a decline in imports because of a sharp drop in domestic spending. ■

UNEMPLOYMENT

Structural increase

SA's unskilled labour force is not only facing cyclical unemployment; it is losing out to continuing structural change in the economy.

This point is made in an opinion survey published by the University of Stellenbosch's Bureau for Economic Research.

Agriculture, which is more labour intensive than manufacturing, is making a smaller contribution to gdp. Between 1950 and 1984, agriculture's share dropped from 14,5% to 6,7%, contrasted with an increased contribution of manufacturing in that period (16,5%

EVENING POST, FRIDAY, JUNE 28, 1985

PE retrenchments point to pension plan failings

By CATHY SCHNELL

CHANGES in the law relating to pensions are being urged because of the plight of staff now being retrenched at Ford, Port Elizabeth.

Some men leaving today — many after working there for more than 20 years — are being paid back only the pension contributions they made plus 3% and none of the employer's contribution. The pay-outs are also liable to be taxed.

This is standard practice in South Africa, but it means the money a worker contributed 20 years ago is worth considerably less now.

Had the worker paid these contributions into an annuity fund his money would have appreciated considerably over this period.

Alternatives open to some of the Ford men are that they continue paying contributions until retirement (or early retirement) age, or that they "freeze" their contributions in the fund and draw smaller payments at pensionable age.

The disadvantages are that most men will have difficulty maintaining payments while unemployed. Another snag is that if a man with no dependants freezes his contributions and dies before retirement age his money is forfeited.

The only income most of the men will enjoy in the immediate future is half pay for a certain number of months, depending on how long they have been with the company.

A pensions expert with one of the country's biggest assurance companies stressed that Ford was doing nothing unusual. If a man had to be retrenched before retirement age all he was entitled to was the sum of his pension contributions less tax, unless the money was paid into an annuity for a minimum of 10 years.

He said companies were legally entitled to retrench or force people to take early retirement.

He said it was time the law relating to pensions was examined. Many in the assurance profession agreed with him.

"To simply hand back to a man his pension contributions is no way of paying him satifactorily for all his years of service," he said.

He said one aspect that should be re-examined was the transferability of pensions, though this alone could not safeguard 50-year-old men retrenched during a recession.

The Government's attempt to introduce provisions for the transferability of pensions a few years ago resulted in widespread strikes around the country. Black workers resigned en bloc from Firestone and other companies and refused to return to work until the old pension scheme was reinstated.

Many black workers did not understand the system of a pension following an employee from one job to another and wanted to be given a lump sum on leaving one job for another.

However, in a recession, with more people being forced into early retirement or being retrenched, the need for changes in the system of pension provision is even greater than before, he said.

He said some companies drew up clauses in their pension schemes minimising benefits if he left in order to encourage employees to stay in the same job.

Another insurance expert urged that in future clauses should be drawn into pension schemes ensuring that the interest accumulated on pension funds be market-related.

An interest rate of 3% was "absurdly low". A more realistic return under modern conditions would be 16%.

Moreover, during recessions provisions should be written into terms of employment safeguarding against retrenchment and forced early retirement.

He also urged all people to provide for private pensions over and above their company schemes.

Argus 29/6/85

Cheap clothes swamp W Cape

PETER FABRICIUS
Weekend Argus Reporter

CHEAP clothes made in the homelands with the advantage of massive Government decentralisation subsidies are jeopardising the survival of the Western Cape clothing industry — one of the biggest employers of labour here.

This is the opinion of Mr Mike Getz, chairman of the National Clothing Federation.

The homeland companies — many of them Taiwanese — compete at an immense advantage in the local market, he says. Their wage subsidies in many cases exceed their wages bills so that they profit from them.

The Government gives them R110 per worker per month while the average monthly salary of a homelands clothing worker is between R60 and R70.

"The homeland companies also get considerable help in setting up their factories and do not pay duty on fabric imported, because the manufactured clothes are supposed to be exported outside South Africa.

Mr Mike Getz.

"The subsidies were intended to help companies to export to countries outside South Africa. But the intended markets have gone soft and the companies are now turning to South Africa."

Clothing industry organisations have begun investigating reports that local retailers have placed several large orders with homeland manufacturers.

Mr Getz said the huge advantage to homeland manufacturers put the local industry under a serious threat.

In the Western Cape alone garment-making employs 60 000 people, which is one-third of the industrial labour force. It employs 120 000 countrywide.

The clothing trade suspects that on some homeland clothes being dumped in South Africa people are avoiding paying duty — thus gaining yet another advantage over the local products.

Members of the trade are especially annoyed because they feel they are helping to subsidise this competition through the high taxes they pay. "Manufacturing tax in this country is phenomenally high compared to developing countries and the First World," Mr Getz says.

"The decentralisation incentives were designed to create extra jobs in the national states and not to exchange these for jobs in South Africa," Mr Getz said this week.

"There is now direct competition for jobs between Ciskei, Transkei, and other homelands on the one hand and South Africa on the other."

It has been estimated that it costs six times as much to create a job in a homeland as in a city like Cape Town.

Competition hits knitwear firms

Cape Times 29/6/85 335

By AUDREY D'ANGELO

SOUTH AFRICAN knitwear firms have been hit by unfair competition from the Ciskei, where manufacturers pay no import charges for their raw materials and are subsidized by taxpayers in this country, the chairman of Burlington Industries, Mr Philip Kawitzky, said at the annual meeting yesterday.

He said his own group was not affected by this because it catered for the top-end of the market, but chain stores in South Africa were buying cheaper lines from the Ciskei while some local knitwear firms were going out of business.

The managing director, Mr Perry Kawitzky, said that in spite of the weakness of the rand, South African retailers were still buying high quality knitwear and other clothing from the Far East, where manufacturers enjoyed the economies of scale.

"They are trying to do more business with South Africa because quotas are causing them to lose business with America."

He was not asking for tariff barriers to keep this competition out, but it was unfair that local manufacturers should be handicapped by high import tariffs on yarn and fabrics when their overseas competitors were not.

The chairman said that doing away with the financial rand was to blame for a lot of South Africa's economic troubles.

And he thought that the government, in its fight against inflation, had gone too far in draining spending money from the system, causing firms to shut down and unemployment to rise.

"The political unrest we are experiencing now comes from unemployment, and the more unemployment there is, the more unrest there will be."

Burlington Industries itself had been forced to lay some employees off, in addition to not replacing some who left.

But there were no plans to retrench any of the 600 remaining employees.

The group had "a very substantial and satisfactory order book" for the first four months of the current financial year.

Unless there were undue economic pressures and a rise in unemployment, trading should show an improvement in the current year, "and we hope we will be in a position to have dividends".

In the year to May, the group made a net loss of R408 875 compared with a profit of R149 769 the previous year.

The interim dividend was 2,5c and the final dividend was passed.

Rand firms

JOHANNESBURG. — The rand closed slightly firmer at $0,5095/5105 in very quiet month-end trading, as the dollar weakened after the release of the latest United States merchandise trade data and leading indicator figures, dealers said.

A slight strengthening in the gold price also helped the rand.

Against other major currencies, the rand closed at:

US: 0,5095/5105.
UK: 2,5720/40.
Germany: 1,5430/50.
Switzerland: 1,2930/50.
Netherlands: 1,7380/400.
France: 4,7050/7100.
Japan: 126,50/70.

— Reuter

Retrenched garment workers get 'good deal'

NM 29/6/85

Labour Reporter

ABOUT 80 workers at Natal Underwear Manufacturers Ltd in Jacobs were paid off yesterday in a move to cut back on staff.

335

Miss Margaret Rajballi, senior organiser of the Garment Workers' Industrial Union, said the company had informed the union of the retrenchments but there was no way the dismissals could have been averted.

Originally about 97 workers were affected, but 17 were later placed in alternative jobs within the company.

'We also managed to secure a very good deal with regards to severence pay and pension payout,' she said, adding that those with more than a year's service but who had worked for the company for less than five years received two weeks' pay. Those with more than five years' service but less than 10, received four weeks' pay, and those with more than 10 years' service got six weeks.'

She said the firm had been kind enough to pay back employees' pension contributions in addition to the company contribution.

Diakonia offers help in dispute

NM 29/6/85

Labour Reporter

THE Diakonia Council yesterday sent a telex to the management of Howick rubber company BTR Sarmcol urging the company to reopen talks with the Metal and Allied Workers' Union to resolve the eight-week-long dispute in which about 1 000 workers lost their jobs.

The council, which represented eight member churches in the greater Durban area, had offered its services in a bid to bring workers and management together for negotiations, Mr Paddy Kearney, a Diakonia spokesman, said yesterday.

'Our telex notes that lives have already been lost and houses burned down as a result of the dispute.

'It describes a recent ban on all meetings in the Howick township of Mpopomeni as a grave new dimension of the strike. The organisation has also called on the police to stop preventing workers from holding meetings elsewhere, warning that this policy could have tragic consequences as worker frustration will be driven underground and it will be very difficult to keep discipline and order among workers,' he said.

The member churches are African Methodist Episcopal, African Presbyterian, Anglican, Evangelical Lutheran, Methodist, Preybyterian, Roman Catholic and United Congregational Church.

SHIFT TO WESTERN CAPE

UNEMPLOYED
335?
Cape Business News
AUGUST 1985

THE economic focus may be shifting from the Eastern to the Western Cape in view of soaring Peninsula unemployment figures.

Measured unemployment in the Western Cape has doubled since the beginning of the year, up from 6 865 in January to 14 644 in May, the latest official figures.

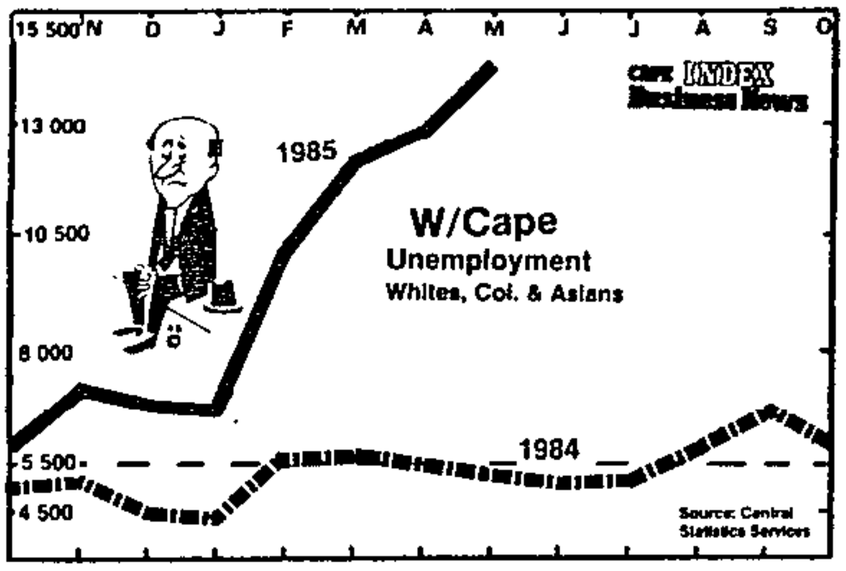
The current figures indicate a typical pattern for the Western Cape. Economic recovery seems to be reflected by even greater booms in the Western Cape, and recessions by more dismal depths. Republic-wide unemployment has climbed from an average 32 000 last year to 50 000 in the first half of this year — up 60%. While the Western Cape figures (for white, coloured and Indian) on unemployment have more than doubled, from 5 500 to 11 500 this year. Port Elizabeth figures have gone up 50%, from 4 000 last year to 6 300 this year; and East London, from 800 to 1 000.

The figures are not as bad as those following the Soweto riots of 1976 when unemployment figures trebled. The riots didn't cause the unemployment but were more symptomatic of the rising unemployment. Unemployment (again of whites, coloureds and Indians) averaged 10 000 in 1975, rose steadily during 1976 and registered over 30 000 in 1977. Unemployment in the Western Cape reacted more dramatically — averaging 3 000 in 1976, the figure jumped to 9 401 in September 1976.

Most businessmen feel the numbers are not too reliable, so they are of interest more by trend than quantity. Black unemployment is not recorded and even the white, coloured and Asian official figures doubtfully record actual unemployment. Statistical Services publishes the figures as given by the Department of Manpower. Manpower's figures represent those who register as job seekers, less placings made. The Department says anyone can register but in practice it would appear to be mainly those who must register to receive unemployment benefits.

With a total RSA workforce of around ten million, 15% or 1,5 million is a more believable unemployment figure. There are about 3 million economically active whites, coloureds and Asians, so the official current figure of 60 000 unemployed represents 2% where most Western countries' unemployment levels are currently around 10%.

Manpower 'placings' — jobs found for registered unemployed — also show a worsening trend. In the Western Cape 10% of those whites registered in January found jobs, 8% of coloureds and 7% of blacks. For the first quarter 10% of whites, 10% of blacks, and 7,5% of coloureds who registered as unemployed found jobs. In the second quarter only 7% of whites, 5% of coloureds and 2% of blacks found jobs.



Manpower's unemployment figures in the Western Cape for June and July (not yet reflected in official figures) have levelled out at around the same figures as May, so it could be the bottom of the trough has been reached.

A current employer opinion sample also suggests that 'it's gone about as far as it will go'. Alan Lighton of the Chamber of Commerce says 'current member comments suggest that trading conditions are finally starting to improve'. Cape Chamber of Industries director Colin McCarthy says 'retrenchments have bottomed out. The clothing and furniture industries are starting to look up. Clothing employment in Atlantis during July was the same as for June'. (Atlantis is one of the areas worst hit by unemployment).

The largest employer in the Western Cape, SA Nylon Spinners, also claim no retrenchment of staff in the last twelve months. 'We haven't been recruiting,' says SANS' Mike Blizzard, 'but we have been replacing and there are certainly no plans for retrenching staff.' Chairman of the Cape Clothing Industry, Simon Jocum, says, 'Reports on retrenchment in the industry have been "overblown" — we're doing alright'. P 'n P also assert no retrenchments but do concede 'less new staff hirings on store openings and a greater emphasis on productivity'.

Working the Du Toits Kloof Tunnel. Klein Drakenstein mountain be[ar] advancing toward each other at the [e] December. The tunnel is the large[st] Western Cape and will cost R200 above are the specially designed d[ri]

REGISTERED UNEMPLOYED (W, C & A)

	MAY 1983	MAY 1984	MAY 1985
RSA	39 533	30 068	60 691
WESTERN CAPE	7 717	5 297	14 644
PORT ELIZABETH	5 323	4 198	7 161
EAST LONDON	618	615	970

The unemployment figures do seem to confirm that last year was a mini boom, with the recession either side in 1983 and 1985. It just seems that most of us were away on the day the boom occurred last year.

"NOW GET A MA
BMW APPROVE
WITH A 1 YEAR
WARRANTY AT
17% FINANCE."

Geoff Fletcher, Managing Director

BMW
Approved Cars

13 may lose jobs at PE firm

Post Reporter

THIRTEEN salaried staff members at the Port Elizabeth branch of National Acceptances Limited stand to lose their jobs as a result of the company being placed under judicial management.

The manager of the Eastern Cape region of the company, Mr Stan Blumberg, said as yet no one had been retrenched, but that in the next few days the judicial manager would decide which divisions of the company would stay open.

"In all probability he will close the PE branch," he said.

He said the group had "taken a judicial management order and applied for suspension of its shares", to give it time to realise assets "in an orderly manner to solve its liquidity problem".

He said the threat to the local branch had come "out of the blue".

Training plan for workless

Finance Reporter

THE Natal Training Centre has entered into a contract with the Department of Manpower for the training of unemployed persons of all racial groups who are legally entitled to seek employment in South Africa, and with the object of improving their knowledge and skills in order to help their placement in employment.

Applications from unemployed persons must be made, in person, to the Centre in Surprise Road, off Richmond Road, Pinetown.

Applicants will be tested to ensure they will benefit from the training courses, ranging from five to 15 days.

During the training applicants of 18 and over will be paid R12 per completed five-day course and those under 18 will receive R9 per completed five day week.

However, the allowances will not be payable to unemployed persons receiving Unemployment Insurance Fund benefits.

'Unemployment figures don't reflect crisis'

Pietermaritzburg Bureau

UNEMPLOYMENT figures from the Labour Department were 'grossly inaccurate and meaningless' and did not show the 'crisis' facing the more than 2 000 000 people looking for work in South Africa.

335

Mr Norman Middleton, a senior trade union organiser, told a meeting of the Pietermaritzburg Urban Ministry Project that surveys by trade unions have shown a 'sharp increase' in unemployment among all races in the country.

He said on average incomes had dropped by 5 percent this year and while pay increases averaged between 8 percent and 10 percent, the inflation rate had gone up to more than 15 percent.

NM 2/7/85

Mr Middleton said the labour department figure was based simply on the number of workers drawing unemployment benefits and those registered as job seekers.

'The Council of Unions of South Africa (Cusa) analysis showed that unemployment between January and May this year was 70 percent higher than the same period in 1984.

'The economic downswing in South Africa was caused by the Government's policy of apartheid and decentralisation policies, the lack of demand for local products and competition by imported products,' Mr Middleton said.

He said that at the end of May 1 105 Cusa members were retrenched in Pietermaritzburg and this excluded members of other trade unions and those not belonging to any trade union.

600 fired after going on strike

More than 600 workers were yesterday dismissed by the Vanderbijlpark company Vitro Building Products after going on strike over dissatisfaction with their annual wage increases.

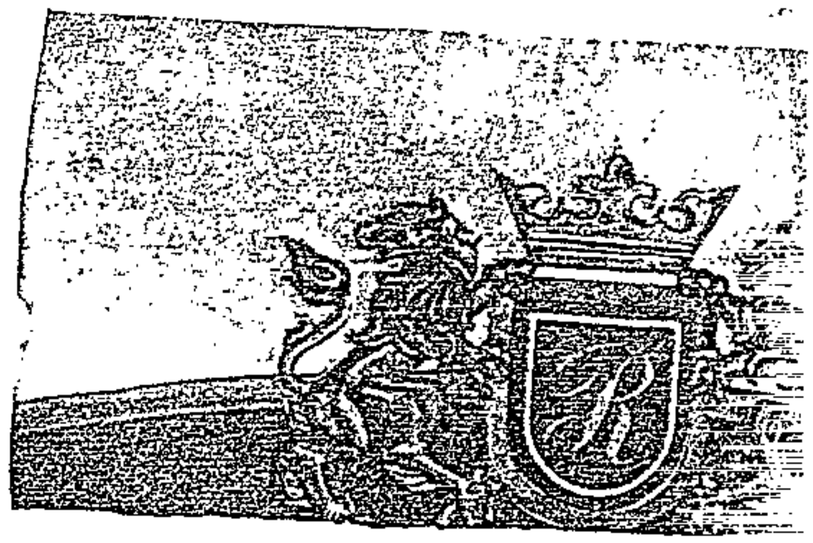
An Anglo American spokesman said Vitro, a subsidiary of Amcoal, had fired the workers after they had staged "illegal" work stoppages on Monday and Tuesday over wages.

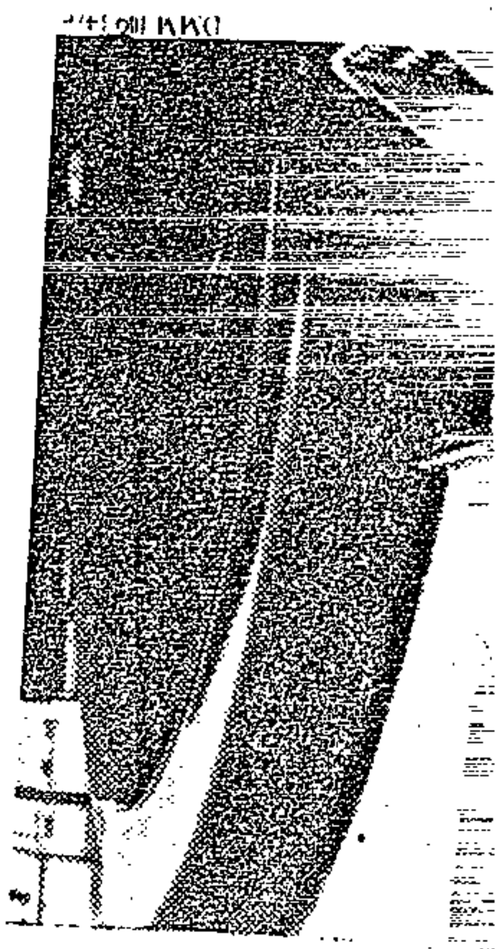
The workers were dissatisfied with their increments, which were based on the Steel Engineering Industries Federation (Seifsa) rates, he said.

Most trade unions in the steel and engineering industry have rejected the Seifsa rates.

The Anglo spokesman said the Vitro workers were not unionised.

Recruitment to replace the dismissed workers had begun today. Star 2/7/85





Workers fired for striking

About 500 employees of Silverton Engineering near Pretoria were dismissed this week after they downed tools to back demands for plant level wage negotiations.

According to the National Automobile and Allied Workers' Union (Naawu), the strike followed the company's announcement that it would effect Industrial Council (IC) wage increases, which unions have rejected as too low to meet members' rising costs of living.

The workers want to negotiate wages with the company at plant level and are demanding a 50c an hour increase.

Naawu said it had begun in-plant negotiations with the company when the company suddenly and unilaterally adopted IC wage rates which would grant workers a minimum 14c an hour increase.

The company's managing director, Mr B A Land, said the workers were dismissed after ignoring appeals to return to work. He said the company had told them it was willing to discuss the wage issue further.

Mr Land hoped the dispute would be resolved at a meeting with the union today.

Firms attacked for ignoring incentive to train employees

Argus Correspondent

JOHANNESBURG. — The Deputy-Minister of Home Affairs, Mr R B Miller, has criticised employers who fail to use the financial incentive offered by the Government for worker training during the slump.

He called on employers to train employees on a rotational basis rather than retrench them because of the recession.

"The favourable financial incentives on approved training, which enable employers to recoup 87,5 percent of their training costs in designated industrial development areas and 75 percent in other areas, are unfortunately not being fully utilised by employers to train their workers during the present lean period.

"Employers would do well to contribute to the upgrading of the skills of workers, especially those at the lower levels, by training them on a rotation basis rather than retrenching them," Mr Miller told a conference at the Rand Afrikaans University.

The apparent practice by some employers to increase their staff training during boom periods and reduce it in periods of economic downswing had resulted in a shortage of qualified artisans in times of high demand and unemployment in slack periods.

South Africa had to aim at a future yearly economic growth rate of six percent.

Relationship

The State had accepted the responsibility of creating an institutional environment in which the training relationship between the employer and his employees could flourish to their joint benefit.

During 1984, he said, 548 000 people underwent in-service training in courses approved by the Department of Manpower, which was an increase of 43 000 on the 1983 total.

He hoped that the trend would continue in 1985 in spite of the downturn in the economy.

New body for farm training

Argus Correspondent

PRETORIA. — The South African Agricultural Union has announced the establishment of a body to co-ordinate the training of farm workers.

The Association for the Co-ordination of Training in Agriculture, with the president of the Transvaal Agricultural Union, Mr Nico Kotze, as chairman, will act as a forum through which various manpower development interests in agriculture can be co-ordinated.

Mr Kotze said the the Department of Manpower had been searching for years for an objective body to advise it on training priorities in agriculture.

Such advice would help the Government to determine which training institutions should be supported financially.

Hotel group lays off workers

Dispatch Reporter

EAST LONDON — The Holiday Inn group of hotels has started a rationalisation programme, but the effect on Cape employees will be minimal.

The rationalisation process will mainly affect staff members on the Witwatersrand and Natal. Retrenchments in the Cape will be minimal, said the group's director of manpower, Mr Carl Ludick yesterday.

The total number of employees retrenched is not yet available.

The retrenchments were the result of a study which showed that demand for accommodation was highest among businessmen and there was little demand among holidaymakers.

The manager of the East London Holiday Inn, Mr Philip Schalkwyk, said the hotel was not reducing staff at this stage. "We started reducing two years ago from one staff member per room, which is incredibly high, to the present 0,7 per room."

If an employee left, there would be a review to see if the position should be kept, he said.

The manager of the Umtata Holiday Inn, Mr Gary Bisset, said there would be no lay-offs. "This is a very busy unit. Perhaps if someone resigns, there might not be a replacement."

The new Durban Marine Parade Holiday Inn has retrenched a large number of staff. It is believed more than 100 workers lost their jobs, including people in senior management positions

The reason given by those retrenched was that occupancy of the new multi-million rand hotel was far below that expected.

Mr Ludick said the retrenchments were occurring in areas where reservations had been decreasing. The general manager of the Marine Parade Hotel said he could not comment.

The general manager of the Ocean City Holiday Inn, also in Durban, Mr Gunter Ruffek, said 12 people had been retrenched. "Business is bad," he said.

74 stevedores retrenched

Dispatch Reporter

EAST LONDON — Seventy-four South African Stevedores workers have been retrenched here.

This was confirmed by the SAS's manager, Mr Tony Aylott, and the branch secretary of the General Workers' Union here, Mr David Thandani, yesterday.

Mr Aylott said work operations had to be cut down to the present volumes of cargo that were being handled through the port.

According to an agreement reached with the worker committee, employees were laid off on a last in, first out basis.

Mr Aylott said the workers retrenched had all been given gratuities in accordance with their years of service.

He said if there was a further decrease in activity at the harbour, it could become necessary to reintroduce a system of unpaid leave, which had been in operation for the last 18 months.

"Another alternative which could be considered would be to go on short time shifts."

Mr Thandani said while the union was not happy about the retrenchments, especially when jobs were hard to come by, they realised they were unavoidable.

He said the majority of the workers retrenched had been members of the GWU.

Mine violence claims life

POLICE used rubber bullets, birdshot and tearsmoke to disperse angry black strikers as violence flared on three gold mines owned by Gencor this week.

One black miner died while 560 others were dismissed by the company.

Meanwhile most of the 19 700 black miners who were on strike at three Gencor gold mines returned to work yesterday morning, the company announced.

A spokesman for the group could not say how many remained away from work but said the number of absentees at all three mines after the start of the morning shift was "insignificant".

The mine managements were currently interviewing absentees to establish why they had not returned to work.

Ultimatum

Gencor announced on Monday night that the striking workers had been issued with an ultimatum to return to work yesterday morning or face dismissal.

A Gencor spokesman has confirmed the death of one miner at Winkelhaak in the Eastern Transvaal and said: "The cause of death is still unknown and the mine is investigating."

A spokesman for the NUM has expressed anger at the action of the police and mine officials.

The union has warned that it will challenge mine managements who dismiss striking workers. The management did not want to pay workers "a living wage" and "this has angered thousands of our members", a spokesman said yesterday.

Gencor also confirmed that police were called in on Monday to disperse crowds which had gathered at two of the four sections of the Winkelhaak hostels.

Fosatu warning to UK subsidiary

The Federation of South African Trade Unions (Fosatu) said yesterday it would mount a region-wide campaign in Natal against the British multinational subsidiary BTR Sarmcol for dismissing about 1 000 workers in April.

The Sarmcol workers, members of the Fosatu-affiliated Metal and Allied Workers' Union (Mawu), were sacked after striking to back a demand for the recognition of Mawu.

Two workers died last week as the battle between Sarmcol and Mawu spilled over into the local Empophomeni township.

A spokesman from Sarmcol's Johannesburg headquarters said today he could not comment on Fosatu's plans as he had not heard of them.

The company was also unaware of a letter Mawu said it sent the company asking for an "unconditional" meeting.

Asked if the company would be willing to talk to the union, he said there was no point in doing so as there were no longer Mawu members in Sarmcol's employ.

10m jobless by 2000 — HSRC

Cape Times 3/7/84

By ANTHONY JOHNSON
Political Correspondent

MORE THAN half the South African labour force — almost 10 million people — will be unemployed by the year 2000 if the current low economic growth rate persists, the Human Sciences Research Council has warned.

The HSRC report says that, all other things being equal, an average growth rate of five percent is needed to prevent a rise in current levels of unemployment.

An analysis of various projections for the next 15 years showed that growth rate in excess of five percent was "unrealistic" and that an average rate of between three and five percent was expected, "although even this may prove to be optimistic".

In addition, should the population growth continue to expand at the present rate of about 2,6 percent a year, unemployment would "of necessity" increase.

Concentrated in homelands

If the present influx-control arrangements continued to remain in force, it followed that the greater proportion of unemployed people would be concentrated in the homelands.

The report said the rapid growth of the 1960s was mainly used to improve the position of the whites, with the result that the gap in income widened still further and poverty among other groups remained much the same.

However, the much more modest growth of the 1970s was used to narrow the income gap and reduce poverty.

The expected leap in unemployment emphasized the "inevitable" role to be played by the non-formal sector, the report said.

It went on to warn that the conflict-generating results of unemployment for race relations were "numerous and very serious". These included:

● Increased disruption of family life, aggravated by influx control, as a result of the need to serch for work.

● The increased subjective feeling of helplessness and that nothing could be improved, whatever happened. This phenomenon had already become manifest in the Eastern Cape where the unemployment figure was as high as 25 percent.

● An increase in crime with resultant clashes with the law. "This strengthens African perceptions of a cruel white system and negative white perceptions of Africans — a vicious circle develops."

● A greater measure of acceptance of violence as the only solution to "intergroup relations problems", and an increased possibility that young men would undergo military training abroad.

The report went on to show that while differences due to discrimination were being reduced, in 1983 the average income of Africans varied between 59 and 65 percent of that of whites in the categories from unskilled to skilled.

High levels of militancy

It warned that "relative deprivation" was the single most important factor that could explain Africans' negative attitude towards whites as well as the empirically shown high levels of militancy.

"Therefore, the more intense the experience of Africans that whites have a better economic deal than themseves, the more negative and militant their attitudes will become."

A multipurpose survey had found that 59 percent of the Africans felt that their general standard of living was lower at present than it was five years ago, as opposed to 27 percent of the whites, 31 percent of the Indians and 33 percent of the coloured people.

The report said African feelings of being excluded from the benefits of the system and of being the victims of white domination had become "much more intense" since Indians and coloured people gained access to new constitutional privileges.

'Unemployed must be mobilised'

335

The unemployed must be mobilised and become involved in community projects, according to the general secretary of the Metal and Allied Workers Union (Mawu), Mr Moses Mayekiso.

At the Nusas annual festival held at the University of the Witwatersrand yesterday, Mr Mayekiso said it was essential the unemployed were not alienated from society.

Star 4/7/85

"No one cares about the unemployed. They must be mobilised and we must have regular meetings with them to make them feel a part of society," he stressed.

Delivering a talk on trade unions' response to the recession, Mr Mayekiso said Mawu had lost about 4 000 members because of retrenchment during the recession period.

He added that during this poor economic period many workers were prepared to share their jobs with others who were not employed.

"In Mawu we believe if a person has a job and his neighbour or brother does not, then he must support him."

He said resources in South Africa had been wasted on the homeland leaders and in canvassing support for the apartheid system overseas.

Big cash boost for decentralisation policy

New-jobs fund is raised to a record R541m

By GERALD REILLY
Pretoria Bureau

GOVERNMENT's decentralisation plan was succeeding in its major aims — the creation of jobs and a wider spread of industrial growth — and the programme would be intensified this year, Decentralisation Board chairman Duggie de Beer said in Pretoria yesterday.

Proof of this, he told *Business Day*, was the fact that the budget allocation for decentralisation had been increased this year by 37% to a record R541m.

Asked whether the generous concessions were being abused by sharp operators, Dr Beer said 111 industries in 29 development points in SA and the self-governing states had recently been investigated.

Most, it was found, had complied to the letter with the prescribed conditions.

In a few cases further investigation was found to be justified.

"I can assure you, there are no large-scale efforts being made to beat the system. All concession claims are stringently processed."

De Beer said approved applications for the three years between 1982 and 1985 totalled 3 183 with a capital involvement of R4,838bn.

If all were put into operation jobs would be created for 212 742 people.

The recession and the fall in consumer demand had slowed the pace of development but, in spite of the slump, about 50% of the 2 167 approved applications in the first two years of the scheme had got off the ground and were in production.

More than 70 000 jobs had been created.

In some of the high-priority regions the establishment rate went as high as 60%

He was confident the rate would rise sharply when the economy began to climb out of the recession.

Answering criticism that the decentralisation policy was merely transferring development and jobs from the metropolitan areas to rural areas, De Beer said only 20% of applications so far were for relocation.

"The rest are for the establishment of brand new industries and expansion of existing factories in the decentralised regions."

He denied, too, that the decentralisation programme was slowing growth in metropolitan areas.

A major aim was to create a better geographic distribution of industrial activities. De Beer said it has to be remembered that 80% by value of industrial production was concentrated in four metropolitan areas, comprising only 4% of the country's land area.

It was essential the raw material and development potential of the decentralised areas should be explored.

The potential for agriculture and mining was particulary great.

De Beer said 76% of all jobs created so far had been for blacks, 10% for coloureds, and 7% each for Asians and whites.

CAPE Times 4/3/85

335

Hard times in Namaqualand

By RONNIE MORRIS

NAMAQUALAND is not only the "Land of the Thirst King" but also the land of the unemployed and children suffering from first-degree malnutrition.

Unemployment is high and there is no relief in sight as the copper mines battle to survive the slump which has nearly paralysed the industry.

Alternative employment is non-existent and with the area in the grip of a severe drought, the outlook remains bleak.

The executive director, Operation Hunger, Mrs Ina Perlman, said yesterday that 51 percent of the schoolchildren in the O'Kiep, Springbok, Nababiep triangle were suffering from first-degree malnutrition.

She said the organization, which had fed 5 500 children under the age of 12 in 1981, now had to feed more than 8 500 children.

Operation Hunger, in conjunction with the South African Red Cross Society, has set up a schoolfeeding project and is now feeding both primary and pre-school children.

The organization is also providing relief schemes for entire families.

In some villages there was 100 percent unemployment, Mrs Perlman said.

Determination

"The situation is very serious. One of the mines has closed down completely and the other mines have retrenched heavily. The fishing industry is also in trouble and there is no alternative farming as a result of the drought."

However, people in Namaqualand were well-organized and were eager to help themselves. A variety of schemes was being put forward by the community and an atmosphere of determination prevailed, Mrs Perlman said.

Operation Hunger is feeding 652 000 people countrywide with an additional 200 000 on its waiting list. Appeals from Bushmanland, Cape Town, Graaff-Reinet and other areas in the Eastern Cape are straining the resources of the organization.

"All over the country we are faced with a deteriorating situation and increasing appeals for help. Frankly we don't know where to turn. This is undoubtedly going to be the worst winter," Mrs Perlman said.

She praised the Apple Board who recently donated 22 000 boxes of export-grade apples to Operation Hunger for distribution in South Africa. She appealed to producers to donate their surpluses to the organization.

A spokeswoman for the South African Red Cross Society said yesterday that the Red Cross ran a pre-school for children in O'Kiep. They also planned to extend the schoolfeeding scheme to include elderly people.

She confirmed that the society, in conjunction with Operation Hunger, was feeding 8 875 children in Namaqualand.

Carnegie Inquiry

They had conducted an informal survey on a family basis in seven communities in April this year and the outcome "was very much in line" with the findings presented to the Second Carnegie Inquiry into Poverty and Development in Southern Africa last year.

The informal survey found that the average income per family was R139 a month, which was R6 less than was found by field workers of the University of Cape Town last year, she said.

The spokeswoman said they believed that the current situation was linked to the drought, the drop in copper production and the lack of alternative employment. The situation was unique to Namaqualand as people traditionally depended on the mines, she said.

"There has been tremendous migration to the cities by young people who send some sort of finance home.

"In Bushmanland the migratory labour force are going around in circles looking for work especially in the Britstown, Victoria West area."

But, she said, people in Namaqualand were becoming more motivated towards self-help. They also relied on the leadership of church ministers.

CAPE TIMES 4/7/85

Mercury staff take salary cut

Own Correspondent

DURBAN. — Declining advertising volumes and rising costs had resulted in Natal Mercury employees being asked to take a five percent salary cut from July 1, the managing director, Mr David Robinson, announced yesterday.

This across-the-board cut followed retrenchments at the newspaper during May, and it should enable the paper to stay "cash-flow viable", he said.

Mr Robinson emphasized that the company was sound.

Management had discussed the option of further staff cuts, but it was decided, Mr Robinson said, that "while it will cause hardships in many instances, it is preferable to retain jobs and ensure that we remain as efficient as possible".

Mr Robinson said there would be no year-end bonus and the company would not pay an interim dividend to its shareholders.

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NATIONAL

AK605 4/7/85

Unions hail court ruling on fired worker

Argus Correspondent

JOHANNESBURG. — In a judgment that unionists say will entrench workers' right to be given a fair hearing before being dismissed by employers, the Industrial Court has ruled that a worker who was fired without a hearing be reinstated.

The court found that the company, Pretoria Precision Castings (PPC), had justifiably fired Mr Thomas Mabena for carrying out a dangerous occupational practice.

But, it ruled, the company's failure to convene a fair disciplinary hearing, in which Mr Mabena's side of the story could be heard, was in itself an unfair practice.

Mr Mabena had been found cooking water on a furnace at the factory, a practice the company considered dangerous and against which workers had been repeatedly warned.

The court ordered his reinstatement to be back-dated for six months.

It ruled that "fairness" was a vital element in labour relations and that "doing what is right may still result in unfairness if it is done in an inequitable manner."

After the hearing, the National Automobile and Allied Workers' Union (Naawu) said it was the first time an Industrial Court had held that any dismissal required a fair hearing before it could be effected.

"The judgment provides an important protection for workers."

Call for urgent review of decentralisation scheme

FCI queries the cost of creating employment

5/7/85 B. Day 335

THE Federated Chamber of Industries believes it is time the decentralisation scheme was thoroughly reviewed to determine just how cost effective it has been in creating employment.

The FCI, like leading businessmen and economists, supports any project aimed at job creation — but not at any price.

Earlier this week the chairman of the Decentralisation Board, Duggie de Beer, claimed the policy was working and attaining its major aims of job creation and a wider spread of industry. FCI director Johan van Zyl says FCI agrees that some of the major aims, especially in the employment field, are being achieved.

When the policy was first announced at the Good Hope Conference, however, it was made clear it was not possible beforehand to determine final details of the incentive structure.

Van Zyl says it was also clear that this type of programme involved a trial-and-error approach, and that it was impossible to develop the right incentive structure in the first round.

"Any scheme aimed at creating

By GERALD REILLY

employment is to be welcomed and supported, but the question is whether the cost of creating new jobs is not too high."

The question could be asked whether it was possible to create even more jobs more cheaply. Van Zyl says it would seem reasonable after the scheme had been in operation for several years to review progress in detail and especially to determine exactly how much the new jobs were costing.

"The job-creating aspects of the deconcentration policy is to be applauded, but it would be a mistake to go blithely on with the scheme if it is not, in fact, cost effective."

The FCI has no intention of rocking the boat, but the case was strong for a review of the achievements and the cost invoiced so far.

Chief executive of the Afrikaanse Handelsinstituut (AHI), Fritz Stockenstroom, says measurable progress has been made in the past 18 months on implementing the decentralisation plans and the policy has the wholehearted support of the AHI.

The phasing-out of incentives for location-bound industries is welcome. "This scheme is working well under efficient management."

Stockenstroom emphasises the vital need to keep momentum going until at least the end of the century. The need for development and job creation in the decentralisation regions is great, and the record shows this is happening. "However, it has to keep on happening."

The policy also has a vital role to play in orderly urbanisation. The two policies are closely linked. Decentralisation is aimed at creating greater employment in the rural areas and self-governing states, and in this way it relieves urbanisation pressures.

An Associated Chambers of Commerce spokesman says: "We know steps have been taken to ensure the policy will work." The incentive scheme has been modified to eliminate abuses and to place restictions on the type of business eligible for incentives.

"Assocom has no reason to believe that decentralisation plans are not on their way to attaining their major objectives."

Silicon Valley-type park planned for Cape

By TOM HOOD

A HIGH-TECHNOLOGY industrial park near D F Malan Airport that could provide jobs for thousands of workers is being planned by Wesgro and the Cape Chamber of Industries.

Both organisations see the project developing on similar lines to California's famous Silicon Valley.

The Cape high-tech park could employ 3 500 directly and many more on the periphery as suppliers and additional business develop.

"We don't want this to be a long way off. We are already looking for a big financial institution to come in with us and for a flagship electronics company to get involved," said Mr Pienaar today.

A number of sites are being investigated.

"We want to create jobs for the Khayelitsha and Mitchell's Plain people close to the airport and major road and rail links."

The Southern Cape already has a fairly strong high-tech involvement, including the nuclear power station, Armscor's sophisticated installation near Skipskop and the new gas refinery at Mossel Bay.

"We believe the Western Cape is perfect for a high-tech industrial park because it has a labour force well suited to science-based industry.

The situation was ideal for "clean" industries such as a science-based industrial park, where research and develpment could be done. Besides concentrating on electronics it could do research and development for fisheries and other industries.

The involvement of three universities was also required, Stellenbosch, UCT and the University of the Western Cape, so that industry could draw on their scientists.

Gateway status

The techno-park would be able to manufacture for export. There would be none of the transport problems experienced by heavy industries in exporting to the Reef.

Wesgro was trying to get "gateway status" for D F Malan Airport and an export promotion zone for the Western Cape, which allowed components to be imported at low tariffs for manufacture and later exported.

"We regard it as urgent although our planning has been low-key until now.

"It is only when we realise how fierce is the competition we are facing and just how uncompetitive the product of the Western Cape is that we are pushing very hard to accelerate the whole thing.

A French high-tech industrial park at Nice, Cape Town's twin city, was visited recently by Mr Pienaar, who described it as most impressive.

American giants

"Fifteen years ago it had exactly the same problems as the Cape. It was a backwater reserved for tourism and and now it has the biggest area of science-based industrial park in the world."

Companies there included American giants such as IBM and Dow Chemicals.

"We have already had long discussions with the Industrial Development Corporation about this park and have become a little impatient with the lack of drive and progress."

There was a considerable amount of proclaimed industrial land in private hands which coduld be used, mostly expensive property.

"We may try to persuade the Cape Divisional Council or Stellenbosch Divisional Council to come in and give us land at next to no cost."

A third possibility was the large tract of Government land next to D F Malan Airport which could serve as a techno-park.

New training centre for unemployed

Dispatch Reporter

EAST LONDON — A training centre for the unemployed opened at Bethelsdorp Technical College yesterday.

The centre serves the Border area.

A class for training low-level handcraft mechanical skills began with a class of 13 trainees, all South African citizens, which were selected by the Labour department.

The class instructor, Mr E. Stagg, said the three-week class would include both practical and theoretical training. "The class is oriented more toward practical training but you can't give the practical without a little theory."

Upon conclusion of the course, there would be a certificate awarded to those who successfully completed the test, the local co-ordinator, Mr Malcolm Beaton, said.

The chairman of the centre's organising committee, Mr Alistair Lightbody, said the main objective was to make the trainees more employable. "We are trying not to train into a vacuum so when they leave, they would be able to find work in the area for which they were trained."

The government made R100 million available for South Africa of which R25 million must go toward training of the unemployed and the other R75 million would go toward job creation, Mr Lightbody said.

The training could be set up on a non-profit basis by a registered institution or any other institution, he said.

The Emthonjeni Training Centre in Port Elizabeth has contracted with the government to establish a similar multi-racial training centre in the Border.

The chairman for the regional development advisory committee, Mr Max Phillips, said the training would be restricted to urban areas.

A community committee established during the inaugural stage to launch the programme included representatives from the Department of Manpower, the Development Board, the chambers of commerce and industry, the Sakekamer, the municipality and technical colleges.

The committee endorsed the need for training following a survey of local business to assess the needs of the area.

Mr Lightbody said the present areas of instruction would include training for driving heavy articulate vehicles; training in semi-skilled aspects of building such as carpentry and brick laying; training in administrative areas such as security guards and storemen; and mechanical tools.

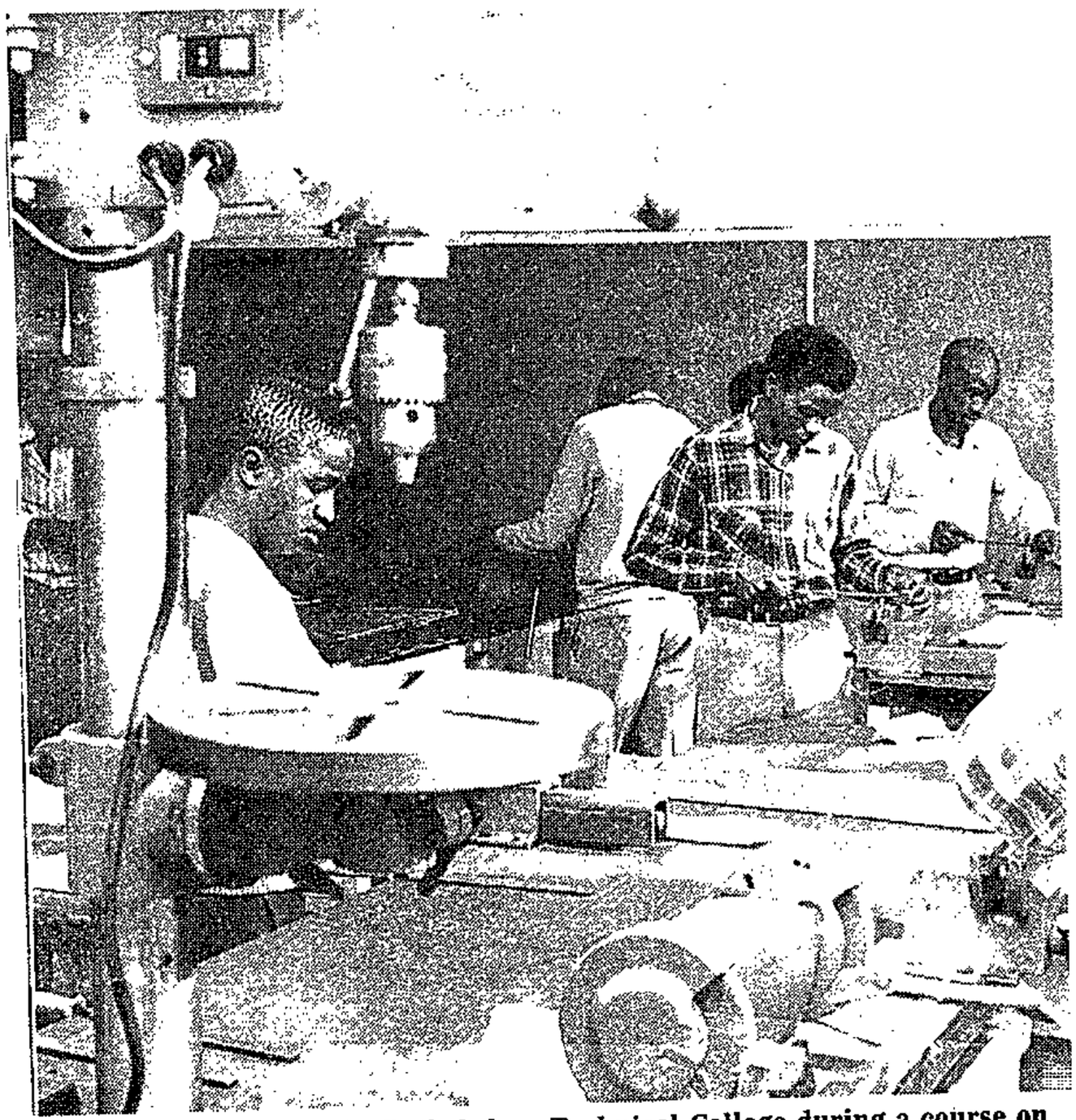
The next course on brick laying will begin on Monday. He said the courses for security guards and storekeepers would begin later, and there would still be much work before the vehicle training would begin.

The trainees would be referred to the Eastern Cape Development Board and other contacts such as the Sakekamer and the Chambers of Commerce and Industry in hope of finding them employment, he said.

"The idea is for the trainees to use their new skills immediately because if they don't use them, there's a tendency to lose them."

He said appeals would be made to industrialists and commerce to use these people before using those off the streets.

Peter Daluxolo, a 23-year-old trainee, gets a lesson from an instructor, Mr E. Stagg, on the first day of class at a Border area training centre.



Trainees at work at the Bethelsdorp Technical College during a course on mechanical skills.

Strike-hit Vaal firm lays off 56

THE strike-hit Baldwins Steel Company in Vanderbijlpark has laid-off about 56 black employees following a strike by the entire workforce over retrenchments and other working conditions.

Mr Johannes Maloka, branch secretary of the Steel Engineering and Allied Workers' Union (Seawu), yesterday accused the company of "unfair labour practice" for refusing to negotiate the retrenchment of the workers in "good faith" with the union.

The workforce downed tools for four days last week after management had refused to negotiate the retrenchment issue which the union maintains was aimed at "victimising our members".

However, the company's branch manager, Mr R C Gybons, has confirmed that workers have been retrenched because of the current recession. He denied that the workers were unfairly retrenched. He also denied the strike action.

May Day

The strike by the workers is the third since the beginning of the year. During May workers downed tools to celebrate May Day, according to Mr Maloka.

Workers were made to sign forms wherein they undertook not to stay away from work. Since that time workers have been victimised and threatened with dismissal.

Management has also used "dirty tactics" to lure workers to return to work after the strike last week. "We view this kind of practice as unfair and will challenge management."

Mr Gybons declined to comment on the allegations and claimed: "This is a matter between the union and the company, and not the Press."

The union is to hold its annual general meeting at the Cathedral Place, Johannesburg on Saturday, starting at 10am. The agenda includes elections, financial reports, amendment to the constitution and the unemployment and strike funds.

Gencor pays off 1 500 mine workers

July 1985

335

Mercury Correspondent

JOHANNESBURG—The General Mining Union Corporation (Gencor) has paid off 1 543 workers in the wake of the wage strikes by 27 000 workers on five gold mines in the past week

Mr Bruce Evans, the chief executive of Gencor's gold and uranium division, said the vast majority of these had 'resigned of their own accord' while only a few had had to be discharged.

Mr Evans said they had not yet established the exact cause of the strikes, which coincided with the annual wage increases for the industry's 550 00 workers.

He said Gencor was implementing increases on average about 2 percent lower than the Chamber of Mines' final offer, but that the holiday leave allowance they were implementing added up to another 4 percent increase.

The chamber offer has been rejected by the National Union of Mineworkers (NUM) which begins strike balloting on its 18 recognised mines, including Gencor's Marievale mine near Springs, on Monday.

Mr Evans said Gencor regarded the increases as 'very fair' and said it was unfortunate that they were much higher than productivity improvement.

Meanwhile, about 85 workers from Lonrho's Western Platinum Mine near Rustenburg have been arrested on charges of public violence following a strike on Thursday in which three workers died.

Mr Ian Hoffe, Lonrho S A's technical director, said all 4 000 workers who participated in the strike were back at work yesterday barring about 200 who had 'disappeared'.

Unrest flared after the annual increases for the the workers — which are linked to the Chamber of Mines' increases on gold and coal mines — were announced on Tuesday.

'Return or face sack' says AECI

By Sheryl Raine

AECI today issued an ultimatum to the South African Chemical Workers' Union (Sacwu) that if its approximately 500 striking members at the company's Chlor Alkali plant near Newcastle did not return to work by noon on Friday, they would lose their jobs.

The ultimatum comes after long, tough and unsuccessful negotiations.

OFFER REJECTED

Talks started in August last year and the present strike has lasted more than a month.

Sacwu today rejected AECI's final wage offer of a 9,5 percent increase which would bring minimum wages to R373 a month. The union also rejected an offer by AECI to increase wages to R436 a month in January 1986 and to R445 a month in July 1986.

The union has demanded that pay at the plant be increased by about 20 percent to bring wages into line with other AECI concerns around the country.

"We have told the union that if workers do not return to work by noon on Friday they will be deemed to be in breach of their contracts," said AECI public relations officer Mr Murray Joubert.

"The number of workers who stand to lose their jobs is 490. About 110 workers employed at the chemical plants at the factory have already been dismissed."

The union could not be reached for comment.

Dairy move may rescue 1 300 jobs

Business Day Reporter

THIRTEEN hundred jobs may be rescued after yesterday's announcement by 73 Natal dairy farmers that they were prepared to invest in the newly-restructured Creamline Dairies to save the ailing company from collapse.

Four weeks ago the firm crashed after admitting debts of R20m and assets of only R11m. It was placed under provisional liquidation in the Durban Supreme Court.

Howick dairy farmer Brian McKenzie said yesterday the group of farmers, known as DCD, who produce approximately one third of the province's fresh milk supply, would be taking up a 30% share in the company. The move will have to be approved by the provisional liquidator.

A majority of the members of DCD were the previous owners of Creamline before it was sold to Transvaal interests in July 1975 and DCD Trust still owns the Pinetown factory from which Creamline operates.

McKenzie said the farmers took the move because they believed it was not in the public's interest to have only one distributor serving the province and they believed in the importance of a tie-up with the distribution of their products.

McKenzie said the question of reduction in the price of milk, if any, could be decided only by the Milk Board.

Restaurant sacks 46

ZOO Lake Restaurant in Johannesburg has sacked about 46 black employees because their trade union has refused to become a member of the Industrial Council for the hotel and liquor trade.

The Hotel Liquor Catering and Allied Workers' Union (Hotelica), an affiliate of the Azanian Confederation of Trade Unions (Azactu), has refused to become a member of the "government institution" — the IC.

Hotelica's general secretary, Mr Hamilton Makedama told **The SOWETAN** yesterday that the management of Zoo Lake Restaurant has "blatantly refused to negotiate with them, unless they become a member of the IC.

"They have also shown reluctance to recognise us to represent members, thus violating the freedom of association clause in the Labour Relations Act," he said.

Trouble at the restaurant started last week when the employees demanded that management should recognise their trade union. this was refused by management and workers downed tools.

The company's manager, Mr H J Bloom said the workers dismissed themselves by going on strike. He was not prepared to negotiate with any trade union that was not part of the IC.

The work stoppage did not affect production and "we are in full operation because we have people who are helping us," he said, adding: "It is the company's policy not to negotiate with the unions outside the IC."

The IC is a forum within which registered trade unions and employers meet and bargain in order to formulate an agreement over conditions of employment. This system has been rejected by many emerging black unions.

A survey conducted by the Carnegie Conference last year showed that wages negotiated at the IC fell below the required Household Subsistence Level (HSL).

Mr Makadema charged that management's refusal to negotiate with the union constituted "an unfair labour practice" and the union will seek legal advice with a view to have members reinstated and the union recognised.

Clothing firm's closure costs 2 000 jobs

By AUDREY D'ANGELO

COMPETITION from new firms set up in the Ciskei and Transkei with development aid has forced W & A Investment Corporation to close its knitwear manufacturer, President Knitting Mills, and some divisions of its uniform manufacturer, H J Henochsberg, its chairman, Mr Manny Simchowitz, said yesterday.

"Our factories were set up years ago and our concessions have run out.

"We could not compete with firms which have just been set up with decentralization grants and concessions."

Mr Simchowitz said it did not make economic sense for the group, which had assets of R500m, to continue with the clothing operations when money could be invested more profitably elsewhere.

The President Knitting Mills had been run down over a period of six months.

The two clothing firms had assets of R10m and the closures have meant the loss of about 2 000 jobs.

Mr Simchowitz said it was tragic that the system of giving grants and concessions to factories in the new homelands, while those given to established industries ran out, meant that workers who were already skilled and productive should lose their jobs while others were created for unskilled people with a lower level of productivity.

Unemployment, and the increased risk of unrest which it brought, was "the sad side of the coin" in the government's fight to bring down the rate of inflation.

Although it was important to bring down inflation, "I feel unemployment is a greater evil".

IZIKELEMU

Kungabe kukhona emndenini wakho ohlushwa izikelemu?

Ukucwaninga kwezempilo okusandakwenziwa kukhombisa ukuthi abantu abangu — 8 kwabangu — 10 abanazikelemu basuke bephethwe izikelemu ezaziwa ngokuthi wezinkelemu eziBomvu (i-Roundworm). Umuthi noma impushana i-Rid ingumuthi owongayo nophephile wokukhipha

LABOUR SNIPPETS

Talks go on

THE do-or-die negotiations aimed at resolving the dispute between the Commercial Catering and Allied Workers' Union of SA and the Foschini group over the company's decision to place 230 workers on part-time are continuing.

The union declared a dispute after management rejected their alternative suggestion of short-time for all workers in the 133 Pages Stores nationwide from July 1.

Ccawusa's organiser Mr Kaiser Thipedi said no formal agreement has been reached and "we are still seriously negotiating the issue."

A company spokesman has confirmed that they were still discussing the issue.

Meanwhile seven trade unions have demanded the release of a union official detained by security police in Port Elizabeth.

Miss Nomonde Mgumane, branch secretary of the General Workers' Union (GWU), is being held with two other people in terms of the Section 29 of the Internal Security Act.

'Modest' job losses at clothing company

Cape Times 11/7/85

By EBRAHIM MOOSA

NEARLY 70 clothing workers at Rex Trueform will be laid off in the next few weeks, a spokesman for the company said yesterday.

Mr A M Rosenberg, personnel director for the company, said the company considered the number of workers to be retrenched to be "very modest and small".

The overall slump in the clothing industry and a decrease in the number of orders had been the reasons for this action, he said.

Mr Rosenberg dismissed claims by the Clothing Workers' Union (Clowu) that proper retrenchment procedures had not been followed.

Ms Zubeida Jaffer, Clowu general secretary, yesterday said the union considered the retrenchment procedures adopted by Rex Trueform to be "illegal".

Workers had not been given adequate opportunity to state their feelings on retrenchments, she said.

"Employers in the Western Cape must excercise more social responsibility to alleviate the present crisis," Ms Jaffer said.

"We are not convinced that Rex has made every effort to cut other expenses

"We will do everything to protect workers' jobs."

The union was considering taking industrial court action if proper retrenchment procedures were not taken by Rex Trueform. This included consultation with workers and assistance to find another job if retrenchment became unavoidable, Ms Jaffer said.

According to Mr Cecil Petersen, assistant secretary of the Garment Workers' Union (GWU), more than 7 000 clothing workers had left the industry since January this year.

CAPE TIMES 12/7/85 (82) 335

Atlantis shows we don't care for our unemployed

From the Rev A M LINDHORST (All Saints Rectory, Atlantis):

THE plight of many people in Atlantis, suffering eviction from their homes or cutting off of water and electricity because they are unable to pay overdue accounts, reveals a serious shortcoming in our society: we are not caring for our unemployed.

Apart from the odd layabout, most people want to work. Unemployment results in loss of self-worth and despondency. It is a fault of recession/depression in the economic cycle, not the individual worker.

Between the state and private sector we cater for the elderly and disabled but employment benefits are limited and indadequate. The abuse of the dole in Britain should not prevent us from introducing adequate social security for all.

Certainly, such benefits should not become a disincentive to work but at least provide helpless people with enough to keep a roof over their heads, water in their taps and food in their stomachs.

The Atlantis situation is aggravated by the fact that people were "pushed" by housing shortages and group areas pressure in Cape Town and "pulled" by the promise of work in this new industrial city. Now many have resorted to commuting to Cape Town to work — at quite a cost. And the rest?

Unemployment is a problem to be tackled at a national level but meanwhile there are concerned local bodies which have formulated a viable plan of action and are anxious to meet the divisional council to work out a strategy for relief.

Toncoro factories to retrench 350 workers

NM 13/7/85

Finance Editor

THREE hundred and fifty workers in Durban's Toncoro building material factories will be retrenched next week, executive chairman, Mr Cedric Savage said yesterday.

'We have already had to lay off 3 000 workers and by the end, it could be 4 000,' he said.

The cuts were due to the slump in the building industry, which Mr Savage said, had reached a 'depression.' Sales of Toncoro products had fallen 35 percent in the past year.

Asked whether the trade unions would accept pay cuts rather than unemployment Mr Savage said it was doubtful, especially in regard to their high demands at past wage negotiations.

Competition

Yesterday Mr Chris Saunders, the chairman of Toncoro's parent company the Tongaat-Hulett conglomerate, said: 'There will have to be further retrenchments at all levels in certain divisions.'

He said demand for the goods they produced had been reduced and there was greater price competition in the depressed economic situation.

A spokesman said that the retrenchments would be in those companies which were not doing well.

Dealing with each division of the group, Mr Saunders said building material sales were 35 percent down on a year ago, and it may be necessary to 'further reduce production'.

Food

Food trading remained difficult but performance should be improved.

Aluminum had a satisfactory first quarter but was seeing a 'rapid fall-off in demand.'

Textiles were unlikely to improve on last year's poor performance.

Starch and sweeteners were expected to have earnings similar to last year.

Engineering was feeling the effects of low profit margins while electronics and transport were performing satisfactorily.

Welcome rains had fallen for sugar and the industry would again exceed output of two million tons.

The world sugar price remained depressed. There was little indication that the chronic overproduction would be alleviated or that an effective international agreement formulated in the short term.

While the fall in short-term interest rates would help the group and further decreases were expected over the remainder of the year, 'the effect of the current economic situation on our markets and price margins made it impossible to predict with any certainty group earnings for the year.'

Mr Saunders said they were expected to be lower than last year — 60,3 cents last year against 118,5 cents in the previous year.

Mr Saunders hinted at difficulties in continuing their social programmes if profits were reduced.

He said that while business could be innovative and explore new options it was limited in what it could do 'in terms of profitability.'

'If a company fails or closes an operation because it becomes unprofitable, then all its contributions to society — as an employer, taxpayer and as a corporate citizen — are lost.'

Mr Saunders warned that many companies were not able to recommend to shareholders the re-investment of profits in the business to maintain its capital.

Capital

This occurred partly because not enough after-tax profits were being generated and because the cost of capital was so high that 'one cannot earn adequate returns on the investment opportunities to justify it.'

High real interest rates would prove equally destructive to the social responsibility of business.

'Whether inflation can be brought under control without serious economic consequences and a dramatic change in our political philosophy is a dilemma which the authorities must now consider very seriously.'

He called on the Government to give urgent attention to the removal of 'major obstacles' such as influx control and the Group Areas Act to 'permit the full participation of all in the free enterprise system.'

Mr Saunders said the problems within our country were 'of our own making and must be solved by our own courage and determination to work together.'

Cape Times 13/7/85

350 to lose jobs in Natal

Own Correspondent

DURBAN. — Three hundred and fifty workers in Durban's Toncoro building material factories will be retrenched next week, executive chairman, Mr Cedric Savage said yesterday.

"We have already had to lay off 3 000 workers and by the end it could be 4 000," he said.

The cuts were due to the slump in the building industry, which Mr Savage said, had reached a "depression". Sales of Toncoro products had fallen 35 percent in the past year.

Asked whether the trade unions would accept pay cuts rather than unemployment Mr Savage said it was doubtful especially regarding their high demands at past wage negotiations.

Yesterday Mr Chris Saunders, the chairman of the parent company, the Tongaat-Hulett conglomerate, said there would have to be retrenchments at all levels in certain divisions.

CAPE TIMES 15/7/85 335

Clothing workers face big job losses

Staff Reporter

AS the crisis in Cape Town's once-flourishing garment industry grows worse, hundreds of clothing workers are faced with losing their jobs within the next few months.

However, employers are cautiously optimistic that things may improve and many believe that they had reached the bottom of the crippling recession.

According to Mr Simon Jocum, chairman of the Cape Clothing Manufacturers Association, 21 Cape clothing firms have gone out of business this year.

"Like the rest of South Africa, the clothing industry is in the throes of a recession," he said.

The number of workers had fallen by about 6 100 since the beginning of the year, he said, adding that a need for skilled workers continued.

Manufacturers say that a further drop in interest rates and an increase in Christmas orders would give them reason to see light at the end of the tunnel.

Mr Hardy Nel, secretary for the Industrial Council for the Clothing Workers, said that the situation was "improving".

There had only been one liquidation of a clothing firm in the past seven weeks compared to the previous trend of an average two firms going down in a week, he said.

Mr Cedric Petersen, assistant secretary of the Garment Workers' Union (GWU), said every precaution had been taken to ensure that retrenchments took place in all fairness to workers.

The Clothing Workers' Union (Clowu), a rival of GWU, said it expected Cape Town's clothing industry to be markedly reduced by the end of 1985.

"There had been a great deal of over-production and we cannot see things going better," said Clowu secretary Ms Zubeida Jaffer.

"If exports were better one could expect improvement."

Clothing bosses had for years made high profits and when other industries went down in the past they managed to survive, said Ms Jaffer.

Workers feared that stronger clothing giants would take advantage of the recessionary situation and swallow smaller firms and get a monopoly over the industry, she said.

Last week one of largest clothing firms, Rex Trueform, announced that it would lay off 70 of its 3 000 workers at its Salt River factory.

It is feared that, following Rex's initiative, smaller firms who were hard pressed would also lay off more workers, according to Clowu.

360 workers laid off as brick plant shuts

NM 16/7/85

Labour Reporter

MORE than 360 workers at one of Durban's oldest brick factories were paid off when Corobrik's Red Hill plant was mothballed yesterday because of the decline in demand for bricks. 335 193

The plant, which was first commissioned in 1897, was shut down during the 1977 recession but was started up again when the building industry boomed in the early 1980s.

A Corobrik spokesman said 307 factory workers and 54 transport employees were paid off. A skeleton staff would look after the plant which would be recommissioned when necessary.

When the Mercury visited the plant yesterday morning, it was almost deserted, with small groups of laid off workers milling around pondering their futures.

The large overhead cranes used for hauling bricks from various parts of the factory to a central dispatching depot were lying idle for the first time.

Most of the workers cleared their belongings from the hostel and were returned to the homelands by bus on Friday.

Post Focus

335 284 E-Post

17.04.84

Unemployed in PE hits 130 000 as grants soar

By CATHY SCHNELL

THE unemployment grants paid out to people in Port Elizabeth has virtually doubled this year — from an average of R1 200 000 a month last year to more than R2-million a month this year.

And these grants are given only to those who register with the Department of Manpower as unemployed — widely accepted as only a small percentage of the actual number of jobless people in Port Elizabeth.

Compared to June last year the number of whites registered as unemployed last month increased by 88%, the Department of Manpower reported.

The most recent figures indicate this steep increase is continuing.

Last month the number of jobless whites increased substantially — to 1 340 from 1 220 in May. And already there have been moves to establish feeding schemes for white children.

However, the unemployment figures for women of all race groups last month dropped — and among black women, nearly halved.

This trend was seen earlier on this year among coloured and African men, with a steep decline in the number registering as jobless. In March this year 6 386 African men registered as unemployed — compared to 8 725 in February.

Official unemployment figures in Port Elizabeth for last month are 130 000. Of these, a total of 110 166 blacks registered as unemployed — 75 166 men and 35 000 women.

According to Mr J C Greyling, the divisional inspector of the Department of Manpower in PE, the "virtual doubling of the unemployment payouts is cause for alarm."

He said only those officially registered as unemployed could get grants for six months. And if they still had not found jobs after six months they could, in special circumstances, apply for the grant to be extended.

Mr Greyling said care was needed in interpreting unemployment statistics. Unrest, people not registering as unemployed and other factors needed to be taken into account.

Official unemployment figures for June showed the number of black women registered as unemployed had virtually halved compared to the month before. The number of white and coloured women registering also dropped substantially.

The number of black women under the age of 21 registered as unemployed dropped fourfold last month.

Over the past year the number of men registering as jobless has been seen as minimal compared to the actual number of people without jobs. This is especially so in the case of African men.

According to a labour expert, the dramatic increase in the number of grants given this year can be largely attributed to the increase in the number of white and coloured men reporting as unemployed.

Even last year it was officially estimated that more than 80 000 people in the Eastern Cape were jobless although leading experts in commerce and labour in the area felt this figure was grossly underestimated.

Earlier this year figures compiled by the Midlands Chamber of Industry showed that unemployment among all races in PE had increased by 88% during the past three years.

Professor Roux van der Merwe, who holds the Volkswagen Chair of Industrial Relations at the University of Port Elizabeth, has estimated the unemployment rate among Africans in the townships of Kwanobuhle and Langa to be about 25% — "the highest in the country".

Port Elizabeth has been particularly hard hit. With industry — especially the motor and component industries — providing work for a large segment of the population, the frequent retrenchments have meant there is no alternative local work available.

Any statistical figure on unemployment, however, will be hopelessly understated.

According to a local labour specialist this was especially so in the cases of unemployed African urban workers who became victims of the influx control laws.

These people feared that once they reported to unemployment offices they would be forced to return to the homelands after a certain period of time if they had not found another job.

Officially they have as little as 72 hours to get back to the homelands if they have lost their jobs.

And as long as these influx control laws remained, the situation would continue, he said.

He said many jobless people simply gave up hope of ever finding work — and did not even bother reporting to unemployment agencies.

Last year the chairman of the Corporation for Economic Development, Dr J Adendorff, stated that the annual increase in new African workseekers would rise from 230 000 to 360 000 by the turn of the century, requiring an estimated six million work opportunities to be created by then — a minimum of 1 300 work opportunities per day.

Siemens sacks 2 000 Mawu

The German-owned multinational, Siemens, has dismissed about 2 000 workers who went on strike on Monday to support wage demands, the Metal and Allied Workers' Union (Mawu) claimed yesterday.

Repeated attempts by *The Star* to reach Siemens management this morning were fruitless.

Management had earlier put the number of strikers at 1 500.

MEETING

Mawu's Transvaal secretary, Mr Moses Mayekiso, said workers from five Siemens plants in the Transvaal were told yesterday they had been dismissed and should return tomorrow to re-apply for their jobs.

Siemens management had not yet responded to a union request for a meeting.

"We condemn the action of dismissing people instead of negotiating with them. The company must reinstate the workers and negotiate with them fairly," said Mr Mayekiso.

He said the union had sent a telex to the employer body, the Steel Engineering Industries' Federation (Seifsa) asking it to intervene in the dispute because "it is Seifsa which instructed Siemens not to negotiate at plant level with the workers".

However, this could not be confirmed with Seifsa this morning as its director, Mr Sam van Coller, was said to be out of his office.

Other telexes had been sent to the German Metalworkers' Union asking it to pressure Siemens into reinstating the workers, Mr Mayekiso said.

The Siemens strikers are demanding an across-the-board wage increase of R1 an hour. They have rejected the 14c an hour increase granted by the industry's Industrial Council as too low to meet the cost of living.

Reserve Bank rejects possibility of freezing wages and prices

Star 1.7.7.85

335

~~2444~~

Own Correspondent

DURBAN — The Reserve Bank had looked "very seriously" at the possibilities of a wage and price freeze policy, but had decided it was not likely to work in practice, Governor Dr Gerhard de Kock said in Durban this week.

In an interview after he addressed leading local businessmen at *The Daily News*, Dr de Kock said that price and wage restraints had been tried without real success through the centuries.

The most notable recent attempt had been that of President Nixon and George Shultz (US Treasury Secretary from 1972 to 1974) — and Mr Shultz later publicly conceded the policy had not worked.

THE TRUTH

Dr de Kock said such policies — which locally have been urged by a number of economists — initially usually are meant to supplement basic monetary and fiscal policies. However experience showed that, in practice, they became a substitute rather than a supplement for tight monetary controls.

"Once the policy is gazetted people tend to feel the problem of inflation has been addressed.

"They don't worry too much whether money supply rises another 10 percent or so." This, he said, meant going back to "square one".

"The truth is that if you print too much money, you will have inflation. A price and wages policy will not save you then."

Dr de Kock said experience in Chile a few years ago had shown it

Dr Gerhard de Kock
. . . no real success

was possible to bring inflation down very rapidly. Sudden and sharp monetarist policies adopted in that country had brought the rate of inflation dramatically down from enormous figures, showing that the theories outlined by leading monetarist economist Milton Friedman were correct.

However, the measures taken in Chile had been so dramatic they had caused great disruption and unemployment. The government changed and the country returned to its old ways.

"You can't just rush in and say we have only one objective in life — to cut the rate of inflation. The cost would be too high. I think we are doing the right thing now.

"Thus far the policy has been very successful in terms of government spending, money supply, the surplus on the balance of payments and in repaying short-term foreign debt. The next thing is to see a decline in the rate of inflation."

"Of course, if you allow inflation to run on too far, as we have done, and then you take proper steps, then those steps are painful. You have to sweat it out. You have to sit through a year or two of unemployment, low profits and low growth. It works in time — as it had in the US and UK."

GROWTH RATE

It was possible to go all-out to reduce the rate of inflation but the action taken would exacerbate unemployment and the recession — "we have to proceed cautiously — no bull in a china shop anti-inflationary approach. But I believe that if we persist long enough we can get it down".

A lower inflation rate would, in the long run, lead to a higher growth rate and more job creation.

CAPE TIMES 17/7/85

335

Workers lose jobs in PE shop boycott

Own Correspondent

PORT ELIZABETH. — The proposed eight-week boycott of white businesses here enters its third day today amid reports of intimidation and black employees losing their jobs.

A Sidwell meat trader said yesterday he had paid off five workers.

"They were packers but they had nothing to do. I can't afford to have them standing around for eight weeks," he said.

A Kempston Road snack bar owner said he was laying workers off as "no one is buying".

Intimidation appeared to be a factor against patronage of cafes and fast-food outlets in North End where black custom accounts for up to 90 percent of trade.

Shop-owners in the Law Courts area — usually a hub of the take-away food trade — told the same story yesterday of few or no sales.

A large meat trader said registered township traders were buying on the wholesale side of his business. "But on our retail side which is 90 percent black, there's nothing doing."

The manager of the North End branch of a clothing chain, with 75 percent black trade, said his customers were coming in only to pay their accounts.

He said two who were looking at goods on Monday were ordered out by two intimidators.

"They asked them if they didn't know there was a boycott. Then they told them to leave. I telephoned our security director in Johannesburg who advised me to contact the police if it happened again."

A spokesman for Constantia Centre said the boycott was definitely having an impact, but that Friday afternoon and Saturday would show the full extent of it.

● Meanwhile African consumers are complaining of township prices. One woman said some shops charged five cents for a box of matches, 50 cents for a loaf of brown bread, 30 cents for half a loaf and 20 cents for a candle.

Grahamstown township residents have resumed their boycott of selected white-owned shops.

The secretary of the Grahamstown Civic Association, Mr Dan Sandi, said five shops in Grahamstown had been specifically singled out for long-term boycotting.

He said the outlets had been blacklisted because managers or employees had been seen patrolling the townships in Defence Force or police uniforms, or because the shops enforced petty apartheid.

Mr Sandi said the week-long consumer boycott in June had been conditionally called off to enable the Chamber of Commerce to respond to 34 demands put to it.

"The boycott began again spontaneously on Friday because the demands of the people had not been met," he said.

The president of the Grahamstown Chamber of Commerce, Mr Steven Birt, said the chamber had arranged to meet representatives of several township organizations today to discuss the boycott.

Mr Birt said he had been away from the city recently and could not judge the support for the boycott.

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Multinational firm fires about 2 000 over strike

JOHANNESBURG—The German-owned multinational Siemens had dismissed about 2 000 workers who went on strike on Monday to support wage demands, the Metal and Allied Workers' Union (Mawu) said yesterday.

Repeated attempts to reach Siemens management yesterday were fruitless. Siemens had earlier put the number of strikers at 1 500.

Mawu's Transvaal secretary, Mr Moses Mayekiso, said workers from five Siemens plants in the Transvaal had been told on Tuesday they had been dismissed and that they should return yesterday to reapply for their jobs.

Siemens management had not yet responded to a union request for a meeting.

The Siemens strikers are demanding an across-the-board wage increase of R1 an hour. They have rejected the 14 c an hour increase granted by the Industrial Council as too low to meet the cost of living. — (Sapa)

PE boycott taking a heavy toll

Own Correspondent

PORT ELIZABETH. — The Mayor of Port Elizabeth, Mr Ivan Krige, says there are ' confidential plans at the highest level" to deal with the black consumer boycott of white-owned businesses.

' With the planned eight-week boycott now entering its fourth day, some stores have already closed their doors, others will be following suit and increasing numbers of workers are being paid off.

Mr Krige, who has described the situation as "desperately urgent", said he was awaiting an imminent visit from the Minister of Law and Order, Mr Louis le Grange, at the request of the State President, Mr P W Botha He said his confidential plans were linked with Mr Le Grange's visit, but would not elaborate.

Coloured, Indian traders squeezed

Last night the president of the Eastern Cape Traders' Association, Mr Ebrahim Soomar, said every effort was being made to set up a meeting as soon as possible with the boycott organizers.

"The talks will centre on the exclusion of our members from their campaign," he said.

Mr Soomar said his coloured and Indian members were feeling the effects of the boycott. "Some report a 95 percent sales drop. Although the boycott was not planned to include coloured and Indian traders, those in Korsten are being acutely affected."

The president of the Eastern Cape African Chamber of Commerce, Mr Monwabisi Mkaza, said on Tuesday the boycott could last "even a year. The climate is right and the people are conditioned."

The closure from lunchtime on Tuesday of four Durban Road stores has highlighted the seriousness of the situation.

One Korsten trader with two stores said he took R6 in his smaller shop yesterday and was closing it today. "It's uneconomic for me to keep it open. I've got R50 in the till from sales to coloured and white customers in the other store. My cousin in Cawood Street took R32. He is also closing up."

The chairman of the Afrikaanse Sakekamer, Mr Koos Alberts, said although it was too early to assess the full extent of the boycott, he felt that in the long run it would rebound on the boycotters through job loss. "More unemployment leads to more unrest. It's a vicious circle."

Food parcels being returned

Township residents, meanwhile, are returning their food parcels to a charity organization because of intimidation in the streets.

Mrs Jeannine Kromhout, administrative secretary of the Port Elizabeth Charity Organization in Port Elizabeth, said three women who received their parcels on Tuesday were accosted by youngsters who took the food away and bundled the women into a kombi.

"Now people are too terrified to keep the parcels," she said.

Relief for jobless in housing schemes

335 WM 18/7/85

Labour Reporter

THE Minister of Local Government, Housing and Agriculture in the House of Delegates, Mr Baldeo Dookie, yesterday announced rent relief measures for families of the unemployed in municipal housing schemes throughout South Africa.

He said he issued a directive to all municipalities that with immediate effect people living in rented and 'ownership' accommodation in municipal housing schemes be given 12 month's grace, instead of the present six months, to pay off their arrears.

Disclosing the measures at a Press conference in Durban, he said: 'From my department's side we granted a substantial reduction in capital charges, which is part of the component of the rent structure.'

However, Durban Housing Action Committee spokesman, Mr Sham Maharaj, last night said there was nothing new in the announcement.

'It is clear that Mr Dookie has been forced to respond to a few of the demands made by our community. However, his so-called rent relief is neither substantial nor a radical shift from existing policy.

Dropped

'Local authorities have already been reducing certain components of rentals. Mr Dookie cannot claim credit for this. The new feature is that persons in arrears now have 12 months to repay their arrears.'

Mr Dookie said: 'We dropped our charges to R2,50 from R45,01 for the unemployed living in flat 4B project 305, and from R68,38 to R2,50 for those occupying Flat 3c, project 329.'

He said that as a result of the reduction in the capital charges — which is the interest on loans from the National Housing Fund — rentals of unemployed persons had been reduced from R90,14 to R35,62 and from R103 to R29,35 with immediate effect.

Mr Dookie said an appeal had been made to municipalities not to evict families in arrears until all steps had been exhausted to recover the amounts owing.

'At present municipalities give their unemployed tenants from four to five months' grace before taking steps to eject them.'

He appealed to Durban City Council tenants who have become unemployed to immediately inform the council to enable them to qualify for the rent relief.

People living in 'ownership' houses in the council's housing schemes would also benefit from the rent relief if they were unemployed.

Ciskei, Border 'worst areas for workers'

335

19:07:85 E-Post

BISHO — Ciskei and Border remained areas where the unemployment rate was the highest in South Africa, Ciskei's President Lennox Sebe said here.

Tension "in this part of the world" still made it a fertile breeding ground for the agencies of Marxism, he said at a credentials presentation ceremony for the new South African Ambassador, Lieutenant-General A J van Deventer.

"It is true we have seen, on one hand, the vast political change and the reorientation, but on the other hand, there has been no change at all.

"The change that will satisfy the people of Ciskei is not that which is symbolic," said Mr Sebe.

Nothing had really changed and Ciskei had inherited the problems present before independence. The country had carried the problems over from self-governing to independence, he added.

"We're not naive enough to believe that the Status of the Ciskei Act, signed with a gold pen in the South African Parliament, operates like some magic wand to wipe away the ills which confront us and substitute a rose bed, on which we could recline in an everlasting dreamland in which wishes come true," President Sebe said.

He said poverty, unemployment and tension between black and white were still gigantic problems demanding a solution.

Lieut-General van Deventer replaces Mr Mathys Botha, who retired as Ambassador to Ciskei at the end of last month. — Sapa

VW warns workers of possible dismissal

E Post 19/7/85 192 335 159

By CATHY SCHNELL

VOLKSWAGEN cautioned workers today that while it was sympathetic to their problems, recurrent stoppages could result in workers facing strict diciplinary action, including dismissal.

This warning came after a spate of strikes that resulted in the plants of all three Eastern Cape motor manufacturers shutting down this week.

Ford's Neave plant closed today for the third consecutive day while the Aloes loco plant at General Motors has shut down for the week. The VW plant — shut since Wednesday — was also obliged to close down again today.

VW closed at 9am today after employees arrived at the plant but refused to work.

Mr Brian Robinson, industrial relations director at VW, said that while the company was sympathetic to the economic hardships suffered by its workers, they could no longer tolerate unauthorised work stoppages.

These stoppages had resulted in serious loss of income for the company and consequently, to the workforce.

The company would consider the problem of the current hardships experienced by the workers only when they had all returned to work and normal production had been resumed in all sections of the plant.

A spokesman for Ford said the workers at Neave had refused to work today. Consequently the plant had been closed down.

● Ford workers are on strike over the date set for their wage increase. They want it backdated to August 1 to be in line with the other two motor companies.

● GM workers downed tools over an altercation between a white supervisor and an African worker. They want the supervisor suspended. A white supervisor is reported to have left the company.

● VW workers are unhappy with their pension schemes and want their contribution benefits paid back to them. Economic hardships in the township necessitated this, they said.

800 textile workers to lose jobs

Finance Editor

EIGHT hundred workers at all levels are to lose their jobs at Hebox Textiles between now and October, a company spokesman said yesterday. The jobs will go in phases.

The textile company, a part of the Tongaat-Hulett group conglomerate, has a factory at Hammarsdale, near Pietermaritzburg.

Demand for the two products the mills make, denim and industrial canvas, has slumped and the redundancies are part of 'scaling down the operation', the spokesman said.

Lay-offs

Talks have been held with the National Union of Textile Workers on a redundancy package.

The spokesman would not disclose the number of workers at Hebox, saying only it was a 'large' operation.

However, Tongaat Textiles (Tontex) has 4 358 workers and the 800 reduction represents an 18 percent staff cut.

Tontex has five mills — David Whiteheads at Tongaat; Prilla at Pietermaritzburg; Nova Mills at Wellington and Texstyle International at Verulam, as well as Hebox.

The redundancies follow the lay-offs this week at Toncoro, when 360 workers at the Red Hill kilns lost their jobs and a further 640 'may' go later this year.

Last Friday Mr Chris Saunders, chairman of Tongaat-Hulett, said, during the company's annual meeting, that there would be 'further retrenchments at all levels' in the group.

Hebox has been going through a rough time in the past 18 months. The joint venture with the Frame Group to manufacture corduroy has been closed down 'temporarily' because the fabric has been out of fashion for the past two or three years.

The denim division saw a 'major downturn' during 1984.

There were also retrenchments at the Hebox plant last year and the company started working short time in an effort to keep jobs open.

The company spokesman said yesterday that Hebox products would still be available, but at a reduced level.

While Tontex turnover was up last year at R135 million (R120 million in 1983/4) profit fell heavily to R3 800 000 (against R7 500 000 in the previous year) and the number of workers fell by 300.

SATS cuts staff by 16pc

335 NM 23/7/85

JOHANNESBURG— South African Transport Services had cut down personnel by 16 per cent as a result of the economic recession — and had increased productivity by 10 percent, the Minister of Transport Affairs, Mr Hendrik Schoeman, said yesterday.

Opening the International Transport Exhibition Conference (Itec '85) at the Crown Mines showgrounds, Mr Schoeman said important electrification projects such as the Bloemfontein-Noupoort railway line had had to be deferred.

The Eastern Cape had no electrified railway lines, owing to limited funds, he said, but electrification of the De Aar-Port Elizabeth line would be completed in October.

Mr Schoeman said the decision to introduce toll roads had not been taken lightly.

'The original motivation was stimulated by the climate of scarce funds for road building and should be seen as a means of supplementing the income of the National Road Fund, which in spite of the recently approved increase, is still inadequate to satisfy the needs for construction and maintenance of national roads,' he said.

Toll road

The Minister said the first toll road in South Africa, the Tsitsikamma toll road, had proved to be economically viable.

The next toll project, the Marianhill toll road bypassing Kloof and Pinetown on the N3 near Durban, was expected to be opened to traffic in March next year.

The Kranskop toll road bypassing Warmbaths and Nylstroom on the N1 north of Pretoria was expected to be completed in the middle of next year.

Construction of the Du Toitskloof toll tunnel, said Mr Schoeman, was under way but the 4km-long tunnel was a major and expensive undertaking and would be completed only by 1988.

Other projects on the drawing board were the Frere-Besters toll road, which would bypass Ladysmith and Colenso on the N3 and the Springs-Krugersdorp toll road to be known as the South Rand toll road.

Mr Schoeman said SATS was investigating the possible appointment of private consortiums to finance and operate certain toll roads. — (Sapa)

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councillors at their next meeting.

Fight on to save jobs hit by crisis

Labour Reporter

THE fight is on to save workers' jobs in the "very serious crisis" facing industry generally, according to Zubeida Jaffer, general secretary of the Clothing Workers' Union.

She was speaking yesterday at the second of a series of lunch-hour seminars during the Peninsula Technikon's labour week.

She said employers in the clothing industry, who had for years been making vast profits, were facing an economic crisis and their only concern was to maintain profits instead of considering what could be done so that all could come through it with the least pain and enough to eat.

"We are not saying there are not problems," said Ms Jaffer.

"But the way we see it is that the workers are having to pay for the problems.

"The situation in the Eastern Cape and Transvaal is not unconnected with the unemployment situation and one would expect that in a situation like this employers would exercise the utmost social responsibility to avoid worsening the crisis.

"But we continually find that employers will dismiss workers without even following the basic procedures laid down for retrenchment."

HERSCHEL CLAREMONT, CAPE

SCHOLARSHIP EXAMINATION

A scholarship of R800 per annum for five years is available for pupils entering Standard VI in 1986.

The examination will be held at the school on Saturday August 17 1985 and will include tests in English, Mathematics and General Knowledge.

Application forms are available from the School Secretary (Phone 64-4010).

(AJ0066B4)

PAROW TOKAI CLAREMONT

DE LA RE MAIN RO CORNER

249 at abattoir sacked after strike

By CATHY SCHNELL

ALL 249 Port Elizabeth abattoir workers who went out on strike yesterday were dismissed today.

Mr Andre Fourie, development manager of the SA Abattoir Corporation in Pretoria, said the abattoir would be recruiting new staff today and would not be re-hiring any of the striking workers.

Mr Fourie said the workers' demands had been impossible to meet, and as yesterday's strike had been of a "wildcat" nature, the workers had voluntarily broken their employment contract and were consequently dismissed.

The workers walked off the premises early yesterday morning after making certain demands. They refused to return after several requests to do so.

Mr Fourie said the workers had demanded a guarantee from management that none of them would ever be detained and had also demanded that management secure the release of two workers who were detained recently.

"We could obviously not agree to these demands," Mr Fourie said.

He had been advised by his board of directors to dismiss the workers.

It had been decided not to re-hire any of the strikers as it brought the whole question of selective re-employment into play. He would rather employ new people.

He said the decision to dismiss the workers was regrettable, but the meat industry dealt with live produce and delays and stoppages could not be tolerated. He sympathised with the workers who would now be without an income.

Mr Fourie said he had the impression the workers had been "looking for any excuse to strike".

Since the last strike on June 25 — over an altercation between a white and an African employer — the workers had been "undisciplined and provocative", he said.

The workers had appeared yesterday to have been bent on causing as much damage as they could during the strike. They had walked out during the middle of cutting up the carcases, leaving all the fresh meat partly butchered.

He said the workers did not have a union, but after the last strike they had elected a workers' committee. Management had subsequently been dealing with this committee.

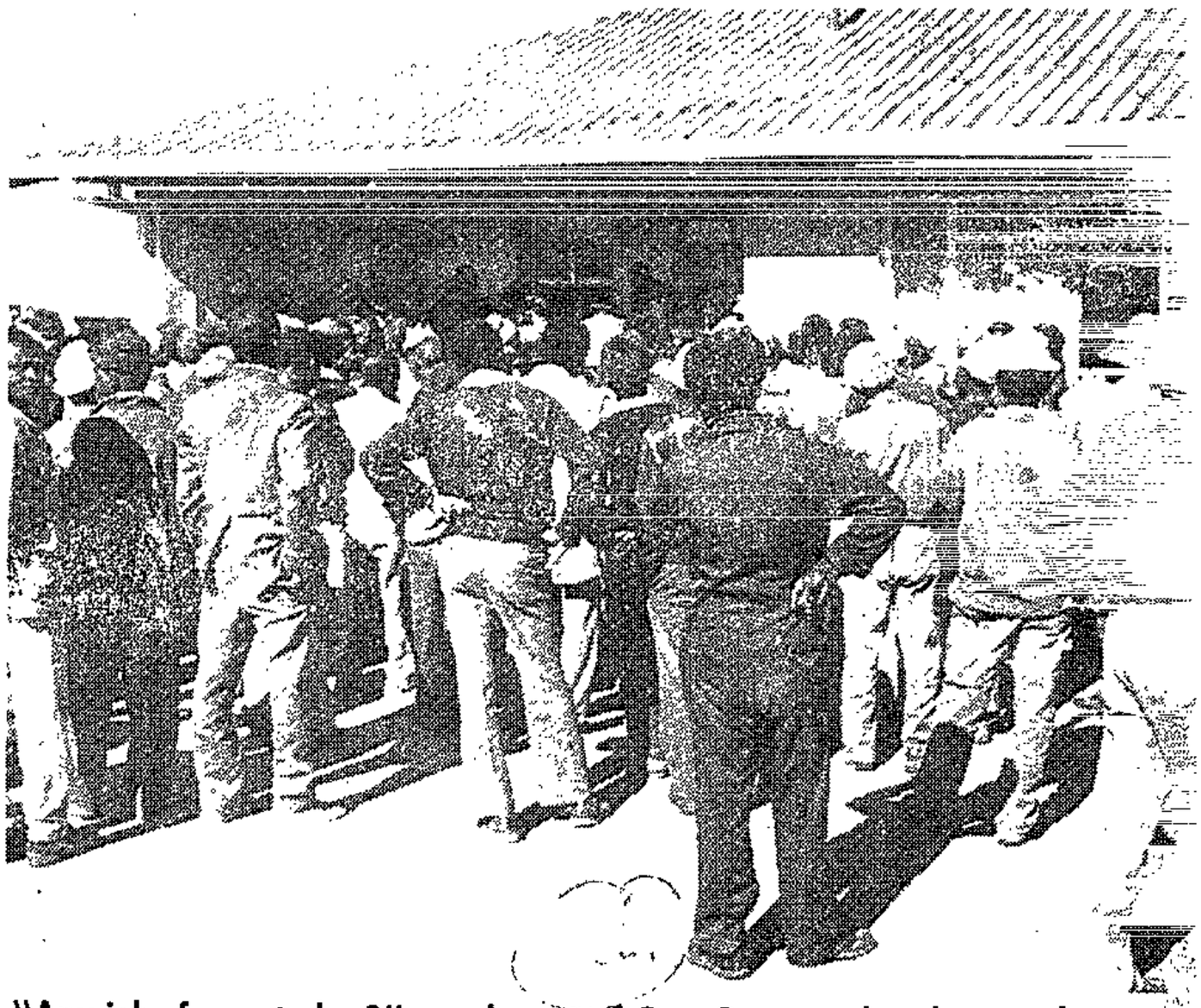
Mr Fourie said PE would not suffer a shortage of meat and supplies would continue as normal.

He said more than 75 slaughtermen had been flown down from Pretoria to help out. They were "keeping the show on the road", and would be here for as long as they were needed.

During the last strike this emergency back-up team from Pretoria were also flown down to normalise services.

Reacting to a report in a morning newspaper that the price of lamb had already risen, Mr Fourie said this price increase was due to a shortage of lamb and mutton countrywide and had nothing to do with yesterday's strike.

Throngs of jobless and paltry pay are life the QwaQwa way . . .



"Any jobs for us today?" . . . dozens of QwaQwa workseekers gather at a inquire about vacancies. They spend hours waiting patiently.

By Sol Makgabutlane

Scorched, hilly ground and throngs of sad, unemployed men and R12 a week for the lucky few that do hold jobs — that is the tapestry of life in the crowded territory of QwaQwa in the Orange Free State.

The tiniest of South Africa's 10 tribal homelands, QwaQwa is located on Lesotho's northern borders, in the foothills of the Drakensberg.

The homeland is bursting with thousands of tribesmen, both young and old, who are crying out for jobs in order to be able to lead a more contented life.

But at a time when there is much talk about the private sector helping to improve the living standards of South Africa's blacks, employers in this homeland are paying labourers as little as R12 a week, with neither trade unions nor minimum wages in sight.

"Perhaps those industrialists believe in the law of demand and supply of the labour workforce," speculated a spokesman in QwaQwa's Department of Interior. "They approach the matter in the spirit of free enterprise."

But workers *The Star* spoke to in QwaQwa's sprawling capital of Phuthaditjhaba last week were not as jocund about the matter. They are trapped. If they do not work, they will starve in this dry and rocky landscape. If they work, they are compelled to accept paltry wage packages.

QwaQwa's Government officials are generally reluctant to comment on the wages being paid in factories in the territory — which numbered 62 at the end of last year — but they confirmed growing dissatisfaction among some senior Government officials.

A spokesman for QwaQwa's Department of Justice, who asked to remain anonymous, observed: "There is concern here. We know of workers who get as little as R10 a week. At the moment there is still preparation for the formation of a council which will stipulate a ruling about wages."

The problem, though, is that officials do not want to push their luck too far, lest they scare off investors, who, along with the homeland's Government, are the biggest employers in QwaQwa.

Workers caught in this trap find little solace in official assurances that the situation is being remedied.

LESS FORTUNATE

The Star spoke to three factory workers in Phuthaditjhaba's industrial area, where about 6 000 of QwaQwa's female population of 102 752 are holding jobs.

● Gladness (not her real name), is a supervisor in a clothes factory. Having joined the concern 11 months ago after passing Standard 9, she ascended rapidly to her present position, where she is in charge of about 20 workers.

"I started at R14 a week," said the 21-year-old woman. "Presently I get R20 a week."

● But her fellow workers are Gertrude (not her real name) of and works in the same factory.

She joined the factory late last starting pay of R12 a week. "R...

Her duties involve putting ... ments that are ready for shi... coupon costs R4,50, she said.

● Stephen (33) of Monontsha, ... a worker in a factory manufac... been there for five weeks, but about quitting. "I can't go on .. for ever."

The lucrative incentive packa... QwaQwa Development Corpora... the 62 000 ha mountain homeland

● No capital outlay for indust... premises are required by the ... supplied by the QDC at a rental ... of the building costs less a 75 p... sion for 10 years.

● A non-taxable cash refund of ... age wages of all personnel inv... turing process, up to a maxim... each month, is paid each year for

● Up to 50 percent of capital re... ed by the QDC, at an interest r... dised, for the first 10 years. The ... required to put in a minimum ... capital.

STAR 25/7/85

Mr Elias Thekiso (left) and Mr Speelman Tshabalala — two of QwaQwa's jobless — with a pleading look in their eyes.

● Housing loans, with 40 percent of the interest rate subsidised, are given to key personnel of the investing company.

● Up to R500 000 of the costs of a company moving to QwaQwa from overseas or from the PWV or Durban/Pinetown areas will be paid by the QDC.

In spite of all these efforts to create jobs, thousands of QwaQwa citizens have registered in labour bureaux as workseekers.

About 9 000 have found employment in the nearby towns of Harrismith and Bettlehem. Hundreds of others assemble daily at a labour office in Phuthaditjhaba, hoping to be recruited as migrant workers in distant cities.

MORE OPPORTUNITIES

"The registration of workseekers at this assembly centre is voluntary and therefore the figure of registered workseekers submitted by this centre cannot be regarded as the official unemployment figure in QwaQwa," pointed out Mr J S Corneelse, manager of the labour bureau run by the Orange-Vaal Development Board in Phuthaditjhaba.

He said since the bureau began operating in July 1984 up to the end of last month, a total of 9 944 people, mostly males, registered as workseekers.

"Over the same period the centre managed to find employment for 4 540," he added.

Out of QwaQwa's population of 181 594, less than half — 78 842 — are males.

"The main object of this centre," said Mr Corneelse, "is to render a service to both the citizens of QwaQwa and employers, local and from South Africa. We further strive to advertise our centre as far as possible in order to secure more employment opportunities for the unemployed in QwaQwa. Over the past 12 months we have received only constructive comments."

When I visited the centre last week, dozens of sad, hungry-looking workseekers gathered at the assembly centre to see if there were jobs for them. They sat in small groups, playing dice games. Many had been going to the centre since it opened last year.

● Mr Mbotsoa Speelman Tshabalala (56) of Thotaneng village is married and has seven children. Neither he nor his wife are employed, although his wife does take on piece jobs regularly.

"I walk four miles every day to this centre," he said.

Four of his elder children go to school — "without books or uniforms as I cannot afford them" — while the last three do not attend school at all as there is just no money.

He said he survived by borrowing food and money from friends, relatives, neighbours, and whoever was "kind enough to take pity on me".

"I do not know when will it end, because I just can't make it anymore."

Clothing firm makes big cuts in city staff

Labour Reporter

THE clothing division of the Kirsh group has cut back heavily in Cape Town closing two branches of Wanda Fashions, dismissing staff and cutting salesmen's commissions.

Angry salesmen from all branches, after being told about the new commission structure at a meeting today, claimed their earnings would be cut by up to 50 percent while their workload would increase.

They also said that about 35 administrative, maintenance and cleaning staff at the two branches which closed yesterday had been dismissed "with a minute's notice and one week's pay".

Bought on terms

The salesmen said their present salary structure was a 17.5 percent commission on collections — money collected weekly for goods bought on terms — and 10 percent on sales over target.

Management was offering 12 percent on collections [illegible] collection targets were achieved and a 5 percent sales bonus for reaching individual sales targets, provided the branch achieved total sales targets.

Sales staff said earnings on the same sales and collections levels would be drastically reduced but they still had to cover their travel expenses out of earnings.

Five remaining branches have been renamed Debonaire.

They said that at a second meeting today Mr Hymie Sibul, chief executive of Wanda, had told them the terms were not negotiable.

Mr Sibul was not available for comment.

CALL Times
26/7/85
335

Atlantis: 2 000 facing eviction

By HILARY VENABLES
Municipal Reporter

EVICTED tenants in Atlantis are defying the Divisional Council by moving their household goods back into their flats and houses as soon as they can.

Tenants who have not paid their rents are being evicted daily, in spite of a council promise that it would stay evictions until September.

Mr Chris Anthony, who was retrenched from a building firm four months ago and has been unable to find work since, said council workers had moved all his possessions out of his flat in Babblers Way yesterday morning.

Can't sleep

Many of the flats in Atlantis have identical keys, and it is only a matter of time before evicted tenants' flats are opened by neighbours.

Mrs Desiree Ghoso, who was also evicted yesterday morning, was back in her flat with her two children and all her possessions yesterday afternoon.

Tenants say they can't sleep at night because they fear the council will return and evict them again.

Some tenants have not been able to regain access to their flats and have spent the cold West Coast nights amongst belongings dumped in courtyards or on pavements.

While scores of people are left without shelter, or crowd into the homes of friends, their former homes stand empty.

All the people interviewed said they had made numerous approaches to the council, the council social worker and government departments to explain their inability to pay their rents — which average R80 a month — and to appeal for relief.

The chairman of the Atlantis Residents' Association, Mr Noel Williams, was warned by the police after helping to carry tenants' belongings back into their homes, and blocking a stairway with furniture to prevent council workers carrying more goods out.

He estimated that about 2 000 people were under threat of eviction following notices sent out by the Divisional Council.

6 months

"The council agreed to give the people six months' grace in which to pay their rents.

"That period expires only in September, so we can't understand why they are evicting people now," he said.

● A telex requesting an explanation for the evictions was sent to the Divisional Council secretary, Mr W R Vivier, yesterday morning. It had not been answered by last night.

OPEN SUNDAYS TOO!

NO JOBS

335

Country hit by unemployment

26/7/85

FOR millions of men there are no jobs in the towns, no jobs on the farms, no jobs in the rural areas and no jobs in the homelands.

According to figures released to the South African Labour Development Research Unit (Saldru) by the Central Bureau of Statistics there are 15-million people in South Africa who are economically active and of that figure, 8,4 percent is unemployed.

This means that there are about 4-million unemployed people in the country — including the national states.

The highest number of unemployed can be found in the Cape Province.

Of the 356 000 economically active people in the Eastern Cape, 12,8 percent are unemployed — the largest number in any region.

The merger of the Eastern Cape-based Ford Motor Company with the Transvaal-based Sigma Motor Corporation led to the closure of the Eastern Cape factories.

Production was moved to the Transvaal and this led to thousands of workers losing their jobs.

Sowetan

During the 1960s, foreign investors began to pour money into the South African economy. But the emphasis was on technology, rather than creating large number of jobs, according to a group of researchers.

It is almost impossible to find accurate statistics on general unemployment in South Africa.

The Department of Manpower recently made available unemployment statistics for May.

According to the Department, there are 50 960 men and women in the country who are presently without jobs.

In the East London and Port Elizabeth areas there are more than 8 000 unemployed people according to the Department — far less than the figure from Saldru.

State statistics define unemployed people as those who have recently lost their jobs and are actively seeking new employment.

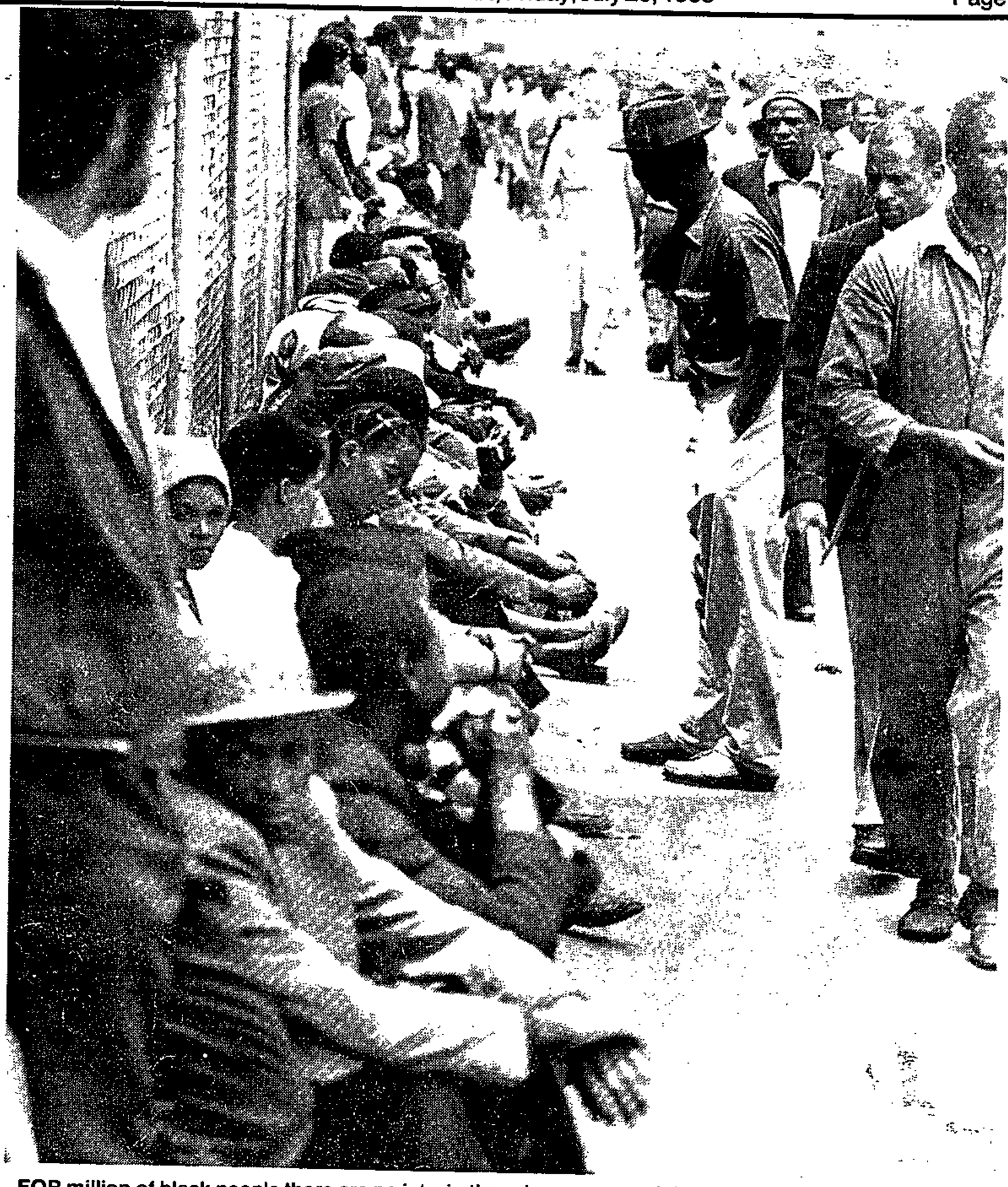
Otherwise "unemployment" refers to people registered at Government labour bureau as work-seekers.

Unemployed people usually shun the labour burea, because they are offered badly paying jobs. Many cannot register, because of one or the other constraint of the influx control laws.

State statistics also have a category called, "not economically active". This hides the fact that thousands of women are under-employed or unemployed.

The following are statistics supplied by the Central Bureau of Statistics:

Province/ Region	Econ Active	Percent Unemployed
Natal	490 000	7,9
Transvaal	396 000	5,6
OFS	81 000	5
National States	104 000	17,3
Eastern Cape	356 000	13,8
Western Cape	154 000	8,2
PWV	189 000	6,8



FOR million of black people there are no jobs in the urban areas, no jobs in the homelands and no jobs in the rural areas. Thousands go to the employment bureaux everyday to "see what the future has in store for them", but the majority don't even bother to register as work-seekers.

Bongweni four 'sho

By RIAAN DE VILLIERS

RESIDENTS of Colesberg's Bongweni township claimed last week that four people killed earlier this month were shot in an ambush set by police who had hidden in a black policeman's house.

They claimed the youths had not attacked the house but were shot in cold blood, without any warning.

They also claimed police had provoked township youths into burning a policeman's car earlier that day by placing a youth on top of a Casspir armoured vehicle, with a sjambok tied around his neck, and repeatedly assaulting him.

The Sapa version of the police situation report for Wednesday, July 3, published in the Cape Times on Friday, July 5, read as follows:

"Three men were shot dead by a policeman who fired on a mob stoning his home (on Wednesday evening). A fourth black man, injured in the incident, died of his wounds in hospital yesterday morning."

Passer-by

Residents alleged that five people — four youths, two of whom were girls, and one adult man — were shot.

They said a group of youths walked around a street corner some 20 metres away from the black policeman's house in which police were hiding and police opened fire on them without warning. They believed the adult man was a passer-by.

They said two youths were shot dead at the scene. A third person died on the way to Bloemfontein hospital. According to a relative, the girl was 15-year-old Funeka Siyonzana of Dimbaza, who was visiting Colesberg.

A fourth person died in hospital and another was admitted with gunshot wounds.

Group of youths

Residents claimed the person who died in hospital was followed by policemen, caught near his home and hit with the butt of a shotgun or rifle.

A woman who said she witnessed the incident that night was standing outside her house when she saw a group of ten to twenty youths walk around the street corner into the street past the policeman's house.

Suddenly, shots rang out and the youths dropped to the ground. More shots were fired and the youths got up and started running away.

The shots were fired from inside the policeman's house, before the youths had drawn level with it.

Casspir 'hiding nearby'

A Casspir armoured vehicle then arrived and lit up the scene. She said she had gained the impression that it had been hiding nearby.

She said the youths had simply walked around the street corner and had "done nothing". No-one knew policemen were in the house and they had opened fire without warning.

Residents pointed out the house where they alleged the police were hiding. There were small holes and one large hole in the windows. Shards of glass were still lying outside on the stoep. There were no stones on the stoep or in the yard.

I walked around three sides of the house, one of which contained the back door. There were no signs of arson.

Residents pointed out the nearby street corner where they alleged the children were hit.

They also pointed out a house on the opposite side of the intersection which had several bullet holes in the facade.

Residents also said police removed a 17-year-old youth from a house about 9 that morning. They placed him on top of a Casspir armoured vehicle with a sjambok around his neck and repeatedly assaulted him while driving around the township.

Cold shower

They claimed this provoked youths into burning the policeman's car in the late afternoon. The shooting took place at another policeman's house about 7.30pm.

It was also claimed that the youth was later taken to the police station where he was assaulted and placed under a cold shower throughout the night while being interrogated. He was not charged and was released the following day.

These allegations were submitted to the police directorate of public relations in Pretoria.

The following reply was received:

Police reply

"At 20h30 on July 2, a group of youths erected makeshift barricades at the entrance to the township.

"Members of the SA Police who attended were stoned. A black member of the force and his family were evacuated from their home as a precautionary measure.

"On July 3, the private motor car of a black member of the police was removed from his yard, overturned and set alight in the street. Guards were posted at his house that night in order to protect his property.

"Early that night, a large group of youths surrounded the house, forced open the back door and threw petrol bombs.

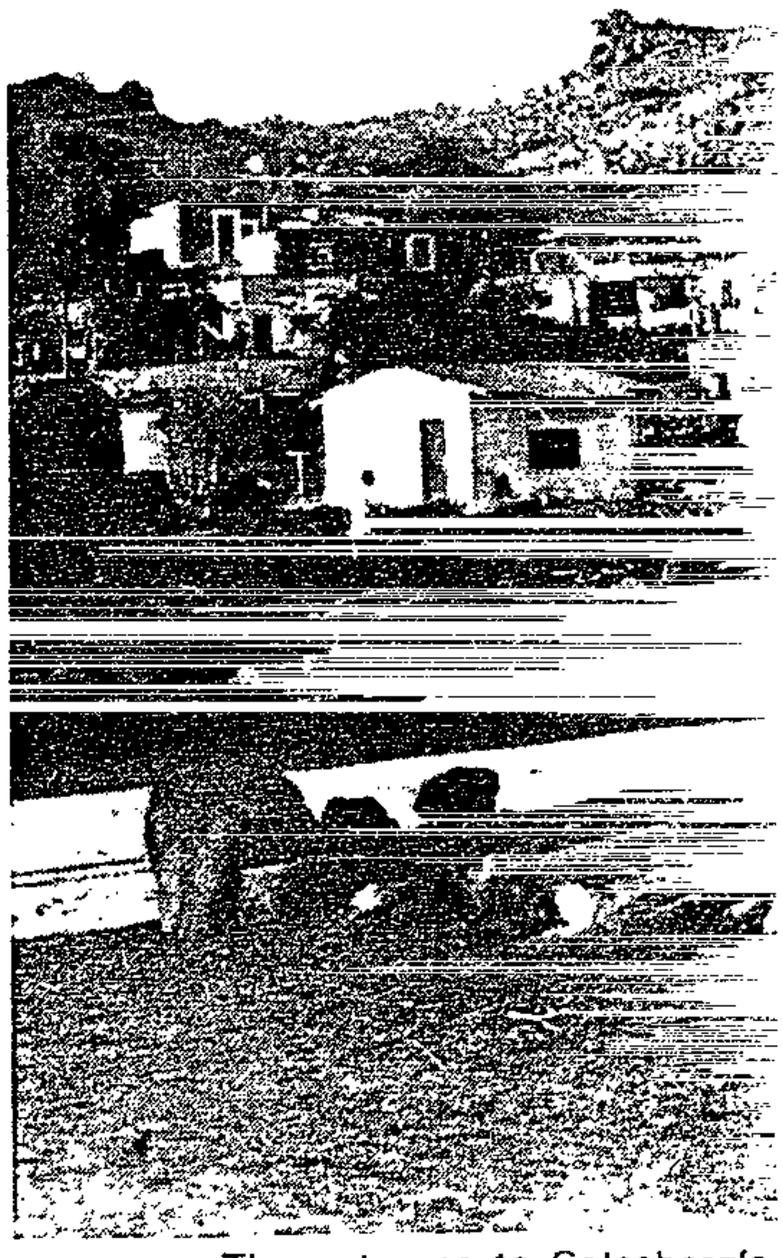
'Mob' returned

"Members on duty fired shots. Three black males, ages 20-22, were fatally wounded on the scene and a fourth later died in Bloemfontein hospital. The usual inquest proceedings will follow.

"On July 4, a mob returned to the house and set furniture alight. On July 4 and 5, police arrested 80 persons for public violence.

"Should any person be of the opinion that there is legal cause for complaint against the SA Police, such a person can file an affidavit at the nearest police station. The allegations will then be investigated."

Bongweni residents claim policemen ... this house when they shot five peo... month. There are holes in the windo... glass were still on the stoep when th... taken last week.



The entrance to Colesberg's

Finance costs affect results

in ambush'

hiding in
earlier this
Shards of
icture was

The scene of the shooting in Colesberg's Bongweni township . . . residents claim five people were shot by police hiding in the house on the right when they walked around the far left corner.

ships . . . over the rise are the homes of 13 000 people.

Half are without work

THE sleepy sheep-farming town of Colesberg has 1 100 white inhabitants. Its "location" appears to be no more than a handful of tumble-down brick shanties at the bottom end of town.

Stretching up a ravine and hidden from sight are three townships housing no less than 13 000 people. Almost half are unemployed.

The townships were the scene of a week of brutal violence early this month.

On Tuesday, July 2, youths barricaded the entrance to one of the townships with car wrecks, burning tyres and toilet buckets. They were dispersed with teargas and rubber bullets.

Several people killed

The next day, youths burnt a black policeman's car. Later that evening, several people were killed in a shooting incident. Two days later, police arrested 79 people — mostly youths — on charges of public violence.

The townships were seething when I visited them last week. At the entrance, the ground was blackened from burning barricades.

Higher up, in the "Old Location" and "New Location", trenches had been dug and boulders rolled into the streets to keep police out.

Groups of youths stood on corners. Some picked up stones and shouted abuse as I passed by.

In the Bongweni township, shocked residents and prominent community figures gave their account of recent events in the township, including the shooting of five people.

Doors kicked in

They said they had stood and watched on Wednesday, July 3, as police hunted children in the hills surrounding the township, firing teargas and birdshot. Police had searched houses and kicked in doors. The township had been blanketed in teargas.

They claimed many youths had fled from the township and were in hiding.

They also claimed wounded people were hiding in the township as they were afraid to go to hospital.

"People are scared of the police all the time. They come every night. We are living in terror," one resident said.

Another said: "It is very bad. In the evenings, everything is in fright. We sleep in fright."

Children were not attending school as they were scared of being arrested.

Certain shops were being boycotted as their owners had "helped the police to shoot the children".

The community leaders accused police of provoking violence. "If they had left the children alone, nothing would have happened," one said.

Average wage R25 a month

Conditions in the township were "very bad". Rents ranged from R20 to R30, while the average wage for domestic work was R25 a month.

They said there was no formal organization operating in the towns. Some time ago youths had gone to the development board office to "ask permission" to form one, the Colesberg Youth Organization.

They had been sent to the magistrate's office. The magistrate had "promised to come to the township, but never came", they said.

● According to a police report, a gathering of about 250 people was dispersed with teargas, birdshot and rubber bullets on Monday this week. Thirteen people, including 11 youths, were arrested

Sacked workers to be rehired

Pretoria Correspondent

Letters of re-employment were handed out to 1 250 workers at five Siemens factories in Pretoria and Isando today — ending a two-week strike.

The joint managing director of Siemens, Mr J Trotskie, confirmed that all workers barring 40 would receive notices of re-employment, and conditions at the plants in Rosslyn, Waltloo, Koedoespoort and Isando are expected to return to normal.

The workers, members of the Metal and Allied Workers' Union, downed tools to back demands for plant-level wage neogitations and a R1/h across-the-board increase. When the parties failed to reach an agreement, Siemens dismissed the strikers.

But after a week of bargaining the parties agreed that workers would return to work at the Industrial Council for the metal industry's wage increase of 14c/h, and the question of plant-level wage negotiations would be discussed after an investigation into collective bargaining practices in the metal industry was finalised.

The union reserved the right to re-open negotiations on pay increases.

An independent arbitrator will be appointed to inquire into charges of intimidation and violence brought by management against 40 workers.

 ARGUS 29/7/85 335

Rent: More evictions expected in Atlantis

Tygerberg Bureau

MORE evictions are expected this week in Atlantis, where authorities say householders have misunderstood the terms of a temporary Government concession to residents unable to pay their rents.

Sixteen householders were put out of their rented homes last week and a community spokesman expects more evictions this week after residents refused to attend a discussion with authorities on the issue at the weekend.

Mr W R Vivier, secretary of the Divisional Council of the Cape, said residents misunderstood the temporary relief promised recently by the Department of Local Government, Housing and Agriculture.

Some householders in Atlantis have claimed the evictions contradicted the Government's promise to give six months' grace to tenants unable to pay rent because of the recession.

Mr Vivier said postponement on payment of rent or interest and redemption applied only to tenants or home-owners who had lost their income or received reduced income because of circumstances beyond their control.

He said the Atlantis residents who had been evicted still had heads of household who were employed or received an income, while arrear rents ranged from R128,93 (for three months) to R681,25 (for five months).

Mr Noel Williams, chairman of the Atlantis Residents' Association, said hundreds of tenants were served with notices last Friday to discuss their arrear rent with officials of the council's rent office on Saturday.

"As a form of protest no one attended," he said. He expected "many more" evictions this week, probably from tomorrow.

Council lashes Atlantis attitude

Staff Reporter

THE attitude of the Atlantis Residents' Association expressed in a report that more evictions were expected in Atlantis, was criticised at a Divisional Council meeting today.

"This council is not in the business of evictions. We are a body which provides housing and evictions are only carried out in extreme situations," said councillor Mr Neil Ross.

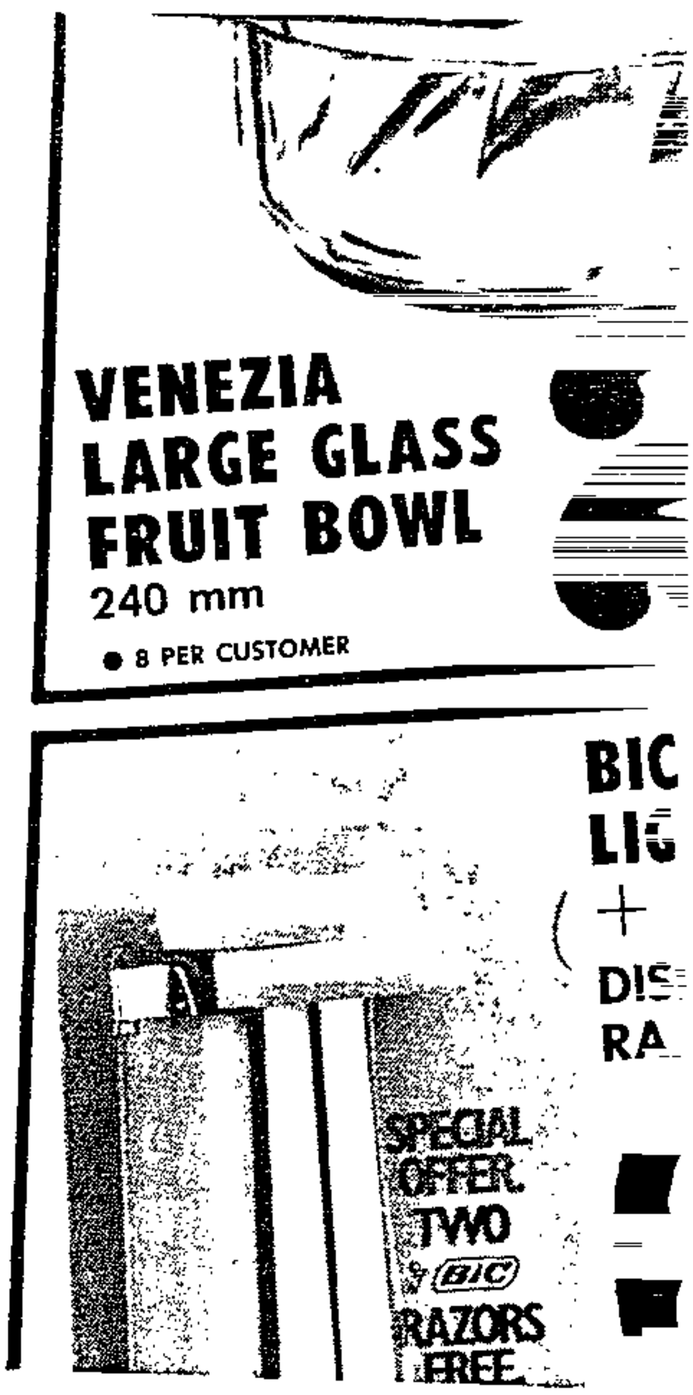
He was reacting to a report that "hundreds of tenants" who were served with notices last Friday to discuss their arrear rentals had not attended a meeting with the council "as a form of protest".

He said he had a severe complaint about the Atlantis Residents' Association, which had advised people not to come to the council.

"When people are in economic distress and come to this council they always get a sympathetic ear. Evictions are a last resort and discussing matters with the rent office is a first line of defence. Ninety-nine times out of a hundred the problem is solved and no evictions occur."

He said the association had acted in "gross dereliction" of its community duty.

"The people being disadvantaged are the very people they are trying to help. They are stopping people coming to the council to seek help to keep roofs over their heads."



THE PRESS

Argus 30/7/85 33c

The death of an old and illustrious friend

THE Argus Company has announced that two of its newspapers are to close — The Friend in Bloemfontein, and the Sowetan Sunday Mirror. The board of directors said in a statement that The Friend had incurred losses for many years, and the outlook for the current year was such that losses would have escalated to an unsupportable level. More than 80 people on The Friend would become redundant. As many as possible would be transferred to other branches and others would be given severance pay benefits. The Sowetan Sunday Mirror began publishing just over a year ago. All staff affected will be offered a transfer to the daily newspaper, the Sowetan. The last issue of The Friend will be published tomorrow. The issue of the Sowetan Sunday Mirror which appeared on July 28 was the last.

RENE DE VILLIERS, editor of The Friend from 1949 to 1957, pays tribute to it.

LORD BRYCE, writing in the last quarter of the 19th century after a visit to South Africa, called the Orange Free State the model republic. It was model in the sense that it stood for what was best in the little republic that had its being between the Orange and the Vaal rivers.

Its standard-bearer was The Friend, a model of journalistic fair-dealing, integrity, sanity and tolerance in which Afrikaans and English-speaking Free Staters lived and worked together as true South Africans.

And now The Friend is dead. Its death is a tragedy — a tragedy for the newspaper industry which it adorned for generations on end, a tragedy for the broadly-based South Africanism for which The Friend stood in rain and shine.

Nobody can think of The Friend without thinking of the man who guided its destinies for 31 years and gave it a reputation which lives to this day, Thomas William Mackenzie. "The Manchester Guardian of South Africa" they called it, not without reason.

Jan Smuts and Barry Hertzog were the confidants of Mackenzie, whom they trusted implicitly and whose advice they often followed. Hertzog offered Mackenzie a senatorship as a mark of his admiration and gratitude for what he had done to advance the cause of genuine South Africanism.

But Mackenzie, the professional journalist of total integrity, turned down the offer because he feared that his independence as an editor would be jeopardised if he accepted the offer. And for Mackenzie independence and freedom of the Press meant everything.

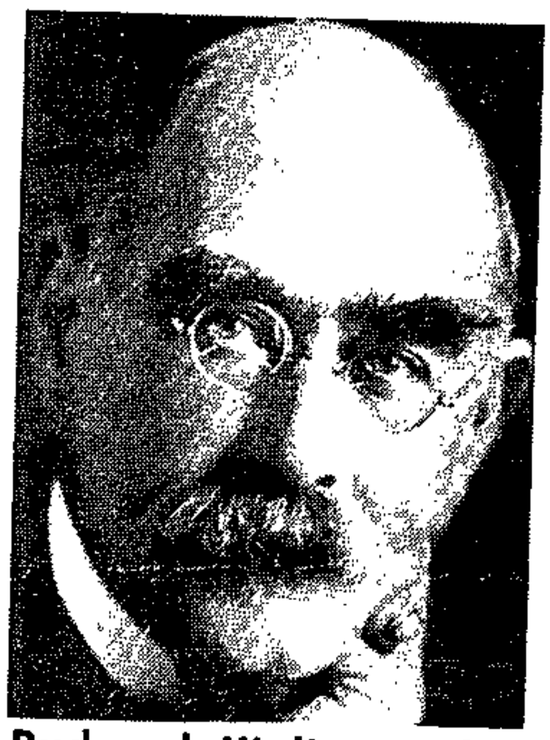
The Friend took instructions from nobody; its editor decided what its stance on issues of the day would be. And for Mackenzie the criterion was the public weal which meant all the people of South Africa, non-white as well as white. That is why, incidentally, Mackenzie was one of the founding fathers of the South African Institute of Race Relations in 1929. His sense of fair play encompassed people of colour, and he was among the earliest advocates of a minimum wage for Africans. And Bloemfontein, moreover, was the first town in South Africa to have leasehold tenure in its African townships.

It was this sturdy independence that determined The Friend's attitude in the South African War, in the Rebellion of 1914, in the halcyon days of fusion in the early 30's, and in World War 2 when English and Afrikaans-speaking Free Staters fought side by side for South Africa, to mention but a few of the great public issues of the last 80 or so years.

Now that voice has been stilled, and for the first time in 135 years the Free State will be without its Friend.

It is ineffably sad that it was not possible to find ways and means of keeping the paper going in spite of the social, political and economic climate in which it was forced to operate for so many years.

Fortunately The Friend produced a generation or more of journalists who adorned the profession and some of whom, fortunately, were and are left to carry on the great free Press tradition which The Friend and TWM handed down — men like George Heard (father of the present editor of the Cape Times), Danie Hamman, David Brechin, Mac Pollock,



Rudyard Kipling, who edited The Friend for some weeks while British forces occupied Bloemfontein during the South African War.

Wally Mackenzie (son of TWM), Ronnie Gill, Ian Barr, Mike Lloyd, Bill Blewett, W S Robertson and Alex Hammond.

The challenge is now in other hands. We wish them well.

DICK USHER, until recently Assistant Editor of The Friend, comments on its demise

THE death of a newspaper is always a sad event, traumatic for those intimately involved and a loss to the community generally.

This is especially true for a small newspaper such as The Friend in a small community such as Bloemfontein.

For 135 years The Friend had been part of the life of this community; when people died or were born or got married it was in The Friend, often as a news article rather than as a small item in the classifieds because the community was compact enough for many people to be familiar to a wide circle.

It was also a small English voice in a community that had become predominantly Afrikaans over the years, read by many Afrikaans speakers simply because it *was* an alternative voice to the dominant Afrikaans afternoon paper.

Also read with affection because it *was* part of the community and knowing what went on in the community was important.

Also because people were proud to have such a long-established newspaper as part of their tradition.

In its latter days, some said, because we were smaller we tried harder. People came to us with news they knew would not find a welcome reception elsewhere because it concerned authority, and the other newspaper was too connected with authority. The Friend didn't really like authority.

Towards the end of the year there was The Friend Christmas Fund raising money for various local charities. Last year we raised a record sum, as we had the previous year. There was an evening of jazz, a wine-tasting — events in which the community was happy to become involved, to give of their time and resources as well as their money.

But, in a sense, the death of The Friend was inevitable once it had lost the financial base of the magazine section that later formed the basis of the Republican Press empire.

People still used to look out of the back windows of The Friend building and look down the block and tell you: "Once upon a time, my son, all that was ours."

That was when Friend Newspapers Limited supported a voice that was heeded beyond the small community its newspaper served, when the company was one of the largest employers in the Free State.

In its life it often served as a "nursery" for some of the great names of South African journalism, it lived through stirring times and had associations with illustrious names.

And now it is dead

LETTERS TO THE EDITOR PO Box 11, CAPE TOWN 8000

Clothing industry employers agonized over retrenchments

Cape Times 30/7/84 335

From C E McCARTHY, Secretary, Cape Clothing Manufacturers' Association (Cape Town):

CLOTHING manufacturers who recently have had to retrench workers, and this association, representing employers in the clothing industry in general, have read with a sense of disappointment your editorial of July 16 on the clothing industry and its implied criticism to the effect that the trade unions of the workers may not be adequately consulted in retrenchment procedures and that such retrenchments may be undertaken by employers in a manner uncaring as to the social implications for the workers.

Nothing is further from the truth on both counts.

In an industry as large as the clothing industry is in the Western Cape, employing over 50 000 workers in more than 300 factories, obviously, the odd case will be found which can be criticized. To apply the shortcomings of one or two to the industry as a whole, based on the word of one person who is the spokesman for an organization whose credibility as a trade union has not been proven in the industry, can be considered as a comment that falls somewhere in the range between uncaring to mischievous, depending on the informed reader's degree of charity.

Retrenchments in the clothing industry are new phenomena and virtually all of the employers who have faced this decision have agonized and, indeed, sweated blood, in making their decisions as to who will go and who will stay. Bear in mind the retrenchments have not affected factory-floor workers only, senior technicians and executives have been axed as well.

Please be assured, clothing manufacturers as employers do work to criteria in deciding on retrenchments, they do consult with the union and they do try to take other action in cutting costs before resorting to retrenchment.

Clothing manufacturers, in the main, have not consulted with the Clothing Workers' Union before instituting retrenchments and maybe that rankles with that so-called union's spokesman, whom you quoted and who appears to be the only visible piece of that organization. Maybe CLOWU wish to emulate the iceberg and give the impression that like the iceberg only a small portion is visible above the surface and the vast and looming bulk is out of sight, but not to be taken lightly or ignored.

For CLOWU to be treated as a trade union by employers and not as a labour front for a political party with radical views, it must be prepared to stand up and be counted and it is just in that department where CLOWU have not been forthcoming — they do not appear to want to be counted. Up to now CLOWU have not exhibited any desire to negotiate with this association or employers in general other than after a situation has happened, out of which they consider they can make capital to show that they are "the champions of the downtrodden masses".

In our opinion trade unions and employer organizations exist, on the labour relations plain, in order to take prior action to develop the climate in which subsequent action at plant or individual level can be taken with the least disruption to both employers and employees and their social obligations.

Unless CLOWU act like a trade union and indicate their willingness to justify their existence, before situations occur, they cannot expect to be treated like a trade union and their comments, such as taken up by you, can only be read as a comment intended to inflame passions. Their tactics are predictable, when aimed at the uninitiated and the uninformed, but are not expected to be supported, without any apparent attempt to check on their validity or justification, by a person whom in the community at large is considered to be a responsible commentator.

[Our correspondent appears not to have read our editorial properly. Far from making a judgment in the matter, it merely drew attention to conflicting views on retrenchment procedure, CLOWU's and the employers', and called for clarity and reassurance on a matter of importance to thousands in this community. — Editor, Cape Times]

Union duty to represent views of the workers

CAPE Times 30/7/85 335

From ZUBEIDA JAFFER, General Secretary, Clothing Workers Union (Cape Town):

I WISH to reply to the comment of Mr Cedric Petersen, secretary of the Garment Workers Union, in the Cape Times of July 20.

He objects to our union's criticism of the lack of retrenchment procedures presently in the clothing industry.

We have ample evidence to prove that no accepted procedures exist. It is indeed horrifying to note that he claims to represent the views of 53 000 clothing workers and in the same breath goes on to explain how all employers cannot be expected to adopt the same procedures.

If Mr Petersen knows anything about trade unionism, then he would know that his responsibility is to express the views of the workers and not the employers. He accepts one rand a week from every clothing worker in Cape Town because he enjoys the luxury of a closed-shop agreement. Yet he uses his energy to put the view of the employer and not the worker.

He explains that no employer has retrenched workers under pressure. Whom do you speak for Mr Petersen? What about the pressure on the workers?

Mr Petersen's unrepresentivity is unquestionable in our view.

It is sad to note that despite evidence to support such a view, employers choose to carry on a relationship with a union that inadequately represents the feelings of their workers.

This is in spite of the present critical situation that the country is in.

It is indeed disheartening that a big company like Rex Trueform will hide behind Mr Petersen at a time when they should be seeking proper discussion with their work force.

To any clear-thinking person it will be evident that the union has a record of co-operation with employers at the expense of the workers.

Our union believes in the regulation of relations between employers and workers to the satisfaction of both.

SASJ shocked at Cape lay offs

The Southern African Society of Journalists has reacted with shock to the announcement by the Argus company that journalists are to be retrenched on *The Cape Herald*, hot on the heels of its announcment on Monday that it is to shut down *The Friend* in Bloemfontein and the *Sowetan Sunday Mirror* in Johannesburg.

The president of the society, Mr David Allen, said in a statement in Johannesburg yesterday:

"It is with a sense of grim foreboding that journalists observe the way the newspaper industry is being managed.

"It is now impossible for many to draw any but the most pessimistic conclusions from these actions which come so soon after the closures of the *Rand Daily Mail* and the *Sunday Express* and the recent widespread retrenchments.

"Nothing is safe it seems, no job, no newspaper.

"What does the future hold, we ask, for newspapers already expressing fears about their prospects such as the *Cape Times* and the *Evening Post*, and for such new publications as *Business Day* and *The Sunday Star* which have not yet had time to consolidate their real economic base?" — Sapa.

Argus to retrench at Cape Herald

335

31/7/85 Star

The Argus Group is to retrench staff at the *Cape Herald* which serves the coloured community, a company spokesman confirmed in Johannesburg yesterday.

Mr Peter McLean, managing director of the newspaper division of the Argus Company, said: "We intend to retrench a number of staffers at the *Cape Herald*."

No statement had yet been issued and the matter was being dealt with at "a local level".

The news follows Monday's Argus announcement of the shutting down of *The Friend* in Bloemfontein from today and the closure of the *Sowetan Sunday Mirror*. Its last issue appeared at the weekend.

STAFF CALL

Members of the *Herald* staff yesterday called for the resignation of the editor, Mr Ted Doman, after the announcement that the Argus Company intended to retrench staff.

Management was, however, holding discussions with the relevant unions "preparatory to retrenching staff," said the general manager of *The Argus* newspaper, Mr Fred Collings.

Mr Aneez Salie, Western Cape chairman of Mwasa and a member of the *Cape Herald* staff, said Argus management had called in union representatives from Mwasa and the SASJ yesterday morning.

"They informed us that the *Cape Herald* was doing badly, that they had tried cost-cutting measures but these had not succeeded. Hence the retrenchments.

"They said they were thinking in the region of a cut of 25 percent," said Mr Salie. "There are 37 people on the staff; so this would mean that nine or 10 people would have to go."

● The managing editor of *The Friend*, Mr Mervyn Fiford, said yesterday that all heads of department were formally advised by him on Monday morning that a decision had been taken by the board of directors to close *The Friend* and that a formal announcement would be made to all staff by the managing director, Mr P W McLean, at 4 pm. They were asked to keep this information confidential until then.

"Mr McLean broke the news to staff sympathetically and gave a full explanation for the reasons behind the decision."

Staff to be axed from Cape newspaper

JOHANNESBURG—The Argus company will retrench staff at the Cape Herald newspaper which serves the coloured community in Cape Town.

Mr Peter McLean, general manager of the Argus company, said yesterday: 'We intend to retrench a number of staffers at the Cape Herald.'

The news follows Monday's Argus announcement of the shutting down of the Friend in Bloemfontein from the end of this month and this week's closure of the Sowetan Sunday Mirror.

The Southern African Society of Journalists has reacted with shock.

The society's president, Mr David Allen, said in a statement here yesterday:

'It is with a sense of grim foreboding that journalists throughout the country observe the way the newspaper industry is being managed.

Pessimistic

'It is now impossible for many to draw any but the most pessimistic conclusions from these actions which come so soon after the closures of the Rand Daily Mail and the Sunday Express and the recent widespread retrenchments.

'Nothing is safe, it seems — no job, no newspaper. What does the future hold, we ask, for newspapers already expressing fears about their prospects such as the Cape Times and the Evening Post, and for such new publications as Business Day and the Sunday Star which have not yet had time to consolidate their real economic base?

'Neither the society nor the public appear able to depend on management assurances about the secure continuance of publications. They have a habit of being overturned.' — (Sapa)

Free transport for Border job-relief

PRIVATE employers have offered free transport and supervision to ensure that the government's R5 million job-relief fund for the Eastern Cape and Border is spent on wages, where it is needed most.

The jobs-creating project was established to offset severe unemployment in the region.

Members of the Chamber of Commerce in Port Alfred have offered transport and supervisory staff, said Mr Fred Polacsek, regional co-ordinator at the Department of Manpower and a member of the Action Committee for Job Creation.

Materials

He said he was confident other employers would assist in Uitenhage and Port Elizabeth.

Municipalities have been invited to propose labour-intensive projects to be financed from the R5-million fund, provided that labour accounts for at least half the cost.

By offering transport, supervision, and possibly materials, companies could ensure that most of the R5 million goes to wages, Mr Polacsek said.

Projects put up so far could account for about R3 million, and one municipality has had its application approved — Uitenhage had sought R590 000 and was awarded about R550 000.

Inadequate

Port Elizabeth City Council's request for R146 119 was returned as "inadequate" last week, and Mr Polacsek said he expected "something to the tune of R1 million" to be sought by a city with such a serious unemployment problem.

Mr Polacsek met municipal officials on Friday and said afterwards he expected a new application from the city council before the end of the week.

Cape Times
30/7/85
335

Calls for Herald editor to resign

MEMBERS of the Cape Herald staff yesterday called for the resignation of the editor, Mr Ted Doman, after an announcement by the Argus company that it intended to retrench staff on the newspaper.

The Argus Cape Town general manager, Mr Fred Collings, told Sapa the call "has not been formally made to me", and said he was unable to comment on it.

Management was, however, holding discussion with the relevant unions "preparatory to retrenching staff on the Cape Herald", he added.

Mr Aneez Salie, Western Cape chairman of the Media Workers' Association of South Africa (MWASA) and a member of the Herald staff, said Argus management had called in union representatives from MWASA and the Southern African Society of Journalists yesterday.

Staffers

"They said they were thinking in the region of a cut of 25 percent," said Mr Salie. "There are 37 people on the staff, so this would mean that nine or 10 people would have to go."

After this meeting, the staffers had formed an ad hoc staff association, of which he was elected chairman, in which capacity he was now speaking.

"Over the last couple of years we have had a number of representations to the editor in which we expressed our concern at the fact that the paper was being allowed to go to the dogs."

He said the staff association had resolved that any retrenchments "should start with the editor".

Mr Collings, he said, had told them he would convey this demand to Argus head office, and that they could expect an answer today. There had been "talk about industrial action", but that this would depend on today's response.

● The SASJ has reacted with shock to the announcement by the Argus company, hot on the heels of its announcement on Monday that it is to shut down The Friend in Bloemfontein and the Sowetan Sunday Mirror.

'Foreboding'

The president of the society, Mr David Allen, said in a statement in Johannesburg yesterday: "It is with a sense of grim foreboding that journalists throughout the country observe the way the newspaper industry is being managed.

"It is now impossible for many to draw any but the most pessimistic conclusions from these actions which come so soon after the closures of the Daily Mail and the Sunday Express and the recent widespread retrenchments." — Sapa

Herald cutbacks. Talks today

Staff Reporter

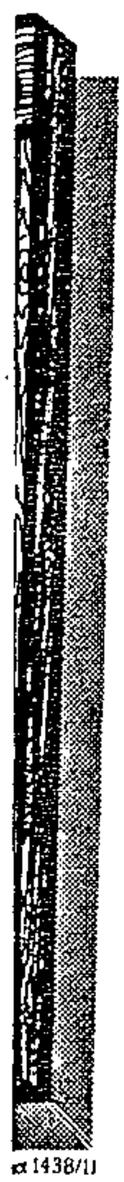
ARGUS management and representatives of Cape Herald editorial staff were holding discussions early today after a company announcement that a quarter of the staff of the Cape Town-based newspaper would be retrenched.

Cape Herald staff members, some of whom belong to the Media Workers' Association and some to the Southern African Society of Journalists (SASJ), have formed an ad hoc staff committee.

Argus general manager Mr Fred Collings said today he was discussing criteria for retrenchment with staff representatives.

Cape Herald staffers have called on the newspaper's editor, Mr Ted Doman, to resign.

Commenting on the announcement, SASJ president Mr David Allen said the proposed retrenchments at the Herald, combined with the closure of The Friend in Bloemfontein and the Sowetan Sunday Mirror, indicated that "nothing is safe — no job, no newspaper".



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Families to get trickle of water

Staff Reporter

FORTY-TWO Atlantis families whose water supply was disconnected when they failed to pay their water accounts, will receive water on a trickle system.

Mr Neil Ross told a Divisional Council of the Cape meeting yesterday that of 269 problem water accounts in Atlantis at the last due date, 56 had not been disconnected, and only 42 consumers were still disconnected.

"Disconnections have not been done regardless of health hazards," said Mr Ross.

The council had looked at the health aspects and found that the families affected had made other arrangements for water supply and there was no hazard, he said.

"The families have been hit by the general economic downturn and as a result have been unable to meet water payments.

"They are suffering the inconvenience and if we could implement the trickle system it would be a step in the right direction."

The system, which uses a ring to reduce the aperture of the water outlet, was approved as an experiment because the high calcium content of the water in Atlantis might cause deposits to form and block the system.

Nature jobs — but no pay

Staff Reporter

NATURE conservation students at the Cape Technikon may work in Divisional Council nature reserves during their final practical year.

Students will be able to sign a contract with the council for work in the Cape Point or Rondevlei reserves without pay.

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Transport unions consider strike

CLAIRE PICKARD-CAMBRIDGE

THREE transport unions, affiliated to the Trade Union Council of SA, are considering a strike over wages and hours in a move that could affect 18 000 drivers and general workers in the Transvaal.

This follows their rejection of a new offer from employers and marks the first time strike action is being considered after an industrial council deadlock in the transport industry.

The offer by the Motor Transport Owners' Association (MTOA) last week included reducing the 48-hour working week to 46 hours, a union demand to align hours with the Basic Conditions of Employment Act, but employers simultaneously lowered their offered minimum increase from 9% and 11% to 6% and 8% for drivers and general workers respectively.

Emily Fourie, organiser of the mainly-black Transport Workers' Union of SA, said the SA Transport Workers' Union, with its coloured and Indian members, and the white Motor Transport Workers' Union of SA believed the offer was "hopelessly below the rate of inflation".

Workers had mandated the unions to return to their original demand of a 30% minimum increase coupled with a 46-hour week. Members would meet on September 1 to make a final decision on strike action, she said.

"The agreement covering the industry expires at the end of August and the ironic thing is that the Basic Conditions of Employment Act, which lay down a 46-hour week, would then apply."

She said the unions had decided against strike balloting because it was "time-consuming" and consequences were the same whether the strike was legal or illegal.

An MTOA spokesman stressed that employers' policy was that of negotiation and "mediation if necessary". He said they wished to abide by industrial council procedure and believed a strike would be detrimental in the long run.

He warned that some lay offs had already taken place and said there had not been increased productivity among workers demanding reduced working hours.

Fourie said present wages represented a minimum of R101 a week for drivers and R54 a week for general workers.

Retrenchment rumours rife at the SABC

By Andrew Walker

The SABC is being plagued by rumours that the corporation is to retrench staff.

Despite official denials that retrenchment will be used to cut the SABC's 7 000-strong workforce, some employees are afraid they may lose their jobs.

As part of cost-cutting measures the SABC is undergoing a major rationalisation of television and radio services.

Asked to comment on retrenchment rumours, an SABC spokesman said today they were "far from the truth. Staff will be cut hand-in-hand with staff turnover, which is about 14 percent a year."

With vacant posts not being filled, this could lead to a staff cut of 980 by the end of this year without retrenchment.

"No employee will be asked to leave the service of the SABC," he said.

Those whose posts were abolished as a result of rationalisation would be transferred to other departments.

However, if a staffer was over the age of 55 and his post was abolished, he "will be offered early retirement," said the spokesman.

But some employees are still worried.

One said she had resigned after hearing rumours of a 15 percent cut of radio employees.

Another SABC staffer told *The Star* of rumours that a list of employees was being prepared, with every employee either marked for no change; transfer to another department as part of the rationalisation process; or retrenchment.

Insiders told *The Star* that, as a result of the rationalisation process, some employees may be transferred to departments far removed from their present jobs.

"They would not be retrenched, but would be put into jobs very different from those they now perform. They would have six months to adapt," he said.

Other employees said they did not expect retrenchments, but understood staffers had been appointed in many departments to find ways of "streamlining" operations.

Unemployment trend causing grave concern within NMC

By Sheryl Raine

Unemployment in South Africa has an important structural component which is not influenced to any marked degree by the business cycle, and this is causing great concern within the National Manpower Commission (NMC).

The NMC today released its report for 1984, in which it addressed a comprehensive range of labour issues including unemployment, training, black housing, labour relations and social security.

CONSERVATIVE

The commission observed that a mini-boom, which occurred at the beginning of 1984, fizzled out towards the end of the year, sharply increasing the number of unemployed.

According to official statistics — which are generally believed to be a conservative estimate of unemployment — the number of unemployed blacks rose from 458 000 in September 1983 to 506 000 in September 1984, an increase of 10,5 percent.

On a regional basis, the most serious unemployment was experienced in Natal, KwaZulu, the Eastern Cape and parts of the Free State. The NMC has already conducted reasearch on job-creation strategies and the Government has implemented a R100 million project for short-term employment creation.

The NMC noted that certain imbalances in the supply and demand for skilled, semi-skilled and unskilled workers persisted.

These imbalances related to the shortage of skilled workers, coupled with an oversupply of unskilled workers, the continuing increase in the capital-intensiveness of the production structure in the country, restrictions affecting occupational mobility of workers, which inhibited the free working of the labour market, and wage and salary demands, which generally did not correspond to increased productivity.

Despite increasing unemployment, there were still several occupation categories in which there were skills shortages. These categories included artisans and apprentices, in which there was a 3,9 percent vacancy rate, and technicians — between 15 and 20 percent.

As regards trade unions, the NMC noted that there was a further increase in the membership of registered organisations. At the end of last year, registered unions had 1,4 million members, compared with 1,2 million in 1983 and 808 000 in 1980.

At the end of 1984, 42 percent of the members of registered unions were black, compared with 32 percent in 1983 and 7 percent in 1980.

The estimated paid-up membership of the country's more than 50 unregistered trade unions was 230 000 in 1984, compared with about 150 000 in 1983.

Progress in the field of education and training gave cause for optimism, the NMC said, particularly if current trends could be maintained.

The number of black pupils in ordinary primary and secondary schools rose by 4,3 percent, or 164 000 in 1984. Most encouraging was the number of black student teachers, which increased by 18,4 percent last year. Training of blacks at technical institutions also increased by about 18 percent.

As far as earnings were concerned, the NMC found that the average monthly earnings of workers in the non-agricultural sectors increased by 16,5 percent during 1984, but the con sumer price index rose by about 11,7 percent — bringing the increase in average real earnings down to about 4,4 percent for all population groups.

Broken down into the various population groups, the NMC found that real earnings among blacks increased the most — by 6,2 percent — compared with an increase of 3,3 percent among whites.

PRODUCTIVITY

The NMC was disturbed that these increases in earnings were not accompanied by increased productivity. In general, this had declined slightly, due to the economic recession.

There were several areas which the NMC said could be regarded with optimism including:

- The display of increased maturity among newer trade unions, which had displayed a greater willingness to use the statutory dispute-settlement machinery.
- A greater degree of order and consolidation of membership among newer trade unions.

Jobless: Call on companies

Chief Reporter

PRIVATE companies in all fields in the Western Cape are being called on to take part in a major government-sponsored scheme to provide training for unemployed people.

Contracts have already been signed with firms for the training, at government expense, of about 10 000 jobless people in the area, and it is hoped to boost this figure appreciably in the next few months.

Against the background of a down-turn in the economy and increasing unemployment, the government decided recently to allocate R100-million for job creation and training, and R20-million of this has been made immediately available for the training of the unemployed.

The scheme, in which the costs to private companies of training workless people are paid by the Department of Manpower, started in mid-June and will continue until March next year, by which time it is hoped that up to 85 000 people will have been given training in a wide variety of skills.

Mr W H de Swardt, the department's senior training adviser in the Western Cape, and Mr W H Sceales, former rector of the Cape Technikon and now regional training-project leader, emphasized yesterday that the scheme had no racial or other restrictions.

Mr Sceales said: "We aim to get as many firms as possible, in rural as well as urban areas, to avail themselves of this scheme, and we hope those companies with existing training facilities will expand them to provide training for as many unemployed people as they can possibly handle."

'Morale'

He added: "The main benefits of this scheme are that the country will have a substantial reservoir of trained or retrained labour to draw from when the economy improves — and that the motivation provided by such a scheme will also act as a morale booster for those under training."

The requirements with which unemployed people must comply, to be considered for training in the State-sponsored scheme, are:

- Their employability must be increased by the training.
- They must be trainable and able to benefit from the training.
- They must be motivated and willing to learn.

Further details of the training scheme are obtainable from Mr De Swardt (Department of Manpower, PO Box 872, Cape Town 8000, or ☎ 45-7110) or from Mr Sceales, ☎ 46-7340 (office hours) or ☎ 23-1946 (after hours).

335

PE applies for R2m in relief

By BESSIE BOUWER
Municipal Reporter

PORT ELIZABETH has applied for more than R2 million from the Government's R5-million fund created to finance relief work in the Eastern Cape.

Twelve projects are proposed in the application handed to Mr Fred Polacsek, regional co-ordinator for the Department of Manpower.

Mr P K Botha, PE's Town Clerk, told the Evening Post today the total amount of labour created added up to 286 000 man days. Wages accounted for 64,75% of the total costs.

The cost of the 12 projects amounted to R1 911 760, of which R286 000 has been listed for transport.

Mr Botha said the amount needed for transport could still be lower than R286 000, but this could not be determined before the recruitment stage.

An amount of R146 119, which was referred back to the city by the action committee earlier as the labour component in the projects was not high enough, was also re-submitted to Mr Polacsek.

The city's total requirement was R2 057 879, said Mr Botha.

He added that the City Council would be requested to make funds available for the costs which municipal departments would incur and which would lead to over-expenditure on this year's budget.

Projects envisaged for the short-term strategy scheme include bush clearing for new townships in Summerstrand, Northern Areas, Brickfields and Markman (R272 920), development of open spaces (R74 720), eradication of exotic bush in Baakens Valley (R75 920), clearing bush on council land (R86 920), clearing and landscaping of verges along main roads (R75 120) and development of recreation areas (R75 120).

Other suggested projects are clearing of litter (R83 920), construction and maintenance of roads and services in the Markman industrial township (R85 920), cutting fire breaks (R272 920), clearing sand dunes on Churchill pipeline (R247 920), Strandfontein Road earthworks (R67 520) and the Missionvale stormwater drain (R206 840).

Rural towns in the Eastern Cape are drawing up their applications for grants under the job creation scheme.

The Town Clerk of Queenstown, Mr Peter Gerber, said they had already submitted their application to the action committee.

He said in their application about 90% of work proposed would take place in the black township of Mlungisi, with some being done in the coloured area and on the approaches to the town. Very little work would be done in white areas.

The application is in the region of R500 000, but has to be approved by the Deparment of Manpower before work can begin.

In Grahamstown, the Town Council was due to wrap up its application at a meeting today after discussions last night, a municipal spokesman said.

In Humansdorp, the Town Clerk, Mr James Lessing, said they expected to complete and submit their application next week.

335 E Post 02.08.85

More PE white women jobless

By CATHY SCHNELL

THERE are now 1 207 white professional and clerical women registered as jobless in Port Elizabeth, according to statistics released by the Department of Manpower.

This figure is nearly the same as the total number of white women in all job categories who registered as unemployed in May.

The number of white women now jobless in PE is about 33% higher than during July last year.

Official unemployment figures for last month once again showed a steep rise in the number of whites now without work and a decline in the number of blacks registered as jobless.

In some occupational groups there are now more whites registered as unemployed than any other race group.

The number of registered unemployed white men in the motor industry last month was more than three times the number of African, coloured and Asian men in the industry who registered as jobless — 77 white men compared with 12 coloureds, one Asian and 11 Africans.

There were 449 registered unemployed professional and clerical white men — compared with 175 coloured men, 20 Asians and 341 African men.

A similar feature was shown in general engineering, with 178 white men registered as jobless compared with 45 coloured men, four Asian men and 22 African men.

For the first time ever, last month showed there were nearly as many registered unemployed white operators and semi-skilled workers as Africans — 438 white men compared with 478 African men.

Last month also indicated that the hairdressing trade had been forced to retrench. Eight white women, one coloured women and one white male registered as jobless.

The unemployment grants paid out to people in Port Elizabeth have virtually doubled this year — from R1,2 million on average a month last year to more than R2 million a month this year.

A labour expert said the dramatic increase in the number of grants given this year can be largely attributed to the increase in the number of white and coloured men reporting as unemployed.

However, any statistical figure on unemployment is hopelessly understated. It is widely accepted that only a small percentage of the actual number of jobless people in PE register as unemployed.

A Port Elizabeth labour specialist said this was especially so in the cases of unemployed African urban workers who became victims of influx control laws.

These people feared that once they reported to unemployment offices they would be forced to return to the homelands after a certain period of time if they had not found another job.

Officially they have only 72 hours to get back to the homelands if they have lost their jobs.

He said many jobless people simply gave up hope of ever finding work and did not even bother reporting to unemployment agencies.

137 facing retrenchment at sugar mill

Mercury Reporter

MORE than 130 people are to lose their jobs at the Sezela sugar mill on the Natal South Coast next month.

The workers, most of them Indian and black, have not been consulted but have learned that the company, C G Smith Sugar, plans to retrench 137 of them.

Many of the workers have been with the company for between 20 and 40 years. Some are close to being pensioned.

A mill worker with the company for 30 years said yesterday that people were having sleepless nights since news of the company's plans to retrench workers had leaked out this week.

He said many of them lived in company houses and had nowhere to go if they were sacked.

Mr Henry Zondi, organiser for the Sweet, Food and Allied Workers' Union, confirmed that the sugar mill had decided to sack 137 workers.

'We have had discussions with the company but no decision has been taken in connection with benefits for retrenched workers,' he said, adding that a further meeting would be held next week to resolve the issue.

Mr Zondi said his union was opposed to retrenchments and would fight to the bitter end to stop any.

'If we cannot save the jobs then we will fight for a good deal,' he said.

He said the union had been informed that retrenchments were due to enonomic problems and also because of the recent modernisation of the mill.

Worker, Mr Charles Ramsamy told the Mercury that the company should have informed workers last year when it decided to modernise the mill.

'We have not been told of the retrenchments but have heard through the grapevine,' he said.

Mr Glyn Taylor, managing director of C G Smith Sugar, said the company had entered into discussions with the union representing the workers regarding retrenchments.

'I cannot say at this stage how many workers will be dismissed or when they would have to go,' he said.

200 attend 'Jobs for All' rally

Staff Reporter

A RESOLUTION to campaign for a new unemployment insurance fund and to call for the scrapping of racism and sexism in the workplace was overwhelmingly accepted at the launch of the Jobs For All campaign in Langa yesterday.

Called by the Unemployed Workers' Committee, the rally in the St Francis Cultural Centre in Langa was attended by about 200 people.

It was resolved to form committees of unemployed workers to form an unemployed workers' organization and to fight for the eradication of all racist laws and practices which restricted access to jobs.

Mr Christmas Tinto, Western Cape vice-president of the United Democratic Front, read out a statement from the Consumer Action Committee which said people should not buy from white-owned shops.

He said the committee believed it was whites, who had the power to vote, who had placed the government in the position it was today.

"We are not going to buy from them (white shop-owners). They must tell the government to lift the state of emergency, remove the SADF from our townships, release our jailed leaders and unban all our organizations.

"If the government does not, we will not buy from white shops."

Mr A M Omar, an advocate, said "unemployment has been a disease here ever since we've had this system".

manoeuvres in Czechoslovakia sold their tank to a Boer, that it be pro-

'56 percent' of PE blacks unemployed

Own Correspondent

PORT ELIZABETH. — More than half the employable African men and women in Port Elizabeth and Uitenhage are out of work.

This disclosure has been made by Professor Michael Levin, campus director of Vista University here, who says a survey undertaken by Vista students had shown that an "impossibly high" 56 percent of the local African population was unemployed.

"Five hundred questionnaires were distributed in Zwide, KwaZakhele, New Brighton, Walmer-Despatch, Kabah and KwaNobuhle. The findings were astronomical, and it is not surprising that blacks are involved in unrest ...

"I would guess that the number of people unemployed in the area could be as high as 75 000. The official figure is a fraction of this."

Professor Levin said registered figures of unemployed Africans — about 9 000 for July — were ridiculously low because Africans were not compelled to register as unemployed.

Professor Levin has, in a letter, appealed to the Minister of Finance, Mr Barend du Plessis, to take steps to stimulate the economy.

He highlights the "diabolical relationship" between political unrest and economic recessions, and gives as examples the troubles experienced in South Africa in 1960 (Sharpeville), 1976 (Soweto) and 1984.

"Within the existing system, it is easy to convince those without work or incomes that they have no future. This is why many blacks believe they will have a better future only if they gain power."

Professor Levin urges a State job-creation programme which would have a stimulating effect on private-sector activities, reduce unemployment and help "cool" unrest.

"Political stability should have a higher priority than the problem of inflation," he says.

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ARGUS 5/8/85 335

'Social tensions likely if ambitions are not met'

Staff Reporter

IF people's aspirations, heightened by the increasing rate of education and employment, were not met "all manner of social tensions" could result, the National Manpower Commission has found.

The commission's report for 1984 says that although many positive developments have taken place, negative forces such as high unemployment still exist.

A cause for concern was the wide cyclical fluctuation in economic activity over the past two years, from negative to highly positive to negative.

Unemployment

Although there was a fairly sharp upswing in the economy during the second half of 1983 and the first half of 1984, unemployment — particularly among blacks and coloured — began to increase again.

The report said there was also an imbalance between the supply and the demand for unskilled and skilled workers. Labour shortages in skilled occupations continued in spite of an oversupply in semi-skilled and unskilled occupations.

It seemed a greater degree of order was developing in the labour-relations system. More workers were involved in the collective bargaining process. The newer trade unions displayed a greater willingness to use the statutory dispute settlement machinery.

There were indications that some trade unions which had not wanted to be registered were starting to see registration in a more favourable light.

Employers continued to develop their understanding of the importance of labour relations.

Although increasing use was made of statutory means to settle labour disputes, there were also differences of opinion among some employee and employer groups about the effectiveness of the mechanisms.

The degree of support given to the general stayaway compaign indicated that this type of action could spill over into labour relations.

0 for running brothel

Mulder, 20, and Zoe Loius both of Ladbrook Street, , and Michelle Fourie, 19, Silva Steet, Ysterplaat, uilty in Wynberg Magistrate's Court.

It was found that the women operated the brothel between May 30 and July 4 in Ladbrook Street.

FACT SHEET

RETRENCHMENT !!

UCT

WORKERS COMMITTEE

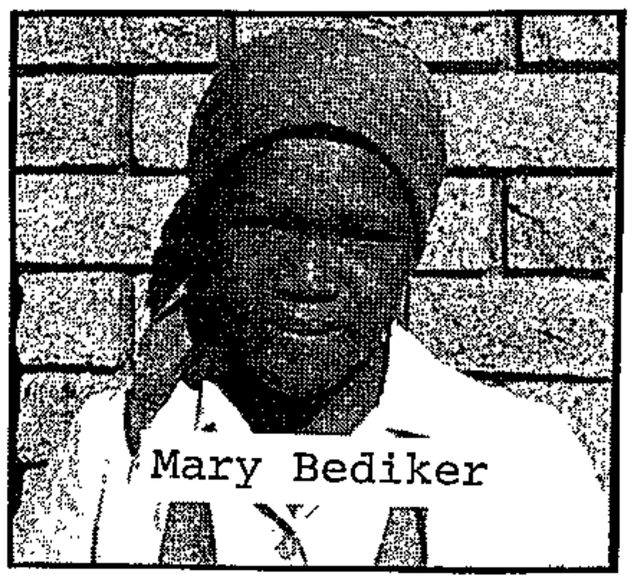
Mary Bediker is a worker at UCT. She is about to be retrenched. Her problem is the problem of many workers in the Residences and the Cafe-terias. Fellow workers need to know about these problems. This is her story:

'I started to work at university in 1980. I was in the Robert Leslie café. I worked as a contract worker for a few months every year. In October we are put off work and come back the next January. I worked like this for a few years. In August 1984 I had to leave my job and take maternity leave since I was pregnant. In September I gave birth and the following month I phoned my manager to tell him I am prepared to work again. The manager, Mr Rupp, said he had no job for me, I should try again in a year's time.

NO REASON

'About the middle of the year I talked to Mr Heinkelein at Medical School. He gave me a job as a casual in Devil's Peak and Tuck Inn restaurants. Then, on the 12th August I was called into his office and told I would finish off my job by the end of the week. He gave no reason. When I asked him, he said I was the only casual and could no longer be kept. The other workers were put on contract, and now could do my work.

'I have two children. One has asthma. My husband earns R75 a week, since he is a labourer in the building trade. I live in Lotus River.'



Mary Bediker

DISMISSED WITHOUT NOTICE

The Workers Committee then approached her manager, Mr M. Heinkelein. He said: 'I have been told by Fedics Catering Manager to dismiss casual staff... The reason is that Mary's fellow workers are all on contract and can work extra hours now. So we no longer need Mary. I have no problems with her work performance. The only problem is overstaffing.'

He then showed us two letters Mary had signed in July, stating that she accepted, she was employed as a casual. She accepted, according to the

typed letters, that she could be dismissed without notice when no longer required.

NO COMEBACKS, NO HASSLES, NO DRAMA

We phoned Mr P. Nitsche, Fedics Catering Manager, who at first said he saw no reason why we wanted to discuss the issue. Then he agreed to a meeting. At the meeting he said: 'Contract workers are employed for specific periods. At the end of October we don't need workers, because students are writing exams and going home. I arranged for Mary to sign the letter stating she is a casual since I am new here. I want no comebacks, no hassles, no drama. We would like to use her services in future, but have nothing else to offer her now.'

Mr Nitsche confirmed that Mary was the first and only person to have signed a letter stating she is a casual. He felt such a statement/letter should be introduced in future.

We approached Mr Rupp at Robert Leslie, who confirmed that Mary was a contract worker in 1984. He said that the cafeteria administration have the right to decide whether a worker is re-employed or not. He ended off by saying: 'Some of the workers now in the cafés will go off in October, and they know it.'

Mr K.J. McKenzie, the university Industrial Relations Officer, has confirmed that Mary Bediker was employed on a contract basis at least since 1981. She had, according to him, resigned in July 1984 due to pregnancy, and worked an extra week thereafter. She reapplied for her job in January 1985, as casual workers normally do, but was not taken on.

SLAVED FOR YEARS

We see that during a period of high unemployment Mary Bediker will be put off. She has slaved for years at the university. This case highlights the problems of

* contract and casual staff
* maternity leave for women

The union is prepared to take up Mary's case, but we need your participation as fellow workers. You must discuss this and inform your union rep or organiser.

The workers' demands at Medical School remain:

* GIVE MARY HER JOB BACK!
* WORKERS WITH LONG SERVICE MUST BE PUT ON PERMANENT STAFF!
* ALL WOMEN WORKERS MUST BE GIVEN PAID MATERNITY LEAVE, AND A GUARENTEED JOB THEREAFTER!

Issued by the UCT Workers Committee, to encourage worker interest in worker issues. Printed on the SRC Press.

'56 percent' of PE blacks unemployed

Own Correspondent

PORT ELIZABETH. — More than half the employable African men and women in Port Elizabeth and Uitenhage are out of work.

This disclosure has been made by Professor Michael Levin, campus director of Vista University here, who says a survey undertaken by Vista students had shown that an "impossibly high" 56 percent of the local African population was unemployed.

"Five hundred questionnaires were distributed in Zwide, KwaZakhele, New Brighton, Walmer-Despatch, Kabah and KwaNobuhle. The findings were astronomical, and it is not surprising that blacks are involved in unrest ...

"I would guess that the number of people unemployed in the area could be as high as 75 000. The official figure is a fraction of this."

Professor Levin said registered figures of unemployed Africans — about 9 000 for July — were ridiculously low because Africans were not compelled to register as unemployed.

Professor Levin has, in a letter, appealed to the Minister of Finance, Mr Barend du Plessis, to take steps to stimulate the economy.

He highlights the "diabolical relationship" between political unrest and economic recessions, and gives as examples the troubles experienced in South Africa in 1960 (Sharpeville), 1976 (Soweto) and 1984.

"Within the existing system, it is easy to convince those without work or incomes that they have no future. This is why many blacks believe they will have a better future only if they gain power."

Professor Levin urges a State job-creation programme which would have a stimulating effect on private-sector activities, reduce unemployment and help "cool" unrest.

"Political stability should have a higher priority than the problem of inflation," he says.

EP water schemes bring jobs

Post Reporter

HUNDREDS of jobs are being created — mainly for blacks — on two multi-million rand water schemes started in the Eastern Cape on May 1.

In the Sundays River Valley, 276 Africans, 19 coloured and 15 whites have been set to work building accommodation and making a start on excavations.

Each month, a further 100 jobs are expected to be created for Africans until the work force totals 600 Africans, 100 coloureds and 40 whites, whose jobs should be secure for some years, according to the resident engineer, Mr Mike Nitzche.

This scheme, for which R6 million is earmarked this year and R10 million each year after that, will see the flow from Lake Mentz doubled from 10,5 cubic metres a second to 15 cumecs in 30 months and an ultimate flow of 21,5 cumecs.

An additional 7 000 hectares will be brought under irrigation by the project.

The second scheme — a storage dam at Committees Drift — will see an additional 4 000 hectares brought under irrigation (2 000 in Ciskei) and will cost R6,5 million this year. South Africa's share of the total cost is R40 million. The scheme will also supplement Grahamstown's water supply.

So far, 38 Africans and seven whites are busy on the project — again building accommodation.

By the end of the year these figures are expected to have risen to 100 and 24, respectively.

The Committees Drift scheme will take between three and four years to finish, and the water works alone in the Sundays River Valley between four and five. Both schemes involve three phases — water works, settlement of newly-irrigated land, and production.

Survey: 50pc out of work

335

PORT ELIZABETH — More than half the employable black men and women here and in Uitenhage are out of work, according to Professor Michael Levin, campus director of Vista University in Port Elizabeth. Dispatch

He says a survey undertaken by Vista students revealed that 56 per cent of the local black population was unemployed. 06:05:85

"I would guess the number of people unemployed in the area could be as high as 75 000," Prof Levin said. — DDC

Laid-off workers' sad trail of debt

Mercury Correspondent

JOHANNESBURG—Cash-strapped companies hit by the recession are leaving a sad trail of financially crippled employees as they cut back on staff and stock in a last-ditch attempt to protect investments. 335

In the first six months of the year, this action saved a number of companies from liquidation, but sent the number of individual insolvencies soaring by 53 percent.

Mr Graham Miller, a director of Dun and Bradstreet, a credit information bureau, said firms had been forced to take action to save themselves, but the price had been high. Many people made redundant could not meet their commitments.

'Petering out'

Mr Miller said that when interest rates rose sharply last year it did not take the consumer long to realise the cost of credit was high. Although debt had escalated sharply initially, it had now slowed down. NM 6/8/85

The man or woman who had been made redundant, however, faced different problems. With no money coming in, they could not pay their debts and individual insolvencies had escalated.

'At the beginning of July we were beginning to think we had reached a turning point after a terrible first four months,' he said. 'The trend in May and June indicated that the rate of increases in the number of judgments was reducing. Earlier this rate had been 19,5 percent, but in those two months it dropped to 11,7 percent."

With the rand stablised at between 50/52 cents, the country seemed set for recovery. Now, said Mr Miller, it looked as if the recovery was petering out.

Jobs: Gloomy future ahead

335 Sowetan 8/8/85

AN ESTIMATED five million people will be jobless by the year 2 000, Mr Roly Clark, manager of the IBM SA (Corporate Responsibility) told the National Federated Chamber of Commerce 21st anniversary conference at Sun City, Bophuthatswana this week.

He said by any standard it's a staggering number of people to have without work, but for South Africa it spells

SOWETAN Reporter

chaos, hunger and economic disaster.

"Job creation should be classified as a matter of national urgency. We can't afford to treat it as a problem somewhere ahead in the future. The problem is right here with us now.

"The drought and the recession have combined forces to put thousands of able-bodied people out of work. And the brunt of retrenchment has been felt most by those who can withstand it least — the black people," he said.

Mr Clark added: "Our problem is to find the motivation to take the correct actions now that will prevent this from happening. Taiwan, Korea and more recently the United States provide us with plenty of examples of what can be achieved when the motivation is there."

He said there was a vicious circle involved in gaining access to the necessary finance for blacks seeking money to start businesses.

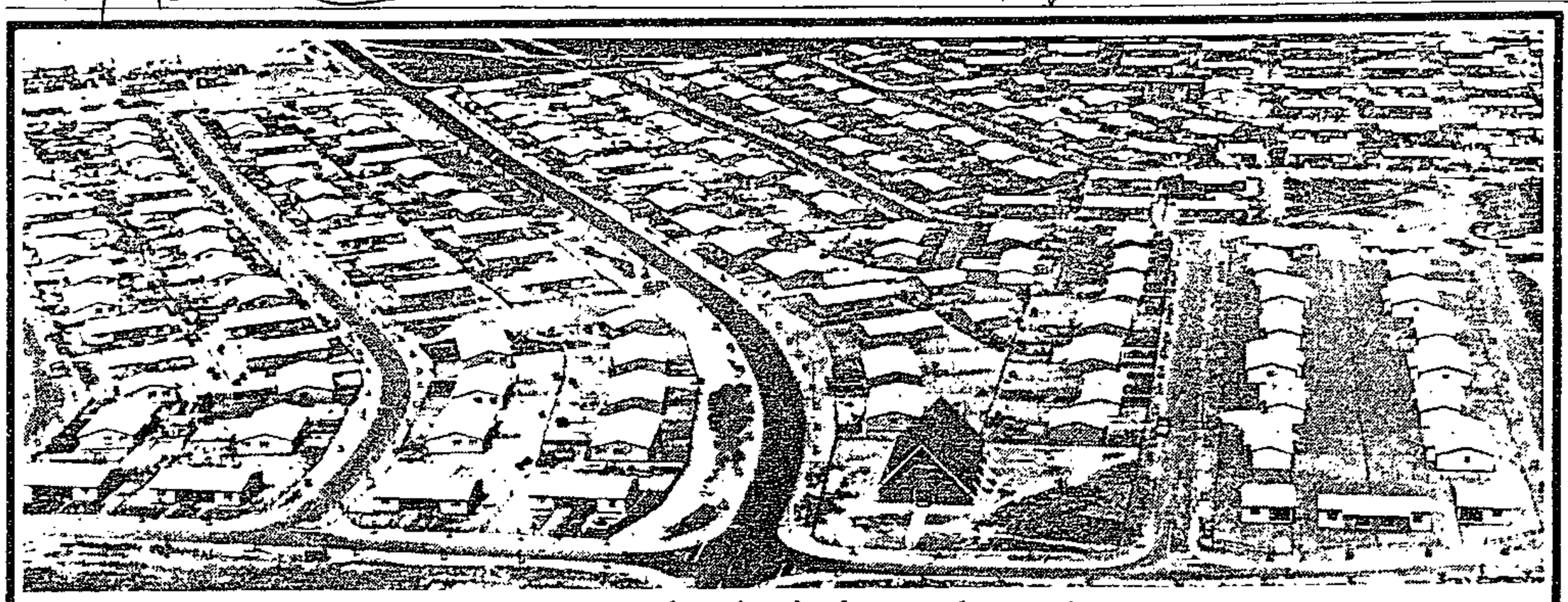
"We have to change the criteria by which would-be businessmen qualify for loans. If we are not prepared to take the risk involved in providing venture capital, we will never optimise economic growth in this area," he said.

He cited the following as other areas for potential job creation:

Craft industries; new export markets; import substitution; changing artisans into entrepreneurs; franchising; transport and domestic service; catering, service based operations . . . and many others.

He also called on Nafcoc to assist in helping others to become businessmen and employers in their own right.

12/8/85 (335) METROPOLITAN Argus



A view of Atlantis . . . is the "bright future" for residents dimming?

Atlantis survey: Unemployment, rent, pension and HP problems highlighted

Tygerberg Bureau

A DOOR-TO-DOOR survey investigating problems facing Atlantis residents has been undertaken by the Atlantis Residents' Association.

Of the 200 Saxonsea families interviewed since the project was launched three weeks ago, about half had no income because breadwinners were unemployed, according to the association's chairman, Mr Noel Williams.

He said the aims of the investigation were to gather information on difficulties being experienced in the town, advise people on how to overcome these hardships and to increase residents' awareness of their rights.

RENTS, PENSIONS

"We want to teach people to stand up for themselves and speak for themselves," said Mr William Cloete, an association member involved in the survey.

Some of the problems reported were concerned with rent, disability and maintenance grants, pensions, hire-purchase contracts and unemployment, Mr Cloete said.

And unemployment has soared since Atlantis factories began retrenching workers last year.

ADVICE OFFICE

Mr Cloete said families who could not pay their rent were advised to speak to Divisional Council officials about their problems in order to find solutions.

In many cases residents were afraid to approach officials, and association representatives then accompanied them.

The association has also set up an advice office which is open on Saturday mornings to help with almost any problems. There are plans to extend this to a daily service before the end of the year.

Some of the residents (top), and (bottom) a street scene in the town.

PAID OFF'

Mrs Julie la Mont's household is an example of a family which has become a victim of the recession. They moved to Atlantis in 1982 when the toy factory where Mrs la Mont's husband and two daughters worked was relocated there.

"We thought we would be able to build a bright future in Atlantis," Mrs La Mont said.

But last November her husband and one daughter were paid off. The family has had to survive on the wages of the other daughter (R47 a week) ever since.

OPEN FIRE

They have had to cook on an open fire since the electricity supply was disconnected three months ago.

Mrs la Mont took her problem to the council housing officials, who made some concessions to ease the difficulties.

● A Saxonsea resident, Mr J Fulmon, and his family were ejected from their home last Thursday because of rent arrears. However they were allowed to return to their house on Friday after Mr Fulmon's employers had reached an agreement with the council that the arrears would be settled.

335

EVENING POST, WEDNESDAY, AUGUST 14, 1985

Q'town unhappy with grant

E Post 14:08:85

By KIN BENTLEY

QUEENSTOWN is dissatisfied with the amount that has been approved for labour-intensive job projects for the town.

The chairman of the Queenstown Task Group which was formed to implement the job-creation scheme, Mr Peter Gerber, said yesterday he was negotiating further with the East Cape Development Board on improving the town's grant.

He said of an amount of about R400 000 applied for, the town had been granted only R17 800.

By contrast, the Town Clerk of King William's Town, Mr Henry Hutton, said their project was going well. The town had been granted R330 000. Work on several projects had provided employment for about 300 people.

Mr Hutton said he doubted whether they would be able to use up the total grant before the cut-off date of March 31 next year and might apply for an extension.

He added that he did not think the municipality could efficiently employ more than the 300 labourers because of problems like supervision, transport, equipment and ablution facilities.

A total of R2,8 million for the scheme has been approved in the Eastern Cape, with a further R1,3 million awaiting confirmation, the chairman of the Co-ordinating Committee for Job Creation in Region D, Mr Louis Koch, said this week.

The committee yesterday authorised another R1,6 million, which would be sent off to Pretoria for final approval — expected within two weeks.

Already approved was an amount of R25 000 for Port Elizabeth of an original application of R146 119, while another amount of R1,2 million for PE from a second submission was awaiting authorisation.

Mr Koch was reported as saying he did not want to enter into debates with various municipalities on the merits of their schemes.

Hunger hits more children

Staff Reporter

CHILDREN at white schools in the Peninsula are fainting in classes and arriving at school without sandwiches, the organizer of the Peninsula School Feeding Association said yesterday.

Mr Norman Freeman said that when the association began assisting Peninsula schools in feeding needy children in 1958, there had also been a few white schools on the books.

Today the association assisted only coloured and black schools, Mr Freeman said, but would welcome any white schools where children were becoming ill and unable to concentrate on classes because of hunger.

Unemployment was a large factor in the increase of malnutrition in schoolchildren in all sectors of the community and the school feeding association was constantly receiving requests for help.

Applications

The association currently feeds about 160 000 children and the problem is worsening every month.

"Today I have ten new applications in front of me, supported by medical evidence, from schools in, for instance, Caledon, De Doorns, Atlantis and Mitchells Plain.

"Two schools in Khayelitsha involving about 1 650 children have also requested assistance," Mr Freeman said.

Sophie Tema reports from Johannesburg that the number of hungry children in the townships is increasing.

"Meanwhile more and more people are losing their jobs and find it difficult to cope under the situation," Mrs Ina Perlman, founder of Operation Hunger, said yesterday.

"The problem of starving children in the townships is getting worse.

"And, although more and more people who have lost their jobs and their homes in the city are taking their families back to the homelands where they came from, they turn out to be the worst affected."

This week OK Bazaars responded for the third year in succession to the urgent need for food in rural areas stricken by drought.

The supermarket chain donated food to Operation Hunger for the drought-affected Levubu area in Venda, Northern Transvaal.

Truckload

This year the chain has undertaken to donate a further R100 000 in food and will again carry out distribution at an additional cost of R30 000.

At the weekend a truckload of food was delivered to the St Joseph's Mission in Levubu.

Mr Ken Coote, Senior Director of OK Bazaars, who made the donation to Mrs V Mphephu, wife of the President of Venda, said his stores approached business associates and elicited their support for Operation Hunger and raised an additional one million rands.

Mr Coote said: "South Africa's business community had been magnificent in raising the necessary money to keep food supplies moving to the rural areas.

"In addition to our support, the OK has approached business associates and elicited their support for Operation Hunger.

"As a result of their generous support and our active fund-raising efforts, we have raised an additional one million rands.

"I think all of us were surprised and delighted to discover just how much people really care."

Relief for jobless whites

Pretoria Correspondent

Recession-hit whites without incomes will be able to benefit from a special relief scheme, the Minister of Health Services and Welfare in the Assembly, Dr G de V Morrison, has announced.

The scheme was approved by the white Ministers' Council this week and will come into effect from September 1. It will be similar to the aid granted to drought-stricken farmers.

Dr Morrison said: "As in the case of any other form of social relief, assessment of the amount of assistance will be determined by the joint income of the family.

"Financial assistance in terms of the Unemployment Insurance Act will for example be taken into account."

Material need often gave rise to emotional crises, he said. People in social distress should approach his department's offices or local magistrates for help.

Boycott to support dismissed workers

STAR 15/8/85

335

Trade unions and community organisations in Maritzburg will launch a consumer boycott of white businesses today in support of about 1 000 workers fighting to regain their jobs at BTR Sarmcol.

DISPUTE

The workers were dismissed in April after going on strike over a union recognition dispute.

The decision to go ahead with the boycott comes only days after the dispute between Sarmcol and the Metal and Allied Workers' Union (Mawu) appeared near being solved with the company saying it was willing to talk to the union.

However, Mawu said in a statement on Tuesday that "discussions between Mawu and Sarmcol regarding the setting up of a meeting to negotiate a settlement proved unfruitful".

A Sarmcol spokesman confirmed this morning that a weekend meeting between Sarmcol management and Mawu had taken place, but "after four-and-a-half hours it was found there was insufficient common ground to reach a settlement".

Since the Sarmcol workers were dismissed, a boycott of white businesses in Howick and a one-day work stayaway in Howick and Maritzburg have been staged in support of the union.

Police arrest jobless in rent march

Staff Reporter

ELEVEN Manchester residents, marching from a local Citizens Advice Office to City Council for rent reductions in their area, were arrested by police at 11 a.m. today.

The men were part of a group of about 40 unemployed people who had been marching for two days to the Manchester Forum, a workers' advice meeting, before deciding to walk to the Office in Mardale Road, Withington.

Camera

They demanded to see the Housing Committee, but were told that they could only see a junior official.

Police arrested those who refused to leave the office after it was closed.

Councillor Mrs. Ann Taylor, chairman of the Housing Committee, said: "We are not unsympathetic to the unemployed's problems, but we cannot meet them all."

Mrs. Taylor said that the Council had already reduced rents for the unemployed by 10 per cent.

Mr. Ian Mardale, a spokesman for the Manchester Unemployed Action Group, said: "We are not satisfied with the Council's decision. We will be back."

Mr. Mardale said that the group would be meeting again on Monday.

Police said that they had been called to the Office at 10 a.m. after a report that a man had been seen climbing on to the roof

Recession-hit whites to get special State aid

ARGUS 15/8/85 30+ 335 ~~274~~

Argus Correspondent

PRETORIA. — Whites left without income because of the recession will be able to benefit from a special relief scheme, the Minister of Health Services and Welfare, Dr G de V Morrison, has announced.

The scheme was approved by the white Ministers' Council this week and will come into effect from September 1, once administrative arrangements have been made nationwide.

It will be similar to the aid granted to drought-stricken farmers.

A statement released by Dr Morrison in Pretoria says the Ministers' Council has taken note of the feeding need among some white school pupils and that school feeding schemes are necessarily limited.

Joint income

He says of the new aid plan: "As in the case of any other form of social relief, assessment of the amount of assistance will be determined by the joint income of the family.

"Financial asistance in terms of the Unemployment Insurance Act will for example be taken into account."

Dr Morrison says it is realised that material needs often give rise to emotional crises in family life. People who are in social distress should approach his department's offices or local magistrates for help, his statement says.

12 years for robber who said 'sorry'

MERCURY

15/8/85

335

Court Reporter

A 30-YEAR-OLD unemployed man, who held up two building society tellers with a toy pistol and robbed them of more than R12 000, was sentenced in the Durban Regional Court yesterday to 12 years' jail.

Darryl Bernard Lapin pleaded guilty to two counts of armed robbery.

The Court found that on June 27 he held up Mrs Andrea Lynn Hattingh, a teller at the Davenport Centre branch of the United Building Society, and escaped with R8 731.

On August 8 Lapin approached Mrs Sharon Marais at the UBS in Moore Road, threatened her with a replica 9 mm pistol and made off with R3 896.

On both occasions he disguised himself by wearing a wig and made his getaway on a motorcycle with false number plates.

Lapin told the Court he had apologised to both tellers before leaving the building societies.

He said he had used the money to help his parents, who were experiencing financial difficulties, and his friends to pay their rent, buy food and fix motor cars. Some of the money had been used to bet on horses.

He had only used R2 500 for himself.

Passing sentence, Mr X Odendaal said that during the past eight months there had been 123 armed robbery cases in the Durban area, eight involving robberies from banks or similar institutions.

He said the incidence of armed robbery had reached alarming proportions.

It was clear Lapin had been well prepared for the robberies and that he had selected two branches which were not frequented by many customers.

He said the fact that Lapin had used a replica pistol did not lessen the seriousness of the crime. None of the money had been recovered.

Lapin admitted two previous convictions for theft.

Mr Odendaal sentenced him to six years' imprisonment on each count.

Mr L van der Schyff appeared for the State.

R300 000 jobs aid for course 'not excessive'

375

MERCURY 15/8/85

Mercury Reporter

THE president of the Van Riebeeck Park Golf-course on Durban's Bluff says the R307 200 of Government unemployment relief money allocated for extensions to the course is not an excessive amount.

'That money will be used to create jobs for about 200 people until February next year.

'It is definitely not an excessive amount. It will be used for manual labour to clear bush and build bunkers and other obstructions on the course,' said Mr Lester Schoeman.

Local National Party members recently persuaded the National Manpower Commission (NMC) to pay out the extra money from the Government's R100 million unemployment relief fund for extensions to the course.

The Durban City Council was told last month that it would receive R415 250 instead of the R1 615 250 it had asked for for unemployment relief projects in the city.

The commission said the R1-200 000 for the Bluff golf course had been turned down because the project would take too long to complete.

But this week Mr Louis de Beer, councillor for Fynnland, said he had taken the matter up with 'higher authorities' and the council had received approval to spend more than R300 000 on the course.

'The purpose of this money is to provide as many jobs as possible in this area,' said Mr de Beer yesterday.

Clubhouse

Mr Schoeman said the club would control the labour and money would be drawn on a weekly basis, adding that the 115 members had so far spent R22 000 of their own money clearing part of the course and buying a tractor.

He said members had started work on the course last August, working on Saturdays.

The committee was negotiating with the Bluff Country Club to try to incorporate their clubhouse as part of the Van Riebeeck Park.

'This would mean a saving of about R500 000,' he said.

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A fight to survive

335
SOWETAN
16/8/85

MANY people have been retrenched from their jobs because of the recession. They might be in unemployment queues, they might be in the street looking for jobs. But what happens at their homes? SOWETAN Woman spoke to a woman who is battling to survive . . .

Mrs Selinah Morolong does not know how old she is, has never heard of a recession. But she knows what hunger is.

Every day she has to feed herself, her husband, three sons, four daughters and four grandchildren, on . . . "only God knows".

Her husband Derrick, was retrenched from his job as a petrol attendant in 1983 — a victim of the recession. Mrs Morolong lost her job as a domestic the same year when she contracted tuberculosis.

Family

The family have been scraping along on her husband's unemployment insurance benefits and her piece-jobs in the township. Last month he was told that he has exhausted his benefits.

Mr Morolong used to pay the monthly rent of R54,45 and he gave his wife R34 a month for food and coal.

She supplemented this with the money she got doing people's laundry in the township. Now they have to make-do with what she can make.

"It is now even impossible to have two meals a day in this house," Mrs Morolong said at her Mapetla Extension home.

Mrs SELINAH MOROLONG

The family has bread and tea for breakfast and pap and cabbage or pap and salt for supper. They go without lunch.

"My eldest son and daughter go out every day to look for work, but each evening they come back sad and dejected. There are no jobs."

The family has not paid last month's rent.

Could she tell us how she buys her groceries and other things?

"I cannot: I buy in bits and pieces as the money is available. Just enough for a day or two."

Number of unemployed heading for 750 000 mark

335

By Sue Leeman,
Pretoria Bureau

STAR
16/8/85

Recent statistics indicate that the number of unemployed may be fast approaching the 750 000 mark.

The latest figures from Central Statistical Services in Pretoria show that there were more than 56 000 whites, coloureds and Indians registered as unemployed in April — but the actual figure is now likely to be higher.

In March the CSS put the number of blacks who were registered as unemployed at 513 000, but in June the Bureau for Economic Research at the University of Stellenbosch estimated that overall this group numbered about 606 000.

The spectre of unemployment has made the headlines again recently with the news that no fewer than 6 000 white pupils are receiving supplementary feeding in TED schools because of unemployment and poverty in their homes.

The latest CSS figures show that during the first four months of this year alone the number of white, coloured and Indian unemployed rose from 40 104 (January) to 56 317 (April).

Throughout last year the number of jobless in these communities hovered at around 30 000.

Black unemployment rose monthly during the course of 1984 with the number of those out of work regularly topping eight percent of the workforce.

Observers — including the Bureau for Economic Research at Stellenbosch — say all communities are now feeling the effects of long-term structural changes in the labour market as well as those of the economic downturn.

But the Department of Manpower has added that in spite of wholesale unemployment there is still a shortage of skilled workers.

As a result, the department recently launched a training scheme to improve the skills of unemployed people.

● Ironically, the CSS's figures also show that most sectors now employ more workers than they did two years ago or have shown only a marginal drop in employment figures over the period.

Figures show jobs slashed by recession

E.Post. 19:08:85

By LOUIS BECKERLING
Business Editor

LATEST figures from the motor industry show the ravaging effect on jobs of the economic recession and the Government's austerity measures.

In the 12 months since July 1 last year — when GST was raised from 7% to 10%, and weeks later when credit instalment rates shot up 3% and HP contracts were shortened — some 6 600 jobs have been lost in the industry as a result of lay-offs following the steep decline in demand for motor vehicles.

And the 14,5% decline in jobs to a total of 39 056 (across all sectors, from manufacturing and component supply to retail distribution) does not take into account the impact on income levels of capacity utilisation reduced to 50% and lower in some motor vehicle plants — which translates into short-time and shrunken pay packets.

At current levels employment in the industry is 22% below a peak reached in 1982.

Some light was cast on the gloomy figures contained in the latest quarterly report from the National Association of Automobile Manufacturers (Naamsa).

Director Mr Nico Vermeulen said today all indications were that the bottom had now been reached, and if the tentative improvement shown in car sales during the month of July were sustained, this would help stabilise employment figures at their current levels.

Motor industry has shed 35 000

ALAN RUDDOCK

MORE than 35 000 motor industry workers have been laid off this year because of a drop in production. Jobs in the sector are now down 22% from the 1982 peak.

Lay-offs have increased as all sectors of the industry struggle to regain even a 50% production capacity. Even market leader Toyota is at 50%, according to chairman Colin Adcock.

Job losses in the motor components, retail and vehicle bodybuilding industries total more than 30 000, while the assembly lines have been shedding an average of 500 workers a month this year, say industry analysts.

Figures released by the National Association of Automobile Manufacturers of SA (Naamsa) show that employment in the assembly industry peaked at 50 000 in 1982 and has fallen since then to fewer than 39 000.

Motor Industries Federation (MIF) director Jannie van Huyssteen estimates that the retail side of the industry has shed about 15% of its workforce this year.

Estimates for the motor components industry put job losses at 10 000 for the first seven months of the year.

Manufacturers stress that the prevalence of short-time can be even more disastrous than the actual lay-offs.

"In the components industry, production is running at about 40% of a two-shift capacity," says John Small, chairman of the National Association of Automotive Components and Allied Manufacturers (Naacam).

Naacam director Bill Hayward puts employment in the components industry at about 70 000. This is 10 000 down on 1984.

Hayward is pessimistic about any improvement before mid-1986 and fears that further price increases by motor manufacturers could have hinder a sales recovery.

Imported parts account for on average of 45% of the industries' costs and the rand's depreciation and high inflation have further exacerbated manufacturers' losses. Analysts say that no manufacturer is operating at a profit.

The industry's unions say job losses among artisans have been less severe but add that the amount of short-time is "very worrying."

ASSOCOM: NATAL REGIONAL CONGRESS

335

Cadman calls for private sector help in reform process

B. Daily

19/8/85

THE Administrator of Natal, Radclyffe Cadman, called on the business community at the weekend to re-appraise its role in the face of a slump, deteriorating labour relations and misuse of resources.

Opening the regional congress of the Chambers of Commerce in Durban, Cadman suggested a number of ways in which the private sector could make an impact in bringing about structural reform.

They included the use of labour-intensive, rather than capital-intensive, methods of production; the promotion of small businesses; fostering better industrial relations; initiating in-house training schemes; and shouldering a greater responsibility for staff, particularly in the provision of black housing.

Referring to the theme of the conference — Natal-KwaZulu 2000 — Cadman said that by the turn of the century the region would be very different and better.

On unemployment, he said: "It has been conservatively estimated that between now and 2000 we need to create at least 75 000 new jobs a year."

He said the creation of the right political climate in which change could take place was of the greatest importance. This had begun through liaison between Natal and KwaZulu at political and administrative levels. — Sapa.

Find more jobs or 'face a revolution'

Argus 20/8/85 (335)

Argus Correspondent

JOHANNESBURG. — The number of unemployed people would rise to five million in 15 years unless new strategies were found to launch a vast network of new black business ventures, Dr Ben Vosloo warned last night.

Dr Vosloo, managing director of the Small Business Development Corporation, was speaking in a debate at the Institute of Race Relations on the economic potential of urbanisation.

Failure to meet the challenge would be "the recipe for social disintegration and revolution".

R5 000-M SCHEME

Dr Vosloo, the main architect of proposals to mobilise a R5 000-million scheme to finance thousands of new black businesses, estimated the black urban population would double by the year 2 000.

The main key to solutions of worsening employment problems was the creation of more black small business ventures.

If relatively well-educated second and third generation urban dwellers were denied new business and job opportunities "then we can expect them to become a particularly destabilising factor in our society".

Problems were compounded by the growing number of first generation black urban dwellers, often with traditional cultures and little education but needing opportunities to join a much enlarged informal sector, running small ventures such as backyard workshops, sewing circles, neighbourhood retail stores and home renovation services.

The economic logic of grooming an informal sector had been proved with the experience of most advanced Western countries.

The United States, West Germany and Japan had all given credit to the expansion of their small business sectors for their growing economic muscle.

In the US between 1980 and 1982, while larger firms axed 1,7-million jobs, small companies with fewer than 100 employees increased their labour force by at least 2,6-million.

While the cost of creating a single new job in a large, capital intensive industry now varied between R30 000 and R100 000, the SBDC showed the average cost for each of the 36 000 jobs it had so far created in its small business programme was slashed to R4 274 and down to only R1 550 as each venture expanded and needed to employ more workers.

10 000 car workers laid off this year

20/8/85 Mercury

335

Motoring Reporter

MORE than 2 500 motor industry assembly workers have been laid off since the beginning of the year, according to the National Association of Automobile Manufacturers of South Africa (Naamsa).

This meant that a maximum of just over 10 000 workers had lost their jobs since January, calculated on a ratio of three or four retail and component workers for each assembly worker retrenched, said director Nico Vermeulen.

'But,' he added, 'we're not alone. All manufacturers of consumer goods are in the same boat. It just happens that the motor industry is highly visible.'

Mr Vermeulen believed, however, that the industry was 'out of the hole'.

'The market did bottom out in the second quarter, but it is improving. The worst is behind us,' he said, adding that it would not be a quick thing.

In January the assembly industry employed 41 613 workers and this figure had dropped to 39 053 in June.

It had to be borne in mind, however, that there were many influencing factors, including the increase in GST and other governmental austerity measures.

Record levels

In the mini-boom of 1982 and after the record year of 1981 50 282 workers had been employed.

He predicted that the total vehicle park for 1985 would be slightly more than 200 000 and next year this would rise to 240 000.

Mr Vermeulen pointed out that it would be some time before the record levels of 1981 would again be reached. In that year the total park was verging on 300 000.

'If vehicle sales continue to improve (as they did in July), I believe employment will stabilise in time — but we're in a very severe recession.'

Mr Bill Hayward, director of the National Association of Automotive Components and Allied Manufacturers, said the estimated peak employed in the component industry was 100 000. That was in the 1982. The figure was now about 70 000.

'If you take the March 1982 50 282 peak of the assembly industry and the current 39 056, then the ratio suggested is consistent,' he said.

Although Mr Hayward said he was in the process of a survey of the component industry, the latest bulletin from the Labour Statistics Department in Pretoria indicated that in the retail and component industry as a whole total employment was not down by much.

In March 1984 it was 114 000, dropped to 112 700 in
mber 1984 and rose to 113 200 in March 1985.

DISPATCH 30.OP.85

335

Most black unemployed in 20s — CSS

PRETORIA — The majority of South Africa's half a million black unemployed are in their 20s, according to Central Statistical Services.

The official employment figures, economists point out, give a distorted picture of the dimension of the problem but, they stress, it was disturbing that so many young blacks were unable to find work.

The CSS figures show that of the 516 000 unemployed at the end of April this year — 8,2 per cent of economically active blacks — 324 000 were below the age of 29, and 158 000 of them between the ages of 20 and 24.

In the age category 25 to 29 there were 105 000.

Economists and PFP labour spokesmen have claimed the numbers of unemployed and seriously underemployed blacks exceed two million.

They point out that, under existing recessionary conditions, not only are workers being laid off, but there are few opportunities for the estimated 250 000 new black workers who came onto the labour market every year.

In its unemployment count, the CSS categorises as unemployed a worker who has worked for less than five hours in the previous seven days.

This, critics claim, takes no account of the thousands of black workers in the motor and other industries who are working short time.

According to CSS, black workers registered with the Department of Manpower in April totalled 46 117 — 32 138 of them males.

Comparable figures for April last year are 34 184, with 21 997 males.

Of a total black population of 18 692 000 in April, 5 778 000 were economically active.

Vast network of new jobs is vital, urges Dr Vosloo

STAR 20/8/85

335

By Michael Chester

The number of jobless will mushroom to five million in the next 15 years unless new strategies are found to launch a vast network of new black business ventures, Dr Ben Vosloo warned last night.

Dr Vosloo, managing director of the Small Business Development Corporation, was speaking at the SA Institute of Race Relations on the economic potential of urbanisation.

Failure to meet the challenge would be "the recipe for social disintegration and revolution", he said.

Dr Vosloo, the man behind proposals to mobilise R5 000 million to finance thousands of new black businesses, said the main key to solutions of worsening employment problems was the creation of more small black business ventures.

If relatively well-educated second and third generation urban dwellers were denied new business and job opportunities — frustrating their aspirations of a better life — "then we can expect them to become a destabilising factor in our society".

Problems were compounded by the growing number of first-generation black urbanites needing opportunities to join a much enlarged informal sector — running small business ventures such as backyard workshops, sewing circles, neighbourhood retail stores and home renovation services.

The economic logic of grooming an informal sector had been proved by several Western countries.

For example, in the US between 1980 and 1982, while larger firms axed 1,7 million jobs, the small companies with fewer than 100 employees boosted their labour forces by at least 2,6 million.

Reader's Digest cuts back staff

READER'S DIGEST has cut back heavily on its workforce.

Although staff claim about 80 people have been laid off management denies the figure was as high but refuse to disclose the number.

Dennis Murray, managing director of *Reader's Digest*, Southern Africa, said yesterday that they would not reveal figures "but it was nothing like that", and that it was mainly peripheral and diversification operations that had been affected.

Staff said conditions had been generous.

Murray said *Reader's Digest* would not succumb to pressures to disinvest from South Africa and that he was taking steps to ensure the South African operation remained a self-sufficient, profitable and independent company. — Sapa

Uitenhage workers retrenched

335

E Post

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ABOUT 400 textile workers — nearly 30% of the work force — at a Uitenhage factory have been given two weeks' notice.

Mr Norman Daniels, general secretary of the Textile Workers' Industrial Union, which represents the workers, said Veldspun International had been forced to retrench staff.

Attempts to get comment from the company were unsuccessful today.

Mr Daniels said the retrenchments reflected the state that the textile industry was in around the country. "Not a single textile industry in the country has been unaffected by the downturn."

The wool section of the industry has been particularly hard hit.

Mr Daniels said "the best deal in bad circumstances" had been negotiated.

The workers will get their pension, or provident fund contributions, plus the company's contribution and interest accrued.

This will become available six weeks from Friday.

As regards medical aid, those who have been contributing to the Midland Chamber Group Medical Fund (MCG) for three years or more will be able make claims for the next three months. The company has also agreed to pay any outstanding medical debts to fund.

Leave pay will be paid *pro rata*, and they will get one week's severance pay. The workers will also get full pay for this week and one week's pay for every year of service.

The company has agreed that if there is an upturn in the economy the retrenched workers will be the first to be engaged.

● About 70 workers have also been given notice at a Port Elizabeth shoe factory.

Mr G Batt, a director at Jack & Jill Footwear, said they had been forced to put off the workers as a result of low sales and lack of orders.

The workers, about 15% of the work force, have been given the assurance they will get the choice of re-employment when business improves.

Workers fail to be reinstated

The Industrial Court has ruled that 42 members of the SA Chemical Workers Union (SACWU) who went on strike at Pharma Natura (Pty) Ltd earlier this year and were dismissed, have no right to reinstatement.

The court found that the workers had acted defiantly to induce the company to adhere to their demands "that shop steward elections be held in an autocratic manner".

It said the ensuing work stoppage constituted a strike, and that the workers' contracts of employment were terminated because of the strike.

SACWU argued that the company had issued an ultimatum to workers to return to work or face dismissal in a situation of confusion and that the ultimatum was not initially understood.

The court said the company had corresponded and met with the union on various occasions and that ultimatums to return to work had been issued on more than one occasion.

It did not accept that workers had failed to understand the ultimatum.

PE unemployment now 'catastrophic'

SOARING unemployment in the Port Elizabeth area has been described as catastrophic by several academics. A recent sample survey put the jobless rate in townships at 56%.

The survey was conducted last month, by Professor Mike Levine, of the Department of Economics at Port Elizabeth's Vista campus, among work-seekers in Zwide, Kwazakele, New Brighton, Kwamaxaki, Motherwell, Kwanobushle and Langa.

Nobody is quite certain about statistics in a volatile, unpredictable area where squatter communities mushroom overnight. The Port Elizabeth Chamber of Commerce believes there are an unprecedented 75 000 work-seekers in the area.

Clearly, good surfing and beautiful beaches provide little hope in an area characterised by structural unemployment and hard hit by a boycott of shops outside black areas.

One searing illustration was a strike by 249 blacks at the Port Elizabeth abattoir on Tuesday, July 23. The workers struck over the detention of two colleagues and were dismissed two days later. The 249 were replaced with white, coloured and black workers on the same day.

Abattoir manager Willie Swanepoel said they had not advertised for applicants and had been swamped by a further 300 whites and about 300 coloureds, whom they turned away the following day.

Unemployment around Port Elizabeth — put at 56% — gives little hope to those who live there, reports CLAIRE PICKARD-CAMBRIDGE

"We found that few blacks applied for the jobs, but we have never had a flood of applications from unemployed whites before," he said.

Port Elizabeth has always had greater unemployment than other metropolitan areas, but its case is a telling pointer about chronic unemployment in the rest of the country. As a traditional flashpoint of black-white conflict, it is also regarded as a thermometer of black political developments.

Levine points out that the thousands of unemployed have no income nor hope and conditions cannot begin to ensure political stability.

He believes that this situation applies to the Eastern Cape's entire region D — which includes East London — because the area has an overpopulation problem and insufficient jobs.

Unemployment statistics in the East London region are even harder to come by because most work-seekers live in the Ciskei. However, Levine says the situation is more critical in Port Elizabeth, where people do not have a link with the hinterland and a minimal means of agricultural support.

He expects the number of jobless to rise more rapidly in Port Elizabeth because of its unsettled political nature. "And there is a likelihood of increasing unemployment following a boycott of shops outside black areas. There have already been lay-offs of people in the area in the past few weeks,".

Levine believes, along with others such as director of the Port Elizabeth Chamber of Commerce, Tony Gilson, that government projects are needed to rescue an afflicted area.

Gilson says the chamber is concerned about the situation. "We have short-term, labour-intensive projects at present, but in the long term the only solution is to raise the level of economic activity in the area.

"We fear that we could be looking at an absolute catastrophe if a solution cannot be found to our high unemployment rate. While we support the curtailing of government spending, it might be necessary to divert finances to the Port Elizabeth area to provide some real stimulation."

Gilson also charges that true negotiation between all parties is needed. The chamber planned to have talks with most sectors of the community, including the boycott committee, but the state of emergency has jeopardised some of these plans.

He says the chamber believes official unemployment figures for the area are "grossly understated". Most of the jobless do not register because they don't qualify for unemployment benefits. However, a spokesman for the Department of Manpower confirms that Port Elizabeth's official unemployment figure has doubled since last year.

Professor Roux van der Merwe, of UPE's Industrial Relations Unit, also describes the unemployment situation as catastrophic. Earlier this year his institute put unemployment at between 25% and 30% in the Port Elizabeth metropolitan area. "However, we believe it may be closer to 56% now," he says.

Research by the unit revealed large-scale lay-offs — mostly at Ford SA — last year and there were more widespread lay-offs in Port Elizabeth and Uitenhage this year.

The unit's research sample in 1984 covered 28 large companies in the area and revealed that 1 387 workers had been laid off in the first six months. Another 1 525 were laid off in the second six months. This represented a 6,2% drop in overall employment at the 28 companies.

This year the sample incorporated 32 companies where a further 806 workers were laid off in the first six months from a combined workforce of 25 136. A further 700 workers left for other reasons and were not replaced.

Van der Merwe believes the shops boycott is also having a deleterious effect on the smaller businesses.

"When the emergency was declared the whole boycott committee either fled or disappeared and there is no one for the Chamber of Commerce to talk to. Unemployment is running at an all-time high, but its no good talking about economic issues until the political situation has been addressed."

SEVERAL thousands of blacks are victims of the harsh influx control laws. In 1984 more than 300 000 people fell foul of the pass laws.

335

FIGHT FOR SURVIVAL

SOWETAN

21/8/85

FOCUS
By SAM MABE

MR NICODEMUS Mngomezulu came to Johannesburg in 1982 to look for a job. Today he is still without a job, with no place to sleep and he lives in constant fear of arrest because he does not have a pass.

He has sympathetic friends who sometimes smuggle him into their rooms at Nancefield Hostel to sleep. But this is risky as he could be arrested by Soweto Council policemen who raid the hostel from time to time to flush out illegals.

During the day he waits at coalyards near Nancefield Station for an occasional piece-job loading coalbags onto trucks.

For every 100 bags he loads, he is paid R2, from which he buys a packet of cigarettes and a plate of food costing about R1. Thereafter he is once again penniless.

Mr Mngomezulu has been to his home in Piet Retief only once in the last three years. He believes that life is better in Johannesburg than it is in Piet Retief.

Victims

"The R2 I get makes a difference in my life because I get something to eat. Sometimes I make R6 if there is a lot of work to do.

"But in Piet Retief I would be starving because there is no work at all," he said.

Mr Mngomezulu is one of several thousands of blacks who are victims of the influx control laws which, according to the Urban Foundation, led to the arrest of more than 300 000 people at 11 major urban areas of South Africa in 1984 alone.

The influx control system, which regulates the movement of blacks from rural areas to urban areas, was introduced in 1916 and has since then, led to 18 million arrests — an average of 261 000 arrests a year.

According to the foundation's annual report, the migration policies which were designed to contain blacks within the homelands have failed.

By confining many blacks to the homelands, the policies have generated rural poverty to such a degree that pressure to urbanise has grown significantly.

Despite the threats of arrest, many people have continued to migrate to urban areas.

The Government acknowledged that in the Western Cape, where influx control has been stringently enforced, more than 40 percent of the total black population is there illegally.

In the report, the foundation unleashes a stinging attack on the influx control system which it says has many adverse effects on the lives of blacks. It says that, among others, the system has:

- broken families by not permitting migrant workers' wives and children to live with them;
- criminalised a large number of people;
- generated resentment among blacks, to whom the obligation to produce a pass is humiliating;
- discriminated against blacks and offended their dignity;
- been wasteful of the human and financial resources spent on its implementation; and
- undermined urban development by distorting the statistical planning base.

The foundation further says that rural poverty is the main reason for migration to the cities. This originates from natural population growth and the mechanisation of agriculture.

Policies

These factors are compounded by policies of land allocation and resettlement which have resulted in gross overcrowding.

The foundation looks at two policies — the direct and the indirect policy — which many developing countries have used in an attempt to slow or reverse city-ward migration.

The direct approach, by which people are physically prevented from moving or settling in certain areas or forcibly evicting them from such areas, has failed because it addresses the symptoms of migration and not the causes.

The indirect approach — by which people have been provided with incentives to persuade them to settle in rural areas, rural development programmes and the creation of "counter-magnets" to the established cities — has also been successful.

Last week State President, Mr P W Botha, said the system of influx control was outdated and costly, and that his Government was considering improving it.

Arguing against the system, the foundation says the problem now is that the cities are not geared to accommodate the influx of large numbers of blacks.

"The solution, therefore, is not influx control but rather rapid development of new cities," the foundation suggests.

The foundation also challenges the notion that on arrival in urban areas, migrants resort to crime and begging to survive.

It says that internationally research has shown that migrants do much better than is commonly supposed.

Court ruling supports workers dismissed during stayaway

Employers who have up until now regarded worker stayaways as politically-inspired events beyond their usual working relationship with their employees may have to rethink their position following a recent Industrial Court ruling. SHERYL RAINE reports on the court's opinion concerning these dismissals.

The Industrial Court has handed down a significant ruling and clearly set down its opinion concerning the dismissal of employees during worker stayaways.

In his recent ruling on a case involving the SA Laundry, Dry Cleaning, Dyeing and Allied Workers' Union and Stork Napkins, Mr M A E Bulbulia ordered the reinstatement of 11 workers who were dismissed on November 6 last year.

His ruling is of widespread interest to workers as well as employers, who face the dilemma of whether or not to take disciplinary action against those who fail to report for work during stayaways and whose workers are subjected to intimidation.

Mr Bulbulia supported the union's argument that an employer could not take a myopic view of his relationship with employees.

He dismissed Stork's view that political stayaway action and intimidation by other persons were irrelevant to the contractual relationship between employee and employer — and to an employee's duty to obey instructions.

The Stork workers, all women with children, ignored the two-day stayaway call arranged for November 5 and 6 last year and reported for work on November 5.

On that day in Soweto, between 40 and 60 percent of the workforce stayed away.

The union said workers who reported for work endangered their lives.

Stork and the union agreed that threats, intimidation and violence were present in the stayaway and that workers were afraid of violence.

Some workers feared their houses would be burned down if it became known they had gone to work.

During the course of November 5, shop stewards asked management to allow workers to go home at 2 pm. Management said 2 pm was too early and that workers could go home at 3.30 pm.

Stork also offered workers blankets and bread if they wished to sleep at the company's premises.

Workers said they would still have to catch a 4.30 pm train if they left at 3.30 pm. Twenty-three workers left without permission at 2 pm.

Stork had informed workers on Friday November 2 that anyone who did not report for work on November 5 and 6 without a valid excuse would be dismissed.

However, seven workers who did not report for work on November 5 and 6 were not dismissed.

The court found that employees who reported for work during the stayaway faced a "cruel dilemma".

Some stayed at home and ran the risk of being fired. Others came to work and performed their duties as usual. Others, less brave, came to work but left at 2 pm to "evade the wrath of those who had agitated in favour of the stayaway call".

"Witness Miss Patience Mondi summed up the attitude of this last group of employees when she said that although she was aware her employer would not be happy at her leaving at 2 pm, she valued her life more than her employer's happiness," Mr Bulbulia said.

He found employees who reported for work ended up being "dramatically worse off than all those who had not reported at all".

He ruled that Stork's neglect, failure and or refusal to hold a proper inquiry prior to the dismissal of the employees as well as the discrepant manner in which the company treated workers who left early and those who did not report for work at all, constituted unfair labour practices.

He ordered the dismissed workers be reinstated. He also said seven of the 11 must be reinstated retrospectively to February 1 and that they be paid the remuneration due to them for normal hours of work had their employment not been terminated.

Price war, boycott cost 50 chicken farm jobs

By SHIRLEY PRESSLY

SEVERAL factors, including a chicken price war and boycott of white stores, will result in the loss of 50 jobs at an East Cape chicken farm which is to close its doors tomorrow.

Mr Tony Ward, owner of Champ Chickens which went into provisional liquidaton on August 6, said today there was no way the farm, which had a R2 million turnover last financial year, could continue operating.

Mr Ward, a colourful and controversial figure in the poultry industry for the past 14 years, started Champ Chickens at Thornhill in June two years ago, with 2 000 birds a week which grew to 12 to 15 000 birds a week over the past two years.

His payroll increased to between 50 to 60 people.

Mr Ward has always fought against controls and has always been a stalwart campaigner of the small businessman and operator.

He was a former East Cape representative on the Egg Control Board, and chairman of the Eastern Cape and Border Egg Producers.

Mr Ward personally put R300 000 into Champ Chickens.

"It is a very sad day. I am very heartsore about all the people who have worked so hard," said Mr Ward.

Mr Ward said several factors had contributed to the decision to stop trading and go into final liquidation.

- Chicken price war since June which saw the price of chickens drop by 30c a kg and to as low as 99c a kg.
- Consumer boycott of white outlets.
- General depressed trading in the Eastern Cape and reduced buying power.

Mr Ward said he bought his feed from a major outlet,, which in May had altered its terms of trading.

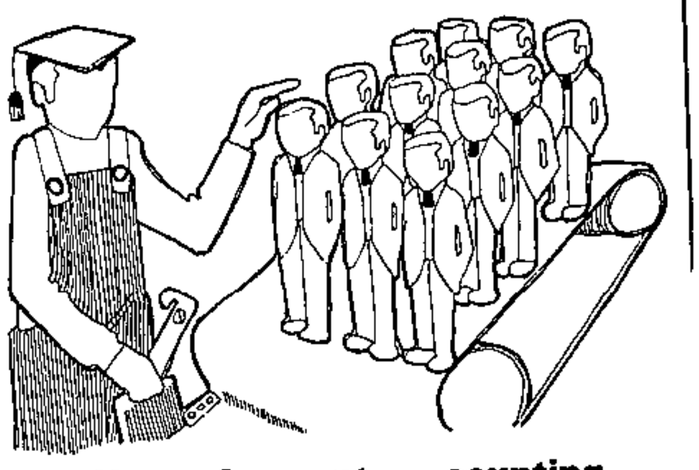
"This put a lot of pressure on the small operators like myself to meet huge feed bills within 30 days," said Mr Ward.

It took 60 days to raise a chicken, five days to process it and then one would only be paid for it in 30 days.

looking for work and it is also possible that some of those seeking work, such as a young woman with a baby, could not really hold down a full-time job."

Levin also concedes that there is an element of structural unemployment at work. "However, I would say that between 60% and 70% of those currently unemployed are without jobs because of the recession.

"There can be no doubt that the unemployment is a major reason for the unrest." A study by Prof Mike Truu of Vista of economic trends in post-war SA shows that every time gdp drops below 3,7%, periods of widespread unrest set in. It occurred at the time of Sharpeville, in 1976 and again this year. "The lower it drops below 3,7% the more widespread the unrest becomes."



Unemployment . . . counting more and more heads

Meanwhile, work on the allocation of R5m provided by government for the creation of jobs in the eastern Cape is well underway. The funds are part of a R100m job creation programme announced early in May.

The subsidy consists of R5 a day per worker — R4 for wages and R1 for transport. To date application has been made for projects totalling R5,5m for the support of labour intensive projects to be undertaken mainly by municipalities throughout the eastern Cape. The Port Elizabeth municipality has applied for funds totalling R1,3m. Expenditure of some R2,8m has already been approved by the government. ■

23/3/85
335
FM

UNEMPLOYMENT

Shock PE findings

Accurate statistics on unemployment in SA are notoriously difficult to establish — but a finding of 56% in the black population of Port Elizabeth-Uitenhage has confounded even the most dire pessimists.

The figure could mean that between 110 000 and 120 000 people are unemployed in the metropolitan area, according to professor Michiel Levin, director of the Port Elizabeth campus of Vista University, who undertook the survey.

The survey was prompted when a committee, including Levin, set up by the Small Business Development Corporation to investigate the creation of employment, came up against the familiar problem of insufficient unemployment figures. The result of the random survey undertaken at various sites in the area's seven main townships on July 1 came as a surprise. "We had estimated that unemployment stood at between 30% and 35% — and even that would have been catastrophic."

The definition used of an unemployed person is someone who had tried and failed to find work in the previous month. "It is possible that there are people who had given up

30 percent retrenched by Veldspun

Argus Bureau

PORT ELIZABETH. — More than 30 percent of the workforce of the Uitenhage-based textile giant Veldspun International were to be retrenched today because of a slump in the textile industry.

The secretary-general of the Textile Workers' Industrial Union, Mr Norman Daniels, said his union had been negotiating with the company for several weeks to gain the best possible deal for the workers.

He said the workers would receive their pension fund contributions as well as the company's contributions and accrued interest.

"It is an unhappy situation, but it is not really the company's fault. The whole textile industry has been affected by the economic downturn," he said.

CAPE TIMES 26/8/85 335

All races hit by rise in unemployment — Reserve Bank

JOHANNESBURG. — Although unemployment began to rise in the production industries in the last quarter of 1984, public authorities were still taking on staff until the first quarter of this year, the annual economic report of the Reserve Bank of SA shows.

The report says that unemployment among the economically active black population in South Africa rose from a low of 7,6 percent in January last year to 8,2 percent in April this year.

The number of unemployed of other races rose from a low of 29 350 in July last year to 40 570 in December and to 65 080 in June this year.

The weakening of employment towards the end of last year was not evenly spread among the non-agricultural sectors of the economy.

Public authority employment maintained a steady upward trend during 1984 and showed signs of weakening only in the first quarter of this year.

"Private sector employment, on the other hand, showed a distinct cyclical downturn already from the fourth quarter of 1984.

"Within the private sector itself, the export-orientated mining industry continued to expand its employment rather strongly throughout 1984 and also during the first quarter of 1985.

"In the course of these 15 months employment also continued to rise in the wholesale trade and in most groups of financial institutions.

"In contrast, significant employment declines, most of them already beginning before the fourth quarter of 1984, occurred in manufacturing, construction, the motor trade and the hotel industry."

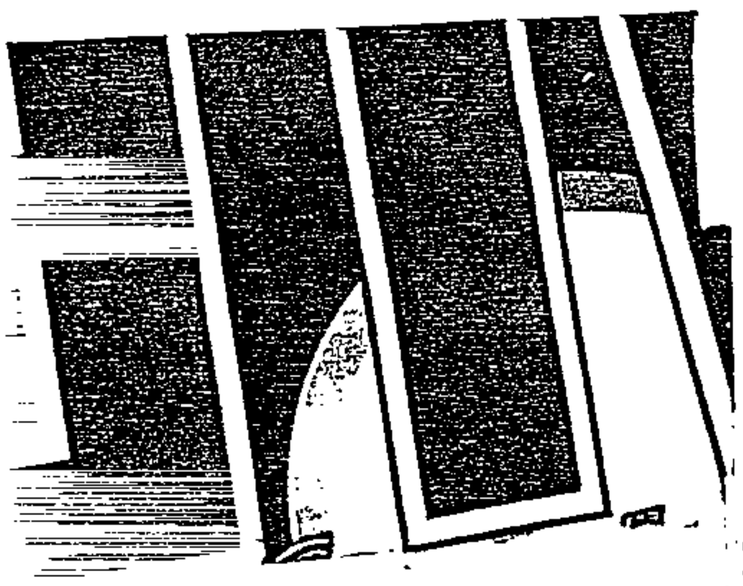
Labour productivity, as measured by the real gross domestic product of each person employed in the non-agricultural sectors, increased by 2,7 percent in 1984, but declined by 1,8 percent in the first quarter of 1985.

"The higher rate of increase in real remuneration for each employee than in labour productivity in 1984 meant that the 'real wage gap', which had become a longer-term feature of the South African labour market, widened still further," the Reserve Bank says.

"The existence of such a gap is indicative of wage rigidity, and in the longer run it may have the undesirable effect of contributing to structural unemployment.

"This may come about directly through either labour displacement owing to the substitution of capital for labour, or labour shedding resulting from the discontinuation of unprofitable output.

"Indirectly, the prolonged existence of a real wage gap may contribute to structural unemployment by adversely affecting profitability and hence also new investment that might have created additional output and employment." — Sapa



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Base, mattress and bedd

Black unemployment rises

UNEMPLOYMENT among the economically active black population in South Africa rose from a low of 7,6 percent in January last year to 8,2 percent in April this year, says the SA Reserve Bank in its annual economic report.

The number of unemployment of other races rose from a low of 29 350 in July last year to 40 570 in December and to 65 080 in June this year.

The weakening of employment towards the end of last year was not evenly spread among the non-agricultural sectors of the economy. Public-authority employment maintained a steady upward trend during 1984 and showed signs of weakening only in the first quarter of this year. — Sapa.

335

WORKERS' DIARY — By JOSHUA RABOROKO

60 000 jobs lost

MORE than 60 000 jobs have been lost since the beginning of the year, and there is no let-up in retrenchments of 8 000 a month.

According to industrial relations consultant Andrew Levy and Associates there has been no significant change in retrenchment patterns, rates recorded in January being maintained.

He says many companies have embarked on their third retrenchment programme.

The Department of Manpower has said registered unemployment figures totalled almost 112 000 in June and more than 47 000 were blacks. However, unofficial sources put the figure of unemployed blacks at 3 million and rising.

The worst hit industry was the metal and steel which lost 10 000 jobs in the first quarter of this year, according to a survey by the Steel Engineering Industries Federation of South Africa (Seifsa).

• The Chamber of Mines and the National Union of Mineworkers meet again in Johannesburg today to discuss important wage increases offered by different mining houses last week.

Some mining houses have made different offers to their members in attempts to avert a national strike by black mineworkers. The NUM postponed its strike which was scheduled for August 25 in the light of the new offer.

However, about 200 militant miners at Gold Fields' Kloof Mine in the Western Transvaal urged their colleagues to go on strike by waving banners and forming a loose picket.

The incident was controlled when miners were dispersed. The workers maintained that they wanted to stand by the resolution passed at the NUM's special conference recently. Other mines reported no incidents.

• The Metal and Allied Workers' Union (Mawu) has declared a dispute with a British multinational, Frys Metals, in Wadeville, following a strike by about 150 workers over wages, plant-level bargaining and health and safety measures.

Grievances

The workers returned to their jobs on Monday under protest and told management that they demanded that their grievances be met within a short period or they would continue the strike.

Mawu's Transvaal secretary says they have also indicated to several other metal industries' managements that they will take "a national action" if they refused to negotiate wages on the factory floor.

• The Trade Union Council of South Africa (Tucsa) is to hold its annual conference in Johannesburg from September 9-12. The conference, to be opened by Professor Nic Wiehahn, will discuss various aspects in the labour scene.

• Professor Wiehahn, father of South Africa's new labour era, is now in the mail order business — selling booklets on industrial relations. He is chairman of Care Enterprises based in Johannesburg. The company has recently been appointed the sole South African distributors of the industrial society of Great Britain booklets, of which 100 000 were sold in 1984.

• The East Rand Consumer Boycott Committee formed by progressive organisations and trade unions has appealed to all people to support the call for a boycott of white-owned shops on the East Rand as from August 24.

The boycott is in protest against the state of emergency, the unnecessary presence of police in black townships, the violence "against people", continued detentions and harrassment of workers.

• The General Workers' Union of SA (GWUSA) has signed recognition agreements with two Pretoria companies, Pretoria Coal Company and Central Plumbing Workers. The agreement includes retrenchment procedures and other conditions of employment.

GWUSA's Transvaal secretary Mr Easy Moto says the companies have been hard-hit by retrenchments since the recession started and "this is the reason why we included these procedures". The companies have confirmed the agreements.

• Serious accusations about the neglect of safety procedures have been levelled at Sasol, owners of the Wildebuit Colliery, near Secunda where 30 miners died in a methane gas explosion this month.

The accusations have been made by the Chemical Workers' Industrial Union, which represents 60 percent of the workforce of 8 700. The union has sent a team to investigate the incident.

A Sasol spokesman said they cared for their employees' safety, which enjoys the highest priority on the plants.

ARGUS 29/8/85
338
BE

GM to lay off 340 staff next month

Argus Bureau

PORT ELIZABETH. — General Motors is to lay-off 340 hourly-paid and salaried staff next month.

A statement by the company said the impact of the economic recession on the motor industry was the reason, adding that the company had "made every endeavour to avoid these measures by implementing reduced working hours and intermittent plant closures".

The 260 hourly-paid workers would be laid off on September 6, while the salaried staff finish work at the end of September. Some would take early retirement.

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GM set to retrench 340 workers

Post Reporter E. Post

GENERAL MOTORS has announced that a further 340 employees are to be retrenched by the end of September. 29:08:85

Yesterday spokesmen for the firm were unable to tell the Evening Post the number of employees affected although they confirmed there would be further retrenchments.

About 280 hourly-paid workers will be laid off during the week ending on September 6 and 60 salaried employees will be either retrenched or offered early retirement at the end of September.

This is the second time this year the company has retrenched. In February this year GM laid off some 500 employees across the board. This measure was regarded as temporary and the company committed itself to re-employing the men.

According to Mr Dave Sneesby, financial director at GM, the economic recession and its impact on the motor vehicle market had necessitated the move.

The company had tried to avoid these measures by implementing short time and intermittent plant closures but the situation had continued to deteriorate and it had no alternative but to adjust salaried and hourly employment levels accordingly, Mr Sneesby said.

He also announced that the company intended extending payments to suppliers from 30 days to 60 days. This was due to the tightening of the economy and the resultant impact on the vehicle market.

Unemployment main cause of SA's ills, Rupert says

Argus
29/8/85

DEREK TOMMEY
Financial Editor

335

THE international uproar over South Africa has hardly come as a surprise said Dr Anton Rupert, chairman of the Rembrandt Group at the company's annual meeting in Stellenbosch today.

He said South Africa was in the van of an unemployment crisis which Europe would also eventually have to face.

Unemployment was the main cause of South Africa's ills and ending it demanded urgent attention he said.

Statistics put out by the Department of Manpower showed a 100 percent increase in unemployment in South Africa within a year.

In the first seven months of this year South Africa lost job opportunities at a rate of 8 000 a month.

According to official estimates about 750 000 economically active people were now unemployed. Unofficial estimates put this figure much higher.

"What is especially disturbing is that there has been no net rise in black employment in the past nine years: yet about a quarter of a million blacks are entering the labour market annually — without hope of finding jobs.

"Breaking South African free of this cycle of chronic unemployment will take a special effort — a unique challenge, which now demands our urgent attention.

"Creating employment should be a primary objective not merely a by product of economic growth."

South Africa formed a microcosm of a worldwide problem. In the Third World sector of the economy, underdevelopment lived side by side with the negative aspect of over development in the first world centre.,

The white economy was being stifled by excessively high building standards, cumbersome licensing procedures, ellaborate transport regulations, inflexable industrial control and unrealistic minimum wage determination.

South Africa's serious housing shortage presented it with a unique opportunity for economic development. The housing backlog gave the country an exceptional opportunity to create jobs to harness "sweat equity" and to stimulate economic activity.

Dr Rupert said in the process of negotiation now engaging leaders in virtually every field in South Africa practices of the past may readily be weighed and found wanting.

"Mistakes they certainly were. We have to learn from those mistakes and join forces to build a new South Africa.

"In South Africa we are economically speaking, interdependent. Together we form a delicately balanced economic unit. In the long run no one can prosper unless his neighbour does so too."

Miners fired after strike over wages

335

SEVERAL hundreds of black mineworkers at Iscor's Hlobane Colliery near Vryheid have been fired after a two-day strike in support of high wages and working conditions. SOWETAN

The miners, members of the National Union of Mineworkers (NUM), were dismissed after failing to comply with an ultimatum to return to work yesterday. 29/8/85

Iscor's public relations officer, Mr Piet du Plessis, said the exact number of the workers affected was not certain, although most of the colliery's workforce of about 4 300 black workers appeared to have been involved in the strike.

Incidents of intimidation also appeared to be occurring on the mine, the officer said.

Meanwhile placard carrying members of the Chemical Workers' Industrial Union employed at Union Liquid in Germiston yesterday went on strike over wages.

'Excellent' response to council's job aid offer

Mercury 30/8/85

335

Mercury Reporter

THE response to Durban's first employment project for unemployed people was excellent, although only 50 men were recruited yesterday to fill 300 jobs, said Mrs Julia Murray, personnel officer for the Department of Parks, Recreation and Beaches.

She said yesterday was the first day of recruitment and it was also the day for unemployment collections.

'We realise that most of the unemployed were out collecting their benefits and will make themselves available for recruitment today,' she said, adding that on Wednesday there had been more than 150 people requesting the jobs which paid R4 a day until at least February next year.

The project is the first of three for the unemployed using the Government's R100 million unemployment fund.

Mrs Murray said Durban's share of the fund was R1 615 250 and the balance was to be used for projects in other parts of the country.

She said 300 people were needed for cutting down of bush and other work for the addition of nine holes to the Pawpa Sewgolum Golfcourse at Linear Park.

She said a further 150 people would be employed at Chatsworth and Silverglen on Monday and Tuesday.

About 400 people would also be employed to work at a golfcourse on the Bluff, she said.

Some of the unemployed who responded to the Durban City Council's first project for the unemployed which got off the mark at the Papwa Sewgolum Golfcourse.

Bus

'Since yesterday was a collection day for unemployment benefits and because of transport problems, only six people turned up at the Papwa Sewgolum Golfcourse for jobs.'

She said 50 people were recruited after a bus had been provided to transport people from the Natalia Development Board's office in Ordnance Road.

'The 50 men were put to work immediately and I expect to have more workers than we require by Monday,' she said, adding that she hoped to have enough hoes and bush knives by then.

The council was unable to buy bush knives in South Africa and was awaiting a consignment from overseas.

Buses would be provided for the workers for the duration of the project, Mrs Murray said.

Unemployment main cause of S A's ills, says Rupert

STELLENBOSCH— Unemployment was the main cause of South Africa's ills and ending it demanded urgent attention, Dr Anton Rupert, chairman of the Rembrandt group, said at the company's annual meeting in Stellenbosch yesterday. Mercury

He said South Africa was in the van of an unemployment crisis which Europe would also eventually have to face.

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Workless

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Errors 30/8/85

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'In South Africa we are, economically speaking, interdependent. Together, we form a delicately balanced economic unit. (Sapa)

R600 000 allocated to fight unemployment

335 30/8/85 Mercury

Pietermaritzburg Bureau

THE Government has allocated R600 000 for short-term, labour intensive projects to relieve the growing unemployment in Natal outside the Durban and Pietermaritzburg metropolitan areas.

This was announced here yesterday by the director of the Regional Development Advisory Committee (RDAC) in Natal, Mr Chris Proctor.

He said the money had been allocated to the RDAC for special projects outside the province's two major centres which had already received substantial sums from the Government's R100 million unemployment relief fund.

The projects would have to be completed by March 31 next year and local authorities have been asked to submit their applications to the Regional Development Association in their region before September 10.

'The money will be given to local authorities in those areas which are suffering from severe unemployment and the projects should be labour intensive,' Mr Proctor said.

Inquiries should be directed to the Regional Development Association or alternatively to the RDAC's offices in Pietermaritzburg, telephone 0331-57800.

● See also Page 6