

# WAGES

JAN. 1982 — JULY 1983

Department officials, however, maintain that there are about 120 posts available for air traffic controllers, of which more than 90 have been filled. If the staffing levels proposed by the controllers were introduced, there would be "a great many people sitting around doing nothing."

Claims that the safety of air travellers will be prejudiced by a lack of staff are strongly denied by the department. "We would never allow that to happen. If we did not have enough staff, we would simply curtail some services. There would never be a lowering of standards," says a senior official.

It has never been necessary to curtail services in the past, he adds. But the question of whether curtailments occur in the future will depend on the department's ability to retain the controllers' services.

they are granted a substantial pay increase soon, the air traffic control systems at the country's major airports could be seriously undermanned because of resignations.

Senior officials in the Department of Transport believe that salaries should be higher and are anxious that something should be done soon. But they reject some complaints made by controllers.

Controllers interviewed by the FM emphasise that they are not seeking a confrontation with government along the lines of the one initiated by controllers in the US. But they warn that unless grievances over pay and working conditions are resolved, the already thin ranks of controllers in SA will be seriously depleted. They complain of:

[ ] Low pay, with qualified controllers who have had three years' training earning about R500/month basic pay, while those who have about 10 years' experience earn about R900/month;

[ ] Large amounts of overtime due to staff shortages. Controllers complain that they often have to work an additional 100 hours overtime a month;

[ ] Difficulties in taking annual leave. Because of staff shortages, some controllers have accumulated about three months' leave. This is despite the fact that some medical authorities in Western countries have recommended that controllers should take leave twice a year because of work pressures; and

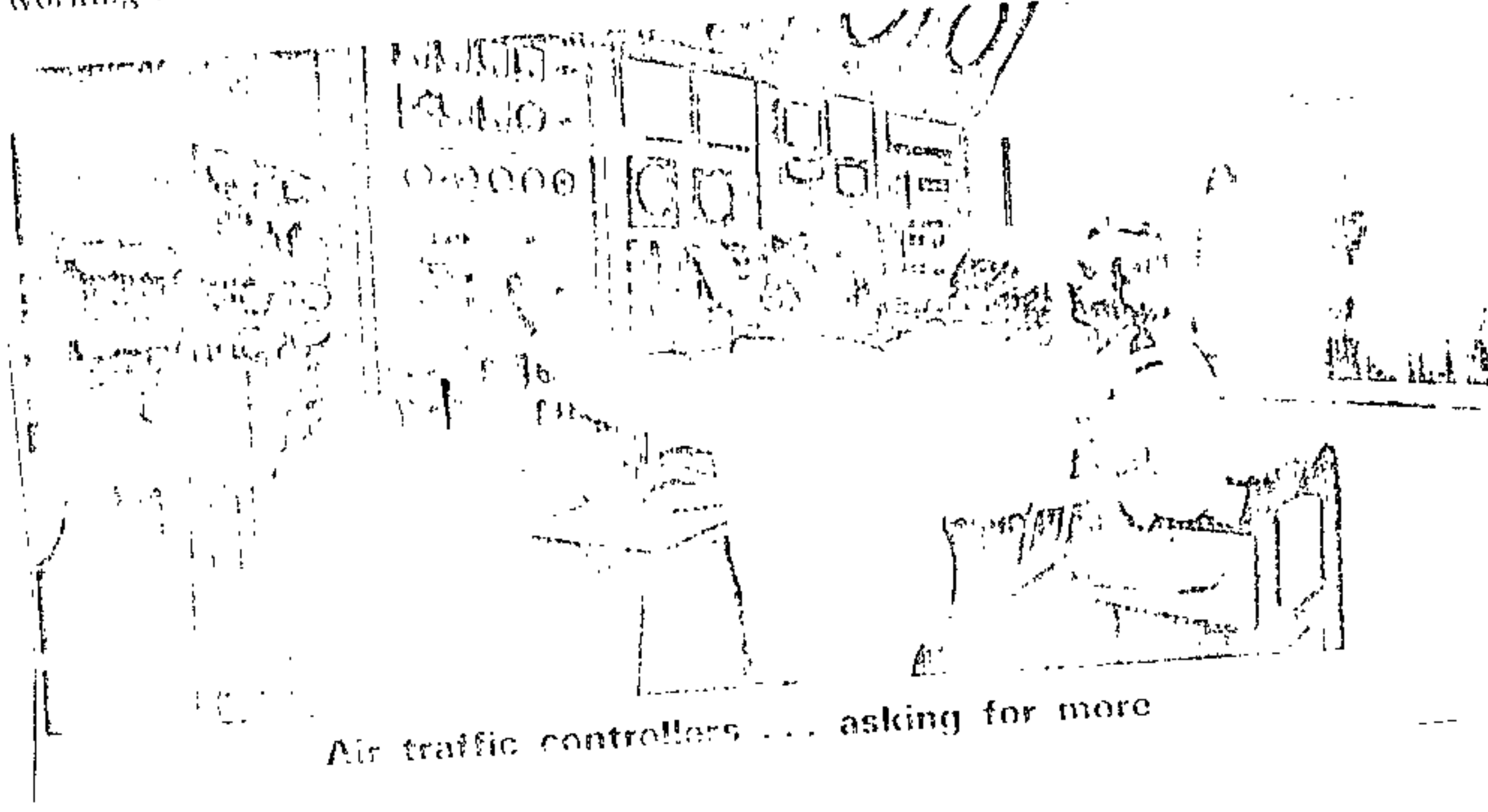
Health problems due to stress. They believe full early retirement should be offered to controllers working at large control towers, such as the one at Jan Smuts Airport.

In a report compiled in 1976, the controllers said about 240 controllers were needed to adequately man the country's airports and that the "minimum viable number" was 180.

## AIR TRAFFIC CONTROLLERS

### Under stress

SA's air traffic controllers are becoming increasingly dissatisfied with their pay and working conditions. They warn that unless



Air traffic controllers ... asking for more



## Wages 'below poverty line in Kokstad'

### Political Reporter

AFRICANS were paid such low salaries in Kokstad that they could not afford to buy or build their own homes in Bhongweni village, according to Mr R H de Wet, chief director of the Drakensberg Administration Board.

He was addressing a special meeting last week, attended by Mooi River's MP, Mr Ralph Hardingham, and MPC Dering Stambank, called by the Kokstad Ministers Fraternal to discuss poor conditions in the township.

The fraternal was concerned that no additional housing had been built since the board took over two years ago and was highly critical of the building of new offices and a boardroom at a cost of R20 000.

Criticising the low salary structure of blacks in the East Griqualand town, Mr de Wet said some em-

ployees paid their workers as little as R80 a month, whereas the poverty datum line in rural areas was set at about R140 a month.

'It is shocking to find, with the high cost of providing housing, that a man cannot afford to pay a quarter of his salary for a house because of his low wages. Less than 80 per cent of the people would be able to buy or build houses. We can't go on unless employers contribute towards housing.'

He was replying to queries by the Rev Ronald Thompson, chairman of the fraternal, on why no additional houses or plots had been made available since the board took over the township.

Mr de Wet said the administration board had been unable to allocate sites on the 99 leasehold system because of hitches in the development plan.

He said the board had spent R182 100 on capital projects in the township since the take-over, R12 850 on maintenance and a further R32 000 was being spent on other capital projects.

Mr de Wet said among the capital projects awaiting approval were 200 houses costing R100 000, a 400-bed hostel at R100 000 and the completion at a cost of R20 155 of 134 partly built houses which had been started by the Cape authorities before the take-over.

The board would spend R431 000 in Bhongweni in the 1982/83 financial year while revenue would be R80 700.

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# Lower Cape pay for executives <sup>355</sup> causing problem <sup>E. Post 1/2/82</sup>

Post Correspondent

JOHANNESBURG — The growing distortion in executive pay according to geographical location is causing serious recruitment problems in the Cape, where companies are offering up to 20% less than their counterparts on the Reef.

"The slowdown in the economy and the apprehension about short-term prospects are largely to blame for the current situation," said Mr Jon Cole, a director of Human Resource Development, the Port Elizabeth Consulting Group subsidiary.

"And, because of the salary situation, the movement of executives is away from the coast to the Transvaal, rather than a two-way situation."

Other factors were playing an important part in the drift of executives to Johannesburg. Among these was the ambition of the new breed of young managers.

"To fulfil his ambitions, the young executive must invariably gravitate towards Johannesburg. Many have targeted their careers towards positions with large multi-nationals abroad, and the Reef is seen as the jumping off point for this objective," said Mr Cole.

He pointed out that Cape firms were prepared to pay competitive salaries to attract key staff during the recent period of rapid growth, but were now a great deal more cautious and were struggling to fill many important posts.

Mr Cole said that attraction rates for most executive positions were generally about 20% higher than the real rate for the position. Cape companies would, therefore, have to offer up to 30% more than they were currently willing to pay to attract suitable personnel.

A positive factor had emerged from the scarcity of skills. Some companies were beginning to lose their obsession with academic qualifications and were discovering that senior positions could be adequately filled by personnel without university degrees.

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Star 9/2/82 (185) (355)  
Minimum wage

## recommended by commission

The National Manpower Commission has recommended a minimum wage to the Government.

This was announced by the chairman, Dr Hennie Reynders, in Pretoria yesterday. He did not give the amount, but said the recommendation was contained in one of several reports submitted to the Government.

The other reports concerned the training of unemployed, schemes to be used for the purpose, and the training of workers in industrial relations.

The Government's reaction was being awaited.

The latest statistics showed that unemployment among black men in South Africa, excluding the independent homelands, was about 5.5 percent.

The overall rate for men and women was 7.3 percent which compared favourably with Western countries.

The figures were also an improvement on last year's.

While slow growth had been predicted for the year, he did not believe this would substantially increase the unemployment rate.

The commission was involved in three inter-related studies which it hoped to submit to the Government in mid year. These were a further investigation into the registration of trade unions, their representativeness and recognition, the function of works councils and the industrial court and its functions.

"We are also looking into the manpower needs of South Africa," said Dr Reynders. The Human Sciences Research Council had been asked to do a five-year study on the subject.

The commission was concerned about the country's relationship with the International Labour Organisation and had decided that "objective reports" on progress made in the labour field in South Africa should be sent to the ILO in spite of the country being out of the organisation.



# Pay boob?

By Andrew McNulty

THE National Manpower Commission has completed an investigation into the feasibility of a minimum wage level (MWL) for South Africa.

This has been confirmed by the chairman of the commission, Dr Hennie Reynders.

He declined to disclose details except that the report will go to the Government soon.

The commission, he said, had been asked by the Government to study the question of an MWL, looking at its implementation and implications, and then to make a recommendation on whether or not it should be introduced.

The MWL, recently introduced in Rhodesia, has been a vexed subject in many countries, with heated debate over the dilemma of minimum wages or employment.

Dr Reynders said that this, and many other factors such as productivity and living standards, was taken into account in the study.

no analytical  
explanation

# Agriculture would resist wage rises for workers

Mercury Reporter

NATAL farmers yesterday reacted cautiously to the proposed investigation into the conditions of farm labourers by the National Manpower Commission but warned they would resist any attempt to raise wages above present levels.

South Africa's 1 200 000 farm workers have so far been excluded from labour legislation.

Farmers interviewed by the Mercury said that if the commission led to an increase in workers' wages then they would mechanise and reduce their labour force.

A spokesman for the Watlê and Timber Growers' Union said farmers were having to bear increased fertiliser costs, equipment cost and increased interest rates set by the Land Bank.

'If they had to cover increased wages on top of this most of the farmers would reduce their labour force,' he said.

The spokesman said there had been an incredible drop in the number of people entering farming because of increased costs.

He added it was a difficult situation for the Government and the farmer to cope with as a drop in the number of farmers would lead to an increase in unemployed workers.

Mr Heinz Bartels, an Impendle farmer, said: 'You can't pay labourers something you haven't got.'

Farmers interviewed felt that the situation of farm workers was very different to that of a worker in industry in that they received various perks. If these were taken into consideration, they said they would welcome the commission.

Depending on the area, the perks underlined by farmers yesterday included housing, schooling for labourers' children — in some cases the farmer paid for school uniforms and books — pensions, medical services and some farmers gave a cattle allowance to

## We will cut

## back on our

## labour force, 23/2/82

## farmers warn

'Some types of farming rely on casual labour, some on seasonal labour and others had a semi-skilled permanent labour force.'

'The position in farming is much more complex than industry where they have nothing to do with the worker once he has left work. The farmer provides accommodation and often medical services for his workers,' he said. The general secretary of the National Federation of Workers, Mr Mathews Oliphant, said they would be presenting their demands to the commission as they regarded it as a 'step in the right direction'.

Their primary demand would be to have both domestic workers and farm labourers falling under present labour legislation, particularly the Workman's Compensation Act and the Unemployment Insurance Act, he said.

ers Project (DWEP), Mrs Mary Mkhwanazi, yesterday welcomed the announcement that minimum conditions of service for about 700 000 domestic workers in South Africa were to be investigated.

Mrs Mkhwanazi said that she cried tears of joy when she heard the announcement by the Minister of Manpower, Mr Fanie Botha, on a news bulletin yesterday.

She said that Mrs Audrey Cobden, the founder of DWEP, would have been overjoyed because she had been pressing for this move for years. Mrs Cobden has left South Africa to live in Canada.

Mrs Mkhwanazi said she hoped it would not take long for legislation in this regard to be enacted.

'We have waited and suffered long

quiry as a 'priority' and have said that 'regional' conditions should be taken into account.

'This inquiry is long overdue. We have been asking for this for some time and I can only hope that it will be done with all speed,' Mrs Helen Suzman, chief Opposition spokesman on urban black affairs, said yesterday.

'It is a complicated issue. Great care should be taken not to jeopardise existing employment and the investigators should make allowances for regional factors.'

'These two categories of workers are among the most exploited in the country in terms of wages, working hours and general conditions.'

Both categories had the added disadvantage of 'immobility', particularly farm workers.

Mr Ron Miller, chief NRP spokesman on manpower said: 'If ever there was a group of workers who were open to abuse by employers it is the domestic workers. I urge the inquiry to treat the investigations as top priority.'

Mr Ralph Hadingham, the NRP's agriculture spokesman, said farmers would welcome the inquiry because there had been a great deal of 'unfounded' criticism about their treatment of staff.

The public had not appreciated the bond of loyalty and responsibility which existed between the farmer and his staff.

This responsibility had not fallen on the shoulders of employers in the urban areas, he said.

'It is true that odd cases of exploitation of labour have been brought to light which has tended to nullify so much of the good work that so many farmers have carried out to improve the conditions of their staff,' he said.

Farmers should regard the investigation not as a witch-hunt but as a vehicle to streamline a policy which would lead to a more contented and

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The secretary of the Natal Agricultural Union, Mr Alwyn Bisschoff, said it was too soon to form an opinion on the commission but said they would be discussing it with the farming sector.

He said an examination of the conditions of farm workers would be an extremely wide undertaking due to the diversity of types of farming.

The Unemployment Insurance Act provides ordinary unemployment benefits, maternity benefits, illness allowances and death benefits whereas the Workman's Compensation Act provides compensation for loss of earnings due to disabilities arising out of accidents contracted at work.

The community worker in Durban for the Domestic Workers and Employ-

ment on this subject to the Wiehahn Commission on labour legislation in 1977,' she added.

Senior opposition spokesman have welcomed the Government's inquiry into minimum service conditions for domestic and farm workers.

Both the Progressive Federal Party and the New Republic Party have urged the Government to treat the in-

'I must emphasise that it is absolutely essential that this investigation be conducted in close-operation with organised agriculture, particularly local farmers' associations,' said Mr Hardingham.

'This is important because the fringe benefits which are associated with the whole structure of wage determination vary from area to area.'

Mercury

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23/2/82



# No wage demand dow

Managements hoping that union pay demands will be modest this year because of fears of lay-offs, due to economic contraction, might be in for a rude awakening.

The message coming from the shopfloor in several industries is that workers are going to insist on substantial pay increases, even if some union leaders doubt the wisdom of pressing managements too hard at this stage. Workers have already started putting on pressure. For example, work stoppages have occurred in the garment and metal industries on the very eve of wage negotiations.

Dr Anna Scheepers, president of the Trade Union Council of SA (Tucsa), warns that wage negotiations will be "very, very tough this year." In industries such as the garment industry, where there have not been layoffs, workers believe they are entitled to substantial increases, she says. These employees are not concerned about the possibility of a recession and believe it is the duty of employers to compensate them for inflation.

Garment industry employers this year face demands that would be daunting in even a boom year. Unions want a 50% across-the-board wage increase, an annual holiday bonus equal to two weeks' wages, equal pay for men and women, and some other benefits.

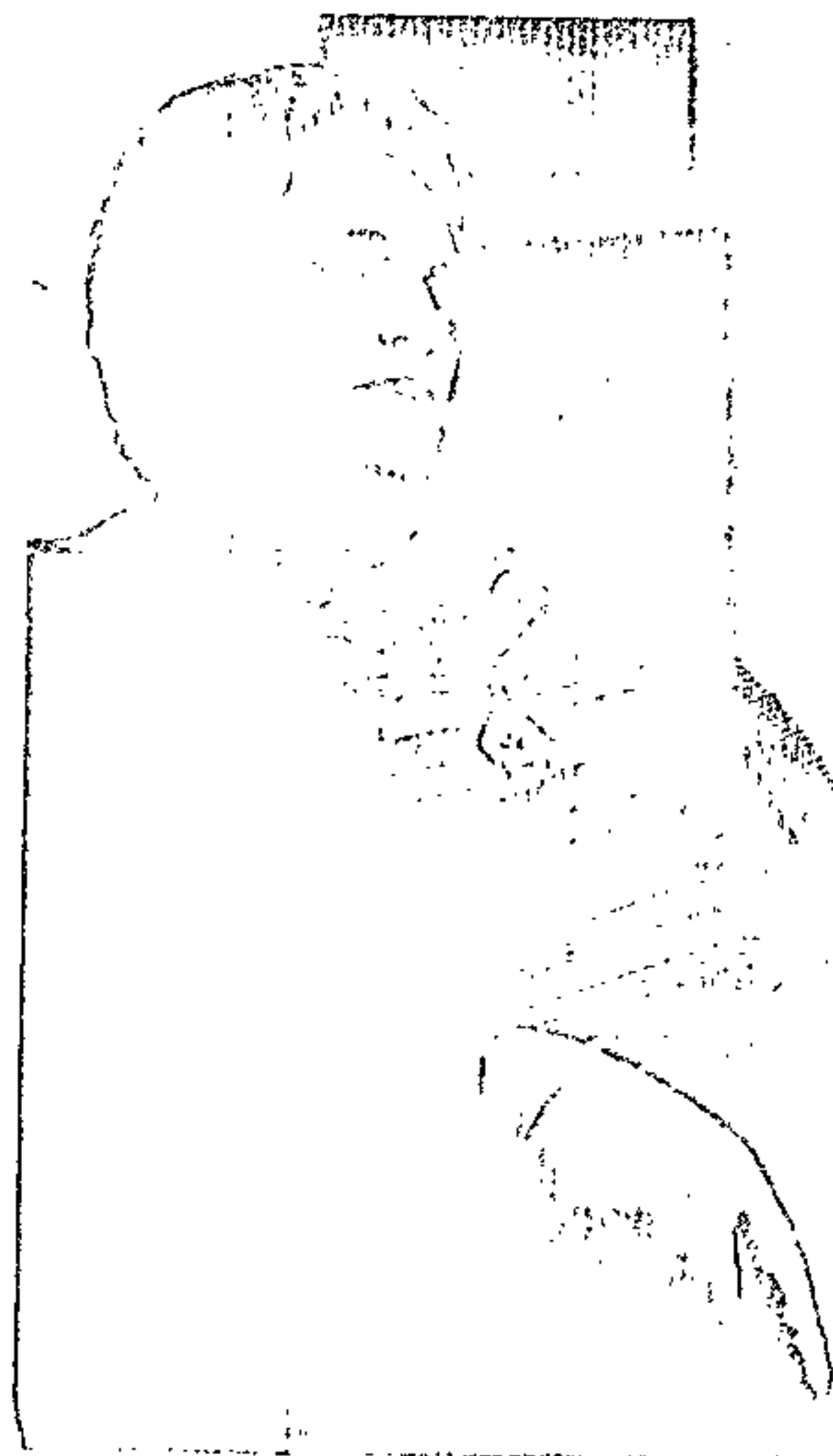
Scheepers emphasises her commitment to avoiding confrontation with managements or unions breaking agreements with them. But she warns that there could be an increasing number of applications for legal strikes or arbitration.

## Talks deadlocked

Pay negotiations in the metal industries, which cover more than 400 000 workers, are deadlocked. Unions are demanding that legal minimum wages be raised to R2 an hour this year — almost double the present minimum. At talks this week they rejected the employers' pay offer. Negotiations will continue next month.

An important feature of this year's talks is that three unions, which do not belong to the metal industries industrial council, have accepted an invitation to take part. They are the Black Allied Workers' Union, the Engineering and Allied Workers' Union, and the Eastern Province General Workers' Union.

The Metal and Allied Workers' Union (Mawu) has, however, refused to participate in the negotiations because it is opposed to the industrial council system. An affiliate of the Federation of SA Trade Unions (Fosatu), Mawu grew rapidly last year and now has branches in most major



Tucsa's Scheepers ... "a tough year"

centres. By the end of the year it had about 23 000 members — almost double its membership at the end of 1980. It is therefore an open question whether a wage agreement reached without Mawu's participation will result in labour peace. Some observers doubt that it will, but say it is significant that the R2 an hour the metal industry unions are demanding is a much-publicised Fosatu target.



SUNDAY TRIBUNE, MARCH 14, 1982

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# Slow the wage-price spiral!

## IT'S THE ONLY WAY TO CONTROL AND BEAT INFLATION, SAYS BARCLAYS' CHIEF ECONOMIST

Finance Reporter

ORGANISATIONS and industries whose annual increases fuel the fires of inflation should agree voluntarily to keep those annual increases below the inflation rate, says Dr Johan Cloete, Barclays Bank's chief economist.

The Railways, being particularly big buyers, should, for example, agree to do this, provided those it buys from, such as Escom and the suppliers of its rolling stock, agree to do the same.

"And the farmers should say to the Government that they are prepared to accept an increase of one per cent below the inflation rate, provided it (the Government) ensures that the fertiliser, implement and seed companies do the same," he said.

"If the government is really serious about

spiral, which Cloete has for many years been propagating as the only rational way there is to control and eventually beat inflation.

"The only alternative way there is, is to allow a really serious depression or recession to develop, which is extremely harmful," he said.

"Such a course of action will certainly cut inflation, but at what cost?

"There will be mass bankruptcies, tens of thousands will be put out of work and a host of socio-economic problems will manifest themselves — and the economy will be badly harmed.

"How will it control inflation? There won't be much money around and those that have managed to survive will be far too scared to increase their prices, lest they chase away their share of the little that will be around."

On railway tariff increases Cloete said: "They are more victims of circumstances than villains, but the real tragedy is that their Minister

NEW PANTHER

On the other hand, at present in

S. Tribune

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(355)

should take the initiative and call a Carlton-type conference of all the big organisations and industries whose annual increases boost inflation and get them to agree to this course of action".

Essentially, this would mean slowing down the wage-price

Schoeman, does not realise that a price increase offers only a short-term solution to his money problems.

"The only thing it really does is to guarantee that he will have to make another price increase, possibly much bigger, next year."

Cloete added: "Another problem is that Minister Schoeman does not appear to understand how inflation works — and he is not alone on that count in the Cabinet.

"He appears to be adopting a common philosophy, that inflation takes place because of the increase in the money supply so the railways have nothing to do with it. Control the supply of money and you have no more inflation. It doesn't work like that.

He said South Africa should take a page out of the Ford Motor Company of the US book, where the workers agreed not to ask for any wage increases for two years, provided that they would not be retrenched in that period and that the company did not increase the prices of its cars.

Cloete does not believe the inflation rate will come down this year, in spite of the Government's stringent monetary policies, but he does see the growth rate being a casualty of those policies.



GENERAL NEWS

Wine workers get 25pc

Labour Reporter

Workers in the wine and spirits' industry have won a 25 percent wage increase for 1982 over two stages, following negotiations in Stellenbosch this month.

The four-day negotiations were held between the National Union of Wine, Spirit and Allied Workers and the SA Wine and Spirit Industry Employers' Association.

Workers will receive a 15 percent increase across the board from April 8 and another 10 percent on October 8. The increase is based on each worker's wages, says the union.

The 46-hour work week was also

reduced by an hour and the annual bonus increased from three to four weeks' wages.

Provisions were also negotiated for overtime meal allowance, sick and holiday leave, maternity leave and other particulars.

The employers also agreed to allow union officials two hours of company time annually to address workers on union matters and shop stewards one hour a month to report back to workers on union-company matters.

The general secretary of the union, Mrs Fay Mandy, said it was satisfied with the terms of the agreement.

1982

# Productivity crisis scary

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S. Times  
21/3/82

By John Spira

THE wages of South Africa's unskilled workers have been increased to a point where labour intensity in industry is a certain formula for uncompetitiveness.

This is because the wage increases at the lower levels have taken place with no relation to productivity, according to Dr Charles Skeen, newly elected president of the SA Institution of Civil Engineers.

At the annual meeting of the institution this week, Dr Skeen pointed out that Japanese, German and American workers produce in excess of \$25 000 per worker per annum.

South African workers produce a mere \$4 000.

He added: "In Japan, large numbers of workers operate in service functions and operate competitively in that

function because they have achieved an increase in productivity of approximately 8% per annum — a truly remarkable figure.

"There is some doubt as to whether we in South Africa have achieved 0.5% per annum.

"It is a fact that in some activities productivities have actually dropped."

He rejected the solution that technology-based jobs be made more labour-intensive and considered that industrial decentralisation policies provide no more than an insignificant part of the solution.

"Job creation must be sought at a very basic level, starting with agriculture, and this can only take place in the underdeveloped areas of our country.

"I believe this can be done without jeopardising the large-scale food production

which takes place in the more developed areas using more mechanised methods."

He pointed out that the need for placing a new emphasis on agricultural development is dictated by the fact that production rates six to seven times those now prevailing in the underdeveloped areas are easily attainable.

This warrants even greater attention when it is estimated that the cost of creating a job in the underdeveloped areas in agriculture is around one-third of the least expensive job created in industry in these areas.

He stressed that this is the most important area to which the institution should direct its attention.

Another vital problem area, he continued, was the lack of effective communication between engineers in the

private sector and their counterparts in the public sector.

Effective communication cannot happen while the present earnings disparity exists.

The conditions of employment must be such that an easy movement of individuals between the public and private sectors is possible.

A "slimmed down" public sector, super-competent and suitably remunerated, must enjoy all-round respect when entrusted with the conceptual planning of national projects which are to be managed and executed by the private sector.

In effect, Dr Skeen concluded, a steeply inclined public sector hierarchy with a peak comparable to that of the private sector must operate in conjunction with the private sector.

In this way, two-way horizontal mobility as an essential to success will be facilitated.

By Elizabeth Rouse



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S. Tribune  
2/13/82

# DURBAN WOMEN GET 'A RAW DEAL'

## BOSSES ACCUSED OF OFFERING 'INSULTING' SALARIES FOR FEMALE STAFF

By Jeremy Rees

DURBAN bosses have been accused of offering "insulting" salaries for female staff while demanding high standards and qualifications.

Durban's outdated attitude became clear in a quote from one of the city's top employment agencies: "Admittedly wages are much lower than in Johannesburg, but you have to pay for living at the sea."

A spokesman for the agency disagreed that wages here were "all that low" and pointed out that in 1973 a secretary's salary was less than R300 a month.

However a woman phoned Tribune

Finance this week quoting an advertisement offering only R470 a month for a "Girl Friday" who was nevertheless required to have a good typing speed and work for a busy agency.

"Obviously the job involves plenty of work but the employer is not prepared to offer a just reward," said the caller. Other examples given were:

"Personal assistant to dynamic manager — bookkeeping and — R550"; "Secretary R500, accuracy and a good head for figures needed".

"With today's cost of living, these salaries are an insult to any self-respecting woman," she said.

Another complaint

concerned the salaries of young women with university degrees, compared with men holding identical qualifications.

The caller got the backing of Ron Seymour, managing director of Executive Search:

"The dolls get a raw deal compared to the guys. There is a lot of male chauvinism when it comes to salaries, particularly of qualified girls."

Seymour also agrees that highly qualified confidential secretaries were not adequately paid:

A spokesman for the South African Institute of Chartered Accountants said in Johannesburg this week that there was no reason why a woman chartered

accountant should be paid less than a man with the same qualifications.

"The institute has no control over what a firm pays chartered accountants and there are no rates laid down or even guide-lines, but a woman should be paid the same as a man for doing the same job."

Leading employment agencies in Durban have indicated a range of salaries that could be expected for various categories of jobs for women in the city.

Experienced typists can earn R450-R500 a month while shorthand typists, who are in short supply each, are in demand pay packets of up to R700.

A secretary with

good shorthand speeds can earn up to R800 they say, but there are not many jobs that pay more than that.

None of the salaries for women in Durban compare favourably with those in Johannesburg where the lack of qualified female staff is critical and the average wage is at least R200 above that paid for the equivalent post in Durban.

The main complaint of experienced women workers is that they are being paid little more in Durban than young men with no background in their careers and that although salaries may have improved they have not kept ahead of inflation and the cost of living.



~~(52-1689-355)~~  
**Fuchs strike  
brings wage  
increases**

The wage dispute by 890 workers at Fuchs Electrical Industries in Alberton has been settled with workers receiving wage increases.

The plant was recently shut down for three days as a result of the wage strike and talks were held after workers elected representatives to meet management.

The Barlows group code of employment practices was implemented at the Fuchs subsidiary and adjustments were made to minimum wage rates, a Barlows spokesman said.

23/3/82

# Paper claims 'poverty pay' at SA firms

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## Labour Reporter

British firms and their subsidiaries in South Africa have reacted with surprise to claims by a London newspaper that they are paying workers poverty wages.

A report in the Observer said a number of major British companies paid South African workers less than the recommended Common Market minimum. The firms listed were: Lonbro, Wimpey, Turner and Newall, Low and Bonar, GKN, Dunlop, Associated British Food, and British Elec-

tric Traction.

The EEC wage is 50 percent above the minimum living wage (MLL), which is calculated in South Africa by Unisa and the University of Port Elizabeth.

Reacting to the claims, the managing director of George Wimpey, Mr T Chapple, said their construction business had to compete with other South African firms and offer similar wages.

"We pay what other employers are paying, and there are often mostly young, single men involved," he said.

The chairman of the Premier Group, Mr Tony Bloom — which is controlled by Associated British Food — said they filed an annual report for the EEC, and no worker earned less than the MLL.

A spokesman for Dunlop SA, in Durban, said they wanted to read the Observer report before commenting.

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Indians: unemployment  
29/3/82

459. Mr. H. H. SCHWARZ asked the Minister of Statistics:

Whether any (a) statistics and (b) sample results are available from the 1980 population census in respect of the extent of unemployment amongst Indians; if so, what are the latest available figures in each category?

The MINISTER OF STATISTICS:

Data for Indians not available. However, Asian population numbered 821 320. Of these 98.1% were Indians. 7 100 Asians were unemployed. Data based on 1980 Population Census results.



# Pay <sup>18</sup> boost for 15 000 <sup>11/4/82</sup> sugar <sup>Healey</sup> workers <sup>355</sup>

**Financial Editor**  
FIFTEEN thousand sugar mill workers will get a wage increase of at least 15.75 percent from today Mr W R M Kullin, chairman of the Industrial Council for the Sugar Manufacturing and Refining Industry, said yesterday.

Agreement was finally reached after several months of talks between employers and the trade unions late on Tuesday.

New minimum pay rates are: Unskilled workers from R172,42 to R225,24 a month; semi-skilled R259,13 to R480,39 a month; skilled from R580,06 to R760,45 a month.

Mr Kullin pointed out that Durban rates would be higher and that many people were paid above the minimum rates.

He said that there would be an 18 percent increase in the minimum wage for all mill workers from today.

'In addition there would be a once-only payment of 11 percent of the prescribed minimum rates from the period January 1 to March 31,' Mr Kullin said.

This increase was in lieu of union claims for an interim wage adjustment and would apply only to those on the minimum wage levels.

Workers earning more than the minimum rates would be paid at least 15.75 percent more 'less any interim increase given since October 1, 1981'.

# UK companies' pay to SA blacks 'improving'

The Star Bureau

**LONDON** — Almost all the 129 000 blacks employed by British companies in South Africa are paid at rates above the lower subsistence level according to a summary of reports from 127 companies published by the Department of Trade.

"Figures indicate a general continuing improvement in wage levels for black workers throughout much of South African industry," the analysis said.

Acceptance of the principle of equal pay for

equal work was reported by 112 of the companies, and six indicated a qualified acceptance.

Meanwhile, a new call for Barclays Bank to withdraw from South Africa has been made by the End Loans to South Africa campaign.

In its second report, the "shadow board" says it supports "the call of representatives of the black population of South Africa for the immediate withdrawal of Barclays from the apartheid regime."

The report says: "The recent spate of Barclays loans to the South African Government and its corporations is yet another sign that the bank is

deeply involved in propping up the apartheid economy. Barclays is using its cheque book to help sustain racist rule."

And shareholders in Rowntree Mackintosh, are being urged to force the company to step in and clear up the trade union row at its South African subsidiary, Wilson Rowntree.

Members of the Anti-Apartheid Movement and the Transport and General Workers Union, Britain's biggest, are canvassing shareholders to support a motion at the general meeting to condemn the company's "stand-off" attitude towards the trade union dispute.

Star 6/4/82

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# 500 U'hage workers may lose their jobs

Post Reporter 15/4/82

ABOUT 500 workers at Uitenhage's Volkswagen plant will know next week whether they will be retrenched.

According to officials of the National Automobile and Allied Workers Union (Naawu) they have been told that workers will be laid off soon to counter an expected downturn in production.

Representatives of the union met management today, and a further meeting will take place on Monday.

Naawu has urged VW to consider options such as short time and using redundant workers in other departments.

Naawu's acting general secretary, Mr Les Ketteledas, said today that discussions would continue on Monday. He said the number of people to be retrenched had still to be determined.

A VW spokesman said that because of the economic downturn and the effect it would have on the vehicle market, the company would be "adjusting production volumes."

Overheads were being cut. Among the measures being considered were the reduction of shifts and of overtime and "an adjustment in manpower".



# 18 pc pay rise for Mwasa

W/E ARGUS 17/4/82

Weekend Argus  
Correspondent

JOHANNESBURG. — A national salary and wage agreement was reached in Johannesburg this week between the two leading English-language newspaper groups and the Media Workers Association of South Africa

(Mwasa), a union representing black workers within the newspaper industry.

The agreement guarantees all Mwasa members as at December 31, 1981 a minimum increase of 18 percent in salary or wage from January 1, 1982.

The employers agreed

that the total salary/wage bill of the union's members in each job category would increase by 25 percent, the additional seven percent being allocated at the discretion of management.

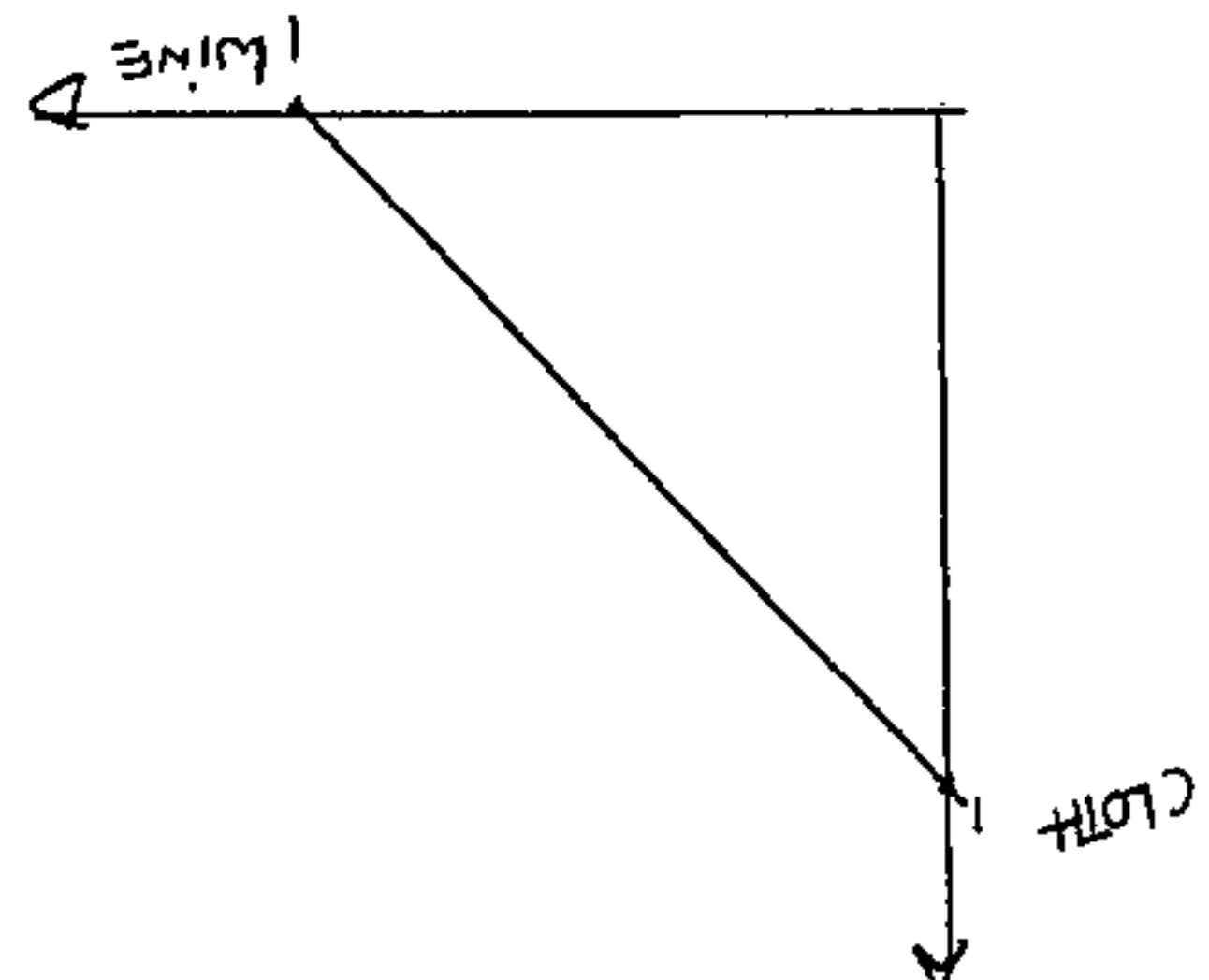
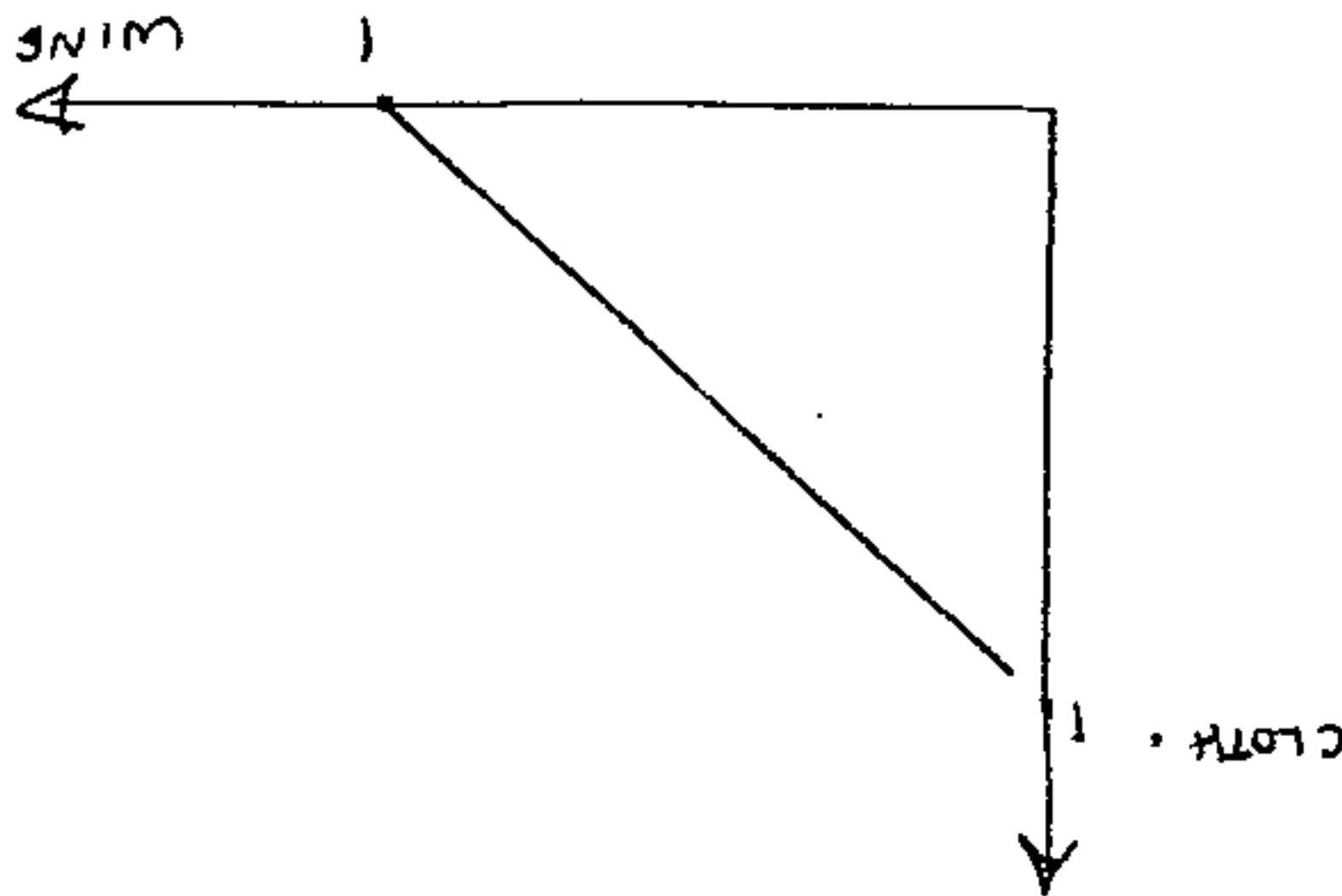
The increases are based on the salaries and wages

paid as at January 1, 1981.

The agreement, reached after protracted negotiations, will apply to newspapers belonging to the Argus Printing and Publishing Company Limited and South African Associated Newspapers Limited.

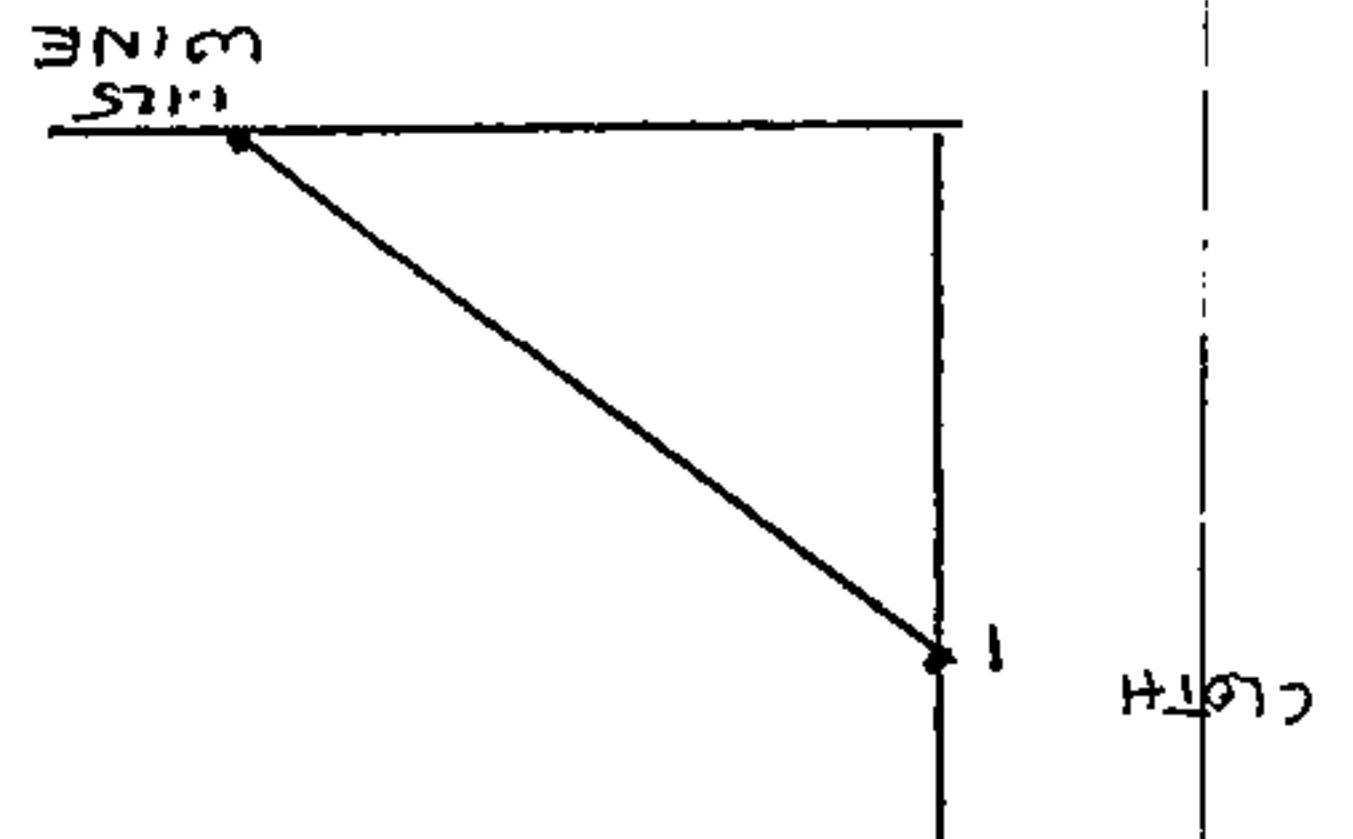
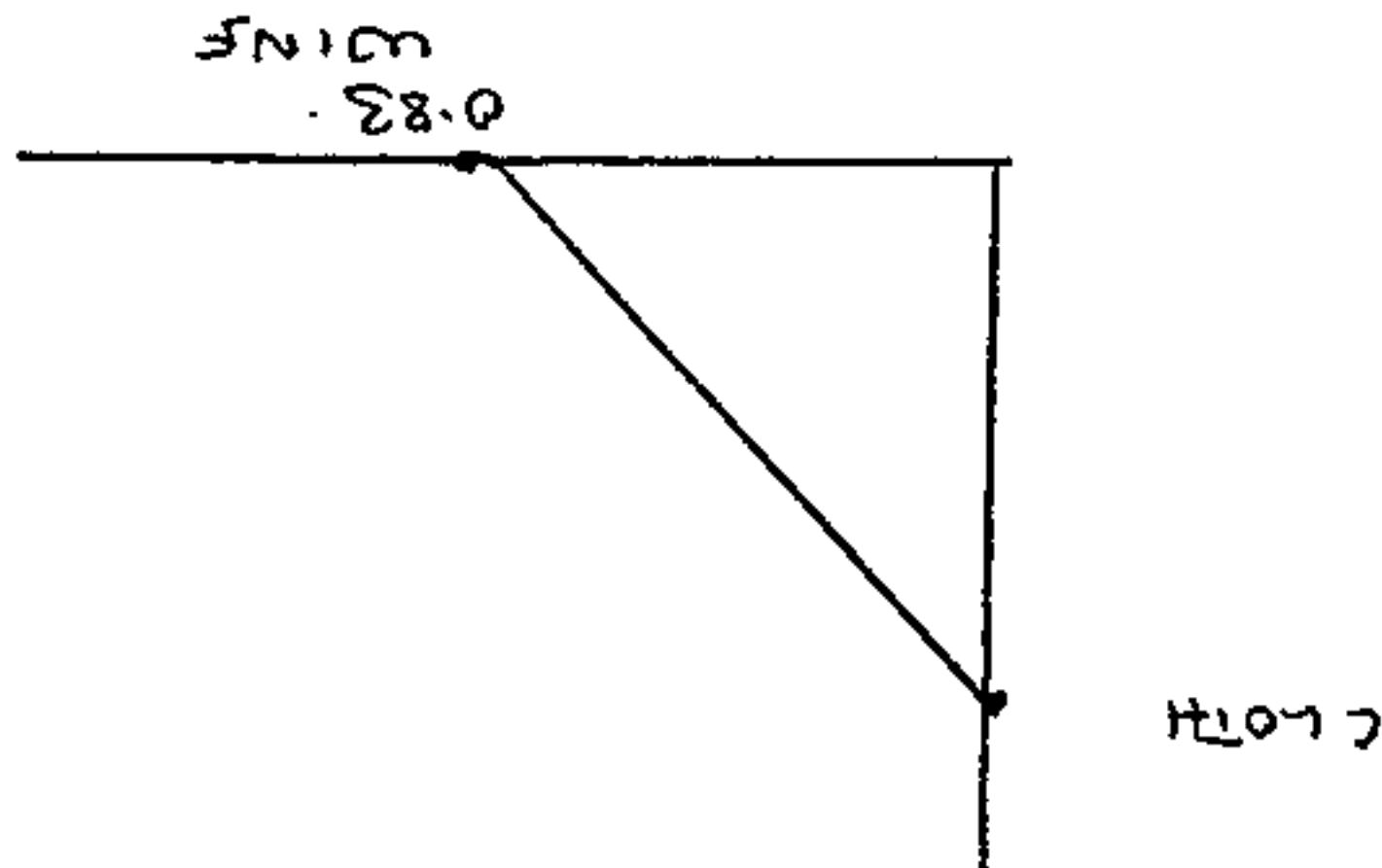
The parties concerned have also formally adopted a grievance procedure and disciplinary code to be used as the basis for independent dispute resolution agreements to be negotiated at the various signatory newspapers.

355



At trading take place then they will only stop trading when there is a 1:1 ratio and both slopes in each country are equal.

They have a diff. slope. They should trade e.g. U.K. should specialize in cloth and sell to Portugal.



They have a diff. slope so they should trade e.g. Portugal specializing in wine and sell to Portugal the U.K.

## Seychelles plane delay holds up hijack trial

Own Correspondent

MARITZBURG — Ten of the 43 accused in the Maritzburg hijack trial were told today by Mr Justice James

FR

# 500 000 are waiting for outcome of pay talks

By Tony Davis

Labour Reporter

More than 500 000 workers are waiting for the results of annual wage negotiations in four of South Africa's major industries.

In two of the negotiations — those in the mining and metal industries — trade unions have declared disputes and have refused to accept terms offered by employers.

The disputes will lead to the formation of Government-appointed conciliation boards.

If this remedy fails miners and metalworkers are legally entitled to strike.

### DISPUTE

The mining negotiations, affecting about 25 000 white miners, broke down after two days of talks last week when the Council of Mining Unions declared a dispute.

Unions in the metal industries, representing about 500 000 workers nationwide, declared a dispute with employers last Wednesday.

Negotiations for some 15 000 automotive industry workers in the Eastern Cape get underway next month.

One major union is demanding a 75 percent increase.

In the garment industry talks affecting 25 000 workers are expected to end later this week.

The annual wage and working conditions talks come at a time when, according to financial experts, the

economy is experiencing a downswing.

Mr Jan de Jager, head of the intelligence and research unit of the influential Federated Chamber of Industries, said this week the country was experiencing a downturn in the economic cycle.

This meant lower growth and an increase in unemployment.

These conditions would also be affected by increases in the cost of living concerning petrol, railway tariffs and higher interest rates, Mr de Jager said.

The disputes in the mining and metal industries are the results of wide gaps in employer offers and union expectations.

### BOTTOM RATE

Mining unions have asked the Chamber of Mines for a cost of living increase of 15 to 16 percent.

The employers replied with counter-offers of three to five percent.

The 14 union member caucus in the metal industries has demanded a bottom rate of R1.63 an hour, from its initial demand of R1.75 hourly rising, over a period, to R2.

Industry employers offered artisans a 14.6 percent increase — from R3.62 to R4.15 an hour — and 22.1 percent to lowest grade workers, from R1.13 to R1.38 an hour.

In the garment industry talks, which started late last month, unions are hoping for

an average 30 percent increase with increases from 21 percent to more than 60 percent for various grades of workers.

Unions were also hoping for an increase in attendance bonuses.

The annual negotiations for motor firms in the Port Elizabeth area are scheduled to start on May 4.

### COUNTER-OFFER

One of the two unions involved in the talks, the Fosatu-affiliated National Automobile and Allied Workers Union (Naawu) has demanded a 75 percent increase, with a starting wage of R3.50 an hour.

The three area employers — Ford, General Motors, and Volkswagen — are all represented on an industrial council and have yet to make their counter-offers public.

### NATIONAL

The Naawu is asking for the minimum wage of unskilled workers to go up from R2 to R3.50 an hour, semi-skilled workers to go up to R4 and skilled workers to R4.50 an hour.

Naawu says its demands are national.

It claims to represent about 40 percent of the motor industry workforce countrywide.

The union is also currently holding talks on behalf of its 4 000 workers at Sigma near Pretoria.



LABOUR FM 23.2.82

# Negotiation holds the key

(134)

(355)

(245)

(181)

(211)



In labour matters, conventional wisdom is that unions try to boost wages during a boom, while in times of recession they become more concerned about job security. Employers in some important industries can therefore be excused for being startled by wage demands confronting them this year.

Many have hoped for modest demands from labour. After all, profits are going to drop as the economy slows down. In addition, foreign markets remain depressed and this year companies have to contend with a tax increase.

Despite this, wage increases ranging from 50% to 100% are being demanded by unions in the metal, clothing and laundry industries and sections of the motor and chemical industries. In many cases, the gap between what unions want and what employers are offering is alarmingly wide. Even in the mining industry, where unions' demands are modest compared with those in several other sectors, the gap is substantial. Unions want a 15% increase (down one percentage point from their initial demand) while employers have indicated that they will agree to a 5% pay rise (up two points from their original offer).

During the past week disputes have been declared by registered unions in both the mining and the metal industries — the first step in the process which can lead to legal strikes. There is no denying the seriousness of this impasse in the two largest industries in SA, other than agriculture.

The deadlock in the mining industry involves eight unions affiliated to the Council of Mining Unions (CMU), which essentially represents the interests of white miners. While unions try to achieve wage increases which counter the effects of a 15,2% inflation rate for last year, mining houses point to the fact that gold has been selling at less than \$350 an ounce for most of this year.

Unionists have dismissed the employers' offer as "absurd." Employers, on the other hand, believe that the unions must face economic realities. Sharply declining earnings of gold mines and rising costs mean that there is less money available for wage increases.

There are, however, important differences between this dispute and what is happening elsewhere. It is now three years since government granted trade union rights to blacks. While only a very small number of blacks belong to mining unions, many have been unionised in other industries. Where in the past blacks had little direct say in wage negotiations in these industries, they are now making their presence felt — and the result is discomforting for employers and even some unionists.

There are a number of related factors behind these wage demands:

□ The sharp rise in the cost of living in the past year. In most parts of SA the household subsistence level (HSL) for blacks (one measure of the minimum needed by a black family) has risen faster than the consumer price index. The University of Port Eliza-

beth's Institute for Planning Research has found that the HSL for many blacks on the East Rand, for example, has risen by about 20% in the past year. The average increase for major urban centres during the past year is the highest recorded for a 12-month period since the start of the institute's surveys 10 years ago.

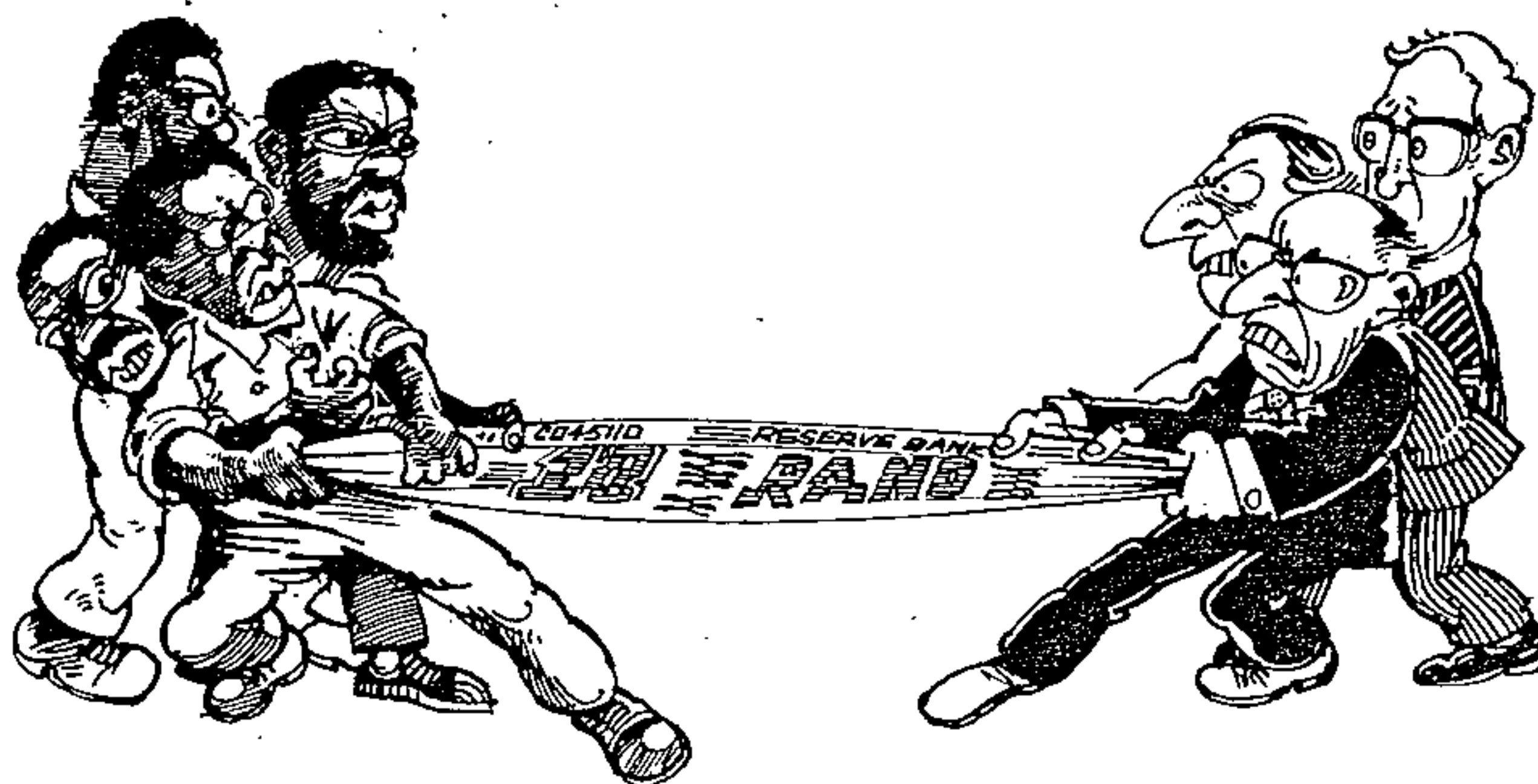
□ Demands to close the large wage gap between skilled and unskilled workers. A respected industrial relations practitioner estimates that in many SA industries, for every rand an unskilled worker earns, a skilled worker — an artisan — earns between R5 and R7, and sometimes even more. In Europe this ratio is more realistic, ranging between 1:2 to 1:3. At the other end of the scale, the ratio in the troubled US motor industry is 1:1,5 — something which obviously does little to encourage skills training and productivity.

He points out that closing this gap in SA is not going to be easy. The shortage of skilled labour during the past boom has resulted in high wages for artisans, and because there is still a strong demand for these skilled workers, their wages will continue to rise. The demand for unskilled labour remains comparatively slack.

To a great extent, employers are suffering the consequences of government policies which for many years prevented or discouraged blacks from entering skilled occupations. "The only way we are going to close the gap is through training, training and more training," he says.

FM. 23/2/82

(355)



Training is, however, a long-term solution to the problem. In the meanwhile, some employers face high demands. For example, the National Automobile & Allied Workers' Union (Naawu) has proposed that minimum wages be increased by up to 75% as a starting point for negotiations between the unions and employers.

□ Black workers' ignorance of economic realities. Some veteran trade unionists are having a torrid time convincing black workers that a demand for a drastic wage increase is unreasonable in a period when the economy is entering a period of contraction. "They know nothing about economics," declares one. "But they are feeling the effects of inflation and when they hear that the company they work for has made good profits they get angry. Some are so desperate that even when they are warned that high wage increases can cause unemployment, they don't seem to care."

A recent survey of attitudes to labour relations by the University of Natal's Economic Research Unit has revealed that only 22% of unions believe there is a trade-off between rising wage rates and job creation.

□ Intense rivalry between unions. New black and multiracial unions are growing at a phenomenal rate and are penetrating industries traditionally occupied by established unions. High wage demands are a

strong attraction to workers being wooed by competing unions.

A fascinating example of this is to be found in the current conflict in the metal industries, which employ about 450 000 people. A vigorous newcomer, the Metal & Allied Workers' Union (Mawu), has been responsible for numerous stoppages in the East Rand metal industry during the past year. An affiliate of the Federation of SA Trade Unions (Fosatu), its membership doubled to 24 000 last year. It refuses to take part in wage negotiations at industrial council (IC) level, preferring plant-level bargaining.

This year the established unions in the metal industries invited Mawu and other unregistered unions to attend the IC wage negotiations. Mawu turned down the invitation. When the established unions met employers they demanded that a R2 an hour minimum be implemented by the end of the year. The present minimum is R1,13 an hour. The demand startled employers, but it is interesting to note that a R2 an hour minimum wage is a widely publicised Fosatu goal.

Employers, represented by the Steel & Engineering Industries Federation of SA (Seifsa), have offered a 25c across-the-board increase. However, this has been rejected by the unions, which have declared a dispute.

Can the official dispute-settling mechanisms resolve the conflict in the mining and metals industries? The procedure is the following: The party which declares the dispute has to ask the Minister of Manpower to appoint a conciliation board. If the Minister refuses to appoint a board, the next step is for the union members to vote on whether to strike. If a board is appointed, it tries to achieve a reconciliation between the parties. Should it not achieve this, the unions still have the option to hold a strike ballot.

This procedure has been effective in defusing some disputes in the past. However, it has not been particularly successful in the mining industry. It has worked best as a forum in sectors where there is a low level of union activity. When it is used to settle a dispute involving well organised white workers it can, in the words of one observer, merely result in a "rerun of the same issues and actors" who were involved in the original negotiations.

Neither mining and metals industries employers nor the unionists doubt that tough bargaining lies ahead.

Will employers in other industries where high demands are being made be able to reach an accord with union leaders? Although some employers are alarmed by the size of the demands and fear that workers' expectations are unrealistically high, some observers are optimistic.

Professor Blackie Swart, of the University of Stellenbosch's Institute for Industrial Relations, says he has participated in negotiations where large demands have been considerably modified. Indeed, there are indications that Naawu, for example, is willing to discuss the possibility of its 75% wage increase being phased in over a fairly lengthy period.

There are several other observers who believe that unions may be willing to compromise, providing employers show they are committed to a policy of upgrading black wages as fast as possible. One must not confuse an initial demand in a negotiation with what will be an acceptable settlement, says industrial relations consultant Andrew Levy. Now that black labour begins to make its voice heard, he believes that, for the first time, negotiation is becoming a meaningful exercise in SA.



# Blacks' pay rising fastest — Koornhof

CAPL TIMES 24/4/82

## HOUSE OF ASSEMBLY

— The average salaries of black workers in the non-agricultural sector increased five-fold between 1970 and 1980, from R476 to R2 253 a year, Dr Piet Koornhof, the Minister of Co-operation and Development, said yesterday.

Speaking during the debate on his budget vote, Dr Koornhof said the average yearly increase was 16,8 percent, which represented the fastest increase of all race groups, including whites.

In real terms the salaries of blacks had increased by 5,5 percent in the past decade, which was considerably higher than in the case of other groups and which compared very favourably with the increase in the case of whites of 0,08 percent.

"This tendency indicates a meaningful improvement in the general welfare level of blacks,"

the minister said.

The result of this relatively rapid salary increase for blacks, was that the relative wage gap between the different race groups was narrowing. Where salaries for blacks in 1970 only represented 14,7 percent of those of whites, in 1980 these salaries had increased to 24,9 percent.

Only 18 percent of the black population, namely those living in the four metropolitan areas, were responsible for 45 percent of black household expenditure.

During 1980 the consumer spending of whites was R18,5 billion as against R8,9 billion by blacks. However, the growth rate of the consumer distribution of blacks amounted to an average 19,4 percent a year as against that for whites of about 12,2 percent a year in the ten years 1970 to 1980. — Sapa

Membership				Year	
Asian and Coloured		White	Total	African	
					1970
					1971
					1972
					1973
					1974
					1975
					1976
					1977
					1978
					1979
					1980

Mrs Wurzel said she was no longer actively involved in the day-to-day running of the fund, but is still a trustee.

"Most inquiries come from employers initially, but workers are increasingly pushing their employers to join," she said, but was not prepared to give figures of membership or income.

Mrs Gordon, for many years the champion of black domestics, said that since the fund was launched there had been a growing awareness among employers of the need to provide pensions for employees.

The pension fund scheme for black domestic workers launched by TV personality Donna Wurzel last August has been a huge success, according to the administrator, Mrs Sue Gordon.

## Servants' pension fund grows

27/4/82

rs Union (See page 50).

1980 Incorporated into

Registration: No

Founded: 19592

Area of Operation: Trans-



Pinetown  
Mercury  
municipal  
workers get  
10 pc rise

**Mercury Reporter**

THE finance committee of the Pinetown Town Council yesterday reaffirmed the council's decision to give municipal workers only a 10 percent wage increase from August 1 in spite of being faced with worker discontent.

Their decision follows Monday's brief stoppage by about 120 refuse and road workers who it is understood had demanded an immediate wage increase.

The workers returned to work after the Deputy Town Clerk, Mr Andrew Ferguson, had agreed to raise the matter with the council.

The dissatisfaction, though, is not confined to black workers — all heads of Pinetown municipal departments asked the finance committee to reconsider the employees' request for an increase of about 16 percent.

Mr Jock Bruce, the chairman of the finance committee, said they had all agreed that the wages of the lower grade of workers needed to be increased, but had decided to wait until the new increases came into effect in August before looking into these wages.

**Not enough**

After yesterday's meeting, Pinetown's Town Clerk, Mr Bill Green, advised a large group of workers who had raised the wage grievance of their decision.

The local chairman of the South African Association of Municipal Employees, Mr Clive Turner, said the staff considered the 10 percent increase passed by the council earlier this year as not enough to cover even the cost of living.

He said the council had made its decision after the staff advisory committee, of four council members and four staff members, had agreed to a 15 percent across-the-board increase.

Their rejection of the advisory committee's decision was extremely bad industrial relations, Mr Turner said.

He added that the association would be taking legal advice on the matter before making any further moves.

Mr Turner said that unfortunately black municipal workers had no recognised union to negotiate for them, but the association would submit pay demands to the council on behalf of everyone.



Mr Gene Louw

# Wage gap: Louw and PFP agree

ARGUS  
20/5/82

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## Provincial Staff

THE Administrator of the Cape, Mr Gene Louw, yesterday expressed his "total agreement" with the Opposition that the wage gap based on race in the provincial service should be ended.

Mr Louw reaffirmed a stand he took soon after becoming Administrator, already committed to ending the wage gap. On this issue there was agreement.

"I wish that the financial situation was such that we could close the wage gap faster, and that we could end it," Mr Louw told the Provincial Council in replying to the budget debate.

Mr Frank van der Velde (PFP, Wynberg) interjected: "It would be the best investment you could make."

Mr Louw said the central Government was for better pay and conditions of service for these men.

The Administrator emphasised the urgent need for adequate beach and holiday facilities for all in the Cape, and said funds would have to be made available to solve a real problem.

### "A TRIUMPH"

He agreed with members that environmental and conservation officers were inadequately paid for their work, and said an urgent plea would be made direct to the Cabinet.

The Administrator said that in the present financial conditions he regarded the Cape's 1982-83 budget as "nothing less than a triumph".

The Executive Committee and senior officials had been able to cut expenditure to the extent that the budget could be balanced without any increase in taxes or service fees.

He was satisfied that he and the Executive Committee had obtained the best possible financial deal for the Cape from the Treasury, and he thanked the Treasury for "the pleasant way we could talk".

### INADEQUATE

At the same time he was convinced the channels between the provincial administration and central Government were inadequate and had to be improved.

He announced that, in future, unmarried permanent provincial employees, regardless of race, would be entitled to the same housing subsidies as applied to married personnel. This included widows, widowers and divorced people.

As from March 1, all black personnel could belong to a medical aid scheme.



## 4 banned for two years

PRETORIA — Four people have been banned under the Internal Security Act from attending public gatherings for the next two years, and 10 have had their restrictions lifted.

The banned are Pravin Jamnadas Gordhan, Moorooogiah Naidoo, Im-Manuel Nathaniel and Aletta Mamphela.

Restrictions have been lifted on Andrew Mzwandile Mbilini and Charles Nqakula of Zwelitsha, Monde Collin Mkunqwana of Mdantsane, and Kader Hassim, Lybon Mabasa, Baptiste Marie, Nikiwe Matshoba, Donald Mattera, Diliza Mji and Horatius Mdleleni.

## near EL

don branch secretary for the South African Allied Workers Union of which Mr Soci is also a member.

A spokesman for the AFCWU said they would be taking up the incident at the highest level.

They condemned what they called "complete terrorism against trade unionists by the Ciskeian Government".

# Employment agency for domestic workers

By SALLY KERNOHAN  
UNEMPLOYED domestic workers with hungry mouths to feed now have an answer to their plight — thanks to a newly-established employment agency in Port Elizabeth.

This North End agency caters mainly for domestic employment and will supply anything from temporary chars to full-time gardeners.

And with the mass unemployment in the area, it is providing work for many, who otherwise would be knocking on doors desperate for any type of job.

Since it opened its doors at the beginning of the month, the agency has been flooded with telephone calls from prospective employers and employees alike, according to a spokesman for the concern.

The spokesman said they were willing to supply chars, emergency domestic workers to help out while the employed one was on holiday as well as babysitters.

"We have even been asked for a domestic worker to house-sit while the owners are away and

look after their pets," he said.

Other spheres where they help with employment is for companies requiring domestic labour to make tea for the staff, as well as packers for the supermarket chain.

"For our babysitting service we are contemplating using pensioners and people on disability grants, who could do with the extra money to eke out their tiny incomes," said the spokesman.

"Each applicant is carefully screened and we can supply contactable references for every person on our books.

"Because we have all the applicants' personal details, if the employer runs into difficulties while they are in their employ, we can trace the person involved with minimum difficulty, too," he said.

The spokesman said that often a call came in for a temporary domestic worker to help out in a home and, fortunately for the applicant, it often turned into fulltime employment — especially if the previously employed worker never returned to

her job.

He said each applicant paid a R1 registration fee with the agency and then remained permanently on their books.

If an employer required a temporary char for two days, their cost to the agency was R8. This amount would rise commensurately with the time the temporary worker was employed.

The employer was responsible for the char's wages, food and transport costs — besides registering the worker with the East Cape Administration Board, whether in a temporary or fulltime capacity.

If, however, an employer decided to employ the temporary worker in a fulltime capacity for various reasons, there were no additional costs involved.

The spokesman said the prospective employer could interview applicants at the agency or they would make arrangements for the applicant to see the employer in his or her own home.

The greatest difficulty they had was placing unskilled labour.

## Weather Forecast

FORECAST for the coastal belt from Plettenberg Bay to Port Alfred for the period ending 6pm tomorrow.

CONDITIONS: Fine and mild.

WIND: Moderate to strong, east to north-easterly

EXPECTED TEMPERATURES

Maximum 21C  
Minimum 6C

TODAY'S CONDITIONS (3pm)

Sea temperature 14C  
Temperature 16.9C  
Pressure 1024.3mbar  
Humidity 54%  
Wind North easterly 23km.

### THE MOON

New Moon June 21  
First Quarter June 28

### THE SUN

Sets today 5.15pm  
Rises tomorrow 7.22am  
Daylight yesterday 9hr 52min

### THE TIDES

High Water  
Today 1.40am 2.12pm  
Tomorrow 2.26am 2.57pm

Low Water  
Today 7.59am 8.11pm  
Tomorrow 8.45am 8.56pm

PORT ALFRED TO PORT EDWARD: Fine and mild. Wind moderate to strong, east to north-easterly.

TRANSKEI AND BORDER: Fine and mild but cold overnight with frost in places.



## WILD LIFE PHOTOGRAPHERS' MECCA

Young and old, professional or amateur photographers get their pictures at the SEAVIEW GAME PARK. A big variety of wild life in natural surroundings make perfect subjects. The Park is situated on the GREENBUSHES/SEAVIEW ROAD. Sunday feeding times as follows: Lions 12 noon, King Cheetah 3 pm, Cheetah 4.30 pm. Conducted tours into tame cheetah enclosure every hour. Picnic spots, tea room and walk/thru bird aviary will make your visit unforgettable.



# Workers get 40% pay rise

RDM June 1982

## Labour Correspondent

A FOOD manufacturer has signed a wage agreement with the Food and Beverage Workers Union which will raise black wages 40% at its Rosslyn plant, near Pretoria.

According to a spokesman for the union, which is affiliated to the Council of Unions of SA, the increase will raise minimum pay at the Willard Foods plant to R64,40 a week, compared to the previous rate of R46.

Willard recognised the union at the Rosslyn plant late last year and the agreement is the first formal wage agreement. About 500 workers are affected by the agreement, the spokesman said.

A statement released by the company on behalf of the union yesterday said the new increases had come into effect from Tuesday.

The union's spokesman said the increases had "fallen short of what workers wanted" but added: "It's our first wage agreement with the company and we believe we have made a start".

By W. K. K. K. K.



# Fruehauf signs MAWU pay deal

ADM  
June 1982

## Labour Correspondent

EAST Rand trailer manufacturers Henred Fruehauf, and Fosatu's Metal and Allied Workers Union yesterday announced they had signed a wage agreement which will give all present workers at least R2 an hour by January.

The agreement covers the 500-odd workers at the company's Driehoek and Wadeville plants and is one of only a handful of union recognition agreements negotiated on the East Rand providing for direct wage bargaining outside the industrial council system.

Fruehauf was covered by the motor industry's industrial council, although "a few" workers fell under the metal industrial council, a company spokesman said. This was the second time the company has negotiated a formal pay agreement with MAWU.

A union spokesman said the agreement showed why "direct plant level bargaining is superior to industrial council negotiations".

The joint statement by Henred and MAWU yesterday said all workers would receive a 32c an hour increase from July 1. This would be followed by an additional 16c an hour in January.

Company minimum rates would be adjusted by the same amount as the July 1982 rise and would apply until next June.

The new minimum would be R1,84 an hour and the highest grade of workers would receive a minimum R2,90 an hour, the statement said.

Thus the minimum will remain officially at R1,84 until next June, but present workers will earn at least R2 an hour by next January.

The statement added that the highest four grades at the bigger Wadeville plant would receive an extra 7c an hour on July 1 to bring pay into line with that at Driehoek.

Management also gave an assurance that workers declared redundant before July 1 would not be re-engaged at less than R2 an hour "or the minimum rate for the grade for which he is employed".

# Rise in black wages revealed

Post Reporter

ACTUAL minimum black wages in the Eastern Cape motor manufacturing industry had increased by 233,3% since 1975, according to figures released by Ford's director of industrial relations, Mr Fred Ferreira.

He said the hourly rate went up from 60c in January 1975, to R2 in January this year.

Real minimum wages, taking into account the Consumer Price Index (CPI) of 333,1 in 1982, increased by 134,6%.

This represented an increase in real wages of 134,6c, taking into account the rise in the CPI from 148,5 to 333,1.

Figures showed that real minimum black incomes had increased by 48,6% from 1975 to 1982.

The real income of the average black worker in the industry increased by 19,9% between January 1975 and January 1981, and by 31,6% between January 1975 and January this year.

The average black wage in the industry increased from 73c an hour in January 1975, to 215,5c this year.

Adjusting the figure to take into account the 125,3% increase in the CPI from 1975, the average real hourly wage was 163,7c in January this year.

## SA women win floral prizes in UK

The Star Bureau

LONDON — A Johannesburg woman received top prize in the National Festival of Flower Arranging held in Brighton recently.

Mrs Elize Olivier also had the best exhibit in the Faraway Places Section, which is open to overseas competitors with a large simple display dominated by a king protea.

The second prize in the section was won by another South African, Mrs Eulah Nissen of Maritzburg.

The exhibit of Mrs Neta Rencken, also of Maritzburg, was highly commended.

## Union wins wage rises for 550

Fosatu's Metal and Allied Workers' Union (Mawu) has won a new wage agreement following talks with the management of Henred Fruehauf Trailers on the East Rand.

The agreement — which covers 550 unskilled and semi-skilled workers at Henred's Wadeville and Drieboek plants — ensures that all present employees will earn at least R2 an hour from January 1 next year.

Fosatu began a R2 minimum wage campaign last year, but only in some companies organised by its motor and chemical affiliates has this target been achieved.

A joint Henred-Mawu statement announced increases at the two plants of between 32c and 33c an hour from July 1, and another 16c an hour from January 1 next year.

From July 1, the minimum rate for the lowest paid workers will rise from R1,52 to R1,84 an hour. Although the new minimum rates will not be revised for a year, the 16c across-the-board increase in January 1983 will take all Henred's current workers beyond the R2 mark.

Management has also agreed that if any member is retrenched before July 1983, he will not be rehired at less than R2 an hour, or the minimum rate for the grade in which he is employed.

(R93 500), parking bays (R55 000), surfacing street islands R25 000.

## Spotlight on security law

The Lawyers for Human Rights will discuss the Internal Security Act and its implications at their annual meeting tomorrow.

The discussion will be led by Professor J Dugard and Professor N J Olivier and will be held at the University of the Witwatersrand Senate House, from 10 am to 4 pm. For inquiries telephone 728-2151.

## 2 men caught

The South African Air Force military policeman and the detainee who went missing from the Waterkloof air base detention barracks in Pretoria this week have been caught. — Sapa.

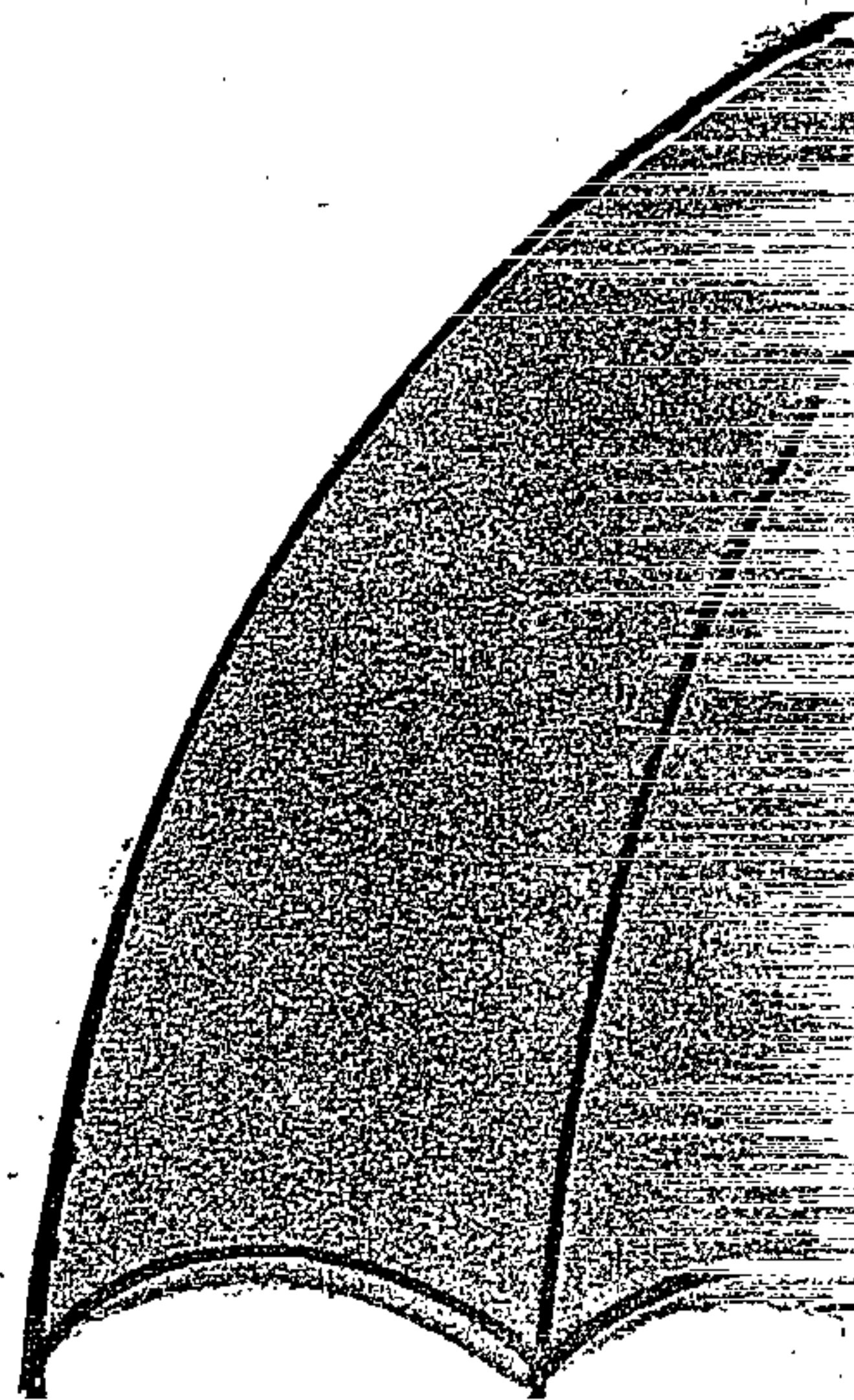
by men of the country's Central Intelligence Organisation secret Bulawayo detention centre.

Saying he had been badly treated, Mtobi added that was questioned about his alleged involvement with armed dissidents operating in the of the school in Nyamandhlovu district.

The arrest of headmaster preceded by the arrival of an airborne "fire force" in a troop plane and helicopters.

The sight of the tary forces struck terror into the hearts of many of the children who had been through harrowing air attacks in Zambian camps during the war. More than 300 youngsters fled into the surrounding bush.

Mr Mtobi, was given a rousing welcome on his return by the children and teachers.





217 82 ~~240~~ 211 395 ~~132~~ Sovetan

**IN ITS** annual report, Anglo American admits that the minimum wage of its black workers is **unsatisfactory.**

The report states that as a result of negotiations with trade unions, the first black apprentices will be indentured next year. Considerable effort has been made in the past year to provide married accommodation for senior black employees and so contribute towards the stabilisation of the workforce, which

Anglo American states it is also looking forward to the time when the majority of its workers are unionised. Among industrial companies, full recognition agreements were reached with several black unions, and further negotiations are under way with others.

In the mining industry the most notable development was the signing of an agreement between De Beer's Kimberley division and the SA Boilermakers' Union, as a result of which blacks obtained collective bargaining rights for the first time in the industry's history.

Consultative committees are co-operating

The widespread unrest among black workers in the country, following the Government's proposals for the preservation of pensions, sharply emphasised the need for effective consultation—as well as communication—at all levels before changes are introduced, says the report.

The company's policy is to establish throughout its subsidiary and associated companies rates of pay and other conditions of employment that are arrived at objectively, without regard to race, sex, and progress toward this objective is kept under review.

Central to any plan to improve the general

**EVERY CANDIDATE MUST** enter in column (1) the number of each question answered (in the order in which it has been answered); leave columns (2) and (3) blank.

	Internal	External
(1)	(2)	(3)
3	27 } 64 37	
4	48 } 61 13	

welfare of the workforce must be the objective of raising minimum wages to a level compatible with reasonable living standards, the report states.

More than 1 000 jobs have been created or secured as a direct result of the Labour Intensive Industries Fund Limited, an investment company funded by the corporation and De Beers in Southern Africa.

The number of jobs available is expected to increase during the present year as the effect of the investment becomes fully realised, the report says.

Initials

Paper No. ....  
(to be copied from the heading on the Examination Paper)

## WARNING

1. Enter at the top of each page and in column (1) of the block on this cover the number of the question you are answering.
2. Blue or black ink must be used for written answers. The use of a ball point pen is acceptable. Red or green ink may be used only for underlining, emphasis or for diagrams, for which pencil may also be used.
3. Names must be printed on each separate sheet (e.g. graph paper) where sheets additional to examination book(s) are used.
4. Do not write in the left hand margin.

1. No books, notes, pieces of paper or other material may be brought into the examination room unless candidates are so instructed.
2. Candidates are not to communicate with other candidates or with any person except the invigilator.
3. No part of an answer book is to be torn out.
4. All answer books must be handed to the commissioner or to an invigilator before leaving the examination.

**Any dishonesty will render the candidate liable to disqualification and to possible exclusion from the University**

Workers  
stage two  
wage strikes

Labour Reporter

Two disputes over wages — one in Durban and another in Alberton — broke out this week with workers disputing management moves to alter systems of payments.

At the David Whitehead textile plant in Durban, which is part of the Tongaat group, more than 2 000 workers staged a strike on Thursday in protest against a management decision to incorporate a living-out allowance with their basic wage.

Many workers, however, did return to work yesterday.

At Cobra Ceramics in Alrode, Alberton, about 200 workers went on strike on Wednesday after they had disputed a company decision to add wage increases on to their bonus rates and not on the basic wages.

# Support for domestics

Mail Reporter

DOMESTIC workers' organisations and the Black Sash are angry over a magazine article calling for domestics' wages to be fixed by free market forces rather than by "artificial" measures like minimum wage levels.

The article, in the latest issue of "Businessman's Law", is written by a financial journalist, Mr R J Friedland. He says wage levels are similar to other commodities on the market and should be determined by free market forces like supply and demand.

He says the introduction of minimum wages for domestics will increase unemployment among servants because many employers will be unable to afford higher wages.

The former national president of the Black

Sash, Mrs Joyce Harris, said yesterday: "Domestic workers and farm workers are the most unprotected of all workers in SA, where most workers have very little protection in any case. Anything which can be done to improve their wages and working conditions should be supported."

A spokesman for the Domestic Workers and Employers Project said servants should be paid according to the work they did.

Miss Maggie Oewies, head of the Domestic Workers' Association, which has called for a minimum wage of R110 for servants, said people were not objects to be bought and sold.

They had to satisfy needs such as housing, food, transport and clothing and had to bring up and educate children, she said.

... 000 000 ...



ARGUS 14/7/82 (355)

# Wage gap still wide

Argus Correspondent

PRETORIA. — A huge wage gap still exists between black and white South Africans.

In spite of talk of a narrowing of the wage gap, the latest figures from the Department of Statistics reveal average black earnings are still only a quarter of those of whites.

Whites earned an average monthly income of R1 042 in the last quarter of 1981, according to the department, while for other races the figures are: Indians R475; coloured people R350; and blacks R257.

The statistics do show a narrowing of the wage gap since 1970, with the 1970 average monthly income being: whites R271; Indians R78; coloured R87; and blacks R40.

But in real terms this narrowing has not been that dramatic since during this 11-year period the actual change only means that blacks now get a quarter, as opposed to a sixth, of white wages.

And it is revealing to place these figures in relation to a recent study of the Institute of Planning Research at the University of Port Elizabeth.

The institute has drawn up a black and coloured household subsistence level (HSL) index for the various cities in South Africa. This HSL represents the "income needed by an individual household if it is to maintain a minimum level of health and decency in the short term," to which is added the cost of transport to and from work.



TRANSPORT

# Wage rises encourage automation

Industrial Week

THE MOTOR industry looks like setting the pace for increased automation in SA, with the announcement from Sigma that it can no longer pursue its traditional policy of labour-intensive manufacturing.

Sigma is the first motor assembler to have made a public announcement in favour of automation and does so, it says, because in the past two years it has had to concede substantial increases in wages "and it appears likely that pressures for further wage increases will be maintained."

He points out that org-

anised labour unions have pressed wage claims hard in the past two years and industry is now counting the costs against automation.

Butler describes Sigma's policy as part of a rationalisation package which underlines the seriousness with which the company is now facing the next four years of economic doubt.

Its original plans were to expand production by commissioning the R14-million factory it bought from Leyland at Blackheath, in July last year.

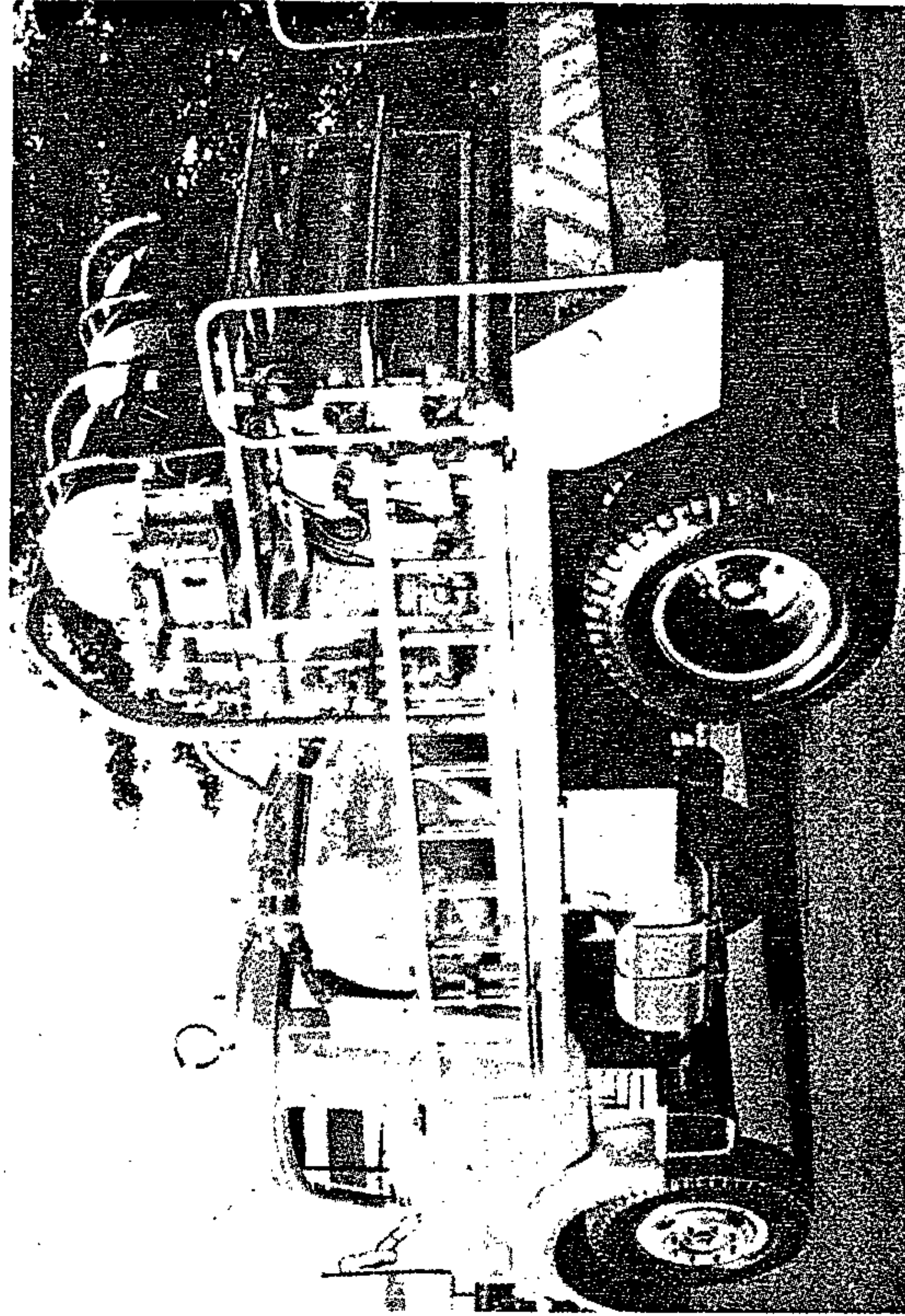
This deal becomes effective in January, but Sigma has had second thoughts.

Butler says: "developments in the intervening period have caused Sigma to reassess its strategy."

"Recent formulation of Government policy indicates that not only will deconcentration benefits not be available in the Western Cape but also that the transport and other subsidies granted to the motor industry are to be phased out."

"It appears likely that pressures for further wage increases will be maintained, and Sigma has every incentive to centralised production and to switch from labour-intensive to capital-intensive manufacturing techniques."

## Iscor orders fire fighters



Mather and Platt has recently supplied Iscor with four Ansol "Twin-Agent" crash rescue, fire fighting vehicles for the protection of the Sishen, Thamazimbi and Grootegeluk plants. The company claims that the vehicles are ideally suited for the fast knock down of fires in Iscor's fuel storage areas, large off-highway vehicles and major plant and equipment.

*Silencers*



# Survey compares pay for various jobs in PE

*E. Post 17/7/82*

*370*  
*355*  
*340*  
*310*

Weekend Post  
Reporter

MOTOR industry workers downed tools this week after wage bargaining failed to reach a settlement on a minimum wage and severance pay for workers.

Industrial strife over wage negotiations has been no stranger to the motor industry during recent years and anyone can be forgiven for having lost track of the wage scales.

What kind of money is being offered now in the present negotiations, and what kind of money is being sought?

To put these figures in perspective, Weekend Post stood them beside comparative wages paid in other parts of the market place.

If the National Automobile and Allied Workers' Union (Naawu) were to accept the offer made by the motor companies of R2,15 an hour, the lowest paid worker at a motor plant — an unskilled labourer without any education, requiring a few hours' initial training (for example, a floor sweeper) — would be paid R410 a month.

The union had originally asked for R3,50 an hour — a proposed minimum salary of R658,42 a month — which employers on the Industrial Council for the Motor Manufacturing Industry of the Eastern Cape — Ford, General Motors and Volkswagen — rejected outright.

The union is now reported to have lowered its demands to R2,50 an hour — R470,31 a month — to be increased by 25c every six months to R3,50 an hour in two years.

(These monthly figures do not take into account Sunday pay, which is double, and overtime, which is time-and-a-half.)

How do these figures compare with wages and salaries in other jobs?

● Nursing: Matriculants start on a salary of R302.65

a month. After three years' training, a nurse told Weekend Post she received a gross salary of R498 per month.

● Banking: Matriculants, irrespective of race or sex, starting a career as a bank clerk could expect a starting salary of R450 per month.

● Plumbing, carpentry, building, etc: According to the Industrial Council for the Building Industry in Port Elizabeth and Uitenhage, the current starting salary for qualified artisans is R2,96 an hour — R556,85 a month, calculated on the same scale above. This figure is due to be raised soon to R3,20 an hour (R602 per month) and a further increase to R3,60 an hour (R677,25 per month) will come into effect on November 1.

● Hairdressing: Salaries are negotiated, but

hairdressing salons canvassed said R300 a month, plus 20% to 40% commission, depending on an employee's popularity with clientele, was a normal starting salary for a qualified hairdresser.

(One hairdresser said she paid her shampooist R38 a week: "This was more than usual, because she works hard.")

● Teaching: After qualifying, the gross wage a white male high school teacher receives is R652,75 per month. Women receive R549,25 per month.

● Insurance: Clerks, again irrespective of race and sex, receive a starting salary of R450 to R550 a month.

● Journalism: A matriculant wishing to make a career on a newspaper can expect to receive a starting salary of R400 a month. Graduates start on

R600 a month.

● Railways: Starting salaries vary, as the Railways have many openings available. Conductors and unit driver assistants start their training at R440 a month.

After four years' training a driver's assistant will receive R622,50 a month (excluding overtime).

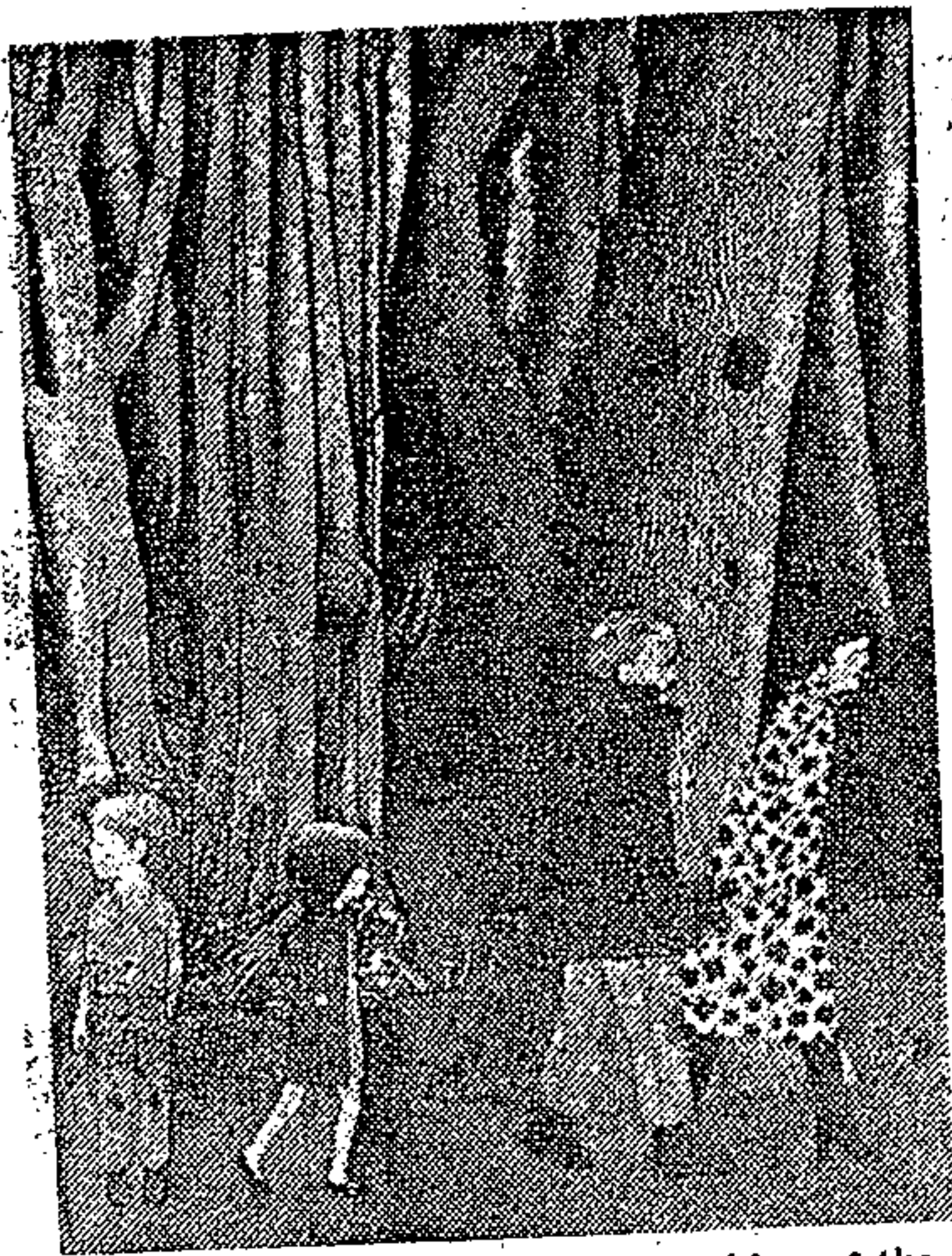
● Post and Telecommunications: Matriculants starting work at the Post Office, undergoing training in engineering, technical, financial, clerical and postal fields, receive a salary of R396,50 a month.

After training, salaries differ considerably as responsibilities vary from duty to duty.

● Municipal Traffic Department: Traffic officers, irrespective of race and sex, receive a starting salary of R488,75 a month. This does not include danger and shift allowances.



## WOMEN'S PAGE



The "Wicked" Stepmother — is a thing of the past. This modern illustration of "Hansel and Gretel" is taken from The Brothers Grimm published by Julia MacRae Books.

## Wicked step-parent image has to go

By Lynne Cornfield  
in New York

Forty five out of every 100 children born today will live with a step-mother or step-father at some time before they are 18 years old if the present trend continues.

This means that the image of the wicked step-mother and cruel, lustful stepfather must go if they are no longer in the interests of society. Furthermore, in most instances they are not true. The myth of the wicked step-mother has, however, a powerful cultural hold and a grip of children's imagination.

She was introduced through literature such as "Hansel and Gretel," and "Cinderella," and could be banished the same way through books.

While it is unlikely that publishers have especially commissioned books to change the image of step-parents they have certainly con-

may be meaningful or give delight to children."

For whatever reasons they were written and published, the books are there and time will tell what impact and value they have as attitude moulders.

Among the books are: Betsy Byars's "The Animal, The Vegetable and John D Jones" which tells about three children's struggle with the stresses of becoming a blended family; Hilma Wolitzer's "Out of Love" which tells about a 13-year-old girl's emotional trials and tribulations in accepting her step-mother; Evan Hunter's "Me and Mr Stenner" which tells of an 11-year-old's

journey from dislike to love of her step-father, and many more.

On a different level, an adult, deliberate, level, a husband and wife, psychiatrist and clinical psychologist team, Dr John Visser and Dr Emily Visser, have written "How to Win as a Stepfamily" — and they should know, each has custody of four children from a previous marriage.

The couple is deeply committed to helping step families and to this end they founded the Stepfamily Association of America which started as a small group in California but mushroomed into a national organisation within two years.

## Equal rights battle goes on

By Cheetah Haysom in New York

More than 250 members of Congress, including more than half the Senate, have co-sponsored a new amendment granting equal rights to women in America.

# Domestic wages could prove to be detrimental

Could a minimum wage for domestic workers be detrimental rather than beneficial?

JENNIFER MORAN put this question to some top Johannesburg people and she sketches the background to the legislation introduced in Zimbabwe.

The debate over domestic workers' wages and their conditions of employment is beginning to simmer.

While the National Manpower Commission on domestic and farm workers starts to sift through evidence submitted to it this month, the issue is also being discussed in homes throughout South Africa.

We asked some leading Johannesburg people what they thought of the proposal from groups fighting for domestic workers' rights that a minimum wage of R110 for full time staff be introduced.

Tony Bloom, Executive Chairman of the Premier Group decided he believed in "a decent and fair minimum wage" after wrestling with the pros and cons.

"It's the age-old problem in South Africa — that half a loaf is better than none. There is always a danger that people will be laid off," he said.

Elizabeth Bradley, a director of Wesco Investments felt that a minimum wage requirement would create unemployment among people who desperately needed jobs.

"I pay my staff more than that but would be very loath to suggest that amount should be universally accepted."

For many women domestic work is the first step in employment. They might not even be able to speak English or have any experience. Someone

should talk to one another, come to some agreement.

Employers should explain that they cannot pay more at the moment and point out that the worker has been employed for some years she probably is well looked after, well paid, well clothed and well housed," she suggested.



Steel  
9/7/82  
555

# image has to go

By Lynne Cornfield  
in New York

Forty five out of every 100 children born today will live with a step-mother or step-father at some time before they are 18 years old if the present trend continues.

This means that the image of the wicked stepmother and cruel, lustful stepfather must go if they are no longer in the interests of society. Furthermore, in most instances they are not true. The myth of the wicked step-mother has, however, a powerful cultural hold and a grip of children's imagination.

She was introduced through literature such as "Hansel and Gretel" and "Cinderella," and could be banished the same way through books.

While it is unlikely that publishers have especially commissioned books to change the image of step-parents they have certainly contributed to the cause by publishing many books on that theme.

Writers have also probably not deliberately set out to be moral reformers, but have written about issues that reflect their times.

Mr John Donovan, executive director of the Children's Book Council in New York, sums up the situation: "I think the new step-mother and step-father is being presented in a positive way. The trend is to portray them not as villains, but as real people who are part of a realistic family situation."

"I think it should be stressed, though, that 90 percent of books aren't written for didactic purposes. You can't pigeonhole books and say this one is written to show that stepmothers can be nice people. They are published because they are successful literary expressions that

may be meaningful or give delight to children."

For whatever reasons they were written and published, the books are there and time will tell what impact and value they have as attitude moulders.

Among the books are Betsy Byars's "The Animal, The Vegetable, and John D Jones" which tells about three children's struggle with the stresses of becoming a blended family; Hilma Wolitzer's "Out of Love", which tells about a 13-year-old girl's emotional trials and tribulations in accepting her step-mother; Evan Hunter's "Me and Mr Stenner" which tells of an 11-year-old's

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## Equal rights battle goes on

By Cheetah Haysom in New York

More than 250 members of Congress, including more than half the Senate, have co-sponsored a new amendment granting equal rights to women in America.

The deadline for passage of an Equal Rights Amendment passed last month after a 10-year battle. Only 35 of the required 38 state legislatures had passed it.

At an emotional rally in Washington DC this week more than 200 members of Congress, both Republicans and Democrats, showed their support for a new attempt to get the measure passed.

However, the backing in Congress is still far short of the two thirds support needed before it goes to the states to be ratified.

Opinion polls show that the majority of Americans support the ERA. The Democratic Party has pushed it but the Republican Party — which originally introduced it and has championed women's rights through history — opposed it at the 1980 convention.

President Reagan also opposes it.

Republican Senator Bob Packwood said that rejecting the ERA was "the worst mistake the party has made morally and politically since its founding."

He predicted that the Republican stand on so-called "women's issues" would lose him party five or six seats in the elections in November.

Recent polls have shown that women are developing their own political profile. They are turning away from the Republican Party and President Reagan.

groups fighting for domestic workers' rights that a minimum wage of R110 for full time staff be introduced.

Tony Bloom, Executive Chairman of the Premier Group decided he believed in "a decent and fair minimum wage" after wrestling with the pros and cons.

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Elizabeth Bradley, a director of Wesco Investments felt that a minimum wage requirement would create unemployment among people who desperately needed jobs.

"I pay my staff more than that but would be very loath to suggest that amount should be universally accepted."

For many women domestic work is the first step in employment. They might not even be able to speak English or have any experience. Someone like that would not be employable at R110 a month.

For many, especially in the rural areas, it could mean the difference between having a job or nothing.

Television producer Carole Charlewood said the proposal sounded "pretty reasonable."

"I think it's quite important to have a standard, some sort of criterion. Then part time services could be based on that. One could work out how many hours one could afford," she said.

Mrs Joy Hurwitz, national president of the Housewives' League said women in South Africa were definitely doing more of their own chores because they needed to save money and this was one way they could do it.

This meant that a lot of people were out of work. "I think people

DDM 23 7182

# Car firm offers R2,15 pay base

353

## Labour Correspondent

EAST London's only vehicle manufacturer, CDA — which makes Mercedes Benz cars — has made a wage offer to unions at its plant which would raise minimum pay to R2,15 an hour.

The offer comes as Fosatu's National Automobile and Allied Workers' Union stands deadlocked with Port Elizabeth and Uitenhage employers over a R2,15 offer.

CDA said in a statement yesterday that its offer — made to NAAWU and the all-white SA Iron, Steel and Allied Industries Union — would raise minimum pay at least 19% over the minimum agreed in January.

The company said its offer would raise pay scales covering all workers at the plant by at least 23%.

Wages in East London lag behind those in the PE/Uitenhage area, although CDA said its offer would mean pay rates for the lowest grade had more than tripled over the past 30 months.

The statement said unions had asked for time to consult their members on the new offer and formal pay talks would resume on August 4.

Union spokesmen could not be reached for comment yesterday.

CDA's statement said the company's offer was weighted in favour of lower paid workers and that a R2,15 minimum would guarantee workers in the lowest grade a wage of R419,25 a month. Taken with January's increase, it would mean a 34% increase for this year.

According to the company, workers in the lowest grade were earning only 61c an hour in mid-1978 and 77c an hour at the end of 1979.

The minimum last December was R1,60 and that agreed in January this year was R1,80.

At the top of the scale, the company was offering workers R4,43 an hour, a 23% increase over the year, it said.



main could be expected as late into winter. Full power was ri

EDM 27/7/82 355

## Anglo chief slams black wages call

By STEVEN FRIEDMAN  
Labour Correspondent

A SENIOR Anglo American executive has attacked statements that black workers should not receive further real wage increases until their productivity improved.

Mr Dennis Etheredge, head of Anglo's gold division, said recently that South Africa's productivity was the lowest among Western industrial nations even though the country had "so much going for it in terms of climate and resources."

But he suggested that racial policies and some management practices should be blamed for low productivity.

The country's shortage of skilled labour — a key production factor — was "the heritage of years of race discrimination and neglect".

Despite improvements in black education, 30% of the workforce had no education, and another 36% had primary schooling only.

Blacks had to work in an environment in which their home language was not spoken and were either migrants, who had to leave their families behind, or city dwellers "living in crowded conditions in small houses."

Their career opportunities were limited by racial practices and they could not move freely in the labour market. Black city dwellers were not paid enough to ensure that their families were properly fed or housed.

"This is the profile of the worker of whom managers say: 'No increase in wages without an increase in productivity'", Mr Etheredge said.

# PSA artisans in walk-out threat

*Cape Times 17/8/82 (200) 355*

Staff Reporter

THE PUBLIC Servants Association (PSA) is facing a walk-out by disgruntled artisans and technicians who accuse it of "years of fruitless bargaining".

They say that in spite of a grave shortage of skilled people in the public service — estimated at between 30 and 40 percent — their salaries have remained extremely low and uncompetitive.

The final straw for many PSA members in the Western Cape is an increase in their monthly subscriptions from R1.50 to R2.50.

"We can no longer afford to belong to a representative body which accomplishes nothing," ex-members said yesterday.

## Broederbond

They alleged that the all-white PSA was controlled by the Broederbond and so did not want to confront the government with higher

salary demands for its members.

According to "The Super Afrikaners" by Ivor Wilkins and Hans Strydom, the chief manager of the PSA, Mr R H Landman, is a member of the Broederbond.

Mr Landman said yesterday that the government had agreed in principle that the public service should be in a position to compete with the private sector. However, funds were not available to overcome the huge backlog.

## 'Not all groups'

"Not all groups can be granted the new structures simultaneously, but artisans will most probably receive their increases in the course of the year," he said.

Sources inside the association conceded, however, that artisans and inspectors of works had had a raw deal and there was dissatisfaction among "lower structure" employees, although the vast ma-

jority remained loyal to the PSA.

"There have been a spate of resignations in the Cape, but we believe this has been organized by certain people for their own ends," a PSA official said. "Besides, those resigning are only a small proportion of our total 40 000 membership."

## Doubled salaries

Mr H P Loots, former Western Cape vice-chairman of the PSA — who has resigned his PSA membership — said many trained artisans and inspectors of works had left the public service to work for more than double their salaries outside.

"Some departments are now being propped up by pensioners and below-average workers and the government will soon be forced to contract most of its work out to the private sector.

"This is costing the taxpayer more than he would have had to pay for a better salary structure."

ESDAY AUGUST 18 1982

# Black wage growth: 'No need to worry'

355  
128  
ARGUS 18/8/82

## Political Staff

DISTRESS about the advancement of black wages in South Africa was unwarranted, Professor Brian Kantor, professor of economics at the University of Cape Town, told the economics committee of the President's Council yesterday.

"It is difficult to imagine a system in which blacks would have done better, or would have experienced such fast growth in income, as the South African system," he said.

"If we keep it going for another generation, we will have a very affluent society indeed."

Professor Kantor, one of several prominent academics to address the economics committee this week, added that had blacks enjoyed the franchise, paradoxically there would have been more redistribution of wealth in the country and less growth.

## INTERVENTION

But he stressed that the free enterprise system in South Africa was subject to extensive Government intervention, which reduced its effectiveness and diminished the benefits which blacks and other South Africans of colour could and should derive from it.

The Group Areas Act was an example of Government intervention and was a form of wealth redistribution which excluded the poor, who were easily identified by race in South Africa. Influx control, likewise, was a form of Government intervention which redistributed wealth in favour of the rich, or axiomatically, the whites.

Such forces should be removed from the economy, so that a truly competitive system could be established to which all South Africans had access. "As far as incomes are concerned, what matters most is that the process should be fair, that market forces be allowed to prevail."



community future to fight behind military had to and eco-

attack the government in this way.

were involved made it more difficult.

of the Van der Walt Com-

mission.

## Missing man may have been murdered

Staff Reporter

BOLAND police are investigating the possibility that Mr A H P van Zyl, who went missing on Aurora Mountain two weeks ago, may have been murdered.

Mr Van Zyl, 58, was reported missing on August 9, when he failed to arrive home after leaving work earlier that day.

The search began after his car, with lights and windscreen wipers on, was found abandoned on the slopes of the mountain near the farm, Gys se Kraal, where he and his partner farmed proteas.

Subsequent searches of the area by police, neighbours, family, farmers and an Air Force helicopter, proved fruitless.

A doctor has told police that Mr Van Zyl, who had recently undergone an operation, would not have been able to walk much further than 500 metres.

Last night a close family friend said Mr Van Zyl had not locked his car, something he always did without fail, and the car was parked unusually.

Mr Van Zyl was as a driving force in the development of the Saldanha-Vredenburg complex, was chairman of the West Coast Regional Development Association in the Sishen-Saldanha iron-ore export project, and was a former town councillor.

## Pay rises 'undermine SA's competitiveness'

Staff Reporter

CONCEPTS such as the Poverty Datum Line (PDL) had been instigated by people overseas to destroy South Africa's competitiveness, Mr Basil Landau told the economic affairs committee of the President's Council yesterday.

Mr Landau, a member of the PC, said that 10 years ago South Africa had been competitive, but this had been undermined by wage increases.

"Where did all this stuff about the PDL come from? It was orchestrated by people overseas to make South Africa less competitive than them."

Mr Landau linked this



Mr Basil Landau

with an allegation by Mr Braam Raubenheimer, chairman of the committee, that German trade union leaders had instigated the strikes in the Port Elizabeth motor in-

dustrial to help German motor workers.

Mr Raubenheimer said these unionists, pretending to serve the interests of local workers, had merely provided the German workers with more work to do.

The discussion took place during a special debate on productivity called by Mr Landau while the committee was hearing evidence on the free-market system yesterday.

He said wage increases of 12 to 13 percent — "almost the rate of inflation" — were too high, and were in fact responsible for the high rate of inflation in South Africa.

## Body found in airport dustbin, court told

Staff Reporter

A RAILWAY police-woman told the Supreme Court yesterday she found the tightly-wrapped body of a baby in a dustbin at D F Malan airport in December last year.

Mrs Karen Visser was giving evidence in the trial of Miss Christina Beukes, 32, of Lavistown, who is charged with murdering her new-born baby.

Miss Beukes, an unmarried mother of two,

pleaded not guilty to murder, but guilty to attempted concealment of birth. The State did not accept her plea.

She conceded that she gave birth to a boy on December 16 last year and that the same baby was found at the airport later that day.

Mrs Visser told the court she was called to investigate a bundle in a dustbin in the women's cloakroom on December 16. Only when she unwrapped part of it did she become aware it contained a baby.

A State pathologist, Dr L van Ieperen, said the baby died as a result of a shortage of oxygen. The towel and nightgown could have caused his death, he said.

Under cross-examination, Dr Van Ieperen said it was unlikely the baby died during birth. He was large — 5kg — and showed no signs of illness or internal obstruction of

his air passages.

His lungs were fully dilated and there was a strong likelihood he had breathed outside his mother's body.

Miss Beukes's aunt, Mrs Johanna Siljeur, said Miss Beukes had lived with her during her pregnancy and had never wanted the baby. They had planned to take her to a home for unmarried mothers but shortly before the birth she had refused to go and had left their home.

She said Miss Beukes's two children were being cared for by other people. The baby's father, who was a boarder in a relative's house, had not been prepared to marry her.

The hearing continues today.

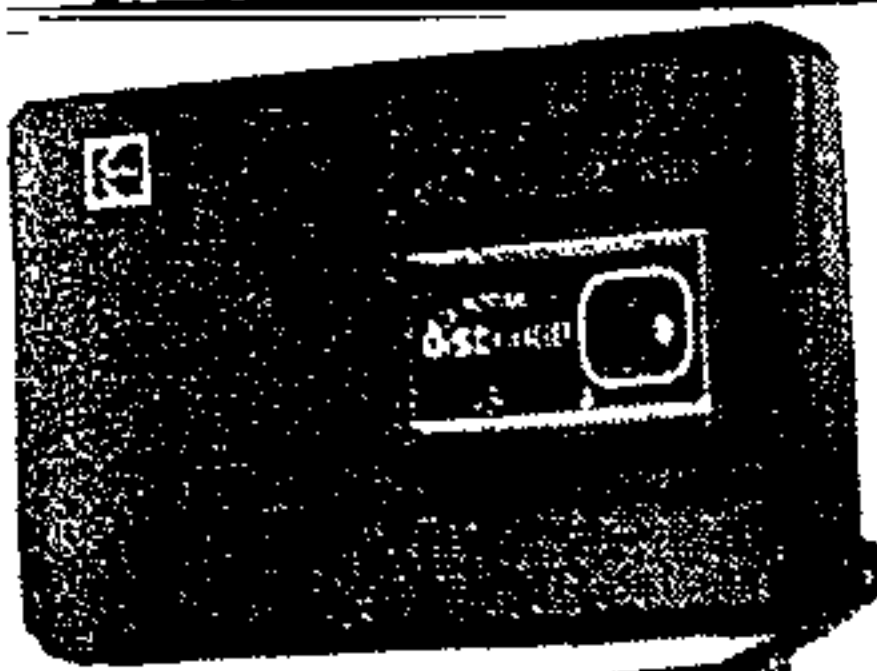
Mr Justice Fagan sat with two assessors, Mr J J Basson and Professor D van Zyl Smit. Mr H Barnard appeared for the State. Mr W Duminy appeared pro Deo for Miss Beukes.

## Concert a curate's egg

SYMPHONY CONCERT, City Hall, Thurs 19th; CTSO conducted by Brian Priestman, soloist Yonty Solomon; Josephs: Variations on a Theme of Beethoven, Op 68; Haydn: Symphony No 45 in F sharp minor ("Farewell"); Rachmaninov: Piano Concerto No 3 in D minor, Op 30.

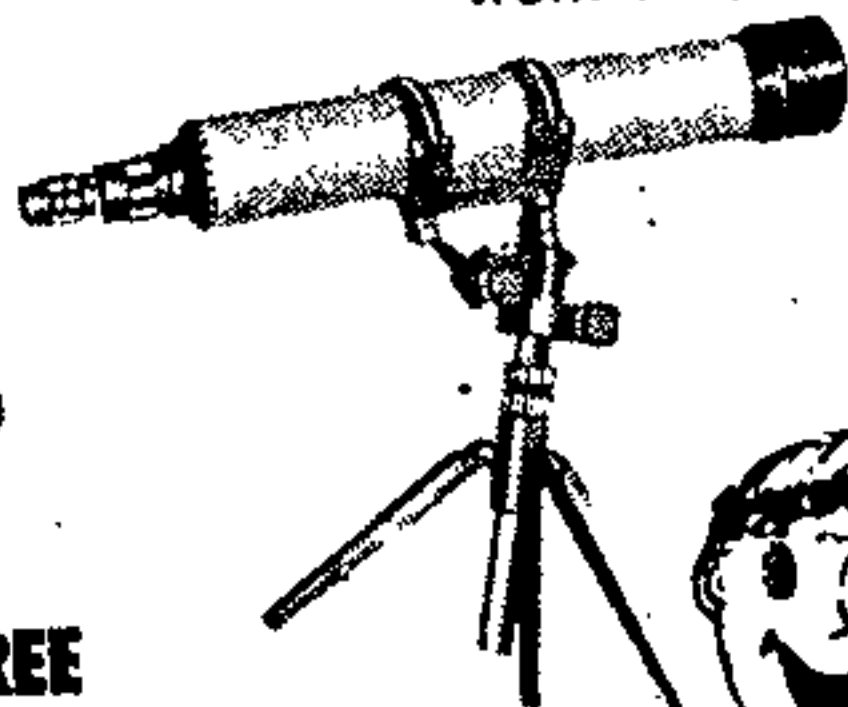
A FULL house packed the City Hall for what proved to be a concert of curate's egg dimensions. Joseph's Variations afforded a witty start to the proceedings, although presages of poor ensemble crept in. Thereafter

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# Low wage claim made by union

Labour Reporter

THE Sweet, Food and Allied Workers' Union has accused National Plant Foods at Cato Ridge of not registering workers in order to be able to pay them 'appallingly low wages'.

A union spokesman said yesterday this had come to light during the recent strike by about 150 workers over the dismissal of a colleague.

National Plant Foods said more than half of the workers who turned up to the factory on Monday had been re-instated but a group of workers had left without collecting their wages.

The union spokesman said the unregistered workers had refused to collect their wages because they would lose any claim to employment and unemployment insurance benefits.

## Pay

'A number of them have been working at the factory for longer than a year and yet were still being paid as low as R13 a week,' he added.

National Plant Food's managing director, Mr R Hagen, said the company employed 'quite a lot of tog labour' who would not have been registered but none of them had been working longer than two months.

'But we don't pay anyone as low as R13 a week,' he said.

Mr Hagen said the starting rate for 'absolutely unskilled labour' was R19 a week with a R5 attendance bonus and the lowest skilled 'tog' labourer was paid R3,60 a day with meals included.

The company had by yesterday taken on 95 workers which, Mr Hagen said, was an ample labour force.

A spokesman for the Drakensberg Administration Board under whose jurisdiction Cato Ridge falls said 'There is no such thing as 'tog' labour anymore'.

He said it was possible to employ a casual worker providing he was authorised to work in the area, but the employer was bound by law to register that worker within 72 hours.

There was no minimum wage for casual labourers.



*Star*  
**Increase <sup>355</sup>  
for food ~~workers~~  
workers ~~1/2~~**

Labour Reporter

A wage award was handed down this week to members of the Food, Beverage Workers Union who are employed at the Irvin and Johnson plant in Springs.

The Cusa affiliate which has a recognition agreement with I and J, instituted the grievance procedure in a bid to win higher wage increase. The new minimum weekly salary is \$49.44.



# Labour unrest cripples E. Cape

DISCLOSURES this week that multi-million rand industrial expansion programmes in the Eastern Cape motor industry are being curtailed, show continued labour unrest is bringing the area's economy to its knees.

By CASSIE DU PLESSIS

And, amid growing worker discontent, a trade union leader has warned that he expects trouble this week.

But trade union leaders whose members have caused unprecedented disruptions in the industry in recent weeks, maintain any negative effect on the industry is a result of the economic slump.

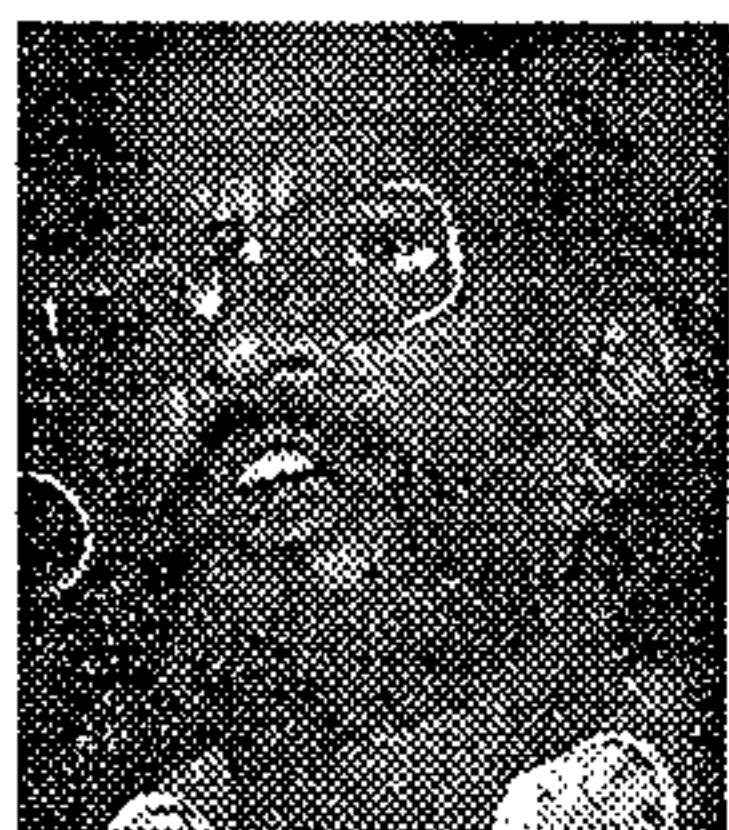
Volkswagen announced the temporary shelving of a R70 million project and Ford is believed to be delaying its expansion in the area.

Now sources say the Eastern Cape motor industry — mainstay of its depressed economy — may move some operations or expand to other centres.

General secretary of the National Automobile and Allied Workers' Union (NAAWU) Fren Sauls said Volkswagen's announcement was "an attempt to influence workers in their wage demands and to gain public support in negotiations with the union".

Veiled threats that the company might have to move to another centre would contravene declarations signed by the West German Government, amongst others, at an International Labour Organisation (ILO) convention in Geneva in 1977.

NAAWU would report Volkswagen's actions to the Volkswagen mother company in



Naawu leader Fred Sauls . . . Volkswagen's actions will be reported to Germany

Germany and to powerful international labour bodies.

"The workers will be more adamant about reaching a finalised agreement with Volkswagen," Sauls said.

NAAWU president Jury Harris said if the motor companies were curtailing expansion programmes, the slump in the economy was to blame.

"With Volkswagen shelving its project, it should now be in a financial position to meet our wage demands. It appears employers are playing cat and mouse and no progress is being made in wage talks or our demanded reinstatement of 507 retrenched workers," Harris said.

"The workers are tense and we are expecting trouble this week."

● Volkswagen announced this week that because of the labour situation and the downward trend in the economy, "we have suspended decisions on any investment in the immediate future".

It confirmed later that a R70 million programme had been curtailed and that the company was constantly looking at the practicality of expanding elsewhere to save costs. Spokesmen would not elaborate.

The Sunday Tribune learned, however, that tenders have been called for the new programme but no contracts would be agreed to before the situation changed.

The shelved programme comprises increased production facilities. During last year's sales boom the company could not produce fast enough to meet demand.

● Ford has said officially it had no expansion plans but sources say the expansion of production

facilities would at least be delayed.

Ford is one of a number of industries in the Eastern Cape which has met delegates from Transkei and Ciskei in recent months making overtures to site operations there.

● A spokesman for a big company, who asked not to be named, said the homelands were offering "immense financial incentives."

"Even if a risk of labour trouble also exists in the homelands, the cost savings there would take care of the cost of a lot of unrest."

● General Motors warned this week about damage to the economy in an unstable labour situation and hinted that it might have to delay new programmes.

When more than 10 000 motor industry workers started the wave of strikes last month spokesmen for the motor industry warned that the three Eastern Cape companies would collapse if workers' wage demands were met.

Spokesmen for welfare organisations said more and more families of white motor workers had asked for help — to buy food, pay their electricity and water bills and even home rentals.

Port Elizabeth Mayor Hendrik van Zyl Cillie said this week that the Volkswagen announcement was "one of the worst news items I've heard in a long time... this problem I place squarely in the laps of the trade union leaders."

President of the Port Elizabeth Chamber of Commerce Denis Creighton said the Volkswagen investment would have had a ripple effect on the economy. "The fact that large sums of money are not going to be spent can only add to our already critical unemployment figures."

These demands meant that a floorsweeper — the lowest paid worker on the factory floor — would earn R658 a month. A woman teacher today starts at about R650.

Executives said the average price of a new car would increase by about R800 to R1 000 and the Eastern Cape motor industry would be priced out of the business.

They were already losing on the overall market.

# Boss's withdrawal of increase leads workers to strike

Q52 355 1002  
Sowetan 30/8/82

ABOUT 40 workers went on strike in Industria on Friday morning, after wage increases given them by one of their company directors were later withdrawn by another director.

Mr Solly Feinstein, director of Marjon Auto Electrical Component Manufacturer, admitted that his son, a junior partner in the company, made a mistake by offering increases to everybody in the company.

He said increases are due to people who were earning minimum wages prescribed by law only. Other workers would be entitled to increases in March as had been happening in the past.

The workers told The SOWETAN they were not prepared to pay for mistakes committed by their boss.

## EXCITED

"We were not particularly excited by the wages we have been earning, but we did not make any noise about it. One of our bosses decided on his own to pin a notice on the wall informing all of us that we were going to get increases.

"This was obviously exciting news and we were all braced for higher wages. But when pay day came our pay slips showed that the wages had been pushed up but the figures had been altered by pen to change them back to what they had been before the increases.

"When we queried this, it emerged that the two bosses did not agree on whether or not we should be given increases. The son wanted us to be given increases, the father did not.

"So, they must pay for their own confusion because if we had not been promised increases, we would still be working peacefully," said one of the striking workers.

## HAPPY

The workers also said their boss told them that if they were not happy with the situation they could go and look for jobs elsewhere.

Mr Feinstein said he needed all the workers on strike back and that he would welcome them if they reported for duty on Monday morning.

"We have not been nasty to them and we know that not all of them wanted to down tools. Some were threatened with assault and they felt obliged to join the rest out of fear.

"But as I've said, we need all of them back but we are not going to force anybody to come back here. If they won't come, they are free to go," he said.



# Black earnings claim disputed by academic

By SANDRA SMITH

THE generally-recognised "substantial growth" in aggregate black earnings over the past few years was almost exclusively accounted for by increased pension contributions and overtime work and not by any real increase in wages.

This is the view of a University of the Witwatersrand social anthropologist, Professor Jeremy Keenan, who makes this claim in a paper entitled "The legitimisation and effect of retrenchments in South Africa in 1982".

Prof Keenan asks whether the discrepancy in the figures was due to "professional incompetence or ideological distortion".

If pension contributions and overtime pay were excluded, real basic wages showed a decline, Prof Keenan says.

Nevertheless, as long as official information could show that black wages had increased greatly during this period, managements could more easily legitimise their current practices of "wage restraint".

"This distortion of 'official' wage figures

seems to have reached new heights with the tabling in Parliament in June of the National Manpower Commission report," Prof Keenan says.

The commission reported that the past year had been characterised by a particularly high increase in average earnings and that, among blacks, the average earnings for the nine months to September, 1981, increased by 24,9%.

The consumer price index had risen by 15,2% between 1980 and 1981, which meant the real earnings increased by more than 10%, the commission said.

"Just how the commission conjured up these figures is not clear," Prof Keenan says.

The commission claimed to have taken the figures from the Department of Statistics figures, but the department's figures showed that real black earnings increased by only 2,3% for this period.

The Minister of Finance, Mr Owen Horwood, told Parliament that 50% of SA's inflation was due to black wage increases and the Defence budget.

e)

d)

c)

b)

a)

5. In the light of the 1979 amendments to the Industrial Conciliation Act, could you please indicate if your union has made any application for extensions in scope. If so,

Federation of Salaried Staff Associations of South Africa	
Pulp and Paper Industry's Joint Committee	
Rand Water Board Unions Joint Committee	
South African Council of Mining Unions	
South African Federation of Leather Trade Unions	
South African Council of Transport Workers	
South African Federation of Chemical and Allied Workers Union	

4. AFFILIATIONS TO INDUSTRIAL FEDERATIONS CONTINUED:

# Unskilled mine labour outstrips inflation

13/9/82 <sup>Star</sup> 355

By Mervyn Harris

A sharp jump in unskilled labour charges over the past 10 years has pushed up working costs on gold mines at a faster rate than inflation.

This picture of gold mine working costs from 1971 to the end of 1981 is given in the latest newsletter of the Chamber of Mines.

It shows that working costs rose by an average of 18.1 percent a year from R7.87 a ton milled in 1971 to R41.57 at the end of last year.

The consumer price index increased by an average of 12 percent a year over the period.

However, these increases in costs were offset to some extent by an increase in tons

milled of 2.2 percent a year.

Although the share of costs represented by wages paid to skilled mineworkers decreased from 30.5 percent to 18.1 percent, the actual skilled labour charges a ton milled went up by 12.1 percent from R2.40 to R7.52.

This was mainly because of an increase in the number of skilled people employed from 36 633 in 1971 to 41 494 in 1981.

The average increase in the wage bill for skilled workers rose 12.8 percent a year from R386.60 a month to R1 294 a month.

Unskilled labour charges a ton milled increased at a much faster rate over the period. Shift rates increased by 23.7 percent a year from

R1.37 to R11.53.

Unskilled labour charges at the end of 1981 accounted for 27.7 percent of total working costs against only 17.4 percent in 1971.

An increase in the unskilled work force from 371 853 to 421 874 and an average increase in earnings from R18.40 a month to R310.80 were the

reasons behind the jump.

Stores and material charges increased over the period from 34.4 percent of total working costs to 35.1 percent.

The proportion of total costs attributable to power and water charges increased slightly from 9.4 percent to 9.7 percent.



# Salaries stabilizing

WOMEN'S salaries are beginning to stabilize, according to a survey prepared from placements made by a personnel agency over the past 18 months.

Salaries paid to secretaries, typists, switchboard operators, book-keepers, and clerks have risen hardly at all this year in Durban and Cape Town, and have barely, if at all, kept pace with inflation in Johannesburg and Pretoria.

On the Witwatersrand, for instance, the average salary of private secretaries and personal assistants with three to five years' experience has increased by R78, only 11 percent, whereas the rate of inflation is roughly about 15 percent.

The salaries of similarly experienced general secretaries have increased by 16 percent, typist/clerks by about four percent, switchboard operators by about eight percent and specialised clerks by roughly 17 percent.

In the second half of last year, top private secretaries in Johannesburg and on the Witwatersrand with more than five years' experience were earning up to R1 100 a month. In the first half of this year, the highest salary paid to a top flight secretary placed by the company was R1 000.

Right now, private secretaries/personal assistants of three to five years experience are earning between R735 and R838 a month

on the Witwatersrand, R750 to R850 in Johannesburg itself, and R700 to R825 in Pretoria.

A secretary with some experience who works for several or more people is earning between R550 and R700 in Pretoria and the Witwatersrand.

A senior bookkeeper (who works to a balance sheet) of three to five years' experience is today earning between R825 to R1 025 monthly on the Witwatersrand, R850 to R1 000 in Johannesburg and R725 to R863 in Pretoria.

A junior book-keeper of three to five years' experience is earning R675 to R825 on the Witwatersrand and R800 to R850 in Johannesburg.

Senior clerks of three to five years' experience are earning between R600 and R750 in Johannesburg and the Witwatersrand.

Specialised clerks of three to five years' experience earn between R535 and R763 in Johannesburg, Pretoria and the Witwatersrand.

Typists with three to five years' experience are earning between R600 and R750 in Johannesburg and the Witwatersrand and those with more than five years' experience up to R850.

Switchboard operators of some experience are earning between R550 and R650 in Pretoria, Johannesburg and the Witwatersrand.

# Govt hopes for a tough wage stand by bosses

By GERALD REILLY  
Pretoria Bureau

THE Government hopes the private sector will follow its lead and put up a tough resistance to demands for large salary increases, according to Government sources in Pretoria.

Even increases to just compensate for rising prices would be too high, they said.

The reason is the growing concern that inflation is running out of control at a time when the economy is not growing.

Big wage increases in the private sector would only make matters worse, economists say.

The Government's apparent policy is to keep wage increases for State and provincial personnel down to an absolute minimum, despite the storm of dissatisfaction certain to follow.

This tough stance was evident in a speech made at the Public Servant Association (PSA) congress in Pretoria this week by the Secretary for the Treasury Mr R P Wronsley.

He said a 15% pay rise for

public servants would cost the Government R1 000-million.

He said he would be misleading the conference if he failed to warn that there was little room for manoeuvre for higher State spending, including a bigger State salary bill.

However, the president of the PSA, Dr Colin Cameron, said anything less than 15% would be unacceptable.

Senior public servants said a clash between the Government and the PSA on the salary issue seemed unavoidable.

They pointed out that the staff crisis had worsened since last year. There were more than 20 000 vacancies in an establishment of 80 000. Unless adequate pay increases were given, the crisis would deepen.

Increases lower than 15%, it was argued, would have a negative effect on recruitment.

The country's 280 000 rail workers and 78 000 postal workers will also get little more than token increases next year.



# Call for 40-hour working week

Labour Reporter

TUCSA's annual congress yesterday unanimously called on the government to provide for a maximum 40-hour working week.

Mr E Myburgh, the Transvaal secretary of the Motor Industry Combined Workers' Union, who proposed the motion, said South Africa was lagging far behind other countries such as West Germany and the United States where a 40-hour week had long been in operation.

Only a few industries in South Africa had succeeded in negotiating a 40-hour week, according to Mr E van Tonder, of the SA Typographical Union, who said it was "absolutely futile" to merely call on the government to grant a 40-hour week on a plate.

He called for a national approach by all trade unions to the issue and said no country's economy had ever collapsed because of a shorter working week.

Mr C P Grobler, the general secretary of the Artisan Staff Association, said that during the economic boom the SA Transport Services (Sats) had told them the time was "not opportune" to lower the working week to 40 hours, but this year — during lean times — they were still told that the time was not opportune.

● A motion calling for the removal of all racial discrimination at technikons and technical colleges was also unanimously supported.

Mr J C King of the SA Boilermakers' Society said it was "ridiculous" that all apprentices learnt side by side during their practical training course, but had to study at different colleges — sometimes in different provinces.

Cape Times 23/9/82

# Wage gap 'wider and unlikely to narrow'<sup>355</sup>

Staff Reporter

THE wage gap is widening in spite of private-sector efforts to encourage workforce integration and pressure from organized black labour for unified pay scales.

This is the findings of the country's most comprehensive remuneration survey ever undertaken. Produced annually by the PE Consulting Group, it now incorporates more than one million people of all races, or nearly 10 percent of the economically active population of the country.

"There is no doubt that the private sector is, in general, making a determined effort to use all available personnel, regardless of race, to allevi-

ate the growing shortage of skills, but this shortage is escalating a great deal faster than people are being trained," Mr Ian Hipkin, PE survey manager, said.

"As a result, the wage gap is now wider than it has ever been since 1978 and there is little likelihood of the gap narrowing significantly in the near future."

## Varied

He said the wage gap between black and white males as a percentage of white pay has, on average, varied between 45 percent and 51 percent over the past five years.

"Although the wage gap is wider now by only three percentage points

over last year's figure, in rand terms the difference between black and white males has increased from R341 in 1979 to R546 in 1982."

Mr Hipkin said that pay increases for blacks between July 1981 and July 1982 averaged more than 20 percent. White wage increases were about 14 percent.

"But a 14 percent increase on a salary of R1 000 a month works out at a lot more than 20 percent on a wage of R250 a month," Mr Hipkin said.

"In 1976 and 1977 strong pressures were brought to bear on employers to increase black wages and to improve working conditions.

## SA companies lead

"Interestingly, contrary to what most people believe, South African companies have taken the lead in the drive to remove racial discrimination in commerce and industry rather than the multi-nationals.

"Black wages," Mr Hipkin said, "increased dramatically during those years, but employers soon discovered that continued increases on a significant scale would result in serious financial problems for their companies.

"Now wage increases for blacks, over and above cost-of-living increases, are generally based on performance unless union pressures force employers to react differently.

"In other words, employers have taken the pragmatic view that employees' wage increases should be based on merit."



# Call to look into sacking of 11

23/9/82

By SANDRA SMITH

THE Grahamstown Advice Office has asked the Department of Manpower to investigate the sacking and alleged calling of the police to disperse workers at Metro Cash and Carry in Grahamstown last week.

Eleven workers at the wholesale company demanded a rise in wages from 79c an hour to R1.

The workers report that the manager, Mr Eddie Fichardt, told them to return to work or leave the premises. They have also claimed that police with dogs were called in to disperse them.

The Police Press Liason Officer, Major G van Rooyen, said today one policeman had been sent to the scene, and that there were no dogs.

The workers say they were not on strike but were only raising the wage issue with Metro's management.

Mr Fichardt is reported to have said he regarded their demands as unreasonable and "linked to the growing militancy throughout the Eastern Cape".

The workers' Unemployment Insurance Fund cards were signed off with Code 3 — which means misbehaviour and criminal conduct.

Professor M Roux, of the Grahamstown Advice Office, said today the office had compiled a detailed report of the incident and sent a copy to the Department of Manpower, requesting an investigation of the situation and that the department interview the dismissed workers.

Mr Fichardt today declined to comment, saying the matter was an internal one.

# Jobs for 40 000

23/9/82

KING WILLIAM'S TOWN. —  
The Ciskei Manpower  
Component in Mdantsane  
has placed 40 000 Ciskeians  
in various jobs in the met-  
ropolitan areas of South  
Africa in 18 months from  
January, 1981 to July 1982,  
the Director of Manpower  
Component Mr C Meyers  
said this week.

Mr Meyers said the cumula-  
tive earnings of the mi-  
grant workers from rural  
areas totalled R61 912 800.  
Giving details of the 40 000  
workers placed in the 18  
months, he said workers  
sent to East London were  
not included in the figures  
as the East Cape Adminis-  
tration Board would not  
approve their placement.  
It approved workers from  
Mdantsane only.  
The Western Cape had taken  
the largest complement of  
workers this year, account-  
ing for 7 566 by the end of  
July.  
This was followed by the  
Eastern Cape with 5 270,  
Transvaal with 1 954, Free  
State with 1 907 and Natal  
with 182. — Sapa.



1267 24/9/82

# Scaled-down salary rises in April for teaching profession

By GERALD REILLY

THE country's 60 000 teachers are likely to receive scaled-down pay increases in line with those received by other members of the public sector next April.

It was learned that the big rises granted to nurses from the beginning of October would be the last large pay adjustment in the public sector till the economy starts to climb out of the recession.

The Government has made it clear through the Minister of Finance, Mr Owen Horwood, that expectations will have to be lowered, belts tightened and sacrifices made while the economy remains sunk in the current trough.

More recently, the Secretary of the Treasury, Mr R P Wronsley, told the Congress of the Public Servants' Association that to give public sector workers 15% pay increases would cost the country more than R1 000-million.

He clearly implied that increases of this magnitude were out.

Post office and railway workers have also been warned to expect little more than token pay rises next year.

The issue of teachers' salary increases will be raised at a meeting of the Federal Council of Teachers' Associations in Rustenburg at the end of the month.

According to a council source, the second part of the undertaking given to the teaching profession by the Minister of Education and Training, Dr F Hartzenberg, last year still remained to be honoured.

The first was the big 26% rise granted to teachers after months of drawn-out, acrimonious negotiations in April last year.

The second part of the deal was to raise the "priority status" of the profession by granting teachers an additional two-notch increase.

Teachers submitted their pay recommendations for next April in February this year. They have so far received no response from the department.

# Wage gap in SA is widening

Mail Reporter

THE wage gap is widening in spite of private sector efforts to encourage integration among workers and pressure from organised black labour to form unified pay scales.

This is the finding of the largest pay survey yet undertaken in South Africa. Produced annually by the P-E Consulting Group, it incorporates more than 1-million people of all races — nearly 10% of the economically active population of the country.

"There is no doubt that the private sector is making a determined effort

to use all available personnel regardless of race to alleviate the growing shortage of skills, but this shortage is escalating faster than people are being trained," said P-E survey manager Mr Ian Hipkin.

"As a result the wage gap is now wider than it has been since 1978 and there is little likelihood of it narrowing significantly in the near future."

He said the wage gap between black and white men, as a percentage of white pay, had on average varied between 45% and 51% over the last five years. Pay increases for blacks between July 1981 and July 1982 averaged more than 20%, while white

wage rises were about 14%.

"But a 14% increase on a salary of R1 000 a month works out at a lot more than 20% on a monthly wage of R250" Mr Hipkin said.

He said that contrary to popular opinion, South African companies had taken the lead in the drive to remove racial discrimination in commerce and industry rather than the multinationals.

Mr Hipkin said black wages increased dramatically in 1976 and 1977 "but employers soon discovered that continued increases on a significant scale would result in serious financial problems for their companies".

"Now wage increases for blacks, over and above cost of living increases, are generally based on performance unless union pressures force employers to react differently," he said.

He said blacks were moving rapidly into clerical/administrative positions formerly held by whites, although their starting salaries were usually less than for whites because they invariably had little or no experience in these jobs.

He said the gap between white salaries and those paid to coloureds and Asians was narrowing and Asian males were the best paid after whites.



continues indefinitely. —  
Christian Science Moni-  
tor News Service.

The runway at the new Syferfontein airport near Lenasia. Philip Littleton took the picture. —  
man of the Johannesburg Light Plane Club, Mr Philip Hesselton (inset).

## The Bible, condensed

The Star Bureau

NEW YORK — After seven years of controversy, Reader's Digest has published its new, condensed version of the Bible.

The book, which has been branded a "work of the devil" by one of the leaders of America's Moral Majority movement, had left out 50 percent of the Old Testament and 25 percent of the New.

Reader's Digest insists that its version of the Good Book is a condensation, not a paraphrase, adaptation, update abridgement or selection.

Words of Jesus Christ have been cut where he indulged in repetition. And, the words of God have been excised where they were considered too windy.

# Race pay gap widens

By Anthony Duigan

The pay gap between black and white workers is widening despite efforts to integrate the work force and the moves to improve black wages over the last few years.

This is the surprising finding of a comprehensive pay survey incorporating one million people of all races — almost 10 percent of the economically active population of South Africa.

"The wage gap is now wider than it has ever been since 1978 and there is little likelihood of it narrowing significantly in the near future," said Mr Ian Hipkin, surveys manager of the

P-E Consulting Group which carried out the survey — the largest they have ever done.

This conclusion dovetails with the findings of the latest survey of income and expenditure patterns of black households in Johannesburg by the Bureau of Market Research of the University of South Africa.

This study found that the average real income of Soweto wage and salary earners fell by nearly three percent a year between 1975 and 1980. This is in stark contrast to the general belief that black incomes increased dramatically in the 1970s.

The average pay gap between black and white males, as a percentage of white pay, varied between 45 percent and 51 percent over the last five years, Mr Hipkin said.

"Although the wage gap is wider now by only three percentage points over last year's figure, in real terms the difference between black and white males has increased from R341 in 1979 to R546 in 1982," he added.

Pay increases for blacks between July last year and this July average more than 50 percent while those for whites were about 14 percent.

"But a 14 percent

increase on a salary of R1 000 a month works out at a lot more than 20 percent on a wage of R250 a month," Mr Hipkin said.

There was no doubt that the private sector was generally making an effort to use all available personnel regardless of race to alleviate the growing shortage of skills but this shortage was growing much faster than people were being trained, he added.

Mr Hipkin said that contrary to what many people believed South African rather than the multinationals had taken the lead in the drive to remove racial discrimination in commerce and industry.

## CHANDISING OR IN PROBLEMS IN E TOWN MARKETS?

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ld Goott in Cape Town for at (021) 54-3221 office hours

## REMEMBER?

WEEK ENDING SEPTEMBER 25, 1977.

THIS WEEK 5 YEARS AGO

JIMMY CARTER'S CLOSE FRIEND AND UNITED STATES BUDGET DIRECTOR **BERT LANCE** RESIGNED AFTER JUSTICE DEPARTMENT APPOINTED A COMMISSION TO INVESTIGATE HIS FINANCIAL AFFAIRS FOR POSSIBLE CRIMINAL VIOLATIONS.



### VIETNAM

BECAME THE 149TH MEMBER OF THE UNITED NATIONS TWO YEARS AFTER THE COMMUNISTS WON THE VIETNAMESE WAR



### HOLLAND

7 SOUTH MOLUCCAN TERRORISTS WERE JAILED FOR UP TO 9 YEARS FOR HIJACKING A TRAIN AND SEIZING A SCHOOL. THEY HELD 150 HOSTAGES UNTIL THE DOUBLE SIEGE WAS ENDED BY DUTCH MARINES.

IN BRISBANE, AUSTRALIAN POLICE DI **SLAVE LABOUR CA** PEOPLE, MOSTLY VAGRANTS AND BRUTALISED AND FORCED TO V IN BARBARIC CONDITIONS. ONE V HAD BEEN HUNG BY HIS HEELS AND SAVAGELY BEATEN.

MRS CORNELIA WALLACE WALKED ON HER HUSBAND, ALABAMA GOVERNOR **GEORGE C. WALLACE** ACCUSING HIM OF VULGARITY, THREATS AND ABUSE.

### MANCHESTER UNITED

WERE EXPELLED FROM THE EUROPE CUP-WINNERS CUP COMPETITION AFTER THE NOTORIOUS 'RED ARM OF UNITED FANS RAN RIOT IN PARIS AFTER THEIR TEAM'S 1-1 DRAW WITH ST ETIENNE

LONDON — I...  
ence Minister, G...  
Ariel Sharon, sa...  
Christian militan...  
sponsible for the...  
put massacres b...

CHI  
bro  
ST



By Joao Santa Rita  
Two South African cit-  
zens have been arres-  
ted by Zimbabwe secu-  
rity police on a farm  
near the South African  
border. They are Mr  
Hendrik Boshoff (70)  
and his son Hendrik  
(27).  
Mr Boshoff's son-in-  
law, Mr...

Hare  
police  
hold  
SA men



# Black student nurses get less

PORT ELIZABETH.—A black student nurse will earn over R2 000 less a year than her white contemporary, according to new nursing salary scales released to hospitals recently.

A survey of the planned nursing salaries for whites, coloureds and Indians, and blacks, has revealed that although there are little or no differences in salary across the colour line in the higher nursing posts, the recent pay rise for all nurses has put the earnings of the lower ranked black nurses way below the earnings of white, coloured and Indian nurses.

In some cases the earnings of black nurses are nearly 50 per cent below those of white nurses.

The survey has shown that there are large salary discrepancies between white, Indian coloured and black nurses up to the level of senior sister, matron and senior male nurse:

- A black student nurse with a senior certificate will earn nearly R1 000 less per year than a coloured or Indian nurse with the same qualifications.

- She will earn R2 433 less a year than the average earning of the white matriculated student nurse.

- A coloured student nurse with a senior certificate will earn R1 437 less a year than the average white student nurse with the same educational qualifications.

- A black nursing sister's average salary will be R882 less a year than the average salaries of white and coloured and Indian nursing sisters. There are no salary differences for white, coloured and Indian nurses at this level.

- At the level of senior sister, male nurse and matron the salaries of white, coloured and Indian nurses remain on a par but the salaries of black nurses are still on average R984 a year behind them.

The survey has also shown differences in yearly salary between black nurses and Indian and coloured nurses.

- A black nurse with a senior certificate will earn nearly R500 less a year than a coloured or Indian nurse who has only a junior certificate.

- A black nursing assistant will earn an average salary which is R1 265 less than a coloured or Indian with the same qualifications. — DDC.

355 192  
E. Post  
28/9/82

# Four-day working week for 400 in EL

Post Reporter

EAST LONDON — About 400 workers in the Mercedes Benz truck assembly plant in East London went on to a four-day working week yesterday.

A spokesman for the company, Car Distributors Assembly, said the short working week was introduced as economic circumstances had made it necessary to curtail production.

This action was decided upon in preference to a retrenchment of staff.

He said the truck assembly line would be closed on Mondays until further notice.

Where possible the affected employees would do other work such as cleaning, on Saturdays, so that they could receive a full week's pay.

The spokesman said all the company's other plants would operate as normal.



# R500m budget for pay raises

RDM  
Sept. 1982

By GERALD REILLY  
Pretoria Bureau

THE Government is expected to budget less than R500-million for salary increases in the Public Sector next April, it was learnt in Pretoria yesterday.

And if the economy continues its current dive into recession, the amount could well be substantially less.

It has been made clear to staff associations representing 280 000 rail workers, and nearly 80 000 Post office workers that they will have to drastically scale down their expectations for next April.

Greatly reduced salary and wage hikes are part of the Government's overall strategy for slashing Government spending and fighting inflation.

It is understood that last week the Postmaster General, Mr H O Bester, told a Post Office staff association that they could not expect increases on the same scale as last year — which were in any case 3% below the inflation rate of 15%.

The Minister of Transport Affairs, Mr Hendrik Schoeman, has also been frank with the railway unions.

He has told at least one union — the Footplate Staff Association — that they may get nothing next year, unless there was a substantial upturn in the economy.

And last week in Pretoria, the country's 80 000 State department workers were left in no doubt that they, too, will get substantially less than last year in the next round of salary increases.

Teachers organisations, possibly the most militant when it comes to pay demands, can also brace themselves for limited increases next year.

Two years ago, they were granted a 25% rise after a long drawn out fight between the Federal Council of Teachers Associations and the Government.

This year, however, fighting won't help because the funds are just not available, according to a Pretoria source.

Rom 29/6/82

# More pay for workers in key Govt areas

Pretoria Bureau

THOUSANDS of Government workers in areas where staff shortages are critical are to get additional pay increases this year, according to the Commission for Administration.

The Public Servants' Association has warned repeatedly that unless conditions are made more attractive in certain key areas, there would be breakdowns in services.

The categories to benefit are para-medical staff, health inspectors, forensic chemists, office personnel of customs and excise, storemen and stores personnel, financial and audit staff, engineering technicians, prison staff, nature conservation officers, artisans and the group which includes architects, land surveyors, town planners and cost accountants.

The chief director of the commission Mr Piet Colyn said the Minister of Finance Mr Owen Horwood set aside R150-million in his Budget for occupational differentiation increases. About half of this had already been spent.

Most of the rest would be devoted to improving the earnings of the 12 categories.

Mr Colyn said it was impossible to say just how much the new increases would cost as the matter was still being investigated.

However, the increases would depend on merit, length of service and qualifications.

The special increases would be confined to State and provincial departments and certain semi-government institutions.

However, Post Office and Railways employees would not be included in the deal.

The president of the Public Servants' Association Dr Colin Cameron said he welcomed the commission's move to improve earnings in areas where staff difficulties were acute.

He said the efficiency of some departments was threatened because of staff shortages and he hoped the new increases would attract suitable recruits to the service.

"We also hope that some of the categories not included this time round will receive the urgent attention of the commission," Dr Cameron said.



# JAY-BEE EXECUTIVE CARDS

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# HSL 'not true guide to costs'

15/10/81  
E. Post

By SANDRA SMITH

TWO academics warned today that the danger of setting a Household Subsistence Level (HSL), similar to the one released by the Institute for Planning Research at the University of Port Elizabeth, was that employers often used this as an indicator for acceptable salaries.

Professor Jeremy Keenan, a University of the Witwatersrand social anthropologist involved in research on wages, said the HSL measured "a package somewhat removed from reality".

This was because it was based on, for example, a family's necessary diet over a short period of time, and not on actual consumption patterns.

In terms of transport the HSL also assumed that only one person in a family was using transport to and from work.

Prof. Keenan said wages often did not even meet the HSL, and many employers viewed it as a guideline for setting maximum wages.

"And then they pat themselves on the back if their wages are a bit above the HSL," he said.

A family living on the HSL was more often than not in dire straits. It did not represent living on the breadline, but instead on "the death line", he said.

Families on the HSL level for any length of time often showed typical signs of poverty and disease.

The HSL represented "pretty gross discomfort and difficulty even over a short period of time", Prof. Keenan felt.

A Rhodes University sociologist, Mr Paul Stewart, also pointed to the danger of industrialists using the HSL as a goal for wages. The real intention was to use it as a starting point only.

The report released today showed that the HSL for an average, six-member African family in Uitenhage had risen by 17,8% to R260 per month during the past year.

For African families in Port Elizabeth the HSL was R250, an increase of 14,1%.

For five-member coloured families the increase in Port Elizabeth was 14,3% and in Uitenhage 15,8%.

The lowest increase in urban centres since March was in Durban and Kimberley. The highest increases since March for coloureds were in Port Elizabeth (6,9%), Cape Town (7,1%) and Queenstown (8,4%).

Particularly high increases for African families were in Queenstown, (11,1%) and the Vaal Triangle.

CAL TALK 16/10/82 (355) 1469

# Wages 'declined during 1978-80'

## Labour Reporter

THE real basic wages of black workers declined during the boom years of 1978 to 1980, according to a publication on black wages by the Federation of SA Trade Unions (Fosatu), largest of the independent trade union groupings.

The publication said the effects of overtime, pension schemes and inflation on total family income explained why workers were experiencing a drop in their standard of living while

management statistics showed that real wages had risen.

It quoted from research done at the University of the Witwatersrand to show that the real gross earnings of black workers after inflation was taken into account went up — but this did not prove that workers or their families were better off.

## Overtime

According to the Quarterly Bulletin of Statistics, workers averaged more than seven-and-a-

half hours overtime every week during the first six months of 1981.

"Who, in his right mind, would wish to spend the equivalent every week of an extra shift in the factory if he did not have to?" the publication asks. It said workers were desperate to work overtime in order to meet their minimum needs.

Overtime earnings had risen substantially from 1978 to 1981, both in money terms and as a proportion of total earnings. When overtime was subtracted, the real value of the remainder — the basic wage — had fallen.

## Pension

Furthermore, the publication argued that compulsory pension contributions, which were often lost or considerably reduced in value, should be excluded from earnings.

Subtracting both employer and employee pension contributions, the commonly-accepted increase in real gross earnings for black workers of 12,2 percent between 1976 and 1980 fell to 3,7 percent.

Looking at the effect of earnings on the family, the publication said the wives of many workers were domestic workers, the employment of whom was growing very slowly, if at all. Department of Statistics figures showed the real income of domestics had fallen by 6,3 percent between 1976 and 1980.

## 'Poverty'

Surveys conducted in Soweto showed that poverty was widespread and becoming worse.

"While it is undeniably true that a small aristocracy of workers has emerged, displaying many of the material privileges previously accessible only to white workers, for the bulk of the workers, conditions have improved only marginally, if at all.

"It is clear that when economic growth is experienced, such growth alone cannot bring about a substantial improvement in the conditions of workers. Only organization and solidarity can bring about change," the publication concludes.



# Blacks are still losing wage race with whites

SOUTH Africans are bluffing themselves that the wage gap between blacks and whites is closing, says Mr W Langschmidt of Market Research Africa.

Speaking at the Manpower and Management Foundation's Business Outlook conference in Sandton this week, he said "I would like to throw a spanner in the works by simply stating that we in South Africa are great at bluffing ourselves."

"One of the major ways that we bluff ourselves is in putting forward percentage increases in the salaries of the differing racial groups and then, via these percentage increases, insinuate that the wage gap between blacks and whites is, in fact, decreasing."

"If we look at black and white household income

claims, as recorded in AMPS, it can be clearly seen that in actual money terms the gap is widening, not closing."

He went on to point out that an examination of available figures shows it is clear that the vast majority of black households live close to the breadline.

He said: "With black salaries not keeping pace with the increase in the cost of living — and linking this fact to the rising unemployment rate among them — this will result in greater unrest."

He also said that if prices continued to rise and incomes did not keep pace with these increases, urban blacks were going to face an impossible task in feeding and clothing their families.

Other points made by Langschmidt were

- The high cost of housing is going to have an increasingly adverse effect on consumer spending

- The influence of TV on the lifestyle of whites and even more so on blacks will grow

- The use of credit cards and credit in general will continue to increase, but the suppliers of easy money will become stricter in their supply.

Another speaker at the same conference, Professor J Simpson, director of Cape Town University's Graduate School of Business, painted a gloomy picture of the retailing scene and predicted that the smaller man was going to have difficulty in his battle with the giants, adding that the larger retailers would weather the economic downturn, but at lower profit levels.

THE need for South African Transport Services (Sats) to slash expenditure to bring it into line with its serious drop in revenue since April has caused serious hardship in several sectors of the country's industry.

Major contractors to Sats are hard hit, but as they have the financial muscle — acquired to a significant extent through catering for the Railways when their finances were in better shape — they can weather the storm.

But their sub-contractors, particularly those who began to rely increasingly on the seeming never-ending flow of business from the main contractors, have been hit hard. Many now face financial ruin.

This is the rather dismal picture the Sunday Express found when it investigated the effects of recent cutbacks by the Railways on industries developed to cater for its needs.

Also, none of the firms approached was prepared to be quoted by name — though there was no shortage of bitterness.

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## Boost for new black tabloid

THE circulation of Golden City Press — the Sunday newspaper aimed at urban blacks — has taken off.

The paper which limped for a while after kick-off is, according to Allied Publishing, now notching up weekly sales of about 85 000 and in the view of editor Chris Day the publication should reach its 100 000 target before the end of the year.

One of the newspaper's strategies was to bring out a second edition which appeared on the streets on September 1. Day claimed that the expansion has enabled the paper to catch readers from Friday through to Sunday.

Day said advertising volumes were high.

## Avis hires a new driver for its 1983 campaign but is keeping its ad ideas under the bonnet

THE Avis account has gone to a new ad agency.

The car rental company last week moved from Lindsay Smithers (its advertising agency for the past decade) to McCann-Erickson.

The announcement left in its wake eight disappointed ad agencies — all of whom had pulled out the stops to win the prestige account (Sunday Express, October 10), worth about R300 000.

The agencies that pitted their creative skills against one another include BBDO, JWT, Bates, Grey Phillips, Rightford Searle-Tripp & Makin, McCann, Lindsay

## PR people are playing

THE PR industry is playing musical chairs. Ex-Group Editors (GE) staffer and one time managing director (albeit brief) of the former PR consultancy Stephanie Hooper has left Concept Communications (an offshoot of GE) "to go it alone".

Smithers and Spades.

McCann is not leaking clues as to what won the agency the account — it is keeping the new campaign firmly under wraps.

The heavies in the agency are only prepared to cutely

Hooper's outfit is called PR sionals.

Seasoned PR man Jonathan who has been in the business for 20 years, has joined the board at Glyn Communication.

Another man on the move

quip: "We tried harder."

The McCann campaign said Johannesburg manager Dan Weinberg, should hit the media by the end of this year or early next year.

The budget for the coming year is being discussed.

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THE PR  
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# MEDIA FUNDI

Brace yourself. The man we need will join our team by the end of the month. He already has a thorough understanding of all spheres of South African media in the black and white markets. He has a flair for creative media planning. He knows how to read AMPS, COSMIC, TELMAR, FRED & FREDA computer printouts, analyse them and present meaningful strategies as a result. He also has a

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## Survey paints gloomy picture

# Whites face increases of c

By Michael Chester

A nationwide survey has revealed that firms forecast average pay increases of about 12 percent for white employees in the next round of wage reviews.

The average level reflects a reduction from the 14 to 15 percent granted over the past year, although the cutbacks may be less severe than had been widely predicted as the recession starts to bite.

But employers still make the proviso that the scale of rises will depend on the degree of the economic slowdown and on the inflation rate staying between 12 and 17 percent.

The survey, conducted by the P-E Consulting Group, covered 825 companies employing more than one million workers in all sectors of industry and commerce. The results are expected to provide guidelines to all firms.

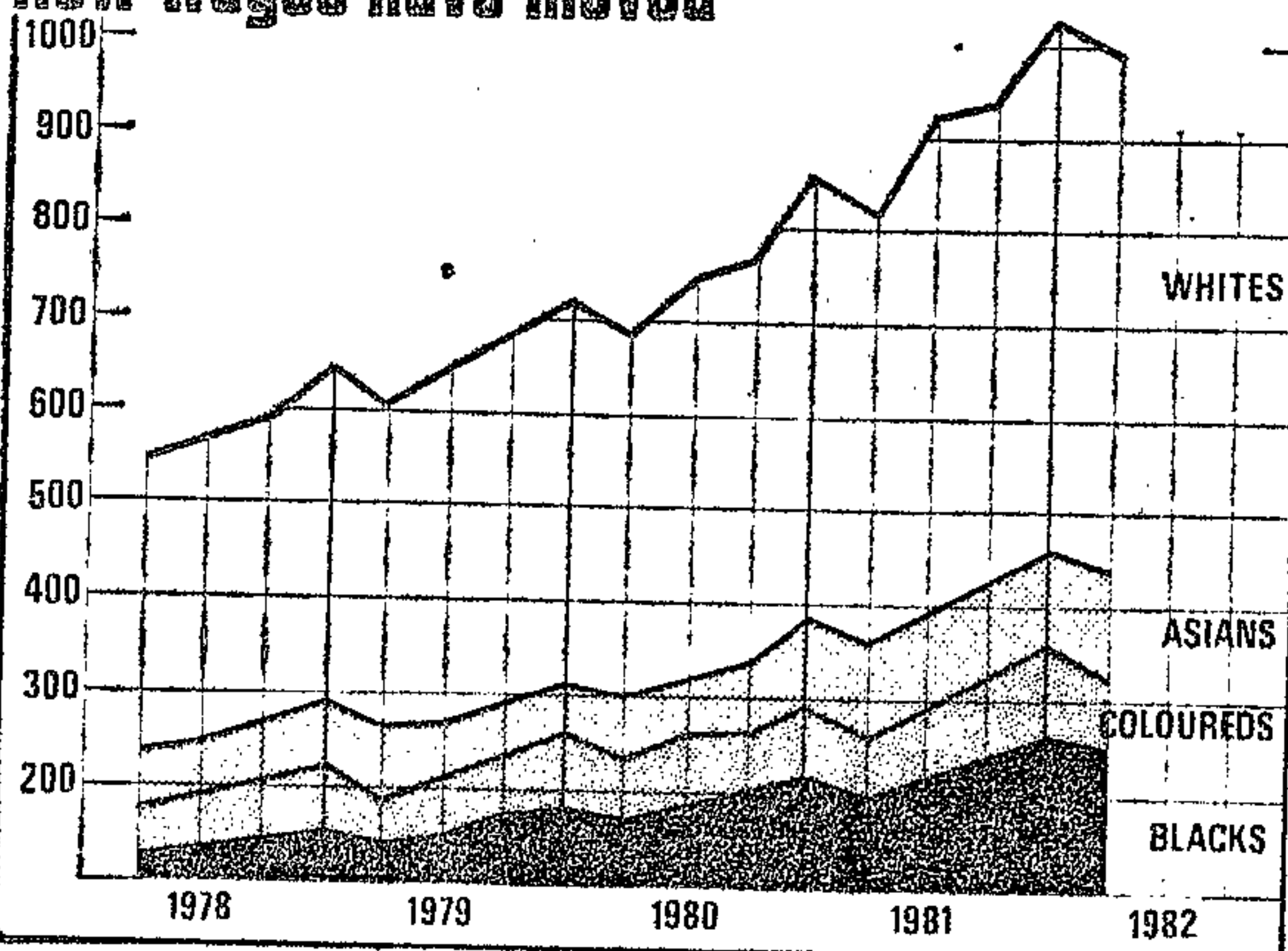
Following the pattern of recent years, pay increases for black and brown workers will be on higher percentages but there too the trimming back has been noticeable.

### Negotiations

The number of firms planning increases of between 12.5 and 18 percent for non-whites has slipped from 63 percent to 61 percent. Only 10 percent — a drop of four percent — are considering rises above 18 percent.

The period covered is mid-1982 to mid-1983 to ensure that forecasts embrace not only New Year wage and salary reviews but also wage negotiations.

### How wages have moved



The graph (above), compiled from figures prepared by the Central Statistical Services, shows how monthly average wages have moved since 1978. The temporary additional increases at every year-end mainly reflect Christmas bonuses. On the right, the consumer price index shows that from January 1978 to December 1981 the cost of living rose 66.9 percent. Inflation since January 1982 carries the increase to 81.5 percent.

"We have taken that into account in our final analysis, which indicates that average rises will be around 12 percent, down from 14 to 15 percent over the past year."

"But much may yet depend on the course of the economic downturn and whether it worsens more than expected."

"The attitude of the unions has still to be seen."

To Page 3, Col 1

On white employee pay proposals, more than two-thirds of firms surveyed intend to hold increases to between 10 and 15 percent.

Nearly 40 percent of the total aim at 12.5 to 15 percent; 30 percent plan to hold rises between 10 and 12.5 percent.

Only 10 percent intend to offer increases in the 5 to 10 percent bracket and one in every 100 plans less than 5 percent.

### Downturn

The number of firms willing to grant 15 to 18 percent has dropped from 26 to 18 percent compared with a year ago when the boom was petering out. No more than two in 100 foresee increases going above 18 percent.

"Employers tend to lean on the optimistic side about the precise size of pay increases ahead of the event," says Mr Ian Hipkin, P-E Group salary survey manager.



for wage-earners

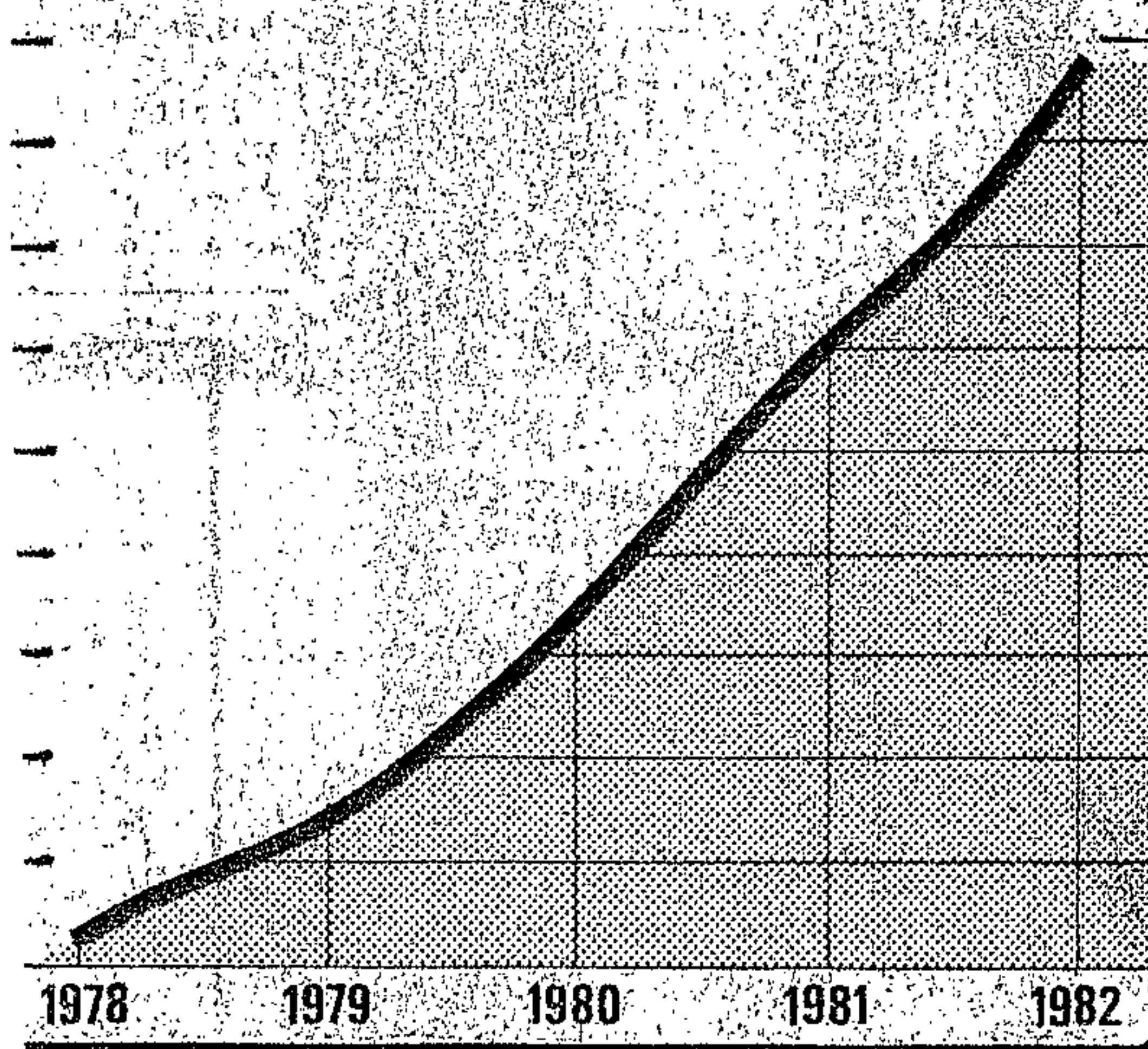
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Year-end  
only 12pc

prices have moved



# Most whites will get 12pc pay-rise

Argus  
Correspondent

**JOHANNESBURG.**— A nationwide survey has revealed that firms in the private sector are forecasting average pay increases of about 12 percent for white employees in the next round of wage reviews.

## US economy recovering — Reagan

WASHINGTON. — President Reagan has said that the United States' economy was making good progress toward a recovery thanks to his policies and he has urged jobless Americans not to give up hope.

Mr Reagan said four of the five major US economic problems — inflation, high taxes, too much government spending and high interest rates — were being solved and the fifth, unemployment, would be.

New Jersey Senator, Mr Bill Bradley, responding for the Democrats, said on radio that Mr Reagan's policies to bring down inflation had caused a recession. He said Mr Reagan's programme had also led to the highest budget deficits in US history. — Sapa-Reuter

This is a reduction from the 14 to 15 percent granted over the past year but the cutbacks may be less severe than had been widely predicted in the face of the recession.

But employers still make the proviso that the scale of the raises will depend on the degree of the economic slowdown and on the inflation rate staying between 12 and 17 percent.

The survey, conducted by the highly respected P-E Consulting group, covered 825 companies employing more than 1-million workers in all sectors of industry and commerce and the results are expected to provide broad guidelines for all firms.

### HIGHER

Following the pattern of recent years, pay increases for black and coloured workers will be on higher percentages but here too the trimming back has been noticeable.

The number of firms planning increases between 12.5 and 18 percent for their black and coloured staff has slipped from 63 percent to 61 percent. And the number of companies considering raises above 18 percent has dropped from 14 to 10 percent. The period covered is mid-1982 to mid-1983 to ensure that forecasts embraced not only New Year wage and salary reviews but also wage negotiations with timing varying from sector to sector.

On white employee pay proposals, more than two-thirds of all firms in

the survey intend to hold increases between 10 and 15 percent.

Nearly 40 percent of the total aim at 12.5 to 15 percent while 30 percent plan to hold raises between 10 and 12.5 percent.

### "BELT TIGHTENING"

Only 10 percent intend to offer increases in the 5 to 10 percent bracket and a mere one in every 100 plans less than 5 percent.

Commenting on the findings Mr W V Lacey, an economist with Asso-com, said depressed economic conditions invariably entailed a slowdown in the rate of pay increases.

"Belt-tightening is taking place, not only by consumers but also by businesses.

The Public Service Association is still awaiting an indication of what pay increases can be expected by the 400 000 civil servants. It has argued that raises of about 15 percent would be necessary to avert an exodus of personnel into private sector jobs.



# Wage gap 'myth' fuels unrest

S.A. - 1st Week - 19/10/82

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By Lynn Carlisle

THE belief that the wage gap between whites and blacks is closing is a dangerous 'myth' which is continuing to fuel labour unrest.

Delegates at the 21st Business Outlook Conference organised by the

Manpower and Management Foundation, at Sandton were told this news last week by two different authorities - one in research and the other in the steel, engineering and related industries.

Wally Langschmidt, media and technical consultant to Market

Research Africa (MRA) - which controls the All Media and Products Survey (AMPS) - said that based on the latest "average household income" findings, the black - white wage gap had widened from R546 a month in 1975 to R1 176 a month this year.

"We in SA are great at bluffing ourselves.

## Insinuate

"One of the major fields in which we bluff ourselves is to put forward percentage increases in salaries of the different racial groups and then via these percentage increases insinuate the black - white wage gap is decreasing," said Langschmidt.

Inflation would continue to erode the average consumer's disposable income with rising housing costs appearing as the main inflation culprit.

AMPS research had also shown that the vast majority of black households live "very close to the breadline".

"You can't pay for products with percentages. Black salaries are not

keeping pace with the increase in cost of living, and linking this fact to the rising unemployment rate among blacks, this will cause greater labour unrest," said Langschmidt.

The drift of non-whites to the urban areas would continue and the pressure on housing and other facilities would increase.

Sam van Coller, executive director of the Steel and Engineering Industries Federation of SA (Seifsa) said that as a result of a scarcity of skilled workers the metals and engineering industries had created a "wage drift" among these workers.

## Aspirations

"This in turn has impacted on wage aspirations of un-skilled and semi-skilled workers," said Van Coller.

However, the removal of artificial barriers which had contributed to the skills scarcity had cleared the way for the industry to get to grips with the problem of training more skilled people, he said.

# No rises — Sats workers warned

CAPE TIMES 21/10/82

270 124

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Own Correspondent

**JOHANNESBURG.**  
— As South African Transport Services (Sats) heads for an estimated R500-million loss this year, the Minister of Transport Affairs has warned employees not to expect pay rises if retrenchments are to be avoided.

In an interview yesterday, Mr Hendrik Schoeman, warned that road and rail tariff rises would be announced shortly. They would come into effect in January.

He said that traffic volumes had dropped dramatically because of the

economic downswing. Losses were exceeding R30-million a month.

The deficit could reach R500-million by the close of the financial year, the minister predicted.

Sats' 280 000 workers — 115 000 white — would probably get no increases next April because of the worsening financial plight of Sats.

"As an alternative to laying off valuable skilled workers, we would rather weather the storm by withholding increases next year," said Mr Schoeman.

Mr Schoeman said the extent of the tariff increases was still being discussed, and he would make an announcement as soon as a final decision had been taken.

## 15pc rise?

It has been speculated that tariff rises will average 15 percent. That was how much tariffs rose in April this year.

Discussions with railway union leaders about pay were being held, the minister added.

The chairman of the Federal Consultative Council of Railway Staff Associations, Mr Jimmy Zurich, said not giving pay rises would be "unacceptable" to railway unions and "grossly unfair".

He said railway tariff increases would raise the prices of nearly all products; the petrol price was expected to go up in January; "and we have just had a huge bread price rise and a 25 percent hike in general sales tax".

"The living standards of railway workers are fall-

ing fast, and a further sharp fall without some compensation is unacceptable to the unions," Mr Zurich said.

He also said the minister would have to be careful not to raise tariffs to a level where customers would be forced to use alternative road transport.

Too much traffic had already been lost to road-hauliers.

Two months ago, Mr Schoeman announced an attempt to cut operating costs by sharply reducing overtime and Sunday time.

In addition, certain uneconomic urban passenger train services were discontinued.

But railway authorities claim this could have compensated only marginally for the huge traffic loss, particularly of imports and exports, since the beginning of the financial year in March.

The minister said iron ore traffic alone had dropped by 40 per cent.

The PFP's finance spokesman, Mr Harry Schwarz, said a new round of higher railway tariffs would create a substantial wave of inflation.

"Stagflation" (little or no growth, and high inflation) afflicting the country would get worse, he warned.

The higher tariffs will make January a month of shocks for the economy.

## Fuel rise?

Escom tariffs are to be raised by about 17 percent from January — this is a major reason for Sats' plight.

There is speculation, too, that the price of fuel will also be raised, if not in January, then early in the new year.

And another coal price increase is on the cards, say sources in Pretoria.

Two weeks ago, the Minister of Mineral and Energy Affairs, Mr Piet du Plessis, said there would be no petrol price rise before Christmas.



# Public service pay key to taxes

Financial Reporter

**TAX** increases will be necessary next year if there is any general rise in public service pay levels above 8% to 10%.

But this would probably mean another increase in company tax and not personal taxes.

These are the views of the Stellenbosch Bureau for Economic Research in its Prospects for 1983, written by Mr A J M de Vries and Dr Johan Cloete, chief economist of Barclays National Bank.

They say that although revenue from the gold mines could increase next year — assuming an average gold price of \$450 — most other tax categories are likely to be hit by the economic downturn.

Mr De Vries and Dr Cloete say: "It seems unlikely at the same time that the Treasury will be able to restrict the increase in total Government expenditure for the next fiscal year to much below 15% — an average of about 1,5% in real terms."

This would be because of "heavy commitments in respect of such categories of expenditure as defence, education and housing, consolidation of the homelands and interest on the public debt".

"The extent to which salaries and wages are raised in 1983 is likely to be of crucial importance as to whether the Treasury will be able to hold the line on the deficit before borrowing without having to increase taxes

"Given an increase in expenditure of the order indicated and the likely adverse impact of depressed economic activity on State tax revenue it seems that it will in any case be difficult for the Treasury to avoid an increase in taxation.

"Any general increase of salaries and wages in excess of 8% to 10% in 1983 would probably make a further tax increase unavoidable.

"If higher taxation should become necessary it is expected that a further increase of company tax would be the most likely candidate because of the relatively low average effective rate of tax paid by companies.

"No increase in personal tax or in indirect tax is assumed for the fiscal year 1983-84."

Other forecasts made in the Stellenbosch report include:

- Inflation is unlikely to ease significantly in the immediate future.
- Relatively high interest rates will still be called for part of next year to restrain inflation to at least more tolerable levels.
- The current account of the balance of payments should be less of a problem in 1983 than this year.

"Given a moderate recovery in the United States economy, the gold price should move to a higher level while other exports should also experience a moderate improvement.

"Imports on the other hand should continue to decrease under the impact of depressed domestic growth.

- Economic growth is likely to deteriorate during the greater part of next year and an absolute decrease for in real gross domestic product for calendar year 1983 is a distinct possibility.

## TAXATION

### Taxing inflation

FM 12/11/82

Income tax, rather than inflation, has been responsible for the deterioration in the disposable income of South Africans over the last 10 years.

This is the disturbing conclusion of a study done by two academics, Chris Coertse and Johnny Smith, at the School of Business Leadership of the University of South Africa.

The study shows that while salary adjustments have kept pace with inflation, real income tax has increased considerably. Average nominal white incomes, for example, rose from R3 572 in 1971 to R11 238 in 1981. This represents a modest real increase (that is, adjusted for inflation) from R3 108 to R3 252.

Over the same period, however, real personal income tax on average white incomes more than doubled — from 4% to 10%. If general sales tax, introduced in 1978, is taken into account, the increase in real tax is more pronounced — from 4% in 1971 to 12% in 1981, after a peak of 13% in 1977. This is based on the assumption that gst affects 50% of disposable income.

The effects of tax on real personal disposable income for higher salary brackets are more extreme. The nominal salary of a professor rose from R7 200 in 1971 to R22 200 in 1981, representing a real after-inflation rise from R6 246 to R7 598.

In this case, real personal income tax almost trebled over the same period — from 7,5% to 21,5%. With gst accounted for, it rose from 7,5% in 1971 to 23,5% in 1981,



De Loor ... seeking flexibility

peaking at 25% in 1980.

The authors of the study make the point that if income tax structures are not adjusted each time salaries rise due to inflation, individuals pay tax at higher rates. This process is known as "fiscal drag" or "tax-through-inflation." The Americans call it "bracket creep." It describes the way in which a progressive tax system in conjunction with inflation-matching salary rises, which do not increase real income, catapults people into ever higher brackets. "It would appear," they conclude, "that the State conceals the fact that it takes an ever-increasing share of income from the man in the street."

The authors also point out that the purpose of gst was stated to be the broadening of the tax base, with a consequent decline in personal tax. This, as can be seen, has not happened.

What it means, effectively, is that "the man in the street is more heavily burdened by taxation under inflation." It is a trend, as the graph suggests, which "should not be underestimated by the individual and government."

This question was dealt with in a recent speech by the Director General of Finance, Dr Joep de Loor. He made the point that automatic tax adjustments or rebates through inflation-indexation have the effect of disciplining government spending by limiting its revenues. He rejected this reasoning on the grounds that in SA at least, government was capable of imposing its own discipline. Added to this is the fact that while tax can be adjusted to preserve real income, expenditure cannot. It must be made at prevailing (inflated) prices.

"It is my view," said De Loor, "that statutory indexation is too rigid and hampers budgetary decisions. The practice of making adjustments to the tax rates and rebates as and when the occasion arises and budgetary pressures permit is far more flexible." And he cited the downward tax adjustments and rebates between 1979 and 1981 as an example.

Responding to the charges made by the authors of the study cited above, De Loor denies that the State conceals the effects of fiscal drag. "We've often referred to this," he says. "And when the Budget is made public, it becomes clear that percentage increases in revenue from personal income tax are in excess of the rate of inflation. This is, of course, due to the effects of the progressive tax system, and assumes that the country's wage and salary bill rises in any one year at the same rate as inflation. If inflation in a given year was 15%, but wages and salaries did not rise at all, the increase in total revenue from personal income tax would be only in the region of 10%. It nonetheless always exceeds the rate of inflation."

He adds: "In the short term, we've tried to raise tax thresholds and flatten the rate at which scales rise. In the long term, we're going for a 50% top marginal rate and high-

er thresholds so that personal disposable income doesn't fall." As for gst, says De Loor, its partial substitution for personal income tax is a long-term objective. "In the short term, it's simply designed to generate extra government revenue."

These words may be of cold comfort to individuals watching the taxman's share of their income rise each year. It seems clear that government is neither contemplating, nor possibly able to implement, measures to reverse the trend — a fact that has disturbing implications for the morale of the country's high earners and high performers.

There is more to it than that, however. It should be remembered that these "concealed" effects of a progressive tax system are made possible only by inflation. As De Loor puts it: "Should inflation be adjusted to taxes or taxes to inflation?" The former, obviously. But that is a long, slow process and in the meantime the latter, definitely.



## Private sector 'no'

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Every now and again, the emotive issue of a nationwide freeze on, or slowing of, general wage increases raises its head. Moves towards negotiating an "informal" one for 1983 have been defused by the private sector.

Representatives of organised business and labour were canvassed on the subject this week at the request of Minister of Finance Owen Horwood.

The approach was made at a meeting of the PM's Economic Advisory Council (EAC). According to reliable information, private sector organisations refused to concede to the measure. An alternative proposal, that the State examine other options to combat inflation, and reveal its own wage plans for the public sector, was tabled.

"Employer organisations represented on the council felt such a wage freeze would be counter-productive and that the general economic climate would act as a natural brake on wage increases in any event," said an FM source. "Furthermore, it was felt by employers that adopting such a step would expose business to the accusation that it was hiding beneath government's skirts."

At the FM's investment conference last week, Horwood dispelled fears that government may consider mandatory controls over wage increases in the form of an "incomes policy," but said he would nonetheless raise the issue at the EAC meeting.

The move was at least the third attempt by Horwood in recent weeks to enlist the aid of the private sector in modifying wage increases. Earlier this month the Minister made a similar appeal during an SABCTV review of the economic situation; and about a fortnight ago the matter was raised during a meeting of the EAC sub-committee on inflation.

While firmly ruling out a mandatory incomes policy during his keynote address to the FM conference, Horwood admitted in a private interview later that he hoped to achieve informally, via a co-ordinated agreement from the EAC, what a statutory incomes policy would achieve.

Approached for comment on the EAC discussion, Bill Yeowart, deputy-president of Assocom and that organisation's representative on the EAC said: "Assocom has made known its view on this subject in the past, and that is that we are completely opposed to the introduction of any such wage freeze."

Tucsa general secretary Arthur Grobbelaar echoed these sentiments, and

the Afrikaanse Handelsinstituut's executive director, Fritz Stockenström, refused to comment on the EAC meeting or the AHI's general attitude towards an informal wage freeze.

Speaking prior to this week's meeting, Federated Chamber of Industries' president Rod Ironside said the FCI was opposed to any form of wage controls.

Union spokesmen were equally blunt in their rejection of a freeze.

# SA should consider indexation

— Van der Horst

Cape Times 3/12/82 355 244/753

**SOUTH AFRICA** should consider a limited form of indexation, along the lines of the scheme operating in the United Kingdom, Dr J G van der Horst, chairman of Old Mutual, said at the general meeting of Old Mutual policyholders yesterday.

In his chairman's address, Dr Van der Horst said the scheme should be available to those who had saved and were saving on a long-term basis for their old age, possible long-term ill-health and for their dependants in the event of their untimely death.

Dr Van der Horst emphasised that these suggestions were not offered in a spirit of criticism of what the government was trying to do to combat inflation, but rather in recognition that this was a difficult task and that an improvement in the position of the saver could substantially contribute to this goal of combatting inflation.

Arguing the case for indexation, Dr Van der Horst said: "Since World War II, several countries, including Finland, France, Denmark, Brazil and Israel, have experimented with widespread indexation as a method of coping with the ravages of inflation.

"Key prices in the economy, including the interest and capital values on loans, wages and salaries, and pensions, have been tied to a general indicator of the price level, such as the consumer price index.

"The primary purpose of this indexation was to adjust as smoothly as possible to inflation, to remove the arbitrary unfairness of inflation and to protect certain sectors in particular pensioners.

"Our studies have shown that this very generalized form of indexation has been a failure, in that in most cases it has had to be abandoned when it became clear that it was preventing the workings of disciplined adjustment processes, particularly in

relation to balance of payments problems.

"In the two cases where it has been most extensive and has not been abandoned (Israel and Brazil), it appears to have had severe adverse economic consequences.

"In particular it has led to endemically high inflation and structural balance of payments problems. Furthermore, indexation has probably only been sustained, even in these cases, by special factors which normally do not apply to other countries.

"Another type of indexation has, however, been introduced recently, in this case in the United Kingdom. This type of indexation has been primarily motivated and implemented as a tool to reduce inflation, by the issuing of index-linked government stock with a guaranteed real rate of return.

"This indexation is quite deliberately limited to one specific area and has been introduced in the context of strict financial policies designed to control inflation."

## Advantages

The main advantages of this innovation have been:

- The reduction of inflationary expectations, by removing or reducing the government's vested interest in the continuation of inflation, and by promoting an increased level of savings.

- The focussing of attention of the "real" rates of return available on financial assets, as opposed to an illusory "money" return.

- A substantial cut in the costs of government borrowing in the short-term because of the initially low interest payment, and in the long-term if inflation falls.

## Dangers

The principal dangers, however, are:

- That pressures to extend the scheme, may in the end result in the gradual emergence of the kind

of widespread indexation we discussed previously.

- Should inflation continually tend to increase rather than decrease, then government borrowing costs will be raised rather than reduced.

"Clearly, there are important potential implications for South Africa.

"As we have discussed already, the application of strict monetary and fiscal policies to reduce inflation has clear limits here, because of the unacceptable political implications of the necessarily severe short-term economic consequences.

"On the other hand, the continuation of high inflation

poses the very real threat of drastic curtailment or even destruction of our savings industry, and with it the largest part of the stable capital formation system so vital to the continued growth of our relatively free market economy.

"The disastrous economic consequences are equally unacceptable, even though this may only show up in the long-term.

"We therefore face a great dilemma, a situation in which there are no clear and obvious solutions. We should thus be prepared to debate alternatives and to experiment."



# Huge Eastern Cape bonus payouts

355 A-Post 7/12/82

By SANDRA SMITH and JERRY McCABE

**MASSIVE bonus payouts get under way in the Eastern Cape over the next fortnight, with firms handing out millions of rands amid stringent security measures.**

During the last two days, Fidelity Guards, a firm which carries, packs and delivers pay packets to commerce and industry in the city, had already packed R6,25 million in its counting house for delivery to clients.

The branch manager, Mr Roy Altshuler, estimated that the total bonus, holiday salary and Christmas payout would be about R32 million before the end of next week.

He said security measures taken by the firm, always stringent, were stepped up at this time of the year and that drivers did not know the routes they were to take until they arrived at work in the morning.

From the end of this week three Eastern Province motor companies will close for their annual shut-down and pay out between R13 and R14 million in Christmas bonuses and wages.

From Friday the building industry will pay out R2,75 million to its workers, compared with R2 million last year.

Most companies are adopting strict security measures and are reluctant to say exactly when workers will have bonus payouts in their pockets.

Ford's employee relations manager, Mr Dirk Pieterse, said more than R3 million in bonuses would be paid out to salaried and hourly-paid employees this year.

This represented an increase of 17% over the amount paid out in 1981. Internal security will be stepped up and special buses laid on to take hourly workers home after they had been paid.

Ford plants shut down on December 15 and re-open on January 1.

The public relations manager for General Motors, Mr Peter Sullivan, said factory operations at

its Kempston Road plant would close on December 10 and reopen on January 11. It was not the company's policy to reveal the amount of the bonus paid out.

Volkswagen will pay out about R5 million, slightly more than last year.

The Uitenhage plant will close on December 9 and reopen on January 10, a longer break than last year to accommodate a major rearrangement of the plant.

The executive director of the Midland Chamber of Industries, Mr Brian Matthews, said the motor industry would pay out between R13 and R14 million in weekly wages and bonuses — more than R4 million up on the amount paid out last year.

The secretary of the Industrial Council for the Building Industry, Mr V le Roux, said about R2,75 million would be paid out in bonuses in Port Elizabeth and Uitenhage from Fri-

day.

Major Gerrie van Rooyen, police liaison officer for the Eastern Cape, appealed to employers to notify the police on which day they will be paying their employees' bonuses. "If we know when it is being done we can make certain that we have people there to protect the employees from robbers," he said.

He also said employers could help protect their employees after the paying of bonuses by arranging transport to their homes or to the areas in which they live.

"We will do everything in our power to protect the public from robbers and our crime prevention unit will play a major role in this field."

He said members of the public should contact the police immediately if they noticed someone they thought was acting in a suspicious manner.

## WARNING

1. No books, notes, pieces of paper or other material may be brought into the examination room unless candidates are so instructed.
2. Candidates are not to communicate with other candidates or with any person except the invigilator.
3. No part of an answer book is to be torn out.
4. All answer books must be handed to the commissioner or to an invigilator before leaving the examination.

Any dishonesty will render the candidate liable to disqualification and to possible exclusion from the University

# Real wages increased 21% from 1970 to 1981

Financial Staff

Workers' real wages rose 21 percent from 1970 to 1981 in spite of low productivity and inflation, says Focus, a review compiled by the Bureau for Economic Policy and Analysis, University of Pretoria.

Focus, which is published by Mercabank, says personal incomes in South Africa are not equally distributed.

The subsidising of income does not favour the lower income group as much as is the case in other sophisticated economies.

The absence of taxes

on fringe benefits also promotes a kind of social welfarism for the higher income groups.

Real incomes of home owners, particularly the middle and higher income groups, have been protected by the building societies' lower - than - market interest rates on mortgage loans.

The depreciation since the early 1970s in the foreign currency value of the rand was an important element of protection for the incomes of local workers and capital, particularly in sectors

which do not depend heavily on imports and those which depend heavily on exports.

The mining sector and certain agricultural industries benefited from the depreciation.

Incomes in industry were subsidised by Government intervention mainly through the protective duties on competing imports. The duties were highest for final consumer goods.

Prices of local goods were about 23 percent higher than imported ones while incomes in these industries were

24 percent higher than would have been under free trade conditions.

Agricultural producers found it increasingly difficult to recover their costs from their selling prices. These prices improved rapidly in relation to the prices of farming between 1971 and 1973 but deteriorated up to 1979.

However, some subsidising of agriculture took place through the Land and Agricultural Bank of South Africa, agricultural co-operatives and the agricultural marketing boards.



# Labour Week

IF THERE is ever a world land speed record for labour reform, expect an entry from the Chamber of Mines.

A few months ago, the mines lagged well behind other industries. Last week, they broke with decades of tradition and announced new union recognition guidelines which, on paper, put them ahead of many others.

Up to now, a union's registration has been central to whether the mines would recognise it. Not long ago, a union could not be recognised on a single mine unless it had support throughout the industry. Even the terms under which unions could recruit on mines were tough.

Now, registration is not an issue — the main one is whether a union is representative. Unlike some industries which see themselves as reform pioneers, the mines will not insist unions bargain at an industry-wide forum.

Any union which represents a "significant" number of workers — not necessarily 50% — in any job on a mine will be able to negotiate pay and conditions for its members with that mine.

The Chamber will be the body granting recognition and one of its men will take part in negotiations, but bargaining will concern that mine only.

To gain this right, unions will have to have a democratic constitution and agree to negotiate jointly with any other union with "significant" members in the job concerned.

The Chamber, which has been discussing the change

for a while, says the "mood" in the country — including planned changes to labour laws — has softened towards unregistered unions. It also accepts that black unions may not want to bargain at industry level until they feel strong enough.

This change goes further than the Chamber's recent decision to grant access to three black unions. Then it still seemed the mines might not bargain with unions who rejected their terms.

Now any union which makes headway on a mine will be able to bargain — whatever its view on registration and councils. The first beneficiary may be the fast-growing National Union of Mineworkers, which last week rejected both.

There may well be snags ahead. The NUM has criticised aspects of the guidelines and also charges that

some mines are resisting it, despite the Chamber stance. But the change certainly seems to open the way to a challenging new labour era on the mines.

LABOUR history is not only being made on the mines. Last week brought the news that Fosatu's National Union of Textile Workers is likely to join the Transvaal knitting industrial council.

This would be a major break with most Fosatu unions' attitudes thus far. But the move is far from a victory for employers who refuse to bargain pay with unions outside councils.

If the NUTW does join, it will have won employer agreement to radical changes to the council, which will make it unique. It is likely that a union with a majority at a com-

mittee on what percentage rise

pany will have the right to bargain directly with it — which other employers who support councils oppose. It will also be able to consult its members on each stage of negotiations.

Industry-wide pay talks may even take place outside the council, which will merely ratify the result.

Changes already include scrapping the "closed shop" and writing into the agreement majority union rights in individual plants.

The NUTW's willingness to join the council comes after knitting employers adopted a flexible stance and dealt with it outside the council.

They recognised the NUTW's right to bargain directly with firms and reached a unique industry-wide pay deal with it outside the council.

So the first employer association in three years to persuade a Fosatu union to join a council is one which did not try to force it to do so.

In their agreement with the NUTW, knitting employers also agreed to work towards paying Fosatu's goal of a "living wage".

Fosatu regards R3 an hour as a "living wage" and minimum knitting pay is not much more than a third of that, so this may seem less of a victory than unionists would have us believe.

But Fosatu unionists argue that employers agreed to a major change in the standards for pay bargaining.

Most bargaining now cen-

on their present pay workers will receive. Fosatu men say this accepts that present wage standards are valid.

Instead, they want a pay goal to be set — the figure both sides see as a "decent wage" — and bargaining to concern how quickly employers can afford to get there.

Many employers will resist this, not only because it seeks to push up wages, but also because they believe a "living wage" is in the eye of

the beholder. But they may well increasingly be faced with this demand.

NOT for the first time, the industrial court has refused to hear, on technical grounds, a key "test case" — this time on the "closed shop".

Whether the court is interpreting its powers too narrowly or the law governing it

is too hemmed in with red tape, it is not playing the central role the Wiehahn Commission expected.

Its inability to act speedily in settling issues is clearly damaging its credibility.

At any rate, yet another test case will be heard by it today. Brought by the SA Society of Journalists against Press groups SAAN and Ar-

gus, it tests key union recognition issues with ramifications for all industries.

By STEVE FRIEDMAN

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13/12/82

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Star 14/12/82

In terms of a new national agreement with both publishing companies, Mwasa members in their first four years of service will receive minimums of R400, R500, R600 and R700, rising to R800 at the end of the

However, Argus will pay 8 percent across the board to senior journalists, with the remainder at the discretion of editors, while SAAN will pay only 7 across the board.

For weekly paid Mwasa members, Argus will pay increases on current wages of 14

However, wages of Argus workers in Durban, who were paid 18 percent more last July, will only be reviewed again in July 1983.

SAAN's weekly-paid Mwasa members will get a flat R9,50 more, which will push up the current payroll by 12,8 percent. There is also provision for merit increases. — Sapa.



# New Year wage hikes for stevedores

Handwritten: 355, Mercury, 23/12/82

Labour Reporter

**STEVEDORES** in the country's four major ports will receive wage increases of up to 28 percent in the new year following the completion of negotiations between the General Workers' Union and S A Stevedores Ltd.

A statement released yesterday by Mr Dave Lewis, the union's general secretary, said Durban stevedores' weekly wages would be increased by 17 percent. This would bring the guaranteed weekly wage up to R70 a week.

The increase follows an interim wage increase of 25 percent negotiated for the Durban port in September. Before the increases Durban stevedores earned R48 a week.

The union, which has conducted the negotiations through workers' committees in the various ports, is the recognised representative of the 2 000 stevedores in the industry.

The wage agreement lays down an 18 percent increase for stevedores in Cape Town, 19 percent in Port Elizabeth and a 28 percent for stevedores in East London.

## Bonuses

It comes at a time when the shipping trade has experienced a slowdown due to world-wide recession.

The 1983 agreement has also increased bonuses and special cargo handling allowances and includes agreements designed to raise productivity in the industry, the statement said.

Mr Lewis said the new productivity measures follow stevedores' complaints about the way in which labour was allocated.

All the work tended to be packed into one day which required the hiring of casual labourers and then the following day there would be nothing for workers to do, he said.

The agreements were aimed at the improvement of labour utilisation by cutting down on the hiring of casual workers and the spreading of work evenly, Mr Lewis said.

# Magnum company workers waiting for pay

Mercury Correspondent

JOHANNESBURG—More than 40 employees of Fearless Alarm Systems, one of the Magnum Group companies which was recently liquidated, have not received their weekly pay-checks.

And their situation is more desperate with the news yesterday from Magnum's liquidators that their contracts expired on January 1.

They were last paid at Christmas when the liquidators put up R135 000 of their own money to pay out staff of the collapsed Magnum empire.

At Fearless Alarm's Jo-

hannesburg offices yesterday, the staff were huddled in groups, talking. No one was working.

Mr Wolfgang Stehr, Fearless Alarm's manager for manufacturing, said the liquidators had said they could not help.

'Now we don't know what to do. Where is our money coming from?'

## Still working

The company's receptionist, Mrs Jacqueline Fontein, desperately needs her pay. Her husband, Mr Lazarus Fontein, has been in Rietfontein Hospital for six months with a lung infection.

'I need the money to pay the medical bills. I don't know what to do. No one seems able to help.'

Mr John Khumalo, a technician from Alexandria, has a wife and three children to support.

'I'm not prepared to go,' he said. 'I'm going to wait for my wages.' He would keep on working in spite of the news that his contract had expired.

Other employees felt the same.

'We have an obligation to the public,' they said. 'We can't stop working; we must keep checking the properties we are guarding.'



## GENERAL NEWS

The main board of the giant industrial conglomerate Rennie's — with interests in shipping, hotels, and transport — has voted to freeze its own pay in 1983.

The pay pause at the top at Rennie's and its "low-key" salaries and wages policy for more than 15 000 of their South African employees was disclosed this week.

Salaries staff will get increases of about seven percent. The group's lower-paid people — the bulk of the 15 000 — will get increases averaging about 14 to 15 percent.

Rennie's regional chairman for the Transvaal and neighbouring states, Commander G H Peters, said today the possibili-

ty of retrenchment had been uppermost in their minds during pay increase considerations.

"We have said to people — without making any promises — that retrenchment is the last thing we want, although we haven't said we won't have any."

The board had carried the senior executives and other salaried

staff with it on its low-key pay policy on the understanding that directors' pay would be frozen, he said.

A pay freeze at the top was one of several courses considered. Commander Peters said the no-increase decision would save Rennie's money in the first half of the year. Thereafter it would be reviewed

in the light of company performance and economic conditions.

"No one has resigned as a result, as far as I know. No one is delighted, but I think people understand the economic realities," he said. "We expect our cash situation to remain strong and to be able to maintain a firm base, and, hopefully,

benefit from having taken fairly stringent measures."

Elsewhere, Tongaat Foods chief executive Mr Tony Crosby said the firm was going through pay negotiation traumas and that increases, effective from April 1, generally were going to be "lower than normal," probably between eight to 10

percent. "This type of situation looks like it is going to be the order of the day, although some employees at Tongaat may — because of good service and effort — get more than those percentages," he said.

A spokesman for Africa's biggest pulp and papermaker, Sappi, said the firm had granted lower increases than last year.

The chairman of Tiger Oats and National Milling, Mr R Frankel, said one could consider the question of salaries and wages only if one knew in advance what inflation was going to be in 1983.

Mr Frankel queried the wisdom of holding back on salary increases, which had been the case during the last few years. He said it could be "demotivating."

## INFLATION

"One is conscious that everyone should carry the burden of fighting inflation, which I think is a worse evil than unemployment because it creates unemployment," he said.

Mr Frankel said there ought to be exceptions to pay restraint for salaried workers in specialised areas carrying an important load of responsibility because their contribution to inflation was small.

Tiger Oats and National Milling probably will try to average their increases out at about 12.5 percent.

The administrative manager of the South African Society of Bank Officials — which represents employees at Barclays, Wesbank and the Standard, Mr Ben Smith — would say only that their increases varied considerably.

# PM's husband linked to pay row report

By BRUCE STEPHENSON  
London Bureau

LONDON. — Mr Denis Thatcher, affable husband of Britain's Prime Minister, could soon be at the centre of a row about the payment of "starvation wages" in South Africa.

His connection will appear in a government report to be published in April on wages paid by British and European

companies operating in South Africa.

The report, which measures progress on the EEC code of conduct, was designed after a major scandal 10 years ago over low wages paid by British-owned companies.

Leaked copies show that the firm of Quinton Hazell, of which Mr Thatcher is a director, last year paid 351 work-

ers below the recommended level. The lowest wage paid was about R54.

Mrs Margaret Thatcher is certain to be questioned in Parliament about her husband's connection with Quinton Hazell when the report is released.

A spokesman for the company said: "As a member of the London board he would certainly take part in a re-

view of the annual budget, but the decisions about wages are taken locally. I think they would assume they are paying as best they can.

"We are paying as much or more than competitors. I wish we could afford more, but we are not going to get into an uncompetitive situation."

The Prime Minister's Office refused to comment on the issue.



# Directors freeze own pay

ARGUS  
5/11/83

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Argus Correspondent

JOHANNESBURG. — The main board of Rennies, the giant industrial conglomerate with interests in shipping, hotels, and transport has voted to freeze its own pay in 1983.

It has also persuaded top executives of its operating units to accept pay curbs and to apply a "low key" salaries and wages policy for the group's more than 15 000 South African employees.

White collar workers will get increases of about seven percent, while the group's lower paid — the bulk of the 15 000 — will get rises

averaging about 14 to 15 percent.

Commander G H Peters, Rennies' regional chairman, Transvaal and neighbouring states, said today the spectre of retrenchment had been uppermost in management's minds during pay rise deliberations.

The board had carried the senior executives and other salaried staff with it on its pay policy on the understanding that directors' pay would be frozen.

The directors' decision, unprecedented as far as he knew, had been carefully communicated right down the line.

"No one has resigned as a result, as far as I know.

"No one is delighted, but I think people understand the economic realities.

"We expect our cash situation to remain strong, to maintain a firm base and to benefit from having taken fairly stringent measures."

## GENERALLY LOWER

Elsewhere, Tongaat Foods' chief executive, Mr Tony Crosby, said increases, effective from April 1, would generally be lower than normal — probably between eight and 10 percent.

The chairman of Tiger Oats, Mr Rudy Frankel, queried the wisdom of holding back on salary increases, which had been done over the past few years, as it could be "de-motivating".

He said: "One is conscious that everyone should carry the burden of fighting inflation, which I think is a worse evil than unemployment because it creates unemployment."

But there ought to be exceptions to pay restraint for salaried workers in specialised areas carrying an important load of responsibility because their contributions to inflation was small.

Tiger Oats would probably try to set average increases at about 12,5 percent.

A spokesman for Sappi, Africa's biggest pulp and paper-maker, said the company had granted lower increases than last year.

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# Firm denies starvation wages claim

By DIANNA GAMES

AN EXECUTIVE of a British company in South Africa has denied a report from London that their employees are paid "starvation wages".

Mr A Dixon Seager of Quinton Hazell in South Africa was reacting to a story from London in the Rand Daily Mail this week.

The report said that Quinton Hazell, of which Mr Denis Thatcher, husband of Britain's Prime Minister, is a director, could soon be at the centre of a row about the payment of "starvation wages" in South Africa.

This came after copies of a government report on wages paid by British and European companies operating in South Africa, to be published in April, were leaked to the public.

The report measures progress on the EEC and Unisa codes of conduct and wage levels. It was designed after a major scandal some years ago over the low wages paid by British-owned companies.

The story says Quinton Hazell last year paid 351 workers below the recommended level with the lowest wage being R54.

Mr Dixon Seager said the report, set up by the House of Commons, called on South African companies with British majority shareholdings to

remit an annual report. He said they are remitted to the UK in July and presented in April the following year, which makes them seven months old when they are printed.

He said R54 was the minimum wage level for grade one employees who had a maximum of eight weeks' training.

The figure was increased by 12% at the end of training and was reviewed every six months thereafter.

He said salaries were compiled on market rates and were worked out domestically because overseas estimations could put South African companies beyond the market rate, and thus into a non-competitive situation.

The report failed to define what "starvation wages" were, he said.

"We are striving towards paying higher wages, but at the same time we are a public company and have a responsibility towards our shareholders" he said.

Quinton Hazell's wages were well in excess of the statutory minimum laid down by the industrial agreement in this country, he said.

There were economic considerations which prevented large wage increases especially in this time of recession, he added.

RDM

8/1/83

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# Secret report lists top 9

**By MARTIN BAILEY, Agenda Press Service**

rose last year.

The EEC code recommends that European companies operating in South Africa pay their workers above the Supplemented Living Level (SLL)

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For British Prime Minister Margaret Thatcher the figures are particularly embarrassing — her husband Denis is a director of Quinton Hazell, which has in the past year more than doubled the number of its Johannesburg workers paid below the SLL.

At the same time, Quinton Hazell Superite in South Africa had “a particularly good year” — its profits rose to R3 140 000.

I have obtained copies of the 1982 submissions to the British government by leading UK companies operating in South Africa.

These annual submissions, which measure progress in implementing the EEC Code of Conduct on

ASSOCIATED BRITISH FOODS, Britain's largest employer has still not released its report to the British government although it should have been published last September. The ABF-controlled Premier group, which has 18 000 workers in South Africa, paid 1 763 employees below the SLI in 1981.

● **LONRHO** (Western Plats, Tweefontein United Colliery, Alpha Anthracite, Witbank Consolidated, Wardrag Asbestos, Bosveld Mines, Piet Retief Colliery and Clyde Trading): No figures for miners below the MLL, but 2 479 miners in the lowest grade. Lowest wage R82, plus R97 food and accommodation. Eight non-mining workers below the SLL. No trade unions.

He said "suitable workers" got an increase to R61 after eight weeks.

But in some cases the company submissions are incomplete. Lonrho did not report on Dimbaza Foundries in the Ciskei. The minimum wage there is only R100 a month.

But one of the problems is that the South African reality is often rather different from the picture portrayed in the company reports submitted to the British government.

miners below the M.L.L., but 2 479 miners in the lowest grade. Lowest wage R82, plus R97 food and accommodation. Eight non-mining workers below the S.L.L. No trade unions.

● **LOW AND BONAR** (Bonar Canvacor and Bonar Long): 178 workers below the M.L.L. Lowest wage R119. A further 190 workers were below the S.L.L. Three trade unions represented.

● **TURNER AND NEWALL** (Ferodo and Turnall): 777 workers below the M.L.L. Lowest wage R141. During the past year the company has negotiated with four unions but no recognition has yet been granted.

● **GEORGE WIMPEY** 243 workers below the

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## WARNING

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# Dunlop

ted by trade union  
for wage negotiations.

South Africa, are now being analysed by the UK Department of Trade.

My survey of company submissions already received by the British government shows that the EEC Code of Conduct has still not been fully implemented.

Ten years after a British parliamentary investigation into South African wages, UK companies still pay thousands of workers less than a living wage. And thousands of black workers in British firms are not represented.

● ASSOCIATED BRITISH FOODS, Britain's largest employer has still not released its report to the British government — although it should have been published last September. The ABF-controlled Premier group, which has 18 000 workers in South Africa, paid 1 763 employees below the SLI in 1981.

**Lonrho**

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● GEORGE WIMPEY  
243 workers below th-

$$67.2 + 31 = 98.2$$

CAPL Times 13/1/83 (355)

# Pay rises not keeping up

## Industrial Reporter

EMPLOYEES gaining pay rises of about 14 percent or more this year can consider themselves as keeping ahead of other workers, but not rising prices.

According to the latest Manpower survey of employment prospects, salary increases this year varied between 0 and 30 percent, with a national average of 14 percent.

Given an inflation rate of about the same for the year, the survey findings imply that most workers will be gaining virtually nothing in real terms.

Nationally, 24 percent of companies surveyed indicated lower salary increases than were given last year, 17 percent intended to do better, and 59 percent aimed for the same as the previous year.

For many, however, just having a job will be something to be happy about.

The survey found there was a marked tendency by companies throughout the country to reduce staffing levels. Johannesburg and the Vaal Triangle showed the worst employment prospects, with the percentage of

companies in these areas planning to cut back on staff rising from 3,4 percent in the previous survey six months ago to 20 percent for white staff, and from 4,1 percent to 17,2 percent for black staff.

Industries hardest hit by the downturn were retailing and vehicle manufacturing.

The pharmaceutical industry offered the greatest improvement in employment prospects for all workers, while the biggest increase in white staff members was expected in banking and insurance.



# Clash looms on govt salaries

Cape Times  
15/1/83  
355

Own Correspondent

PRETORIA. — A clash between the government and the country's nearly one-million public sector workers is certain if, as is likely, there are no substantial salary increases provided for in the March budget, according to Pretoria sources.

The Minister of Finance, Mr Owen Horwood, and his senior officials have hinted strongly that because of the run-down state of the economy and of government revenue, funds would not be available for increases except in exceptional circumstances.

At the Public Servants' Association (PSA) conference in Pretoria last year, the Secretary for the Treasury, Mr R P Wronsley, said that to give central government and provincial workers increases to compensate for the inflation rate would cost the State more than R1 000-million.

He indicated that the government did not have that kind of money.

The president of the PSA, Dr Colin Cameron, said yesterday that no comment had come so far from the Commission for Administration on the question of salary increases.

Dr Cameron said whatever the decision was, it was vital that the "salary occupational differentiation programme" be continued in the new financial year and speeded up.

It was just as vital, however, that reasonable increases be given to the lower ranks in the service, where real hardships were being suffered and resignations were at a crippling high.

A Commission for Administration source said the cabinet had not so far indicated what salary increases, if any at all, would be given in the new financial year.

However, according to one senior public servant, it was clear from the belt-tightening talk of the Minister of Finance over the

past few months that efforts were being made to condition public servants to an acceptance of no, or very limited, salary adjustments.

No special consideration, it is understood, will be given to increases for teachers and nurses. Both got substantial rises last year and they can expect the same deal as public sector workers.

Meanwhile, the railway trade unions are to fight for increases, although they have been told by the Minister of Transport Affairs, Mr Hendrik Schoeman, that funds are not available for the usual annual salary adjustment.

The 12 unions — seven of them white — are to meet the minister separately next month on the salary issue.

Mr Schoeman will also have discussions with the Federal Council of Railway Staff Associations, where a strong bid will be made by the council for rises, irrespective of the serious financial plight of the administration.

# Jail for wages swindle

Court Reporter

ARGUS 18/1/83  
355  
A FORMER construction site foreman who forged the names of workers on time sheets and then misappropriated the wages was yesterday sentenced to five years imprisonment for fraud.

Bernard Liederman, 41, of Robertson, who worked for Gerrie and Findley building contractors, pleaded guilty in the Cape Town Regional Court to fraud.

Liederman will serve an effective one-year term as four years were suspended for five years.

Evidence was that between January and March 1982, Liederman, as a foreman at a construction site, entered a greater number of workers on time sheets than were actually employed.

## FOR HIMSELF

He appropriated the wages of the "ghost" workers for himself.

In a statement submitted at a previous hearing, Liederman admitted he and the time-keeper had written in the names of the extra workers. They obtained R9 000 in this manner, which they shared.

In addition to the term of imprisonment, the magistrate, P J le Roux, ordered Liederman to pay back the money he had taken at R100 a month — the first payment to begin not be later than February 2.

Mr G P C de Kock appeared for the State. Mr O Vassel represented Liederman.





# Wage gap widens — survey

ARGUS

18/1/83

355

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All answer books

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A SURVEY on wages in South Africa in 1982 has found the average wage gap between white and black men has widened from R341 in 1979 to R546 in 1982.

More than 800 organisations, representing 12 percent of the working population of South Africa, took part in the survey, conducted by the Human Resource Development (Pty), part of the P-E Consulting Group.

It found that in 1980 black unskilled workers earned 53 percent of their white counterparts. This rose to 58 percent in 1982.

But salaries of semi-skilled black workers dropped from 62 to 59 percent and of skilled black workers from 53 to 51 percent of those of their white counterparts.

The gap between the earnings of white and

Asian employees and that between white and coloured employees narrowed from 1980 to 1982.

In 1980 unskilled Asian workers earned on average 71 percent of the white counterparts. By 1982 this had risen to 81 percent of white salaries.

Salaries of semi-skilled Asian workers rose from 73 percent of their white counterparts in 1980 to 76 percent in 1982 and salaries of skilled Asian workers rose from 70 percent in 1980 to 80 percent in 1982.

Salaries of coloured unskilled workers rose from 62 percent of their white counterparts in 1980 to 68 percent in 1982. Those of semi-skilled coloured workers rose from 62 to 68 percent.

The salaries of skilled coloured workers dropped slightly from 1980 to 1982 from 61 to 60

percent of their white counterparts.

The overall increase in wages for white general staff dropped to 14,6 percent for the 12 months to July 1982 from 15,6 percent for the same period in the previous year.

Salary increases for Asian and coloured employees rose for the year to July 1982.

Increases for Asians rose to 24,2 percent from 22,1 percent and for coloured to 18 percent from 14,3 percent.

Salary increases for black employees dropped to 20,3 percent from 24,6 percent.

Over the same period the cost of living increased by 14,4 percent (14,5 percent).

Staff turnover increased by 2 percent in 1982.

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## NOTE CAREFULLY

1. Enter at the top of each page and in column (1) of the block on this cover the number of the question you are answering.
2. Blue or black ink must be used for written answers. The use of a ball point pen is acceptable. Red or green ink may be used only for underlining, emphasis or for diagrams, for which pencil may also be used.
3. Names must be printed on each separate sheet (e.g. graph paper) where sheets additional to examination book (s) are used.

## WARNING

1. No books, notes, pieces of paper or other material may be brought into the examination room unless candidates are so instructed.
2. Candidates are not to communicate with other candidates or with any person except the invigilator.
3. No part of an answer book is to be torn out.
4. All answer books must be handed to the commissioner or to an invigilator before leaving the examination.

Any dishonesty will render the candidate liable to disqualification and to possible exclusion from the University

# October rise for public sector?

Own Correspondent

PRETORIA. — General salary increases for the one-million employees of the public sector are likely in October according to Pretoria sources.

One informed source said the issue hinged on the level of the gold price in the next nine months. If the level was maintained at between 450 dollars and 500 dollars, the government, it is claimed, would have the resources to grant relief.

Talk of a general election this year has also strengthened optimism that adjustments will be made.

Speculation is that the election could take place in April or May, in which case, the Pretoria sources say, the Minister of Finance, Mr Owep Horwood, might well make an announcement about October adjustments in his Budget in March.

## 'Not April'

In Pretoria last week the Director-General of Finance, Dr Joep de Loor, said there would be no general increases in April. This, because of the sagging economy and reduced government revenue, had been accepted by most leaders of staff associations in the Railways, Post Office and central government departments.

The cabinet is aware of the chaos which threatens in key State departments, where a backlog of administration work is building up, and of a general decline in efficiency in some areas.

## 'Lost'

The fact that several hundred million rands may be lost annually in taxes because of a lack of trained officials is one example of the consequences of working conditions which fail to hold staff.

It is acknowledged that salary dissatisfaction is still rife and that in spite of the recession, better-paid jobs are still available in the private sector, especially for professionally-qualified personnel.

So, to allow a whole year to go by without substantial compensation for inflation, would seriously aggravate an existing staff shortage estimated to be at a total of 17 000.

## Meetings

Meanwhile the Minister of Transport Affairs, Mr Hendrik Schoeman, has agreed to individual meetings with the 10 railway trade unions to discuss the salary issue.

These meetings will take place next month and will start with a meeting with the federal consultative council of the Railways Staff Association.

The president of the council, Mr Jimmy Zurich, said last night: "We will press the minister for salary adjustments to be made at the latest in October."

"But unless we get some assurance from the minister that provision will be made for October adjustments, we can expect trouble from our members."



## Union gets wage deal

20/11/83  
Labour Correspondent

TRAILER manufacturers Henred Fruehauf and Fosatu's Metal and Allied Workers' Union have negotiated an interim wage agreement at the company's New Germany plant outside Durban.

According to a joint statement by Henred and the union, the agreement provided for an across-the-board increase of 16c an hour, which brings minimum starting pay at the plant to R86 a week, "well above the average starting wage in the area".

Mawu's shop steward chairman at the plant said union members were satisfied with the increase.

By Stephen Orpen

A HANDFUL of South African executives each earned more than R500 000 last year.

This is peanuts compared with (for instance) the \$22,5-million (excluding capital profits etc) taken home in 1981 by America's Steven Ross of Warner Communications.

Warners owns the meteoric Atari computer games company — now suffering a sales "slump" in some areas.

Nevertheless, the rapid growth of many SA companies recently will result in the R500 000 elite swelling by at least 10% this year.

These are among the findings of a team from the Human Resources subsidiary of SA's largest management consulting firm, P-E Consulting, which recently attended international conferences on the subject of executive remuneration.

"South Africa's top executives still have a long way to go to catch up to their US counterparts," says Martin Westcott, managing director of Human Resource Development.

"At least 30 American businessmen earned more than a million dollars in cash last year. Mr Ross's pay works out to \$94 000 dollars a day."

Mr Westcott adds that local companies are shy about chief executive pay, but it is known that many large organisations are paying their top execs more than R200 000 a year.

"South African executive salaries have increased rapidly over the past five years. Yet in many cases these salaries have not been allied to concomitant increases in corporate growth and profitability.

"As a result some large companies are re-examining executive remuneration in attempts to slow the pace of executive increases and return to a base of economic sanity."

Mr Westcott says that the shortage of experienced and exceptional executives is making this task difficult.

At the top end of the employment market executives

# SA's top pay is bringing <sup>30/1/83</sup> ~~up~~ <sup>S. Times</sup> ~~up~~ the rear

are extremely mobile and can move from one position to another for large remuneration increases.

"The whole question of executive remuneration is therefore under review, and evidence is growing that the fundamental remuneration concepts and methodologies developed over the past couple of decades are inadequate today.

"Remuneration systems," says Mr Westcott, "have become too mechanical, too re-

active and over-obsessed with the tax consequences of particular schemes.

"More important, perhaps, is the fact that they have become increasingly divorced from performance.

"The major remuneration developments of the past several decades and the driving forces behind the programmes we have created have been inflation, an increasingly complex tax structure and the misuse of remuneration surveys."



**R100 fine  
on wages  
charge**

Staff Reporter

THE owner of a City interior decorating firm was fined R100 (or 50 days) in the Magistrate's Court yesterday for contravening six sections of the Labour Relations Act and the Industrial Council Agreement.

Ashraf Wagley, of Wagley Interiors, Loop Street, Cape Town, pleaded guilty to failing to forward the total weekly deductions made from employees' wages between August and September last year to the Industrial Council for the Furniture Manufacturing Industry.

He also pleaded guilty to failing to pay holiday fund contributions.

Mr B Carroll was the magistrate, Mr R Warren appeared for the State. Wagley was not represented.

# Pay gap 'root cause' of protest social worker

CAPE TIMES Staff Reporter 2/2/85

SOCIAL workers in South Africa had to address themselves to changing the structures which perpetuated inequality and poverty among the majority of the country's people, the Rev Lionel Louw, chairman of the Society for Social Workers (Western Cape), said this week.

He spoke at a University of Cape Town Summer School course on "The Fairest Cape? — A social worker's view of the Mother City".

Mr Louw, a lecturer in social work at UCT, said that although there were many similarities between social problems experienced in South Africa and other Third World countries, South African society was "dominated by the legalized separation of people of different colours."

"South African society is so ordered as to preserve the status quo of the majority being governed by a minority."

He said the maldistribution in income between whites and blacks in this country had a "significant effect" on the lives of the affected people.

## Bus fare increase

"If there are protests against bus fare increases or bread price increases, the root cause is the income and the effect this has on the lifestyles of people."

Mr Louw said the average income of a white person in the non-agricultural sector in 1979 was R7 627 while that of a black person was only R1 831. During 1978, the proportion of labour income was 60,5 percent in the case of whites against 28,4 percent for blacks.

He said an important new trend in the social work profession, particularly in Cape Town, was a commitment to community work. This represented a "deliberate shift away from the paternalistic, hand-down type of social work".

Mr Louw said communities in Cape Town were being "organized to question and work for change in the structures in our society".



# PRICE-WAGE FREEZE GETS commerce thumbs do

Mercury Reporter

A DURBAN company chairman's call for a national petition to freeze prices, salaries and wages would, in the long term, provide no solution to inflation, Mr Roland Freakes, executive director of the Natal Chamber of Industries, said yesterday.

He admired the principles behind Mr Fred Beard's proposition, put

to Durban North Rotarians this week, but said while it might look like a short-term solution, it would create distorted and pent-up economic forces.

He said: 'One could anticipate, at the end of the fixed period, that these pent-up forces would operate and demands for wages and prices would be felt.'

Mr Beard called on consumer-orientated bodies, such as the Housewives' League and pensioners' bodies, to organise the national petition. He felt the Government could hardly ignore such a petition if enough signatures were obtained.

He hoped public outcry would result in the Government passing the necessary legislation on an experimental basis until the end of the year.

## Not met

But Mr Freakes said fixing the economy had been tried in other countries and the end result, when control had been removed, had been 'quite dramatic'.

Demands for wages which could not be met during the freeze were asked for again. Also, pressures for price increases were felt again in the light of increasing production and import costs.

Mr Ken Hobson, general manager of the Durban Chamber of Commerce, also did not support Mr Beard's call because he believed the Government should interfere in economics to the least possible extent.

He added: 'The scheme has been tried in a number of countries — even dating back to Roman times — and has not worked.'

Mr Hobson said the chamber's disapproval of the scheme did not mean it did not favour wage and price restraints.

## Director allowed home for weekend

Mercury Reporter

A COMPANY director, who was detained in custody for interfering with State witnesses, was yesterday allowed by a Verulam magistrate to go home so that he could see a neurosurgeon at the weekend.

Mr Louis Duncan, 71, appearing before Mr H J Hitchcock on 15 counts of contravening the Labour Relations Act, two counts of perjury and another for defeating the ends of justice, told the Court that he was suffering from dizzy spells and needed to see a doctor.

## In custody

Advocate Chris Manewick, who was engaged by Mr Duncan yesterday, told the Court that he had had little time to study the allegations against the company director.

On Thursday this week Mr Hitchcock found Mr Duncan guilty of interfering with State witnesses and ordered that he be detained in custody. He also refused an application for bail.

The Magistrate reserved judgment until Monday, but he conditionally allowed Mr Duncan to go home for the weekend.

## Oil rig off Umhlanga

Mercury Reporter

THIRTY-NINE days after leaving Japan, the R80-million oil rig Actinia arrived at its destination 20 km north-east of Umhlanga yesterday.

However, drilling was not expected to start until the middle of next week.

Mr Mike Leibbrandt, Soekor's public relations officer, said the rig, to be used on a long-term lease in South African waters, was due to have reached its destination by 2 pm on Thursday but was delayed by storms in the Mozambique Channel.

## Churches join to con Govt prop

Mercury Reporter

THE head of the Methodist Church of South Africa, Dr Khoza Mgojo, says the Government's constitutional proposals are 'immoral' and it is 'high time' that Christian Churches came together to condemn them and to denounce the Government's policy of population removals and resettlement.

Dr Mgojo was commenting on a statement by the president of the Catholic Bishops' Conference, Archbishop Denis Hurley, that an interdenominational ecumenical movement should be formed to formulate a united Christian stand on these issues.

The Methodist leader said it was wrong that the indigenous people of South Africa — the Africans — were denied full citizenship when this was offered easily to people coming to South Africa.

## Teacher's schoolboy

Court Reporter

A 16-YEAR-OLD schoolboy appeared in the Durban Juvenile Court yesterday in connection with an allegation of grievous bodily harm.

His appearance followed the arrest of a Queensburgh schoolteacher, Mr town.

No charge was put to the youth as the allegation was given.

He was remanded until February for custody of his parents.

## Three held in faction fight

Pietermaritzburg Bureau

TRANSKEI police have arrested three people after a massive investigation in the Lusikisiki area where 52 tribesmen died in a faction fight at the weekend.

Col Stan Funani, Trans-

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Mike & Co.



# Civil servants will receive increments

55 Political Staff  
THE Minister of Internal Affairs, Mr F W de Klerk, has allayed the fears of civil servants that they would not get any salary increases at all this year by confirming in a weekend statement that normal increments will be paid.

However, he said there would be no general increase on April 1 because of economic conditions. This decision would be reviewed later in the year if the situation improved.

Although there would be no general increase, ample provision would be made for job differentiation and the Minister of Finance, Mr Owen Horwood, would make a statement on this in his Budget speech.

Mr De Klerk said that because the lower-paid ranks in particular were being heavily hit by the rising cost of

living, special provision would be made for them in job differentiation.

Salary structures in the public service had received the "urgent attention" of the Government recently. While there was appreciation of the workers' problems, the Government had been confronted by an economic recession. It had now devised a wage programme for the coming year.

Normal increases according to standing salary scales would be paid out and the possibility of a general pay hike and/or more money for differentiation would be considered later if the economic position improved.

In the past two years 371 000 workers had been involved in the job differentiation process, which meant that by the end of 1983 about 501 000 of the target figure of 693 000 officials would have been dealt with.





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NOTE

1. Names must be printed on each separate sheet (e.g. graph paper) where sheets additional to examination book(s) are used.
2. Do not write in the left hand margin.

# De Klerk: Usual increases for civil servants

Political Staff  
THE Minister of the Interior, Mr F W de Klerk, has allayed the fears of civil servants that they will not be getting any salary increases this year by confirming that normal increments will be paid. 'Reports to the contrary have no basis,' he said in a weekend statement.

However, he has made it clear that there will not be a general increase on April 1 because of economic conditions, but said this decision would be reviewed later in the year if the situation improved. Although there would be no general increases, ample provision would be made for job differentiation.

Mr De Klerk said that because the lower-paid ranks in particular were heavily hit by the rising cost of living, provision would be made for them in job differentiation.

Salary structures in the civil service had received the "urgent attention" of the government recently but, though the government appreciated the workers' problems, it had had to face the harsh realities of recession. The government had now devised a wage programme for the coming

year. The usual increases according to standing salary scales would be paid out and the possibility of a general pay increase and/or more money for differentiation would be considered later if the economy improved. Ample provision would be made for job differentiation.

ation and this could involve a further 130 000 officials.

In the past two years, 371 000 workers had been involved in the job differentiation process, which meant that by the end of 1983 some 501 000 of the target figure of 693 000 officials would have been dealt with.

PE TOWN  
WER-BOOK

56 1/2

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## WARNING

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4. All answer books must be handed to the commissioner or to an invigilator before leaving the examination.

Any dishonesty will render the candidate liable to disqualification and to possible exclusion from the University

ARGUS 8/2/83

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# Major <sup>375</sup> pay <sup>Times</sup> squeeze <sup>20/2/83</sup>

By Vera Beljakova

SKYHIGH salaries for private secretaries are a thing of the past, according to the latest quarterly survey conducted by Kelly Personnel permanent staff placement agency.

● Private secretaries earn R1 032 in Johannesburg, but carry weighty responsibilities, like compiling correspondence on behalf of the company, arranging executive travel, organising meetings, seminars, board meetings and taking minutes.

They all handle their employers' personal matters (from social life, private banking, funerals, domestic payments, school fees, etc). In Durban the rate drops to R760.

● Ordinary secretaries who handle complicated overseas travel arrangements, earn R814 in Johannesburg, but R633 in Durban.

● Girl Fridays, who handle everything from correspondence to telex machine, switchboard, mail distribution, do simple accounting and screen visitors, earn R659 in Johannesburg and R538 in Durban.

● Copy typists, responsible for typing correspondence, minutes, reports and provide rough clear copy and rough draft, earn R640 in Johannesburg and R513 in Durban.

● Receptionists do best on the East Rand, earning R639, or R3 more than in Johannesburg and R107 more than in Durban.

● Bookkeepers to trial-balance level earn R1 033 in Johannesburg but R670 in Durban.

● Accounts clerks again earn the most on the East Rand — R717 compared with R686 in Johannesburg and R500 in Durban.

# Nearly R6m for Natal pay hike

Pietermaritzburg Bureau

SALARY increases for certain categories of provincial employees accounted for nearly half of the R12.1 million additional appropriation introduced in the Natal Provincial Council by the Administrator, Mr Stoffel Botha, yesterday.

Mr Botha described the fact that the balance of the appropriation, which was not related to salaries, amounted to only about 1 percent of

the annual budget for the current year, as a feather in the cap of the Province.

After salary increases, the bulk of unforeseen expenditure was attributed to increases in the cost of medical supplies, building and road construction, transport and subsistence costs and increased contributions to pension and medical aid funds.

However, R350 000 was set aside for the establishment of the Natal Philharmonic Orchestra, and Mr Botha announced that he had made representations to the Ministers of Education and Finance to make a special grant to

the orchestra in the next budget.

R300 000 was also given, with the approval of the Minister of Finance, to Pietermaritzburg City Council for the purchase of the Winston Churchill Theatre.

Mr Botha warned that provisional figures for the next financial year indicated that it would be another year in which financial discipline would be the watchword.

However, he would be in a position to give full details only at the May sitting.

In his opening address, Mr Botha also referred to the shortage of funds — particularly

in relation to roads, where certain important works had been postponed.

The Durban metropolitan concept was in danger of being seriously prejudiced because of a further reduction in the subsidy provided by the National Transport Commission.

Mr Botha also announced that the Executive Committee had decided to initiate an in-depth inquiry into the desirability of regionalising municipal services in the Greater Durban area, and he acknowledged the spadework already done in this field by the Durban Metropolitan Consultative Committee.

22/2/83

Mercury

355



355

# Dispute threat as steel giant seeks pay freeze

By STEVEN FRIEDMAN  
Labour Correspondent

THE giant Steel and Engineering Industries Federation of South Africa, whose members employ nearly 500 000 workers, has told trade unions on the metal industries' industrial council that it is opposed to negotiating any pay increase for steel workers until October at the earliest.

This would mean at least a six-month "freeze" on annual pay rises for metal workers.

According to union sources, Escom has also asked unions to accept a wage "freeze" because of the state of the economy.

But yesterday, the private sector's biggest white union, the 38 000-member SA Iron, Steel and Allied Workers' Union, rejected Seifsa's and Escom's stance and said it planned to table demands dealing with pay and retrenchments.

Other unions on the metal council have already said they are not prepared to defer pay demands and a wage dispute in the industry may be on the cards.

Seifsa's request to the unions came in a letter

tabled at the council in which it asked them to agree to an extension of the industry's legally-binding wage agreement for six months.

Iron and Steel said its management committee had decided at a meeting yesterday to reject Seifsa's and Escom's request.

Its acting general secretary, Mr Henry Ferreira, said Iron and Steel's branches were in the process of submitting demands to the union and that these would be put to metal employers next month.

Seifsa's director, Mr Sam van Coller, said yesterday: "We have told the unions we are prepared to meet again in October to re-assess the situation in the light of the state of the industry."

He said any increase in employers' costs would "jeopardise the ability of employers to keep individual employees in work".

The director of the Confederation of Metal and Building Unions, Mr Ben Nicholson, said metal unions on the council were determined to win for their members at least some "compensation for rises in the cost of living".

# Informal sector is only hope for jobless

355  
23/2/83

By Anthony Duigan

One out of every three Africans entering the South African labour market in the coming decade will not get jobs — even with a reasonable annual growth in the economy.

This estimate, based on a Human Sciences Research council study of projected job creation and economic growth in South Africa, indicates that at least 1,5 million African workers alone (this includes the current registered unemployed) will be without work and income by the early 1990's — and an annual growth rate of nearly five percent will not change this.

The great majority of these people will not be entitled to any unemployment benefits and experts believe the only refuge for these folk and their families will be the informal sector of the economy — work opportunities created by backyard industries, hawking, etc in the black areas.

Mr Hennie Reynders, chairman of the National Manpower Commission, said in an interview that the informal sector played a very important role in providing work in Africa and it was being looked at from this point of view in this country.

"Up to 40 percent of workers in Africa are employed in this sector — a normal occurrence in less developed countries — and it is something we are looking at here," he said.

Mr Steve Terblanche of the manpower planning section at the HSRC, said their analysis of the labour supply and anticipated demand between 1977 and 1987 indicated that the formal economy was incapable of supplying the number of jobs needed.

At an average annual growth rate in the GDP of 4,5 percent the estimate of jobs created in the decade to 1987 would be in the region of 1,6 million, he said. But the number of workers, mainly black, coming onto the market in the same period was at least 2,7 million.

The Small Business Development Corporation, meanwhile, has actively entered the informal sector to try and stimulate development there in a limited way without destroying its fabric.

"The SBDC has started a small loans programme directed at the semi-formal and informal sectors," said Mr Jacques Verster, a spokesman for the Corporation.

Under this scheme amounts of between R250 and R1 000 are lent out with a minimum of formality to applicants starting small businesses in the black and coloured areas.

The allocation of loans is done by a committee of local businessmen chosen for their knowledge of local situations, he added.

To date the SBDC has financed more than 10 000 big and small businesses employing about 17 000 people. Besides this the property development arm of the corporation has provided accommodation for 623 businesses to date employing another 11 224 people.

Loans to date for small businesses amount to R52 million and for property development another R43,5 million.



# World in midst of 'revolution'

THE world is in the midst of an industrial revolution, with Western countries turning to high technology industries and moving away from labour-intensive heavy industries, according to Peter Morum, MD of Firestone SA.

But this move from "smokestack" blue collar industries in the West towards service and electronic industries, leaves a big gap in the total economic picture and SA should be in the forefront of countries capable of filling this gap.

"We have the required ingredients in the form of labour, capital and the

necessary raw materials" said Morum speaking at the Plastics and Rubber



**Peter Morum . . . must invest in the future.**

Institute's third Foundation lecture recently.

"I believe we must

have the courage and the foresight to invest in the future, supply the needs of a market which is moving towards us and, at the same time, provide much needed employment for the developing population of our country".

He said that by grasping this opportunity, "We can help SA become a dynamic force in the structural change taking place in the economies of the world".

Morum added that the revolution began when Opec raised the oil price in 1973, and was the result of the desperate

search for alternatives to petroleum products, the high cost of labour in Western countries, the availability of cheap and intelligent labour in the East and the additional costs faced by established industries in fighting pollution.

"Suddenly less use was being made of heavy materials such as steel, iron, glass, rubber and zinc, and a demand arose for plastic, aluminium and high strength steel", said Morum.

"We have the basic equipment, the labour and the finance to get a good share of the market in the face of Far Eastern competition. Our vital need in SA is to provide employment and if we are not competitive we are not going to survive".

Morum said one of the biggest issues facing SA is the question of pay rates and the continuing pressure exerted by the labour unions.

"One hears talk regarding the need for unions to continually press for wages to be equivalent of those of Europe. If this is really the objective then we can have no industry in our country without protection. If we need to do this then we will ultimately not survive".

By Hugh Poulter

23/2/83

Industrial week

355

FM 25/2/83  
LIVING STANDARDS

## Black share grows

(355) (354)  
An increasing share of economic power is being concentrated in the hands of SA's blacks. According to Professor Jill Nattrass, head of Natal University's Development Studies Unit, 40% of total personal income is now earned by blacks, coloureds or Indians compared with 26% 10 years ago.

The shift in the distribution of personal income has had a dramatic effect on consumer spending. Between 1960 and 1970 the increase in black consumption accounted for 26% of the annual growth of the consumer goods market. Three years later it had risen to 35% and by 1975 it was 41%. Nattrass now puts it at 48%.

She says: "Black consumer power is clearly growing rapidly and its influence on certain sectors of the economy, notably food, clothing, furniture, electrical goods and transport is substantial. If the present trends continue it will grow in strength. The magnitude of this redistribution in income is remarkable when one recalls, first-

ly, that it has taken place over a mere decade and, secondly, that historical estimates of racial shares of personal income dating back to 1925 have shown no significant change throughout the entire period up to 1970."

According to Nattrass the increasing wealth of the black communities is the result of higher average wages, increased skills and the advancement of blacks into better-paid employment categories. This is indicated by the flight of blacks from the lower-paid agricultural and construction sectors to jobs in the mining, manufacturing and commercial fields. For example the proportion of blacks, outside the homelands, employed in agriculture dropped from 27% in 1970 to 15% in 1980.

### Sharp rise

Conversely, black employment in the manufacturing and commercial services sectors has risen sharply. The proportion of black technical and related workers rose from 4,6% to 7,2% and those in professional categories from 10% to 18,5%. Whites, however, still dominate the administrative and management levels with 91,7% of all jobs in this category.

The fastest growth in wage income, according to the Nattrass survey, was recorded by the Indian group whose total wage income rose by an average real (after inflation) annual rate of 6,5%, between 1971-1981, compared with 5,5% for Africans, 3,5% for coloureds, and 1,5% for whites.

Nattrass says if the current trends are to continue blacks must receive sufficient education and training to allow them to continue to progress up the job ladder. More jobs must be created by an expanding economy and blacks must be increasingly unionised to ensure smooth labour relations. A stagnating economy and growing unemployment, on the other hand, could spell trouble.

"Growing unemployment will be occurring in a group in which educational levels are increasing and aspirations are rising as a result of both educational attainments and increases in average living levels. In communities which have no institutional means of political expression, the frustrations that may arise from the failure to meet these growing aspirations may well boil over into growing social unrest," she says.



# City council attacked

Natal 28/2/83  
Mercury Reporter

A CLAIM by the Durban City Council that it had introduced parity in salaries was severely attacked by the Durban Integrated Municipal Employees' Society (Dimes), mouthpiece of more than 4 500 Indian and coloured council workers, at its annual meeting yesterday.

The society's organising secretary, Mr D K Singh, said the claim was a farce.

'Since the introduction of parity some positions have been elevated while many have been lowered,' he said, adding that most affected were health inspectors, traffic policemen and truck drivers.

Mr Singh said several black city policemen who had held posts as sergeants and constables were re-designated as senior patrolmen and patrolmen because of the new salary scales.

The meeting decided to press for more a meaningful representation for Indian and coloured workers.

10/2/83 (355) 4/11 EDM

# Erratic pay rises slow SA growth

AN erratic pattern of wage and price increases has caused South Africa to fall short of achieving maximum economic growth potential from 1970.

This view is expressed in Barclays Business Brief.

The bank's chief economist, Dr Johan Cloete, argues in effect that average wage rises may have been too low in relation to price increases.

He says that from 1970 to 1981 average real wages for whites — over and above inflation — rose at a considerably faster rate than those of blacks.

Dr Cloete estimates the respective average annual rises at 5,5% and 0,7%.

He says: "One of the main reasons why inflation is so damaging to an economy is that it proceeds at such an uneven pace in different sectors and industries.

"Hence it exerts such an unequal on different categories of incomes and different groups of income earners, thereby constantly redistributing incomes and wealth in

a harmful and unsatisfactory way.

"There is a close correlation between salary and wage incomes and total private consumption expenditure in South Africa.

"It follows that the failure of salary and wage incomes to maintain a sufficient margin above the annual increases in the general price level must have been one of the reasons why the average annual economic growth rate for the period (1970-81) fell short of the country's potential growth rate."

Although nominal salaries and wages increased at an annual average rate of 13,2%, the average real increase was only 1,9% a year as opposed to an average increase of 12,5% a year in the general price level.

Prices increased most sharply in the mining, electricity, gas and water, construction and general government sectors where inflated wages were not accompanied by corresponding increases in labour productivity.

Prices rose at a far slower rate in the transport, manufacturing, wholesale and re-

tail sectors, which experienced growth in labour productivity and hence with relatively low rates of basic wage inflation.

Although white workers accounted for 70,1% of the total salary and wage bill in 1970, their share of the total pay packet had dropped to 58,7% by 1981. Black workers in the non-agricultural sectors of the economy saw their stake in the total wage bill climb from 21,1% in 1970 to 29,4% in 1981.

Barclays attributes the black workers' greater share of the total wage bill to more rapid increases in salaries and not a greater number of black workers.

It says the number of blacks as a percentage of the total work force employed over the 11 years was unchanged at 57%.

This, it says, suggests a growing level of unemployment among blacks because the number of black workers increased at an average annual rate of only 2,5% between 1970 and 1981 compared with an annual increase of about 2,8% in the total black population.



## Workers' minimum wages raised

~~11/11/81~~ ~~10/11~~ (355) *Mercury*  
Labour Reporter 25/3/83  
MINIMUM wages for workers at the Cappa Sacks plant, Isithebe, have been raised from R1,30 to R1,64 per hour.

A spokesman for the Fosatu-affiliated Paper, Wood and Allied Workers' Union said the agreement included an 18 percent raise of 24 cents on the minimum wage as well as the incorporation of the 11c attendance bonus pay into the minimum wage.

Wage negotiations began last November but were only concluded after a mediator was brought in, the spokesman said.

# Multi-millions for new employee 'incentives'

27/3/83

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S. Times

By Vera Beljakova

**A BIG new surge in employee incentives — despite the recession — is being planned for 1983-84.**

Up to R60-million will be spent this year on incentives — merchandise and travel — by South African commerce and industry.

This emerges from new studies by specialists in the field.

The US spends more than R5 000-million annually on rewarding sales staff, dealers and distributors who reach targets and objectives with incentive gifts and exotic travel.

Following in US and European footsteps, South Africa's incentive industry has been growing by 25% a year, says Michael Roskelly of Achievement Awards, which sells incentive programmes.

□ □ □

While airlines and travel agents have been promoting travel awards, and merchandisers have been offering their goods, several new specialist incentive companies have sprung up in South Africa which offer a total package from a microwave oven to a holiday in Mykanos.

The three largest — Achievement Awards, Motive Force and Windsor Motivation — provide a complete service:

planning, budgeting, launching, maintaining participants' interest, administering and delivering the "award fulfilment".

Modelling their services on such US giants in this field as Maritz of St Louis and E F Macdonald of Chicago, the local incentive specialists are beginning to enjoy substantial growth — even though often they compete directly with other giant incentive operators such as Thomas Cook Rennies.

Following the US pattern, local incentive schemes are split 60% merchandise and 40% travel.

Favourite lower-priced merchandise includes kitchen items: pop-up toasters, sandwich-makers, electric carving knives and slow cookers.

Moving upwards, gift items include microwave ovens, tumble driers, video games, VCRs, hi-fi equipment and a second (colour) TV set.

About 65% of merchandise awards are household appliances and kitchen gadgets.

Favourite travel awards are coastal packages, casino/resort weekenders, Indian Ocean island 10-day jaunts, right up to exotic destinations like the Far East, South America and Europe — offering from Thailand's Pattaya beaches to Rome's nightlife.

Winners, being mostly go-getters, or sent off to jet-setting cities where there is plenty on the go.

Active men get bored lounging

around like beach lizards getting burnt on secluded shores. They need nightlife and sea sport," says Mr Roskelly.

Thus Achievement Awards predicts that up-and-coming destinations for 14-day periods will be Spain, Portugal, Greece, Israel and parts of South America.

"Cruising is coming into its own, especially around the Greek Islands, the Caribbean and, more modestly, along our own coast from Durban to Cape Town," he says, predicting a booming business for the three luxury liners now scheduled to cruise in local waters this year.

□ □ □

Major users of incentives are (in order): car and truck manufacturers, insurance companies, electronic, radio and TV manufacturers, makers of car accessories, farm equipment, electrical appliances and office equipment, as well as computer, toiletries, cosmetics and pharmaceutical companies.

The list is growing rapidly as more companies are seeking new means by which they can encourage staff to greater performance, or at least retain the market share they gained during boom times.

The incentive scheme companies are on to a good thing: witness a typical "company awards catalogue" featuring 94 pages of "suitable" gifts and 16 pages of travel suggestions.





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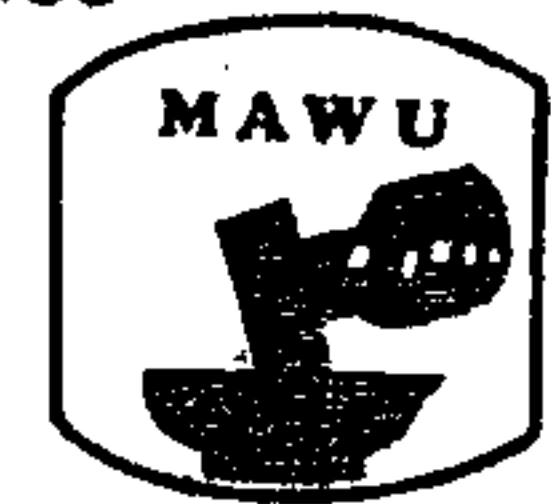
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MANU

28/3/83

SALDRU  
SCHOOL OF ECONOMICS  
U.C.T.

# PRESS STATEMENT



## CALL FOR R90.00 a week

AT A meeting held in Durban on Saturday Mar 26 one thousand members of the Natal Branch of the Metal and Allied Workers Union unanimously called for a minimum wage of R90.00 a week in the metal industry.

The meeting was convened by the union in order to discuss its proposals to the Industrial Council for the Iron, Steel and Metallurgical Industry. This meeting was the first of a series of meetings to be held in all MAWU branches to discuss the proposals with members.

The members also strongly rejected an earlier proposal from SEIFSA the powerful employer association in the industry which had called for a freeze on mid-year wage increases.

Further demands were made for an R18.00 a week across the board increase for all workers, increased overtime rates, longer notice and a 40 hour working week.

Many speakers emphasised that the union was now entering a new phase of organisation which involved mass mobilization of members across factories while retaining and continuing to build stable structures at the shop floor.

"We can see clearly that the time has come to use our collective strength to push workers demands in the industry. For too long workers real interests have been ignored at the industry level - we cannot allow that situation to continue" the President of the union Mr. Jeffrey Vilane said.

Discussions were also held on the Metal Industries Pension Fund because it was reported that the enabling agreement was due to expire. A unanimous resolution was consequently adopted calling for the control of the fund to be handed over to the unions properly representative of the members of the fund so that workers would be able to make the necessary changes.

Finally, the meeting discussed the Presidents Council and the "Koornhof Bills". These were totally rejected and a call was made for the scrapping of the pass laws and for a free and democratic South Africa with one parliament.

28.3.83

[illegible]

# British poverty workers double

~~161~~ 355 ~~242~~ S. Tribune  
10/4/83

below the lower poverty level.

Among companies submitting reports, Lonrho, Low and Bonar and George Wimpey were paying some workers

[illegible]

## INITIALS

(to be copied from the heading on the Examination Paper)

## WARNING

1. No books, notes, pieces of paper or other material may be brought into the examination room unless candidates are so instructed.
2. Candidates are not to communicate with other candidates or with any person except the invigilator.
3. No part of an answer book is to be torn out.
4. All answer books must be handed to the commissioner or to an invigilator before leaving the examination.

EDSON 15755



# Pay rises: Grim news for most — new survey

S. Times 17/4/83

By Stephen Orpen

FOLLOWING the pounding suffered by wage and salary earners in the past 12 months — with pay hikes way behind expectations — many forthcoming increments are destined to take a back seat behind burgeoning inflation.

This is the key message from the P-E Consulting Group's April Survey of Salaries and Working Conditions, which covers national trends

from July 1982 to March 1983. The survey represents 300 general staff and a dozen top executive positions, and has a data base of more than 500 organisations employing more than 500 000.

The survey is twice the size of its 1982 counterpart.

Workers of all races in a wide variety of sectors — including areas where skills are at a premium — reaped significantly smaller percentage

pay rises last December/January than in their previous year-end reviews, says the PE report.

Increases for white staff in July 1981 to March 1982 kept pace with inflation at around 14% compared with only a little above 10% in the latest review period.

Indian, black and coloured staffs were likewise badly hit, with percentage pay rises between 2 and 3 percentage points down on 1981.

Among whites, sales and marketing and data-processing people fared best (12% up); among Indians, manufacturing/operations and management staff (16%); among blacks, manufacturing/technical and engineering people (14.5%) and among coloureds, data processing and personnel employees (14%).

Sales and marketing staff emerged on top overall, as the majority are involved with domestic consumer goods, the demand for which has not been as severely affected as that for industrial goods and services.

Seen in a geographic context, whites and Indians received their lowest percentage increases on the Witwatersrand, while blacks and coloureds fared best in Natal.

Whites in the Western Cape outdid their counterparts elsewhere, and Indians in Natal saw larger growths in

their pay packets than those in other provinces.

"All groups suffered," comments Ian Hipkin, manager of P-E's salary survey unit. "Partly, this was typical of recessionary times."

"Indeed, average increases in the private sector have not been all that low considering the seriousness of the economic downturn and the fact that non-profit organisations and many Government bodies have limited their increases to less than 5%."

"Some employers have awarded no increases at all. Even artisans, who have topped the increase and popularity scales in recent years, received only modest rises."

Interestingly, blacks in industry were awarded better increases than whites in what Mr Hipkin sees as a determined bid by employers to narrow the wage gap in this "most sensitive" area.

A relatively bright spot in the survey is that "job-hopping", which became almost epidemic in the hazy days after the 1980 boom, has dropped from 30% to 26% in the past six months, thereby saving employers millions in acquisition and separation costs.

Staff turnover among whites and Indians dropped from 34% and 36% respec-

● To Page 3

## Grim news on pay rises

● From Page 1

tively to a more respectable 20%.

In the Johannesburg area, overall staff turnover fell from 40% to 20%. However, turnover among blacks rose from 26% to 30% and among coloureds from 33% to 36%.

This is largely due to retrenchments, says the survey.

"Staff turnover is directly related to the availability of reasonable alternative employment, and this survey shows that job opportunities are significantly less plentiful than they were only 12 months ago, and that people are thinking twice before putting themselves on the market," explains Mr Hipkin.

"It is a sign of the times that retrenchment and redundancy are ranked far higher as reasons for termination of employment than they were six months ago."

Moreover, many more companies have formulated retrenchment policies should the need to lay off staff arise.

# West Cape has second highest staff turnover

WHITE and coloured workers in the Western Cape have received higher pay increases in the nine months to March than workers elsewhere in the country, while blacks generally fared better in other areas.

But the Western Cape had the second highest staff turnover, ranking after the Eastern Cape.

This picture emerges from the Johannesburg-based P-E Consulting Group's latest survey on salaries and working conditions.

The survey, which is representative of 300 general staff and a 12 top executive positions and has a date base of more than 500 organisations, is twice the size of its 1982 equivalent.

## ALL GROUPS

Among its findings is that all race groups throughout the country have seen their earnings fall further behind inflation, and retrenchment and redundancies have increased.

Between July 1982 and March this year whites have seen their salaries rise by just under 11 percent, compared with an inflation rate of almost 15 percent.

In the Western Cape, however, their earnings have improved by slightly more than 12 percent.

Asians received the best increases on a national basis (13,5 percent), while coloured people (12,7) and blacks (12,4) filled second and third spots.

## TYPICAL PATTERN

All these increases are two to three percent down on those awarded in the July 1981 to March 1982 period.

But Mr Ian Hipkin, manager of P-E's salary survey division, says this is the typical pattern that emerges in times of recession and even peo-

ple in demand have had to make do with smaller pay rises.

"An interesting feature of the survey is that non-white artisans have gained larger percentage increases than their white counterparts in what seems to be a determined bid by employers to reduce the wage gap.

"It is also significant that sales and marketing people have fared best overall in the increase stakes, due mainly to their involvement with domestic consumer goods, which have not suffered big slumps in demand."

## STAFF TURNOVER

Although staff turnover on a national scale has decreased from 30 to 26 percent, it has gone up by nearly five percent among blacks and coloured people.

But this must be viewed in relation to staffing cutbacks in many labour intensive industries.

Turnover among whites has shown a healthy drop of 14 percent and Asians have reduced their mobility from 36 to 20 percent.

While staff turnover levels are directly related to the availability of alternative employment on the job market, they are also important indicators of to the economy.

## REDUNDANCY

"The sad state of the economy in recent months is borne out by the fact that redundancy and retrenchment, as reasons for termination of employment, have shot up from rock-bottom to third and fifth positions for wage and salary earners respectively."

More and more companies have formulated retrenchment policies in the past 12 months to deal with the laying off of staff should the need arise.



# Economics have central political role

CAPE TIMES 28/4/83

**Labour Affairs reporter PHILLIP VAN NIEKERK says wage bargaining will be tough by people for whom unemployment and poverty are burning issues**

THE claims by a University of Natal economist, Mr Charles Meth, that the government's productivity figures are all wrong could create quite a stir between employers and trade unions, already squaring up for the toughest round of wage bargaining in years.

Both the government and employer groups have made calls for a wage freeze based on the continuing recession. But with inflation still soaring, it is not going to be easy to convince workers to accept an effective drop in income.

In the metal and mining industries, in particular, a clash of demands has already become apparent.

The argument commonly put forward to justify a wage freeze is that real wages rose during the past few years without a corresponding increase in productivity. During lean times it is thus to be expected that workers pull in their belts a little.

Mr Meth's claims represent a fundamental challenge to this view. He found that the South African economy grew at a much higher rate during the 70s than official figures show and that most productivity figures based on the national accounting statistics are wrong. In his analysis, workers earned their wage increases and a good deal besides.

Seen together with the research findings of UCT economist, Mr Charles Simkins, that unemployment grew steadily from 11 percent to 21 percent during the 70s they paint a very different picture of what has been happening to the South African economy to the conventional version.

Of course, there is by no means unanimity over the findings, and Mr Meth's work has already come under fire from economists of differing persuasions. But the prospect of employers and trade unionists meeting across the bargaining table, each with their own figures backing up different claims on productivity, wages, inflation and so on proves that economic statistics are not neces-

sarily hard and fast facts, and can be distorted to lend weight to opposing claims.

## Problems

Yet spokesmen from the government and the private sector have continually spoken out against the country's low record of productivity and claimed that wage increases for workers have not been fully "earned". Their self-confidence has belied the fact that measuring productivity is a process fraught with problems.

It is not necessary here to go into the complex economic issues involved, or the pros and cons of Mr Meth's methodology. It is important, though, to note that as the mainly black trade unions grow in strength, basic economic issues, and their political implications, are likely to move increasingly to the fore.

In most Western countries elections are fought primarily over economic issues such as inflation, unemployment and social welfare. In South Africa, because the electorate is drawn from the most economically privileged section of society and because of the over-riding predominance of the race issue, economic policies tend to take a back seat.

## Further the cause

And the public debate over economics has by and large been restricted to the "free marketers", who represent one side of the spectrum.

Mr Meth's work was done in co-operation with the Federation of South African Trade Unions (Fosatu) and his conclusions can be said to further the cause of organized labour. But this makes him no more suspect than the large number of economists who are attached to banks or other big business corporations and who are constantly quoted in the business columns of the press.

The growth of black trade unions, whose constituency includes

those people for whom unemployment and poverty are burning issues, will not only broaden the debate, but deepen its political implications as well.

Mr Bobby Godsell, Anglo American's industrial relations consultant, pointed out in Stellenbosch on Tuesday night that black workers do already have a "vote" in one key area

of their lives.

On the shop floor they participate in "politics" through the collective bargaining process, which is the "habit and practice of compromise". And they have the power to go on strike and disrupt the normal functioning of society if they are dissatisfied.

Mr Godsell said that "perhaps the patterns of

interaction compromise and partnership which are developing on the shop floor can provide a model for co-operation in society at large". They could provide a different kind of model as well.

Far from being merely "shop floor" issues, the matters which will be brought to the negotiating tables this year are of central political importance affecting the lives of the majority of people in this country. They would be recognized as such in any democratic society.

FM 29/4/83  
**WAGES & SALARIES**  
**Poor pay prospects** (355)

The outlook for increases in wages and salaries this year is distinctly unpromising.

This contrasts to what actually happened in 1982. The latest quarterly bulletin from the Reserve Bank contains the slightly surprising statistic that remuneration increased by 19% between the third quarter of 1981 and the same three month period of 1982. This is a rise in real terms when measured against the inflation rate.

Now economists generally seem to be sounding notes of caution about current prospects. For instance, Johan Cloete of Barclays Bank and Louis Geldenhuys of Senbank expect nominal increases in the region of perhaps 10%-12% this year. Slightly more optimistic is Frank Shostak of consultants Econometrix who is going for 14% in 1983, a little more next year and

18% in 1985.

Some economists, though perhaps not the majority, found the 19% increase mentioned in the Reserve Bank bulletin surprising because it occurred when the country was in the middle of a sharp downswing. Others, however, pointed out that the recession only really started to bite towards the end of the second quarter of last year. Before then sales of cars and consumer durables seemed to hold up remarkably well and the public generally seemed to behave as if there were no recession.

The rises in wages and salaries were in fact hangovers from the boom years of 1980 and 1981. Increases in remuneration always tend to follow rather than accompany movements in economic cycles.

The years of plenty provided firms with increases in profits part of which could be passed on to employees. Conversely, when the recession began to have a major impact last year and profits started to rise more slowly (if at all), companies started moderating the rate of pay increases.

The statistics, in fact, suggest a steady slowing down in the rate of increase from the third quarter of 1981 onwards. The nominal rise then stood at 25% on the comparable third quarter the previous year and in the following five quarters the figures were successively 22,3%, 21,5%, 20,9%, 18,1% and 17,1%.

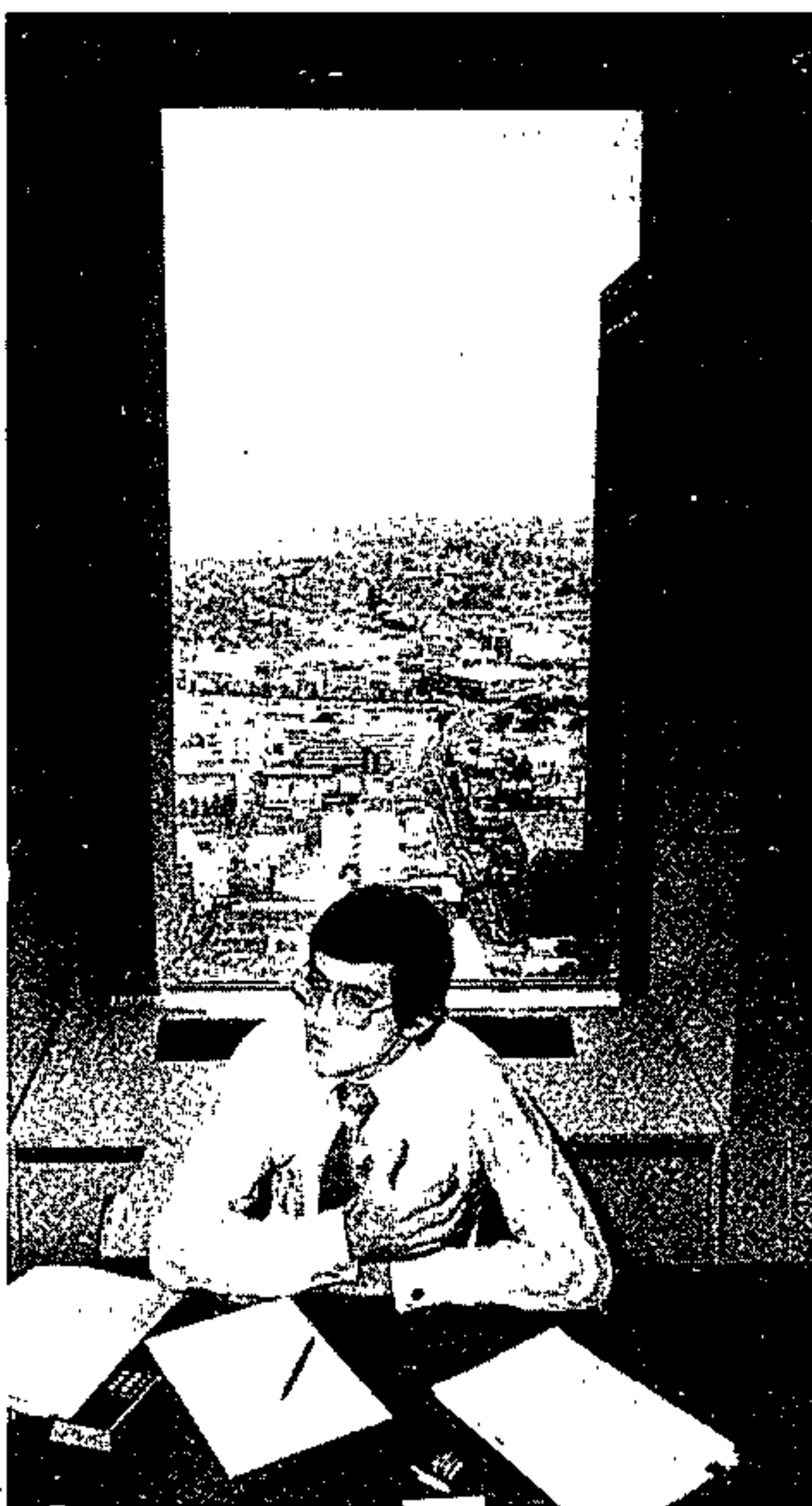
#### Sector by sector

Looked at sector by sector, the pattern was the same, although the degrees of change differed. From September 1981 to the same month of 1982 the per capita increase in mining fell from 20,7%-15,6%. Over the same period manufacturing experienced a drop from 22,8%-17,1%, construction from 23,6%-19,9% and commerce from 25,6%-17,3%.

Sue Kell of the Discount House SA points out that the falling rate of increase has continued generally except perhaps in some of the skilled sectors. Even here the pressures are being felt and some professional people are finding work hard to come by now, a new phenomenon for SA generally and one exerting pressure on possible salary increases.

There is of course the possibility of the prospects being not quite as gloomy as some of the economists make out. One or two surveys, particularly that conducted by Barclays, suggests the business community is a good deal more optimistic than perhaps the behaviour of the real economy warrants. They are looking to an early recovery thanks partly to the gold price, the lack of tax increases in the Budget and the revival now under way in the US.

In the past such surveys have proved fairly good indicators of turning points in the economy. The present attitudes could change once the full impact of the drought is felt. But if the worst is past, the pessimists on the outlook for wages and salaries might be proved wrong.



**Senbank's Geldenhuys ...  
 expecting nominal increases**



355

The Cape Times, Wednesday, May 11, 1983 11

# Beauty queen urges 'womanly' ambitions

Staff Reporter

THE solution to women's "blocked ambition" is for them to learn a truly womanly style of ambition, model and former Miss Universe Margaret Gardiner said yesterday.

She was speaking in a panel discussion "Images of Women", held by the University of Cape Town Women's Movement.

"We must not ape men by imitating their sometimes cut-throat approach, nor pretend giggly powerlessness in order to defuse male fear," she said.

"While men use aggressive strategy, women prefer to form partnerships, divide prizes equally and help others. Why should we be ashamed of such strategies?"

The panel consisted of Margaret Gardiner, a lecturer in English, Eve Bertelsen; and a Rape Crisis founder member Ann Mayne.

Discussing the por-

trayal of women in the media, Ms Bertelsen said women's inferior status was deeply rooted in Western culture.

"The way in which a woman sees herself is created by men. The media produced models for women, which have power because they exploit a deep element in our culture, such as the idea of duty," she said.

"Feminists see the strategy of advertising as the setting up of an unattainable ideal. This breaks down the confidence of the average women."

"Once this vacuum of confidence is created, there comes the selling of hundreds of products, from diets to makeup," she said.

She suggested to the packed hall that one course of action they could take was to question cultural values and teach people to be literate about the popular culture, which creates a value system which reinforces the present

power structure.

Miss Gardiner said men were largely behind advertising campaigns, but whether women paid attention to them or not was up to them.

Asked to comment on the high incidence of rape in South Africa, Ms Mayne said: "We live in a tense society where the majority experience political and economic frustration and deprivation. This causes anger which leads to violence, and rape is a crime of violence."

"In a politically tense situation, people take out their frustration on a more oppressed person. It leads to a cycle of violence in which all are brutalized," she said.

"In South Africa there is no hope except in a new social order."

"As white women we need to be aware of, and be working towards alliances with black working-class women."

# Call to probe Parks Board

Pietermaritzburg Bureau

A CALL was made in the Provincial Council here yesterday for an inquiry into possible 'administrative sloppiness' within the Natal Parks Board.

Speaking during the budget debate, Mr Rodney Haxton (PFP, Pinetown) said it appeared that, after initially dragging their heels, the S A P were making up for lost time in investigating allegations of theft of rhino horns.

Mr Haxton said the list of allegations associated with the scandal read like the script of a cheap TV thriller, and included illegal dealing in the horns, murder and suicide.

He said he had information that 'nationally known and respected' people were still to be drawn into the web of intrigue surrounding the affair.

## Committee

However, when police investigations were complete and those responsible brought to justice, there would be a need for an inquiry to investigate 'those questions which need to be answered in public'.

Mr Haxton called for a select committee, comprising all three parties in the Provincial Council, or an independent committee possibly consisting of retired legal practitioners, to be set up.

Mr Haxton appealed to the MEC in charge of the Parks Board, Mr D Stainbank, to act on his request and to pledge that nothing would be left to the public's imagination.

Mr Stainbank is likely to reply to the debate today.

## Closing of NPA

Mercury wage gap

26/5/83  
'delayed'

Pietermaritzburg Bureau

THE narrowing of the wage gap in the Natal Provincial Administration had been delayed by the decision not to give public servants a general salary increase this year.

This point was made in the Provincial Council yesterday by Mr Rodney Haxton (PFP, Pinetown).

Mr Haxton listed several senior provincial appointments which demanded identical qualifications, regardless of the population group from which an incumbent was drawn but where the salary scale varied according to race.

## Policy

The Provincial Secretary had confirmed this situation six months ago, but pointed out that complete parity had been attained above certain salary levels, 'with a few minor exceptions'.

Still quoting correspondence with the Provincial Secretary, Mr Haxton said it was Government policy to narrow the gap every time salary scales were revised — which happened usually once a year.

This suggested the NPA was bound by Government policy on these issues although 'a lot of people I know take a great deal of pride in the fact that Natal does not have a Nationalist-controlled administration'.

Mr Haxton pointed out that calls had been made last year for the closing of the salary gap and for pressure to be put on the Government to do the same.

He asked what, if anything, had been done to achieve this.



(186) (355) □ □ □ (152) 147674  
E04  
30/5/83

WHILE talks are in the offing about a R2-an-hour minimum wage in the metal industries, a Fosatu union has won the R2 from an Isando company.

Tea and coffee company TW Beckett, an Anglo-Vaal subsidiary, has agreed to pay a R2 minimum after talks with the Sweet, Food, and Allied Workers Union. It is the second Transvaal company in which SFAWU has members to agree to this.

Getting the minimum up to R2 meant a 62% rise, and Fosatu president Mr Chris Dlamini, a SFAWU member who was involved in the TW Beckett talks, hails this as an "outstanding achievement" in view of the recession.

While food firms are not as affected by recession as others, large wage advances of this sort have been almost unheard of this year.

# Bid to get pay days staggered

*Industrial week 31/3/83*  
IN A bid to eliminate month-end traffic and bank congestions, Johannesburg Chamber of Commerce is to encourage employers to stagger pay days, writes Kathy Gibson.

The JCC has held preliminary talks with its Labour Affairs Division and has now handed the matter to the Commercial Employers' Association for discussion.

Marius de Jager, chief executive of the JCC, said it was investigating the issue.

"We will go into it thoroughly," he said.

"There seem to be more benefits than otherwise to the scheme, and if the final outcome is favourable, we will encourage employers to co-operate."

"In the end it will be an individual company decision, as the position of various employees, especially black people, will have to be considered."

Hilton Andrews, joint deputy MD of Fidelity Guards, felt that the staggering of pay days would help the security industry in the delivery of payrolls.

"At the moment Thursday and Friday are busier than other days," he said.

"Every fortnight it becomes busier at the end of the week and at month-end we have our busiest time. Staggering pay-days would help us with the planning of staff and vehicles."

When the National Management and Development Foundation backed the system of staggering pay days in

the mid-1960s, one of the large companies which followed the policy was Edgar's Stores, which began paying its staff on the 6th of each month.

Gavin Barnett, Edgar's Director of Public Affairs, told Industrial Week: "There were some initial problems - for instance staff had to accustom themselves to making their regular payments in advance - but on the whole things went smoothly."

"New staff members find it a bit odd to adjust to the system, but we have not received any complaints."

## Advantages

"The advantages of staggered pay days create a breakdown in traffic and shopping hold-ups, and money flow is stretched over the whole month, so productivity is improved. Retailers would not have to employ casual labour just to cope with month-end jams."

"Unfortunately, the impact of the scheme cannot be felt unless more employers implement it," said Barnett.

"The first few companies to do so run a risk, because there are no real benefits unless everyone joins in."

Brian Miskin, Regional General Manager of Standard Bank, predicted that the major problem with staggering pay days would be for employers to make provision for cash-flow.

He felt the advantages outweighed the disadvantages, and fully advocated the scheme.



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# Further narrowing of racial salary gap

355 S. Times 5/6/83

## BLACKS EASILY DOMINATE THE MIDDLE-INCOME GROUP AFTER WHITES

By Alec Hogg  
A THOROUGH analysis of the recently released 1980 census figures by Volkskas Bank's economic unit has dispelled a number of misconceptions about the earnings differences between population groups and geographical areas of South Africa.  
The unit also comes to the conclusion that the nation is by no means dominated by the public service, and, although there is still a great difference between salaries paid to the four racial groups in South Africa, the gap is narrowing.  
There are now more blacks in the middle-income group than Indians and coloureds combined, and the number is fast approaching that of whites.  
Although the census figures show that the number of blacks in the middle-income group is only slightly above

half the number of whites, Volkskas states in its June Economic Spotlight that this position is changing.  
The bank says "In the case of coloureds and blacks it is an undeniable fact that there is a large measure of poverty. However, progress is being made in improving their incomes, as is evidenced by the fact that the average wage or salary in real terms rose by only 2.4% in the case of whites in the period 1970 to 1980, compared with an increase of 15.2% for coloureds, 36.8% for Indians and 68.5% for blacks."  
Volkskas notes that this trend is continuing. In 1982 the salaries of whites increased by 15% compared with increases of 19%, 18.1% and 23% for blacks, coloureds and Indians respectively.  
Nevertheless, it will be some years before any other racial group challenges the lead which whites have in the number of people in the high-income group.  
The bank's analysis shows that a mere 10 280 blacks earned more than R700 a month in 1980 (equivalent to R1 000 today) compared with more than 700 000 whites.

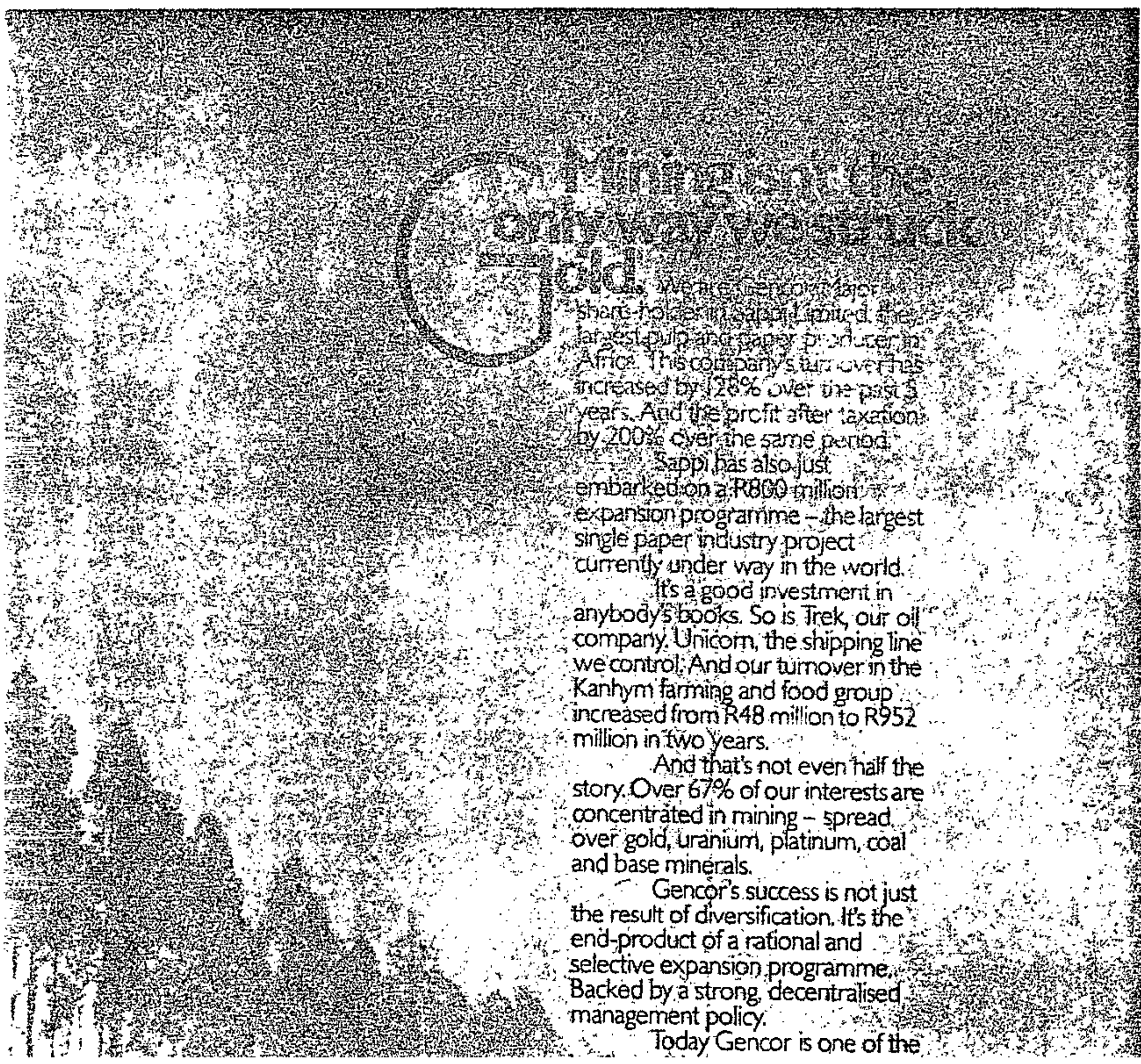
But that blacks are approaching the figure of top income earners in the other two population groups is significant.  
Geographically speaking there is only a slight gap between the salaries paid to people working in the different metropolitan areas.  
Of those earning an annual income of more than R35 000 in 1980 (equivalent to R45 000 today), 2.2% live in the greater Johannesburg area, 1.5% in Cape Town, 1.4% in Durban and 1.2% each in Port Elizabeth and Pretoria.  
Statistics derived from the census show that 80.5% of the economically active population is employed by the private sector.  
There is a bias when the individual population groups are examined.  
About 34.1% of all whites are employed by the State (compared with the national average of 19.5%), while Indians, in particular, prefer the private sector, with only 12.2% of this group getting paid through the SA Reserve Bank.  
Further, it is also apparent that few blacks or coloureds have the capital resources or the support to establish their own businesses.  
With the national average of employers at 3.9% of the economically active population, only 1.8% of blacks and 1.3% of coloureds fall into this category.  
By contrast, 10.8% of whites and 8.6% of Indians run their own operations.

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### WHO EARNS WHAT

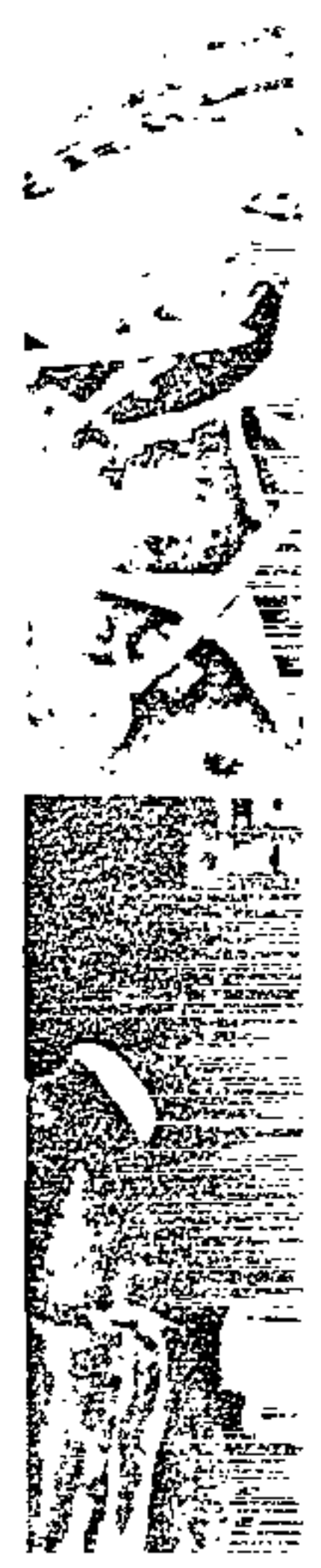
Income group	Monthly earnings *	Whites	Coloureds	Indians	Blacks
Low	Up to R290	199 260	680 160	114 340	4 873 800
Middle	R290 to R999	942 320	214 560	122 640	454 980
High	R1 000 and more	719 280	11 020	13 360	10 280
Not known	N/A	44 200	22 040	5 480	237 980
Total		1 905 060	927 780	25 820	5 577 040

\* Income in 1980 adjusted to current terms  
Source: Volkskas Economic Spotlight, 1980 census figures



**Gencor**  
We're Gencor, major share-holder in Gencor Limited, the largest pulp and paper producer in Africa. This company's turnover has increased by 128% over the past 5 years. And the profit after taxation by 200% over the same period.  
Gencor has also just embarked on a R800 million expansion programme - the largest single paper industry project currently under way in the world.  
It's a good investment in anybody's books. So is Trek, our oil company. Unicorn, the shipping line we control. And our turnover in the Kanhym farming and food group increased from R48 million to R952 million in two years.  
And that's not even half the story. Over 67% of our interests are concentrated in mining - spread over gold, uranium, platinum, coal and base minerals.  
Gencor's success is not just the result of diversification. It's the end-product of a rational and selective expansion programme. Backed by a strong, decentralised management policy.  
Today Gencor is one of the

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# Drab outlook on salaries, wages

S. Timmer 12/6/83

355

## INFLATION WILL ECLIPSE MID-YEAR INCREASES

By Amrit Manga

**WAGE** and salary increases are expected to be significantly lower this year.

This follows a decline of 25% in the growth of the average pay packet last year and the 33% drop in 1981.

Most industrialists agree that mid-year increases, excluding adjustments in employers' contributions, will be totally eclipsed by the current inflation rate.

Annual increases this year are expected to average 9%. This compares with hikes of between 15,5% and 20% granted during the 1981/82 period.

Industrialists are hesitant, however, accurately to define increases for the remainder of the year, although most indicate that a prolonged drought would have a definite effect on possible upward adjustments.

■ ■ ■

"A major reason for this hesitancy is clearly the economic downturn of recent months, which has brought the 'fiscal drag' phenomenon back into play," says a study conducted by the P-E Consulting Group's remuneration division.

This has a significant effect on the bottom-line value to the individual.

To add to the confusion, projected increases point to a much wider range or cross-section of policies than over the past few years.

Some companies' executives, such as those at Rennie's, have opted for a voluntary pay freeze this year.

Other employers, notably those in heavy industry like Sentrachem, have embarked on retrenchment programmes to weather the current economic storm.

Then there are those who are awarding substantial increases in specific staff categories where skills shortages are critical.

Johan Koorts, manager human resources, at PG Industries, says: "Salaries in the skilled labour market will be dramatically affected by the pent-up demand expected to follow tremendous shortages."

TYPICAL CHIEF EXECUTIVE REMUNERATION						
	1978	1979	1980	1981	1982	1983
Annual taxable income .....	35 290	37 900	43 545	53 900	65 000	71 900
Percentage increase .....	10,7	7,4	14,9	21,5	22,8	10,6
Tax .....	14 475	14 740	13 460	18 040	25 210	28 830
Net income after tax .....	20 815	23 160	30 085	34 860	39 790	43 070
% increase in net income .....	11,2	11,3	29,9	15,9	14,1	8,2
% increase in CPI .....	9,2	13,5	14,6	14,5	14,4	13,5

NOTE 1 Tax calculated for a married man with two children  
2 1983 salary increases based on P-E Remuneration Division projections

"Any adjustment in this sector would be closely tied to a probable turning-point in the economy, when employers will have to compete in the salary market for top and middle-line management," says Koorts.

Arthur Schafner, chief executive of BEA, a leading authority on financial executive appointments, explains that "bonuses which have not been paid or have been drastically cut because of declining profits will once more have to be increased to amounts paid out during the more buoyant periods".

"Scarcity levels in the trained-personnel sector will make it necessary for employers to increase base rates in order to retain their skilled work force during the upturn. Increases of up to 20% can be expected during the second quarter of 1984," says Mr Schafner.

With base-metal mines and collieries experiencing the deepest recession for years, employees will face the desperate option of wage cuts or retrenchments if conditions fail to change in the next 12 months.

Artisans in Seifsa-affiliated industries, excluding the steel and ferro-alloy industries, have agreed to an increase of 5% for 1982/83, raising the hourly wage from R4,20 to R4,41.

This is almost 10% lower than the increases granted for artisans last year and far below the current market rate of up to R9 an hour being paid by most companies.

"Whereas increases in net income:

over the past two years have kept senior executives abreast of the growth in the consumer price indices, this year their fortunes will be more comparable with the 1978/79 period, when net increases were eclipsed by inflation.

P-E director Martin Westcott points out that "reductions in personal income tax between 1978 and 1980 resulted in increases in net pay being greater than those for gross remuneration".

Annual taxable income for chief executives increased by 14,9% in 1980 from R37 900 to R43 545.

■ ■ ■

Net income after tax, however, increased from R23 160 in 1979 to R30 085 in 1980, a hike of almost 30%, mainly because of reductions in personal tax deductions. The comparable percentage increase in the Consumer Price Index was much lower at 14,6%.

"These reductions redressed the fiscal drag problems that had been prevalent for most of the 70s and had taken their toll on executives' net incomes," says Mr Westcott.

Now it appears that industrialists will again be subject to these problems.

Illustrating this point, P-E's remuneration division projects adjustments in chief executives' taxable incomes to be in the region of 10% this year — from R65 000 to R71 900.

Net income after tax is set to increase by 8,2% to R43 070 against a CPI increase of 13,5%.

## s can he same

across international boundaries was governed by the Geneva Convention of 1949. On the other hand provision was made in the Geneva convention for armed conflict not of international character and since 1949 there had been a number of conflict situations within this category.

"If we are hanging ANC members what kind of stand are we going to take in respect of captives from our forces?"

Mr Cowling said in terms of South African law, ANC members were classified as terrorists whereas the ANC was a liberation movement in terms of international law.

"The South African Government cannot afford to be seen to treat these people as criminals. Not only from a humane point of view but from a political pragmatic aspect."

"It is making the same mistake Ian Smith in Rhodesia. He refused to accord any status to the guerillas so never able to negotiate with them."

### Martyrs

"If you hang the men there can be amnesty and you can have martyrs."

Mr Cowling said he had recently been a cases where the courts had not imposed minimum sentences but were the exception rather than the rule.

Mr Nico Steytler, senior lecturer in criminal law said the government's decision "have been a 'total', political one".



# Big rises for Post Office technical staff Smiles for many PO workers

W/6 ARGUS 18/6/83 255 355

By PHILIP VAN DER MERWE, Weekend Argus Reporter

MANY of the Post Office's technical staff have received big salary hikes in the past few months in spite of the Government's anti-inflationary pledge of no general increase in public servants' salaries in the first half of 1983.

The salary increases have been made in terms of the Government's programme of "occupational differentiation", which is an attempt to keep public sector salaries in line with those in the private sector and stem the flow of trained staff from the public service.

The programme is also being implemented in

other Government departments, and, together with the recent increase in the public service housing loan subsidy ceiling from R40 000 to R50 000, is said to be costing the State and semi-State institutions millions of rands.

Many Post Office technical staff and engineers in the Western Cape last month received increases of up to 50 percent, backdated to April 1, in accordance with upgrading of their positions.

This means that a salary in the region of R1 000 has been increased in some instances to about R1 500.

The adjustments will mean an even bigger bill

for the Government if it grants the general salary increase promised for later this year if the economic situation improves. This is because an across-the-board increase — usually a percentage of existing salaries — will have to be based on the revised salary scales.

An official who benefited from the recent adjustments can look forward to an even better package by the end of 1983. It will include a larger 13th cheque — the bonus of one month's salary paid to each official at the end of the month in which his birthday falls — and monthly subsidy towards his bond re-



payment in excess of R400 on a mortgage of R50 000.

The president of the Public Servants' Association, Dr Colin Cameron, said he was not specifically aware of the Post Office adjustments, although they did not come as a surprise to him.

"Once we have the facts available, the association will study the position. If there are major discrepancies between comparable groups in the Post Office and the public service, we will pursue the matter further."

# Union to ask living wage

204 30/6/83 Mail Reporter

OFFICIALS from the Metal and Allied Workers' Union's Transvaal branch will meet Seifsa director Mr David van Coller today to discuss demands for a "living wage".

MAWU also intends to tackle Seifsa for signing an agreement for the cable manufacturing industry which excludes the union.

"MAWU was disappointed to see Seifsa signed an agreement for the cable manufacturing industry with unions not representative of a majority of workers. In doing so, Seifsa chose to ignore MAWU, which has a much larger membership in the industry than any party unions and has majority membership among employees of four plants," said a MAWU statement issued at the weekend.

According to the statement, this is the second time Seifsa and a group of unrepresentative unions have co-operated to exclude MAWU's democratic negotiating principle.

When applying to the Industrial Council for membership, MAWU claims it made it clear the union could only negotiate on the basis of report-backs and mandates. Neither Seifsa nor the other unions objected.

"Now, however, both are concluding agreements in such a way as to block MAWU completely from usefully reporting back or obtaining mandates.

"It seems Seifsa is determined to continue negotiating agreements at industry level with unions which represent a minority of workers and do not even report back to their members after negotiation."

All parties to the negotiations admitted that unions other than MAWU were unrepresentative and the decision to go ahead and sign an agreement for the cable industry was a gross example of bad faith, said the statement.

At today's meeting, the delegation will point out that MAWU members are serious about the struggle for a living wage and are dissatisfied with a refusal from a highly profitable industry to move to paying living wages, concludes the statement.

Asked for comment yesterday, Mr Van Coller said he had not been aware of the outcome of negotiations.

"The matter concerns the Association of Electrical Cable Manufacturers and I am not aware of the details," he said.



IN FEBRUARY I delivered a talk to the Rotary Club of North Durban on inflation and put forward a strong plea for a wage/price freeze until the end of the year on an experimental basis.

My suggestion attracted a great deal of 'flak' from the economists and from the Press. The Natal Mercury, in a leading article, expressed surprise that 'a businessman of his stature should recommend such a doubtful cure'.

At the outset, therefore, let me repeat the two reasons which prompted this suggestion.

The first is that I have long been convinced that the Government is not as enthusiastic as it should be in its efforts to reduce our crippling inflation — probably because it does not want its right to print money restricted in any way.

## No evidence

If inflation is to be reduced, of course, then the printing of money (i.e. the money supply) must be drastically curtailed and I can see no evidence that this has been tackled as energetically and ruthlessly as it should.

This is not only my opinion. The latest Financial Mail states that the money supply is still out of control and proceeds to castigate the Government — ending up with some wry humour that 'the money supply in South Africa is alive, well and still growing and that there is little being done about it'.

It has been argued that the Government dare not risk increasing our already high unemployment but we must choose between these two evils.

Either we carry on as we are and suffer the consequences of a high and crippling rate of inflation (which will, *inter alia*, seriously inhibit our exports to our main trading partners with their low inflation and render it much more difficult to achieve the anticipated export-led upturn of our economy next year) or we must introduce really tight control of our money supply and face up to higher unemployment.

Mrs Thatcher was confronted with the same problem and she chose tight monetary controls and succeeded in bringing down the inflation rate from over 20 percent to low single figures — even although the unemployment in the U.K. rose to unprecedented levels.

## A hard fact

To the argument that our unemployment is mainly among the blacks and so — unlike Britain — any increase thereof would be far too dangerous I would reply that, with their extremely high birth rate, we can never, repeat never, create enough jobs for the blacks even in boom times.

This is a hard fact which we must learn to accept — i.e. the unemployment among the blacks will continue to increase in the future and we can do nothing about it. Only the blacks themselves can rectify this position.

The second reason has made me somewhat unpopular among the business community but there is no doubt whatsoever that many businessmen have not felt the real effects of inflation, as they simply pass on their cost

# Case made out for freeze on prices, wages

By

**Fred Beard**

Chairman, Protea Holdings Limited

increases (and more) to the public. They cannot be expected, therefore, to be very enthusiastic about really tough and tight monetary controls that might affect them adversely.

I mentioned in my talk to the Rotary club that the Australian Government had just frozen salaries and wages for 1983.

Next door, in New Zealand, however, they froze both wages and prices in June 1982 and have just extended this freeze to February 1984.

## N Z example

As the Premier of New Zealand, Mr Robert Muldoon, is a member of a U.K. accounting institute to which I also belong I wrote to him personally and received some very interesting statistics.

Although the overall rate of inflation has only been reduced from 15.8 percent to 12.6 percent (to March 1983), which looks somewhat disappointing, Mr Muldoon points out that there are fairly long statistical lags in some of the components of the Consumer's Price Index and that 'they disguise the very dramatic decline in the rate of inflation since June last year. For the March quarter of 1983

the CPI (all groups) moved by just 0.8 percent from the figure for the December 1982 quarter — the lowest quarterly increase since 1969'.

The CPI in New Zealand consists of six groups — All Foods, Housing (including rentals), Household Operation, Apparel, Transportation, and Miscellaneous.

What really interests me, however, is the cost of all foods (fruit and vegetables — meat, fish and poultry and other foods).

Mr Muldoon states that although the wage/price freeze 'was instituted on 22nd June, 1982, it would not be expected to have any impact on the index in the June or September quarters'.

The increases/decreases for all foods each month on the previous month from October 1982 were as follows:

1982:	
October .....	- 0.3%
November .....	- 0.1%
December .....	+ 0.2%
1983:	
January .....	+ 0.6%
February .....	+ 0.4%
March .....	- 0.8%
April .....	+ 0.4%

The overall increase for the seven months was thus 0.4%. Annualised this is 0.7% — less than 1% on the annual basis!

Can you imagine how our pensioners and other persons with fixed incomes (and this would include the entire workforce if salaries and wages were frozen) would react if their rands depreciated in value by less than one cent per annum (virtually no inflation at all) whenever they purchased their foodstuffs — instead of being confronted with regular and unremitting price increases every time they shopped?

I accordingly 'stick my neck out' once again and strongly recommend a wage/price freeze for a trial period of, say, one year.

## Tough fines

Once consumers get used to price stability — especially for foodstuffs — there would be too great an outcry from the public if the Government allowed inflation to cripple our economy again. They would thus be forced to follow Mrs Thatcher's lead and introduce really tight monetary measures.

And, finally, I have already suggested that the legislation instituting the wage/price freeze should provide for tough fines for transgressors. Nor will it be necessary to employ an army of price controllers — the consumers themselves can be relied upon to report all unauthorised price increase.

South African black nationalist leader Nelson Mandela is in danger of dying, formed a 24-hour picket outside the South African Embassy in London yesterday.

The demonstrators said up to 100 people would continue picketing around-the-clock to draw attention to the condition of the 64-year-old leader of the banned African National Congress.

## Juluka

LONDON — The South African Afro-rock group Juluka will donate their fees for performing on British Television — so far at least R1 360 — to the Anti-apartheid Movement.

This is to comply with a condition laid down by the British Musicians' Union.

## Refused

THE Appeal Court has refused an application by Harry Peter Masimane of Meadowlands Zone 4, Soweto, leave to appeal against his conviction for robbery with aggravating circumstances.

Masimane was convicted in the Natal Supreme Court by Mr Justice J A van Heerden on February 18, 1983, and sentenced to eight years' imprisonment.

absconded and judgment against him was held over until he had been re-arrested. — Sapa.

## Soweto Wages

THE first phase of the historical wage negotiations between the Chamber of Mines and unions representing coloured and black workers in the mining industry have been successfully completed — with miners in line for increases of between 13 to 15 percent from July 1.

This was the first time wage increases were negotiated between the Chamber of Mines and trade unions representing these workers.

## Banned

BELDAM Archer's The Pillow Book — an adult adventure in the art of lovemaking had been found to be undesirable, the Directorate of Publications announced in Cape Town.

## Tests

LOS ANGELES — Film actor Burt Lancaster is undergoing tests and is under observation in Cedars Sinai Hospital in Los Angeles, a hospital official said at the weekend. — Sapa-Reuter.

(JWT) 61173/E1

Change



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# No minimum wage, report recommends

(355) Star 30/6/83

## Labour Reporter

The Government should not introduce a national minimum wage as a means of combating unemployment and poverty, a National Manpower Commission (NMC) report has advised.

The NMC report says the introduction of a national minimum wage would tend to distort the workings of a free market economy.

For such a wage scheme to work the minimum wage would have to be linked to worker productivity, take into account different grades of workers, vary among business undertakings and be adjusted on a reasonably regular basis, the report states.

However the NMC felt it unlikely that a minimum wage system would be able to comply with these requirements.

An accompanying Government White Paper supports the NMC position and recommends that the present system of wage

determinations be made even more effective.

The present system is one of wage board determinations in areas of employment where there are no existing industrial councils to set down minimum wages.

The NMC report says a study of minimum wages in other countries, particularly in the Third World, shows that where there is a high minimum wage, work-seekers from rural areas descend on the urban areas, creating social difficulties.

The current system is defended and recommendations are made by the NMC to make it more effective. Suggestions include:

- The wage board be allowed to undertake its own investigations.
- Wage board determinations be revised every two years.
- Continued efforts be made to make greater distinctions in the

different categories or grades of workers.

The White Paper supports the three recommendations and says that the Government is willing to amend legislation formalising the authority of the wage board to initiate its own investigations.

The NMC report also notes the difficulties of attempting to make wage determinations for domestic and farm labour and says these categories of workers are often excluded in determinations made in overseas countries.

Under the Wage Act of 1957 determinations are enforced by inspectors from the Department of Manpower.

Determinations are made on a non-racial basis for a certain industry, in a certain area, and for different occupations and categories of work. The determinations usually remain in force for at least a year.

# Pay <sup>CRK Took</sup> <sup>11/1/83</sup> rises <sup>1/7/83</sup> for MPs

Political Correspondent  
HOUSE OF ASSEMBLY.  
— The Prime Minister,  
Mr P W Botha, yesterday  
announced salary and  
allowance increases for  
members of Parliament.

The announcement fol-  
lows the repeal earlier  
this week of legislation  
linking MPs' salaries to  
general civil service in-  
creases. Civil servants  
have been told they can  
expect no increases this  
year but the matter will  
be reconsidered if the  
economy improves.

Mr Botha said yester-  
day that it was in the in-  
terests both of the  
country and of good gov-  
ernment that MPs be  
properly paid. In a state-  
ment which he said had  
been made with the ap-  
proval of all opposition  
parties, he stated that  
the link between civil  
service ranks and MPs  
had become largely inap-  
plicable with the current  
programme of profession  
differentiation in the  
civil service.

The circumstances of  
the two groups differed  
widely and while  
changes in the civil ser-  
vice structure had affect-  
ed public servants, there  
had been no similar ad-  
justment of the salaries  
and allowances of MPs.

The government, in co-  
operation with the  
leaders of the three par-  
liamentary opposition  
parties, had decided to  
adjust the salaries and  
allowances of MPs and  
parliamentary office-  
bearers.

In a separate state-  
ment, Mr Botha dis-  
closed that cabinet  
ministers and National-  
ists MPs who had re-  
fused salary increases  
last year had paid a total  
of R200 000 into a fund  
for the restoration of  
national monuments.

Projects which would  
be singled out for this  
included the Agulhas  
lighthouse, the Moffat  
Church at Kuruman, the  
Toll Gate at Barkly West  
and verandahs in Long  
Street, Cape Town.

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# Office salaries lagging

6/1/83 BUS 2/7/83  
355

OFFICE salaries in Cape Town are lagging behind the inflation rate, according to a quarterly survey carried out by the Kelly personnel group.

The survey covers the first three months of this year and the results show that in real terms "the buying power of the woman office worker has dropped, especially in Cape Town and Durban where salaries are substantially lower than on the Reef."

The report says: "Most salaries are not keeping pace with known inflation levels."

"In January inflation was running at 14,5 percent, February saw this figure rise to 14,9 percent and in March it was 13,6 percent."

## Accurate

"The only appreciable increase in salaries, however, has been in Johannesburg where a 3,5 percent average increase is reflected in the seven female office staff categories covered in the survey."

The report says the tendency for salaries to remain stable is due to the recession, which has caused the supply of labour to exceed the demand.

Information for the survey is collected through placements actually made by Kelly during the three month period and is therefore an accurate record of salaries offered and accepted.

It shows a wide gap between salaries paid in

Continued on Page 3.

# Salaries lag

6/1/83 BUS 2/7/83  
355

From Page 1

Johannesburg, where there is also a bigger differential between the earnings of a private secretary/personal assistant and a secretary, and other parts of the country.

## Secretary

In Johannesburg a private secretary/personal assistant may earn between R950 and R1 200 a month, but the average is R1 044.

In Cape Town she may earn between R750 and R900, but the average is R792.

In Johannesburg a secretary may earn between R700 and R900 a month, but the average is R855. In Cape Town she may earn between R600 and R750, but the average is R689.

In Johannesburg a copy typist may earn between R550 and R725 a month, but the average is R661. In Cape Town she may earn between R450 and R600, but the average is R527.

Average salaries paid in Durban are slightly below those in Cape Town. In the East Rand they are mid-way between those paid in Johannesburg and Cape Town.

# Dozen pay rise disputes in a week

Star 5/7/83  
\$55 Labour Reporter

Wage strikes and stoppages are increasing as workers call for cost-of-living rises and employers refuse because of the economic recession.

About a dozen such disputes arose last week, largely in the metal and textile trades in the Witwatersrand and Durban areas.

Both emergent and long-established unions are calling for cost-of-living or Consumer Price Index increases of about 14 percent.

Employers, however, are offering between five and eight percent, arguing that the present economic downturn must mean lower wages as businesses try to curb costs.

The alternative to higher wages this year is more lay-offs, say employers, but unions blame managements for not preparing for bad times.

The recent metal industries wage negotiations saw unions grudgingly accept employers' five to seven percent offer but warn that they would continue to seek further increases from individual employers.

Talks are expected to start soon in the Eastern Cape between motor unions and employers.

In some current wage unrest workers have resorted to strikes or declared disputes — the first step towards legal strike action.

In Hammarsdale in Natal last week the National Union of Textile Workers

launched a legal strike — only the second in many years — against the management of the Natal Thread Company over wage demands.

At Huletts Aluminium in Maritzburg a dispute was declared after management refused to meet the South African Boilermakers Society demand for a 14 percent increase and instead offered between five and seven percent.

Managements in the metal industry, such as Huletts, argue that they are bound by the increases granted by their industrial council.

About 500 workers struck at Barlows Manufacturing in Kew over a 50 c an hour wage increase demand, but management later talked to the Boilermakers Society and the Metal and Allied Workers Union.

Other wage disputes:

● Patons and Baldwins (textile) in Randfontein where 180 workers stayed away from work until yesterday after a wage talks deadlock.

● W B Camerons (metal) in Jacobs where 300 workers demanded a 30 c hourly wage increase last week.

● Prima Fine Meats in Doornfontein where 250 workers struck over wage increases last Friday.

● D and D H Fraser in Herriotdale where about 200 workers rejected management's annual wage offer and demanded an R80 across-the-board increase. They were warned to return to their jobs this week or face dismissal.



# Metal union wins big pay increases

Labour Correspondent

THE Metal and Allied Workers Union says it has won wage increases from several Natal firms which exceed the 7% increase negotiated recently at the Metal Industries' Industrial Council.

Recently, the Steel and Engineering Industries Federation (Seifsa), which represents metal employers, and unions on the metal council agreed on increases from 5% for the highest paid to 7% (or 10c an hour) for the lowest-paid.

MAWU rejected this agreement and the unions who signed it said they had done so with grave reservations, adding they would seek higher increases with individual companies.

Seifsa said it was opposed to such negotiations.

In a statement, MAWU said that a Maritzburg firm, A P V Kestner, had agreed to an increase of 18c an hour in talks with the union.

A second Maritzburg firm, Pillar Naco, had agreed on a 15c an hour increase.

It said Forbo Krommenie, of Jacobs, had agreed to pay a 30c an hour across the board increase and a Pine-town engineering firm, Glacier Bearings, had agreed to meet MAWU's demand for a minimum wage of R2 an hour.

MAWU added, however, that the negotiations had not been without incident and that certain factories were still refusing to negotiate increases with it.

At some factories, it said, workers had struck in an attempt to win increases over and above those negotiated at the council.

"We informed Seifsa that we did not believe our members would accept the 7% they were offering — clearly they have not," said Mr Maxwell Xulu, MAWU's Southern Natal branch chairman.

# PM's office keeps mum over pay rise

By GERALD REILLY  
Pretoria Bureau

POLITICIANS are to get a pay rise — but no one is saying how big it will be.

Neither the Office of the Prime Minister nor the Office of the Secretary for Parliament would comment yesterday on the extent of the rises.

However, the announcement by the Prime Minister, Mr P W Botha, in Parliament last week that salary and allowances of MPs were to be raised has strengthened the hopes of the country's nearly one million public sector workers that they, too, will get interim financial relief, in October at the latest.

It is understood the earnings of politicians are no longer to be linked to the increases granted to public servants.

The link was a move to muffle criticism of MPs voting themselves pay

hikes. MPs salaries for example were linked to the second in charge of a state department — at deputy director-general level.

MPs have been dissatisfied for months because their salaries in terms of the re-organised public service — excluding the parliamentary allowance — was that of a postmaster grade two — and the feeling was, according to one MP, "this was not good enough".

MPs do not regard the coming hike in earnings as an "increase" but as a long overdue adjustment.

With the restructuring of the public service and the introduction of the professional salary differentiation system, it is claimed politicians have fallen behind.

MPs complained that in assessing their earnings the daily parliamentary allowance was taken into account as part of the salary. This was unfair, as

public servants also got a parliamentary allowance over and above their salaries.

Economists said yesterday the increases could probably be justified but only if they were substantially below the current 13% inflation rate.

Trade union sources called on the Prime Minister to reveal the extent of the increases so that the public can judge whether or not they were reasonable, taking into account the government's commitment to fighting inflation, and the fact that in the private sector increases of more than 10% were rare.

Currently the Prime Minister earns R52 450 with a reimbursive allowance of R26 376, members of his Cabinet R36 072 and a reimbursive allowance of R10 992, the Leader of the Opposition R30 567 and a reimbursive allowance of R16 761, and Members of Parliament R19 863 plus a reimbursive allowance of R10 863.





3, left, captain of the Southern Transvaal women's football team, and Johnson hard at practice yesterday for the Holiday Inn Women's Inter-tournament to be played at the German School, Parktown, from tomorrow.

# Pay rise is vote-getter; experts say

By GERALD REILLY  
Pretoria Bureau

AN INTERIM pay rise for public sector workers as a referendum "sweetener" is forecast by senior civil servants in Pretoria.

Political observers point out that the Government is going to need every vote it can muster if it is to have any hope of a "yes" vote for its constitutional proposals.

And there are more than 500 000 white workers — virtually all of them voters — in the State and provincial departments and in the Railways and the Post Office.

This, political observers point out, is just less than a quarter of all those who will be eligible to vote in the referendum — and the support of the majority of them for the Government's plans would be decisive.

The total public sector salary bill amounts to a huge R7 000-million, so even a 5 to 8% pay rise — and this is the speculation — would cost the Government in excess of R200-million for the last six months of the financial year.

Speculation is that the referendum will be held in late November or early December.

The Minister of Internal Affairs, Mr F W de Klerk, indicated in Parliament a few weeks ago that there might be good news for Government workers late in the year.

And the Government, according to Pretoria sources, has another "persuader" up its sleeve.

Earlier this year the Minister of Mineral and Energy Affairs Mr Piet du Plessis said another cut in the fuel price was possible in the second half of the year.

He said the decision would depend on the rand-dollar exchange rate — South Africa has to buy dollars to pay for its crude oil — and on the balance of payments and the availability of supplies.

## The Cream of the Crop is in

Di...

# Striking workers win rise

Labour Reporter

A legal strike by about 300 textile workers at a firm at Hammarsdale in Natal ended last night after management agreed to a new wage increase ammounting to about eight percent over a year.

The workers, many of them members of the National Union of Textile Workers, struck about two weeks ago after rejecting the Natal Thread Company's six percent wage offer.

Workers refused to do any overtime work, seriously affecting production.

It was the second legal strike in recent labour history and the first legal strike by black workers in many years. It followed a strike ballot by workers at the firm and the establishment of a strike fund.

A company spokesman said today that a new 15c-an-hour across-the-board wage increase had been agreed upon — about eight percent over one year — and workers had returned to work.



# 80-year-old still works hard for 6 days a week

*S. Post 9/7/83*

By LINDA GALLOWAY

IF you called in at Mrs Nancy Mke's smart little home in New Brighton you might easily be tempted to think Port Elizabeth's domestic workers have got nothing to complain about.

In the corner stands the colour TV set, on the opposite wall a gleaming fridge. By her bedside, a telephone.

But if you look at Mrs Mke you will know how they got to be there.

Mrs Mke is 80 years old and she never stops working.

"If I stopped working I think I would die," she says.

For five days a week and on Sundays she is out charring around the white suburbs.

Two of the homes where she works are in Newton Park. But she only takes a bus to Harrower Road and then she walks the rest of the way — uphill — because her money doesn't run to a second bus ticket.

Another home is in Mount Croix. This time she walks from Main Street, North End.

Other homes are in Walmer, and here she has to take buses all the way.

Mrs Mke is somebody who has made the very best she can out of situations in which she has found herself.

She was born in Kei Road in 1903, and lived on the farm Thornlyn, which belonged to a Scottish family, the Kilfoil's, with her two brothers and sister.

She learnt to speak English from the two children she looked after, and somewhere along the way she learnt to speak Afrikaans as well.

"I got all my education from them," she said.

"In those days there was no education for blacks, and no motor cars. It used to take us two days to get to East London by horse and wagon.



MRS NANCY MKE, 80, of New Brighton, who puts in a full day's work and then goes home to do her own housework.

"Fridays and Saturdays in Kei Road were great social occasions. There was always a dance on a Friday night and tennis the whole day on Saturday. We came in by wagon, and I slept with the children.

In 1918, at the age of 15, she was sold to her husband, Mr Willy Mke, for eight head of cattle and a horse with a saddle, which in those days was a lot of lobola.

Was she happy?

"In those days you didn't think about that. You just accepted what came and got on with things.

"My husband was a farm worker, but he was sick and couldn't work there anymore, so we came to Port Elizabeth and he worked at the harbour," said Mrs Mke.

"My first job was working for a firm of funeral undertakers in Uitenhage Road, where I stayed for two years, before I started

working for a family in Walmer — whom I still work for, after 40 years.

"I do work slower now than I used to, but I can still do a full day's work," she said.

Mrs Mke has seven children, of which only two live at home, with their families, which brings to seven the number of people she supports in her home, not including the two dogs, Jasper and Dog, and a cat called Pussy.

Two months ago her home was burgled, and every scrap of food was removed from the fridge, and clothing and other valuables from her bedroom.

"They even took the cat's food out of the fridge," she said.

"So I've put burglar bars on the windows."

Mrs Mke is very actively involved in the Church of Christ, where she is superintendent of the ladies' club, which involves looking after all the visitors to the church and visiting sick members of the congregation.

"I go and see them at night, and do their washing and mending, and sometimes cook for them as well."

Services are on Saturdays, and so Saturday is the only day of the week that she doesn't work.

"I work for a family on Sundays as well," she said, "so I'm hardly ever at home."

But when she is at home she still finds time to do her own housework.

"I love my work, and I will not stop until I cannot move any more. I'm happiest when I am at work," she said.

Mrs Mke's memories of the "old days" are a little hazy, but at 80 she is still very active and articulate, with a mind as sharp as a knife.

Is R100 wage enough for domestic?



# 6 days a week

S. Post 9/7/83

355

By LINDA GALLOWAY

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## Is R100 wage enough for domestic?

AN advertisement this week in the smalls column of a Port Elizabeth newspaper may have caught the eyes of many job-seekers:

*R100 per month awaits thoroughly experienced, efficient, energetic, sleep-in cook/general with contactable references, it read.*

The fact that the cash was dangled at the front of the add like a lure suggested it could be regarded as rich pickings by the applicants. Maybe it could.

What sort of money is being paid to domestic workers in the city these days? Would a thoroughly experienced, efficient, energetic cook/general be able to get by on R100 a month and help bring up a family — and if so, how?

Weekend Post spoke to Mrs Pat Maqina, founder/secretary of the Domestic Workers Association of

South Africa (Dwasa).

"Even if she is a sleep-in cook, she will still have to go home, so R100 a month is less than the minimum wage Dwasa has laid down for domestic workers, unless bus fare is not included," she said.

"We do not believe that a domestic can live on less than R110 a month. She does a very skilled job and should be paid accordingly.

"But even so, some are paid as little as R30 to do a full-time job.

"Dwasa has a domestic workers' contract which can be entered into by employers and domestics, which lays down maximum working hours and wages and also defines the duties of a domestic. Not many employers know about this service, which is beneficial to both parties," she said.

0/15/83

PAGE

4



# MPs expect a whopping 23,7% salary rise — claim

Post Correspondent

JOHANNESBURG — Members of Parliament will receive a whopping 23,7% salary increase — 10% above the inflation rate — an MP told the Sunday Express.

Despite the shroud of secrecy clasped over the extent of the increases, announced recently, the paper was told that an MP's total pay bill will increase by R8 000 to about R38 000 a year.

This means MPs will receive more than R600 extra in their monthly pay and allowance packets when the increases come into effect, probably next year.

MPs get almost R30 000 a year, which includes their annual salary of R19 113 plus a reimbursive allowance of R10 863.

Last year MPs were given an increase of 15% in salary and 20% in allowances.

In terms of the pending increase, MPs salaries will no longer be linked to the public service.

This development has been welcomed by both MPs and public servants.

But some economists said the increases could only be justified if they were substantially below the 13% inflation rate.

"For parliamentarians this represents a salary adjustment rather than a salary increase," an MP said this week.

"MPs have traditionally been on the pay scale below the director-general of a department in the public service, but the restructuring that has taken place over the years left MPs behind," he said.

MPs have also complained that their daily parliamentary allowance was taken into account as part of their salaries.

They felt this was unfair as public servants got a parliamentary allowance over and above their salaries.

The Public Servants' Association president, Dr Colin Cameron, last week described the separation of parliamentary pay from that in the public sector as a "healthy development".

He added the PSA was still waiting to hear if they would receive across the board pay rises in October.

"We are still in limbo and don't quite know where we stand following last week's meeting with Internal Affairs Minister Mr F W de Klerk," said Dr Cameron.

"The Minister could not commit himself to an October increase for us, but he did promise to issue a statement soon."

The extent of the increases for the Prime Minister (who earns R52 450 with a R26 376 allowance), members of his Cabinet (now receiving R36 072 plus R10 992) and the Leader of the Opposition (earning R30 567 plus R16 761) are not yet known.

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And people should make sure their earth wires are functioning properly," said a Bezuidenhout Valley electrical appliance dealer.  
A spokesman for the SABS said people should not fiddle with their appliances.  
"People should consult experts for advice, repairs and for replacing frayed or worn out plugs," he

ing processes require a well ventilated room and people must never subject a cylinder to heat.  
"Modifications and adjustments must be done by qualified people and all gas appliances must be equipped with safety devices. In addition, owners of gas appliances should have their equipment serviced regularly," he said

conditions at Windermere selves. — Sapa

## Bureaucrats put on pay pressure

By GERALD REILLY  
Pretoria Bureau

PRESSURE on the Government to make an early announcement about interim increases for the country's one million public sector workers is mounting.

Next month the federal council of SA Transport Services Staff Associations will meet the Minister of Transport, Mr Hendrik Schoeman, to make demands for interim increases later this year.

And two weeks ago a deputation from the Public Servants' Association had discussions with the Minister of Internal Affairs, Mr F W de Klerk, on the same issue.

The president of the association, Dr Colin Cameron, said the Minister was asked to speed up the implementation of "occupational differentiation", and to consider interim relief for Government workers during the current financial year.

It was pointed out to Mr De Klerk there was an urgent need for adjustments among the lower ranks in the ser-

vice, because of continued high inflation.

An undertaking was given that the Government would reassess the position of public servants.

Public sector workers, including Post Office and Railway personnel, missed out on their annual routine increases in April this year.

The president of the federal council of SATS Staff Associations, Mr Jimmy Zurich, said the Minister rejected a demand from the Artisan Staff Association for 16.5% increases from April this year.

He stressed inadequate or no pay adjustments and continued high inflation were depressing living standards of wage and salary earners in all sectors of the economy.

Meanwhile MPs are to get increases of about R600 a month.

Their current earnings amount to a salary of R19 000 a year plus a R10 000 reimbursive allowance.

However, MPs claim this is not an increase but a "long overdue adjustment".

## No racism here, says Matanzima

UMTATA. — Transkei wanted to create a just society in Southern Africa which would be free from hatred, fear and racial prejudice, the Prime Minister, Chief George Matanzima, said yesterday.

Speaking at the end of the fourth session of the second Transkei National Assembly, he said South Africa, as an example of the principles of Christian Western civilisation, should provide leadership in that respect.

He said Transkei, as a non-racial state, was committed to good administration and was not obsessed with the colour of people who served it.

He said the phasing out of expatriates in favour of Transkeian citizens would be done on merit.

Condemning attacks made on the government and municipalities for employing expatriates, Chief Matanzima said MPs were duty-bound to protect the dignity of the Assembly by refraining from racial slurs.

"I am mentioning municipalities in particular because of the mud-slinging and racist remarks which were made in this house about the employment of a white chief

municipal traffic officer as well as a white town clerk and his deputy in Umtata," he said.

"Insinuations were also cast on the employment of white managers for Transkei's coastal hotels."

He asked how many municipalities in the 28 districts of Transkei had a sound financial administrative footing and whether MPs were aware that two Transkeian municipalities diverted funds to a get-rich-quick scheme in Lesotho.

"What is the attitude of the honourable members to these irregularities and losses? Do you have ideal substitutes for industrialists whom you are criticising so vehemently?" he asked.

He asked MPs if they were aware that a once popular hotel at the Umtata River mouth no longer attracted many tourists since it was taken over by a Transkeian manager. "It is dirty," he said.

Chief Matanzima said Transkei was ravaged by a serious drought and industrialists were playing an important role in opening up employment avenues for Transkeians. — Sapa.

## Partial eclipse of African sun

NAIROBI. — The last solar eclipse to be visible in Africa this century will take place on December 4, Mr Richard Leakey, director of the Kenyan National Museum, said

Mr Leakey said the partial eclipse was expected to last three minutes and could best be seen over the north end of Lake Turkana about 455km north of the equator.

## Don't lend families'

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savings of a few thousand rands and kept the money at home.

Another society invited her to come in for an interview. She so feared another snub she was nearly ill before the interview. She went away soothed to have plans drawn and to seek quotes.

But her plot is so tiny she needs to extend upwards. The foundations won't take a normal second floor, so an architect and an engineer are trying to devise a solution for the problem. Will she, when she produces that costly, pioneering plan, be told: "Sorry, we don't lend in that part of Coronationville?"

HOMEFRONT has a message for building societies: Try not to compound coloured insecurity. You have accepted their savings all along. Now that they are at last entitled to apply for bonds and meet the income requirements, are you going to reject their applications because, by Parkhurst or Saxonwold standards, their addresses do not offer the kind of security you like?

Coloureds don't have a choice of addresses. They have to live in what they can get in their Group Areas — next to rubbish-strewn vacant lots and scruffy flats, alongside drunks and criminals and layabouts — like it or not.

So find out where a coloured applicant lives and check the area out before his hopes are raised and he starts spending money and time on plans and finding builders.

We suggest building societies find out how coloureds HAVE to live. If your society can't risk lending in those areas, say so now.

Then we can all think again how coloured people are supposed to fit in with the Government's policy of putting the onus for housing on the individual and the private sector.

## Play the game, scholars warned

Mail Correspondent

UPINGTON. — The Administrator of the Cape, Mr Gene Louw, yesterday called on 480 youngsters to play rugby in a way which would help "to develop mutual respect among peoples of all colours".

Opening the first Craven Rugby week to be held in Upington, Mr Louw warned the players South Africa could only face the future with confidence when people respected each other and maintained a positive attitude.

Mr Louw said politics and differences in skin colour should not interfere with attitudes to members of other races on the sports field.

He urged the young players to "play the game according to the rules", and said it would help shape disciplined people — which the country needed.

He also asked them to practise sportsmanship at all times.

"Let rugby be the winner at Upington during the week. If this is your motto, it will give each of the 24 teams a chance.

"You have not come here to practise 'pressure sport', which usually highlights the worst characteristics of sportsmen. You have come here to further healthy attitudes and sporting behaviour."

Mr Louw said Craven Week had become the "show window" of rugby and participation in it was the "best testimonial a rugby player could ever have".

## 'Copter pair to stand trial

BAHRAIN. — Two Iranian navy lieutenants will stand trial in Oman on charges of illegal entry after landing their helicopter on a desert airstrip, an Omani police spokesman said yesterday.

He said the two men landed early on Saturday at the al-Fahud oilfield near the United Arab Emirates border. Oman and Bahrain have reported several similar incidents involving Iranian helicopters in recent weeks. — Sapa



# MPs' 23 pc salary increase

Political Staff MKGus 13/7/83

THE salary increase for MPs announced recently by the Prime Minister, Mr P W Botha, amounts to about 23 percent.

Precise figures have not been disclosed but MPs say their pay packets will be about R600 fatter each month.

## INTERESTS

They will thus have an annual "package", including allowances, of about R38 000 — and they are pleased at the rise.

Mr Botha told the Assembly it was in the interests both of the country and of good

government that MPs be "properly" paid.

The new deal resulted from negotiation among the whips of all parties in Parliament, who reportedly see the increases as a realistic adjustment.

Happy as the MPs are, though, they are quick to point out that their salaries and allowances lag far behind the sums which, for example, American congressmen receive.

South Africa's MPs get nominal amounts for research assistance and telephone calls — apart from a reimbursive allowance of nearly R11 000 for moving be-

tween their constituencies and Cape Town each year.

## COUNTERPARTS

But some of their American counterparts receive more than R1-million to pay their staff aides, apart from their personal "basic" salaries of about R70 000.

● The new arrangement for South African MPs removes the pay link they previously had with the public service.

Civil servants have had to do without pay rises so far this year, but their position will be considered if the state of the economy improves.

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# Talks on *Mercury* wage rise 14/7/83 355 in catering

## Labour Reporter

THE non-racial Natal Liquor and Catering Trades Employees' Union, which represents more than 5 000 workers, is negotiating a 'substantial' wage increase for workers in the hotel and catering industry.

'At this stage we cannot divulge any information about the actual increase sought, but waiters can rest assured that it will be substantial,' Mr A C Reddy, the union's general secretary, disclosed yesterday.

He said it was hoped to get the minimum wage of a waiter increased to R250 a month from January 1.

Negotiations would also take place with the Natal South Coast Catering Accommodation and Bottlestore Keepers' Association next month for a hike in pay for the South Coast workers.

Low pay and poor working conditions have been a bone of contention among hotel employees for many years.

The problem was further highlighted at the union's annual provincial

conference in Durban recently when Mr Reddy pointed out that these two issues were major drawbacks in attracting young people to the hotel and catering industry.

'Today, the youth is not interested in peanuts because of attractive wages offered by other fields of employment,' he said, adding that unless urgent steps were taken to upgrade the wages of waiters the industry was likely to be faced with a serious shortage of manpower.

## Service

At a recent Wage Board investigation into wages and conditions of service in the liquor and catering industry, Mr Reddy said the hotel industry was probably the only industry which did not have a wage scale and proper conditions of service to protect the employee.

'A new Basic Conditions of Employment Act was promulgated this year which will now control the hotel and catering industry in so far as conditions of service are concerned,' he added.



# Anger over MPs' R600 pay increase

W/E ARGUS 16/7/83 355

Weekend Argus Reporter

THERE has been surprise and anger in the Public Service at the R600-a-month pay rise which MPs have given themselves, and the Minister of Finance, Mr Owen Horwood, is expected to face demands for corresponding rises in the service.

Public servants, whose salary increases were linked until this week with those granted to MPs, have been told by Mr Horwood and other Ministers not to expect any rise this year because of the recession and the Government's attempts to fight inflation.

To give effect to the 23 percent rise, which will bring the salaries of MPs to about R38 000 a year, the link between parliamentary and Public Service salaries was abruptly scrapped by the politicians.

## "I'm astounded"

"Frankly, I am astounded and disturbed," said Mr M Domingo, chairman of the 26 000-member Public Servants' League, which has its headquarters in Cape Town.

"The Government has appealed to the private sector not to give salary increases this year and it has told public servants they cannot get rises until the economy improves.

"Yet it gives MPs a salary boost way above even the rate of inflation. This really is alarming.

"Are we to assume that the economy has taken a dramatic turn for the better and that public servants will get a rise after all? Naturally, we shall be taking this up."

Mr Domingo said the scale of the increase was "astounding" in the light of

the fact that many public servants of colour were still earning as little as R180 a month.

"How do they square a R600-a-month increase with the fact that this alone is more than three times the total monthly income of some public servants?

"How do they explain this in the light of the fact that this is supposed to be an era of change and so many people will see this rise as a move in favour of the privileged and against the under-privileged?"

## "No basic objection"

The president of the Public Servants' Association, Dr Colin Cameron, said he had no basic objection to the rise for MPs because he assumed it heralded a rise for public servants.

"Since their increase has been quite substantial, the possibility of correspondingly substantial adjustments for public servants seems to be good," he said.

"In any case, the old concept of paying Peter the same as Paul is crumbling and there is a process of occupational differentiation underway, which aims at resolving the salary demands of the public sector in line with prevailing salaries for comparable positions in the private sector.

"I really don't begrudge them the increase. In principle, the fact that MPs get better salaries does not necessarily mean that we have a claim to better salaries on an across-the-board basis."

● Sapa-AP reports from London that British Prime Minister Mrs Margaret Thatcher was forced to compromise over MPs' pay and approve a 27½ percent increase spread over five years yesterday after her Conservative members attacked a one-year offer of four percent.

# Restraint on rural wages urged

Industrial Editor

INDUSTRY should not impose metropolitan-negotiated wages on enterprises in decentralised or rural areas, said the Minister of Manpower, Mr S P Botha, in Louis Trichardt yesterday.

Industrial councils should take into account regional differences and the necessity of job creation when negotiating wage agreements for decentralised areas.

The Government was grateful to industrialists who supported its decentralisation efforts and were prepared to locate industries in decentralised regions with development potential despite disadvantages such as distance from markets.

Mr Botha was opening a R2 800 000 Pennels Implements factory, designed to produce animal-drawn agricultural implements for use in subsistence farming.

The factory will be linked with a foundry transferred from the Witwatersrand and an existing reinforced plastics plant, bringing the company's investment in Louis Trichardt to R7-million.

The new plant will provide 250 jobs, bringing the number of people employed by the company in the area to about 700.

Louis Trichardt is a development area and an industrial development point.

Companies relocating to the town are eligible for decentralisation incentives including rail rebates, employment incentives, cash training grants, rental and interest subsidies, a housing subsidy, a relocation allowance and price preference for tenders.

Mr Richard Pennels, chairman of the company, said that since the establishment of his first plant in Louis Trichardt in 1975, he had never regretted moving to the Northern Transvaal.

Serviced industrial ground with railway facilities was reasonably priced and labour was plentiful.

The Louis Trichardt development area offered some of the highest decentralisation incentives available to industrialists.

He had no doubt that, with these incentives, he could compete on an equal footing with competitors based in metropolitan areas.



# Anger in public sector over pay

By GERALD REILLY  
Pretoria Bureau

THE Government is on a collision course with one million public sector workers unless an early announcement is made on interim salary increases.

Anger among senior public servants is mounting at the extent of the big salary increase Members of Parliament have voted themselves, while no assurances have been given to public servants of interim relief.

Leading trade unionists claimed yesterday it was outrageous that politicians had quietly raised their earnings by more than R600 a month, while ignoring the desperate plight of the nearly one million workers in the Government and provincial departments, the railways and the Post Office.

The 23% hike in the salaries of MPs will bring their total earnings to about R36 000 a year, including a R10 000 tax-

free reimbursive allowance.

The president of the Trade Union Council of South Africa, Dr Anna Scheepers — a former Senator — said.

"If politicians expect other workers to make sacrifices, then they too should be prepared to give up their increases. After all no-one will starve on their present earnings."

She stressed it was 18 months since the public sector workers had received increases. They had been told by the Minister of Finance, Senator Owen Horwood, that because of the recession, inflation and lack of funds, they would get no rise in April.

Dr Scheepers said: "The only solution is for the Government to announce immediately that they intend giving public sector workers increases, or to refuse their additional R600 a month."

The president of the Federal Council of SATS Staff Associations, Mr Jimmy Zurich, agreed the Government and its MPs should be the first to set an exam-

ple and refuse their proposed increases.

"The 250 000 railway workers have had no increases since April 1982, and with inflation running at 13% their plight has become serious."

Mr Zurich said the Minister of Transport, Mr Hendrik Schoeman, had agreed to meet the council next month to discuss interim rises.

"We will make the point strongly that if MPs can unflinchingly give themselves increases, then there are no grounds for asking railway and other public sector workers to make sacrifices."

The Minister of Internal Affairs, Mr F W de Klerk, hinted some time ago in Parliament there might be adjustments for public servants later this year.

The president of the Public Servants' Association, Dr Colin Cameron, said yesterday he had no objection to MPs getting increases, provided this meant rises for Government workers.

Cape Times 19/7/83  
353

# MPs urged to reject pay rise

Own Correspondent

PRETORIA. — The government is on a collision course with one million public sector workers unless an early announcement of interim salary increases is made.

Anger among senior public servants is mounting over the big salary increase MPs have voted themselves, while they have been given no assurances of interim relief.

And leading trade unionists claimed yesterday it was "outrageous" that politicians had "quietly" raised their earnings by more than R600 a month, ignoring the desperate plight of the nearly one million workers in the public sector.

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Trade Union Council of South Africa, Dr Anna Scheepers, said: "If politicians expect other workers to make sacrifices, then they too should be prepared to forego their increases."

She stressed it was 18 months since public sector workers were given increases.

They were told by the Minister of Finance, Mr Owen Horwood, that because of the recession, inflation and the lack of funds, they would get no regular rises in April.

Dr Scheepers added that the living standards of workers were falling. There was no justification for MPs voting themselves increases which made it possible to maintain theirs.

"The only firm solution is for the government to announce immediately they intend giving public sector workers increases too, or refuse to accept their additional R600 a month."



## Women's World

# Review of wages sets minimum levels for domestic workers

22/7/83  
E. Post  
355

By YVONNE STEYNBERG

Woman's Editor

WHILE some housewives have realised that their domestic workers are as much affected by inflation as they are, many others do not, and still expect house help at the salaries paid about 20 years ago.

There are also some who do not want to realise that their helpers also have a family and a private life, and expect them to work impossibly long hours.

In the latest issue of the Consumers' Watchdog a review of wages suggested for domestic help is given.

In the Pretoria area the suggested minimum wages for 1983, which are 15% up on the 1982 figures, have been endorsed by the same organisations which drew up and distributed a contract for domestic employment incorporating minimum wage suggestions in 1982.

Organisations involved are the Citizens' Advice Bureau (Pretoria), the Information Office for Black People (Pretoria), the SA Vrouefederasie, the Lynnwood Ridge Advice Centre (NG Kerk and Baptist) the National Council of Women of South Africa (Pretoria Branch), the National Council of African

Women (Pretoria Region) and the Union of Jewish Women.

The suggested minimum wages for domestic workers in the different categories for 1983 are:

For full-time living-in domestic workers:

Relatively unskilled — R98,90 a month.

With special skills — R122,55 a month.

Full-time living-out domestic workers:

Relatively unskilled — R115,00 a month.

With special skills — R127,10 a month.

(These wages for an eight-hour working day and 44-hour working week, plus transport expenses, breakfast and a nourishing mid-day meal, and working clothes).

There are, however, many women in the Port Elizabeth area who are already paying more than these suggested wages, which seem low.

On the other hand, there have been advertisements stating a salary of R100 a month for a full-time sleep-in maid and cook-general.

Is that supposed to be good pay?

The suggestions for a daily casual worker were:

R8,34 a day or R1,80 an

hour, plus transport and two meals.

Gardener employed on daily basis (or domestic):

R9,80 a day plus transport and two meals.

Overtime and baby-sitting: Negotiable but paid.

The organisations which suggest these as minimum wages recommended that employers who cannot afford these wages should employ servants on an hourly or daily basis.

Are the suggested minimum wages a bit on the steep side? On the contrary.

Independent research by the Institute of Planning Research at the University of Port Elizabeth suggests that the figures might be too low in view of living costs.

A survey in Pretoria showed that in September, 1982, a black family of six needed R371,91 a month to effectively maintain a level of health and decency in the short term.

The actual household subsistence level (HSL), which includes the cost of an adequate low-cost balanced diet, clothing, fuel, lighting, cleansing materials, transportation for a breadwinner to work and back, and housing, was established at R274,94.

In Port Elizabeth the

HSL for 1982 has been given as a minimum of R250 for blacks, and R254 for coloureds.

As an income, the HSL is not adequate because "in practice, out of a total income equivalent to that budget, one third will be diverted away from the specified items to other immediate essentials".

A household effective level (HEL) has therefore been established as that income which would provide enough for HSL requirements after one-third had been allocated to other items like medical expenses, school fees and school books.

It is therefore 150% of the HSL.

Pretoria's HEL of R371,91 compares with figures of R407,57 for Johannesburg, R368,82 for Durban, R385,91 for Cape Town and R375,74 for Port Elizabeth.

The implication for Pretoria is that, in a family with two breadwinners, the average income per breadwinner would have to be R185,95 to ensure a minimum standard of short-term health and decent living.

In view of this, the suggested minimum wages for domestic servants in Pretoria are certainly low.



Mr and Mrs NEIL ALF NG Kerk Hoogland, abeth. The bride was daughter of Mrs B N of Port Elizabeth, son of Mr D Alport of C. Photograph

## Consumers

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By BOB EVELEIGH

HEADING for Port Eliza-

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**Order**  
**355**  
**against**  
**plumbers**  
**22/7/83**  
Court Reporter

A GALE Street plumbing contractor was placed under a provisional liquidation order yesterday after a Supreme Court Judge was told that the company's finances were in a critical position and it could not pay workers' wages.

In an urgent application heard by Mr Justice Leon in chambers, Incledon (Durban) (Pty) Ltd, suppliers of builders' and plumbers' requirements, claimed it was owed R109 899 by L E Chalom (Pty) Ltd for goods sold.

In papers before Mr Justice Crawford, Incledon's credit manager, said his company issued summons against Chalom (Pty) Ltd on July 7 claiming payment of the amount outstanding. The summons was served on July 12 and judgment could be obtained.

He said unless urgent steps were taken by Chalom's creditors considerable losses would be suffered on outstanding contracts.

The return date of the rule nisi is August 24.

# Govt facing pay crunch

## Mercury Reporter

A TOUGH stand to get general pay rises for thousands of disgruntled Post Office workers is expected from the Post and Telegraphs Association after a decision at a

special meeting to maintain top-level pressure on the Government.

The secretary of the association, Mr Frank Gerber, said from Johannesburg yesterday the association was disappointed with the outcome of recent requests and would urgently ask the authorities to reconsider.

The association had not heard from the Minister of Posts and Telegraphs, Dr L A P A Munnik, after top-level negotiations in June. Dr Munnik said increases were not possible at that stage and he gave no indication when an answer could be expected.

Meanwhile, many workers throughout the country are said to be extremely dissatisfied with the way in which their demands were being handled at Government level. Many are on the brink of resigning because of their struggle to maintain living standards.

Committee leaders warned that the Government could not afford to bluntly reject demands for drastically needed increases with the forthcoming constitutional referendum at hand.

The president of the Public Servants' Association, Dr Colin Cameron, said from Pretoria yesterday his association was also waiting to hear from

the Minister of Internal Affairs, Mr F W de Klerk, after urgent requests on the salary question.

The Mercury's Pretoria correspondent writes that public sector workers — more than a million of them — have intensified pressure on the Government for urgent pay rises.

And senior public servants warn that the Government will have to submit to the demands being made or face a situation of 'disruptive dissatisfaction' throughout the Public Service.

However, the costs to the Government — and the taxpayer — of even limited increases would be high.

For every 1 percent rise in the central Government departments alone — they employ nearly 250 000 — the cost would be about R68 million.

The growing clamour for pay increases has been strengthened by the more-than-25-percent rises Members of Parliament and the Cabinet have voted themselves.

This was in spite of repeated appeals from the Government to the private sector to moderate pay hikes.

## Salary

The public sector staff associations are now demanding something more than the 'vague undertaking' given by Mr de Klerk that there could be a salary review later in the year.

The chairman of the Federal Council of Teachers Associations, Mr John Stonier, said yesterday members of the council would meet the Minister of National Education, Dr Gerrit Viljoen, next month to discuss early salary adjustments.

The Federal Council of SATS Staff Associations will meet the Minister of Transport, Mr Hendrik Schoeman, next month to press for immediate financial relief for Railways workers.



355 180 100

# Public sector clamour for pay rises grows

20M 23/7/83

By GERALD REILLY  
Pretoria Bureau

PUBLIC sector workers — there are more than 1 000 000 of them — have intensified pressure on the Government for urgent pay rises.

And senior public servants warn the Government will have to submit to the demands being made or face a situation of "disruptive dissatisfaction" throughout the public service.

However, the costs to the Government — and the taxpayer — of even limited increases would be high.

For every 1% rise in the Central Government departments alone — they employ nearly 250 000 workers — the cost would be about R68-million.

The groaning clamour for pay adjustments has been strengthened by the more than 25% rises MPs and the Cabinet have voted themselves.

This was in spite of repeated appeals from the Government to the private sector to moderate pay demands.

The public sector staff associations are now demanding something more than the "vague undertaking" given by the Minister of Internal Affairs, Mr F W D Klerk, that there could be a salary review later in the year.

Teachers and Post Office workers have now joined State and provincial departments and the railway unions in the swelling agitation for immediate pay adjustments.

The chairman of the Federal Council of Teachers' Associations, Mr John Stonier, said yesterday that members

of the council would meet the Minister of National Education Dr Gerrit Viljoen next month to discuss early salary adjustments.

And on Thursday the central executive of the Postal and Telegraph Association met in extraordinary session in Johannesburg following a rejection of their demand for interim rises by the Minister of Posts and Telegraphs, Dr L A P A Munnik.

In a statement after the meeting the executive said further "urgent representations" would be made to the Government for immediate pay adjustments to compensate for an inflation rate which averaged more than 13% over the past 18 months.

The Federal Council of SATS Staff Associations will meet the Minister of Transport, Mr Schoeman, next month to press for immediate financial relief for railway workers.

The chairman of the council, Mr Jimmy Zurich, said yesterday:

"If the Minister rejects our demands I fear he is going to have a lot of very unhappy workers to contend with. By October — the latest acceptable date for an adjustment — it will be 20 months since we got our last adjustment."

In the meantime, Mr Zurich emphasised, inflation had eaten away more than 20% of the purchasing power of wages and salaries.

The Public Servants' Association has also made pay demands to the Commission for Administration.

Public sector workers were refused normal pay rises in April this year.

CAPE TIMES 25/7/83

# Salaries: Civil servants warn

260 355

**Own Correspondent**  
**PRETORIA.** — Public sector workers — there are more than a million of them — have intensified pressure on the government for urgent pay rises.

And senior public servants warn the government will have to submit to the demands or face "disruptive dissatisfaction" throughout the public service.

Costs to the government — and taxpayer — of even limited increases would be high.

For every one percent rise for the almost 250 000 workers in the central government departments alone the cost would be about R68 million.

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# Divco members clash on unequal pay, squatters

ARGUS 26/7/83 (262) 355  
Staff Reporter

LIBERALS and conservatives on the Cape Divisional Council clashed today on the issues of unequal pay for blacks and whites and on squatters.

The liberal councillors, with Mr Neil Ross, national director of the Progressive Federal Party in the vanguard, won the unequal pay issue but lost the squatter issue.

The first dispute occurred over the issue of

allowances for road construction staff.

The recommendation before the council included camp allowances of 52c an hour for married whites and 49c an hour for unmarried whites. The corresponding allowance for other races was to be 30c an hour for married employees and 27c for unmarried.

Mr Ross said this would mean that black and white people with the same qualifications

would be paid differently and proposed this aspect be discussed with the Cape Provincial Administration.

Mr M J Aggenbach, deputy chairman of Divco, said he was not prepared to go to the province on the matter.

The item was put to the vote and Mr Ross won narrowly by eight votes to seven.

Mr Ross later raised the issue of Divco's demolition of squatter

shacks. He moved that the housing committee be directed to consider a squatter policy including the question of alternative accommodation and temporary site and service schemes.

But Mr P J Grobbelaar said he felt strongly about the subject as farmers in the Boland complained that labourers left the roofs over their heads to go and squat in the cities.

"We should not make it

so easy for them to lie in the bushes," he said.

Mr D Lambert, chairman of the housing committee, said there must be some form of influx control, but he was taken to task by Mr P L Andrew who dissociated himself from the idea of influx control and said South Africa must accept the world trend to urbanise.

Mr Ross's motion was defeated by nine votes to six.

R70 000 a year with a tax-free allowance

# 50% pay hike for Cabinet Ministers

WJH 358  
27/7/83

By ANTON HARBER  
Political Reporter

CABINET MINISTERS have been given a pay hike of about 50% and will now receive just under R70 000 per annum, well-placed sources have confirmed.

Of this salary R16 800 is a special allowance and is therefore tax-free.

A spokesman for the Prime Ministers' office said it was not yet known whether they would follow the practice of the previous year and donate part of the increase to a fund for the restoration of monuments.

Earlier this year, the Prime Minister

announced that Cabinet Ministers' had followed his example and donated their increases to this fund.

The spokesman said yesterday that the fund received R200 000 as a result of this.

According to a report in Die Afrikaaner, mouthpiece of the Herstigte Nasionale Party, the Minister's will no longer have to make their token payments for the renting of their homes, televisions and video recorders.

Last year, they paid R45 per month for these services.

Since 1980, salaries for Ministers and Members of Parliament have been tied to increases for civil servants. This ended the practice of MPs and Ministers

voting for their own increases.

The last big pay hike for Ministers was in 1980 when their salaries increased by 33%. In 1981, their salaries went to R47 000 per annum, of which more than R10 000 was a tax-free allowance.

Earlier this month, Members of Parliament received an increase in salaries and allowances of 23%, making their total pay packet about R38 000 per annum.

The Leader of the Opposition, Dr Frederik van Zyl Slabbert said the increase seemed "hefty" under the general circumstances, but he would have to find out the reason behind them to know if they were appropriate.



# Railways workers demand 'equal pay for equal work'

PRETORIA—The Federal Council of Railways Staff Associations demanded at a meeting in Johannesburg last week that the Railways administration apply the principle of equal pay for equal work throughout the service.

The chairman of the council, Mr Jimmy Zurich, said the motion was tabled by the coloured Railways union, and was unanimously accepted by the council, which stated that neither colour, race nor creed should be a factor in determining the level of wages.

'There are absolutely no grounds now — if there ever were — for discriminating against workers because of the colour of their skin,' he said.

Another important issue raised at the council meeting had been the formation of an industrial council representative of all 11 Railways unions.

This would give the unions access to the consultation machinery within labour legislation, as well as to the industrial court, Mr Zurich said.

'We want to break away from the current clumsy routine whereby each of

the 11 unions negotiates separately on wage issues with the Minister of Transport Affairs.'

The appointment of an industrial council would also end the 'unacceptable' system in which Railways workers' pay rises were linked to those granted to Government department and Post Office workers.

## Amendment

A committee had been appointed to study the issue and to approach Railways management.

## Mercury Correspondent

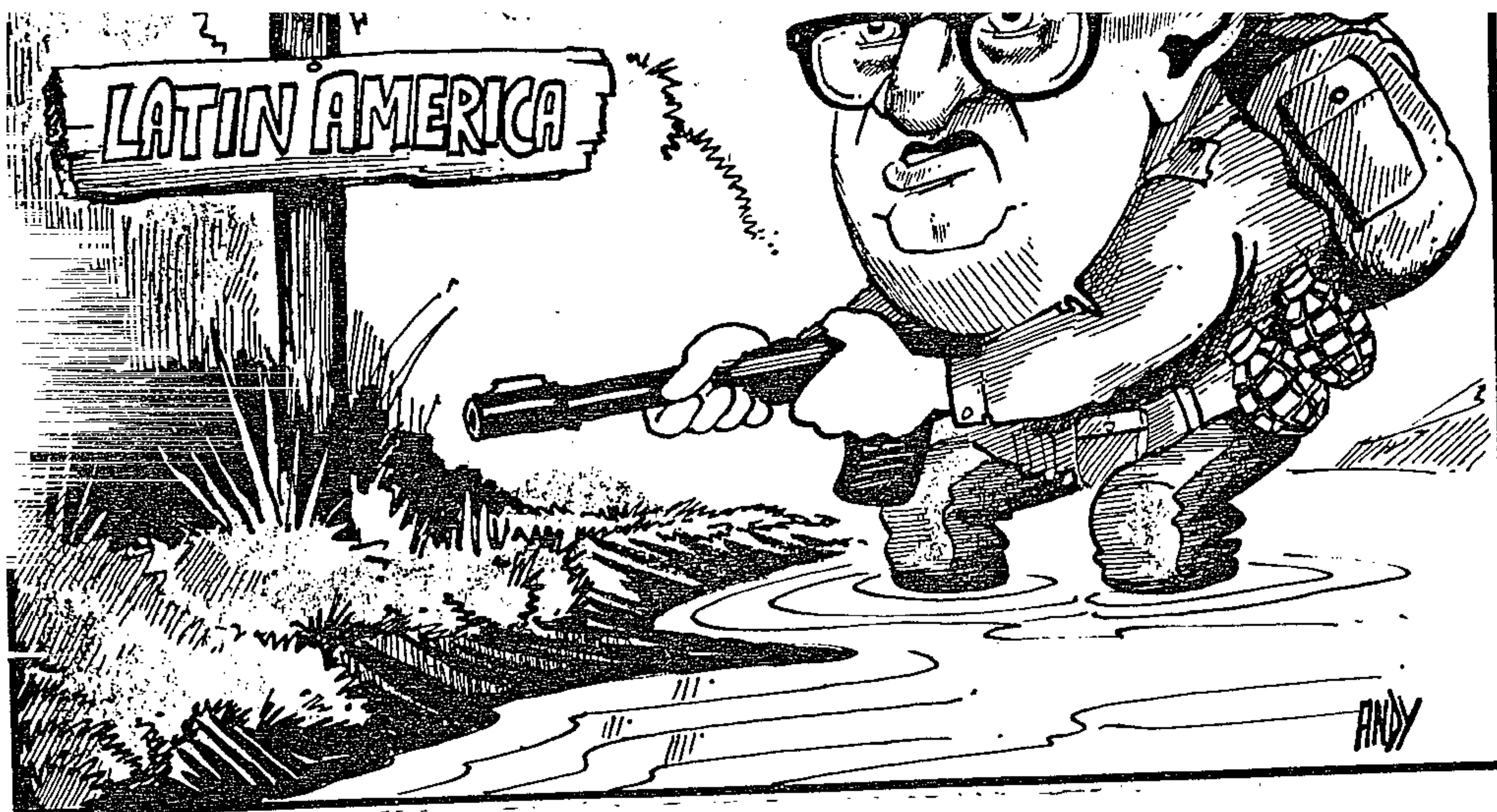
If agreement could be reached, it would mean major amendment to the Railways and Harbours Service Act.

In what is regarded as a surprise move — it normally steers well clear of political issues — the federal council also strongly denounced the practice of detention without trial.

Mr Zurich said he had found in discussions with international trade union leaders at last month's meeting of the International Labour Organisation that detention without trial and the holding of people incommunicado and in solitary confinement was 'absolutely indefensible'.

'Some criticism of South Africa is defensible, but there are no moral or other grounds for defending jailing someone without a fair and open trial,' he said.





**PUBLIC** sector workers — there are nearly a million of them — have intensified pressure on the Government for urgent interim salary increases from October at the latest.

Senior civil servants warn the Government will face "disruptive dissatisfaction" throughout the public service unless financial relief is agreed to by the Cabinet.

And worse, they say, when the expected economic upturn starts in the first half of next year, and the demand for professional and skilled workers revives in the private sector, the State departments run the risk of disastrous staff losses.

However, the Government, burdened by the crippling costs of drought, is in no position to grant anything but token relief.

The drought costs include the big foreign exchange losses because of crop failures, imports to supplement the ruined maize crop, loss of income tax from the agricultural sector and drought aid to farmers.

According to the latest figures supplied by Central Statistical Services there are about 950 000 workers in the State and provincial departments, South African Transport Services, and the Post Office.

The annual payout to the 360 000 employed in the State departments — including police, prisons and South African Defence Force personnel — amounts to about R2 640-million; to the 225 000 provincial workers R1 944-million; to the 250 000 SATS workers R2 140-million and to the Post Office's 85 000, R1 254-million.

So even a 10% interim increase — and senior public sector workers emphasise this is the "acceptable minimum" — would cost nearly R800-million.

The growing clamour for pay adjustments has been strengthened by the more than 25% rises Members of Parliament and the Cabinet have voted themselves.

This month the salaries of Cabinet Ministers will inflate to nearly R70 000 a year, including a R16 800 tax-free reimbursive allowance, according to the HNP mouthpiece, *Die Afrikaaner*.

# Govt faces crisis over wage hikes

By GERALD REILLY

And their luxury homes in Pretoria and Cape Town will now be freed of the nominal R55-a-month token rental.

Deputy Ministers have also benefited substantially. Their salaries will shoot up to R59 904, including the same reimbursive allowance, *Die Afrikaaner* reported.

MPs' salaries will also rise by about 24% to R38 000 of which R10 000 is tax-free.

This was in spite of repeated appeals from the Government to the private sector to moderate pay hikes.

Labour leaders have condemned the MPs' "selfish and totally unjustified action."

The chairman of the Federal Council of SATS Staff Associations, Mr Jimmy Zurich, and the president of the Trade Union Council of South Africa, Dr Anna Scheepers, have both criticised the move.

They say the Cabinet should have set an example to the rest of the country by rejecting the agitation among MPs for pay rises.

In any case their pay — R19 000 a year plus R10 000 reimbursive allowance, should, according to Dr Scheepers, "keep them from starving".

The Prime Minister, Mr P W Botha, announced during the recent Parliamentary session there were to

be salary and allowance increases for MPs.

In a statement made with the approval of the opposition parties he said the link between the civil service ranks and MPs had become largely inapplicable with the current programme of "profession differentiation" in the service.

Changes in the civil service structure, he said, had affected public servants, but there had been no similar adjustments in the salaries and allowances of MPs.

Political observers say it is noteworthy that there are virtually no major issues on which the National Party and the opposition parties agree, but on salary adjustment there is a blissful unanimity.

Earlier this year the Minister of Internal Affairs, Mr F W de Klerk, and the Minister of Finance, Mr Owen Horwood, hinted at the possibility of pay adjustments later in the year for Government workers.

However, public sector staff associations are now demanding something more than the "vague undertakings" of Cabinet Ministers.

And teachers have joined the State departments, the railways and the Post Office in the agitation for immediate pay adjustments.

The chairman of the Federal Council of Teachers Associations, Mr John Stonier, with members of the

council, is to meet the Minister of National Education, Dr Gerrit Viljoen, next month to demand financial relief.

The Minister of Posts and Telegraphs, Dr Lapa Munnik, rejected an appeal from the Postal and Telegraphs Association for increase last month. In spite of this the association last week made a new and urgent appeal to the Government for relief.

On August 29 the Federal Council of SATS Staff Associations will lay a demand for increases at the latest in October before the Minister of Transport Services, Mr Hendrik Schoeman.

Mr Zurich said this week: "If the Minister rejects our demands I fear he is going to have a lot of very unhappy workers to contend with. By October — the latest acceptable date for an adjustment — it will be 20 months since we got our last adjustment."

In the meantime, Mr Zurich emphasised, inflation had eaten away more than 20% of the purchasing power of wages and salaries.

The Public Servants Association have also made pay adjustment demands on the Commission for Administration.

Public sector workers were refused normal routine increases in April because of the worsening recession, the Government's commitment to fighting inflation, and a general lack of funds.

However, political observers believe the Government will submit to pressure for interim rises — even though they may be nothing more than token gestures of 5% to 8% — because of the looming referendum on its constitutional proposals.

They stress there are more than 400 000 white workers in the State and provincial departments, the Railways and the Post Office — most of them with the vote.

And this did not take into account the voting members of their families, it was further pointed out.

So the Government, with a strong and possibly decisive opposition both from its Right and Left to its proposals, is not likely "to leave any stone unturned" in the effort to get approval for its reforms, it was stated.



# Politicians' increases spark angry protests

By GERALD REILLY  
Pretoria Bureau

ANGRY opposition to huge salary increases for Cabinet members and Members of Parliament is spreading in the public sector.

Public sector staff associations, representing State department, railways and Post Office workers, are pressing for interim pay relief after missing out on their routine increases in April.

Following reports of big salary increases for politicians, senior Government workers said yesterday the Government owed public servants an early statement on their pay prospects.

They warned of a flood of resignations unless timely adjustments to earnings were made soon.

The size of the Ministers' and MPs' increases could not be confirmed yesterday, but a Pretoria source said Ministers' salaries would rise by more than 40%, to nearly R70 000 a year.

MPs' pay would rise by about 23% to R38 000 a year, the source said.

Ministers' earnings include a tax free R16 000, and MPs get R10 000 tax free.

The general secretary of the Trade Union Council of SA (TUCSA), Mr Arthur Grobbelaar, predicted that the increases would trigger a spate of salary demands in the private sector.

"It is disgraceful that, at a time when appeals come from the Prime Minister and Minister of Finance for the country to tighten its belt, for companies to limit profit margins, and for trade unions to moderate pay claims, they agree to grant themselves these extravagant rises," he said.

The politicians' appeals now had a hollow ring and they had lost their credibility, Mr Grobbelaar said.

Not only did the 40% increase for the Cabinet compensate for inflation over the past two years, it allowed a handsome margin for increases in real income.

If politicians could ignore their own pleas for moderation, they could not expect the trade unions to accept them, he added.

"The Cabinet has probably triggered off a spate of big wage and salary demands from the private sector, which could be economically disruptive," he warned.

## Exhibition complex waits on council

Mail Reporter

MIDRAND TOWN COUNCIL has delayed a decision on a planned R34-million industrial exhibition complex — Xibit Park — because it has been inundated with complaints from residents.

Yesterday Mr Francois Roux, co-ordinator of the private consortium undertaking the project, said: "The council were due to make a decision at this month's meeting, held on Tuesday, but they delayed considering the application because they have been inundated with complaints from residents."

Mr Roux said he was personally replying to 64 complaints, 59 of which seemed to be a petition.

He said the majority feared that soccer matches would be staged in the amphitheatre of the complex.

"These people have actually done us a favour because we have discarded the idea of an amphitheatre to eliminate this misconception and we have decided to build a lake in its place."

Mr Roux said the site planned for the lake was ideal because the land indented naturally.

"We have had feedback from sectors of industry all the time and plans may alter slightly according to their suggestions and requirements," he said.

Mr Roux said he was confident the application would be approved by the council and hoped to have their answer by the end of August.

He added that the private consortium — whose financial backers have refused to identify themselves — would make an official statement by August 17.

## I have contempt for royalty, court told

WELLINGTON. — A Maori be nothing special about him



His master, Curtis Knight, 18, pleaded guilty to a robbery in 1979 for being vicious.

## tape does not mean is guilty — defence

Reporter submitted in a Johannesburg yesterday that a cassette of an African National Congress (ANC) man, who is part in the activities of

Kuny, SC, defending Mr 29, and Mr Jacob Mashego, said Mr Mashego part in the activities of the ANC.

Mr Kuny said there was not say that people were listening to the cassette, while it was

played in a noisy and crowded bar.

"By their merely playing the tape issued by the ANC cannot mean they were taking part in the activities of the ANC, especially if they were drunk," he said.

Mr Kuny asked for Mr Moloi to be acquitted on all charges.

Though the police said they found a cassette, alleged to have been published by the ANC, in Mr Moloi's room, this was denied by Mr Moloi, he said.

It was reasonably true that the cassette did not belong to Mr Moloi.

He said the police had given Mr Moloi's father a receipt for cassettes they took from him, but failed to give Mr Moloi a receipt when they later took cassettes from him.

The State asked for Mr Moloi to be convicted on the charge of possession of an ANC publication, and for Mr Mashego to be convicted of the same charge and for furthering the aims of the ANC.

The magistrate, Mr I J J Luther, reserved judgment until August 10.

## Cat owner is fined R200 over injuries

Mail Reporter

A KENSINGTON man was fined R200 or four months' jail in the Johannesburg Magistrate's Court yesterday for not providing veterinary treatment for his cat.

Basil Laurence Thompson, 56, pleaded not guilty to charges under the Animal

The black-and-white tomcat was found in his front garden by inspectors of the Society for the Prevention of Cruelty to Animals. Its top and lower jaws were broken, it had lost its right eye, and there were several lacerations. Maggots were crawling around its head.

ters but the cause is Ruad about the grand day. Looking action for your way ing slabs,



# 27pc pay rise for cabinet ministers

Political Correspondent

CABINET ministers have been given a 27 percent pay rise, taking their salaries to just under R70 000 a year, the Minister of Finance, Mr Owen Horwood, said yesterday.

Of this R16 800 is a tax-free reimbursive allowance.

## 'State cause'

Although the increase is 27 percent more than the R54 672 they were paid in the 1982-83 financial year, it is nearly 50 percent more than the salaries they actually accepted.

The Prime Minister, Mr P W Botha, announced in February last year that, as an example in the fight

against inflation, cabinet ministers would pay their increases to a deserving state cause. He appealed to senior civil servants and businessmen to do the same.

Apart from higher pension and other payments, cabinet ministers' salaries last year continued at the rate of R47 064 (including a reimbursive allowance of R10 992) they received in the 1981-82 financial year.

Mr Horwood said yesterday that this refusal of increases resulted in nearly R200 000 being paid into a fund for the restoration of national monuments.

He could not say whether the new rate of R69 660 would be ac-

cepted or whether part of the increase would again be donated to a fund. As far as he was aware, no decision on this had yet been taken.

Mr Horwood said ministers were receiving the same 27 percent increase being given to all parliamentarians, including MPs and parliamentary office-bearers.

## Decision agreed to

This, as announced by Mr Botha just before Parliament adjourned for the current recess, was a decision agreed to by all four political parties in Parliament.

The salary of the leader of the Opposi-

♦♦♦♦  
To page 2

Cape Times 28/7/83  
From page 250

tion, Dr Van Zyl Slabbert, would go up from R41 441 a year to R52 770, including a reimbursive allowance of R13 870.

All the increases are effective from July 1 this year.

Mr Horwood also confirmed that cabinet ministers no longer have to make token payments for the renting of their homes, television sets and video recorders.

● The increases are likely to lead to renewed demands from civil servants for pay rises this year. Civil servants have been told repeatedly that increases are unlikely unless the

country's economic position improves.

Parliamentarian and civil service pay scales were linked some years ago to avoid the embarrassment of MPs awarding their own pay rises. Civil service increases then resulted in automatic increases for MPs and ministers.

This arrangement was terminated by the Finance Bill passed this year. Mr Botha told Parliament that this had been done because the restructuring of the civil service was not able to take account of the special needs and circumstances of MPs.

Civil service spokesmen have welcomed the move, while continuing to press for increases of their own this year.



# Unionists warn of pay demands

By MARTINE BARKER

TRADE unionists outside and within the public sector are astonished and angry at the announcement earlier this week that cabinet ministers are to receive a 27 percent salary increase.

Mr Jimmy Zurich, chairman of the powerful Federated Council of Transport Services Staff Associations, has warned that if provision for a "reasonable increase" for railway employees and civil servants is not made when his association meets with the Minister of Transport next month, the government will be "in for a rough time".

His warning that such increases as those for ministers "can't be tolerated" followed the announcement earlier this year that State employees would not receive their annual increase in

April, but might receive increases in October if the economy picked up.

"If this is the example the government is setting, they can't blame us for following it," he said.

Mr H Groenewald, assistant secretary of the Post and Telegraph Workers' Association said his union expressed its extreme disappointment after meeting last week with the Minister of Posts and Telecommunications and being told that because of the difficult economic climate, no assurance could be given as to when a general salary increase might be expected.

The national chairman of the Public Servants' League, Mr M Domingo, said the announcement of the ministers' increase was "most alarming, particularly since the increase

is so far above the rate of inflation".

It was a matter for concern that increases of this sort were being awarded "when so many State employees earn on or below the bread-line".

Public sector employees would now expect to be awarded reasonable pay increases.

The general secretary of the Trade Union Council of South Africa, Mr Arthur Grobelaar, described the increases as "absolutely disgraceful" in the light of the many calls made by the government for trade unions to act responsibly in their wage demands.

The government had destroyed its own credibility and it was inevitable that civil servants would respond with demands for increases.

## 'Shocking'

The general secretary of the African Food and Canning Workers' Union, Mr Jan Theron, said it was "utterly shocking" that the people demanding that wage settlements in the private sector be kept at around 10 percent should be getting such increases.

Mr David Lewis, general secretary of the General Workers' Union, said his union "would certainly use this increase as the bench-mark in our wage negotiations".

Mr Rod Ironside, president of the Federated Chamber of Industries, described it as "curious" that central government should award such increases while addressing its "strong appeals for restraint to that section of the economy which produces the wealth on which the country survives".



The famous baboons of Cape Point lost one of their number yesterday when this little one was hit by a car. Its distraught mother seemed not to have come to terms with its death and cuddled the dead one protectively, picking fleas from its limp body. The motorist who knocked over the baby baboon did not stop.

Picture: Pierre Oosthuysen

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IN



# New rises put top politicians among SA's elite wage-earners

ON THE face of it South Africa's Cabinet Ministers are to get a salary increase which will put them in the R70 000-a-year bracket — but that's only for starters.

With fringe benefits, estimated yesterday at 100% above the actual cash payments, they are now in the class of super-executives earning comfortably over R100 000 a year.

To earn that kind of money in ordinary business you would have to be chief executive of one of the giant companies operating a host of subsidiaries — such as South African Breweries and Anglo American — and which has an annual turnover of R250-million and a yearly salary bill of R100-million.

That means that the Cabinet now rub financial shoulders with an estimated 2 000 South African earning over R100 000-a-year: People like Mr Gavin Relly and Mr Julian Ogilvie-Thompson of Anglo American; Mr Tony Bloom, chairman of Premier Milling; Southern Sun supremo Mr Sol Kerzner; and Mr Mike Rosholt of Barlows.

Yet statistically, and for tax purposes, they would be entered among those earning only R54 000 because, by law, they are entitled to deduct R16 000 tax free for "expenditure incurred" (translated as unaccountable expenses) from their basic salaries.

For the average businessman the equivalent untaxable amount, according to a tax expert, would be a humble R300-a-year.

Several tax and top management employment experts yesterday put the Cabinet's effective salaries at between R105 000 and R140 000.

That includes fringe benefits which few, if any, private sector executives get.

Ministers get free houses in both Cape Town and Pretoria; free home maintenance; free TV and video recorders; free garden services; free security, cars, and chauffeurs; free air travel (on business); and an untaxable expense allowance of R16 000.

A senior private tax authority yesterday valued a high-class car such as cabinet members use at R6 000-a-year, the services of a gardener at R2 500, and, because they do not have to pay bond repayments on their houses, an additional advantage of perhaps R15 000 a year in interest alone (if the house cost between R75 000 and R100 000 to purchase.)

Those advantages taken together amount to, in the view of the experts, about the equivalent of another salary.

By comparison statistics published in April by PE Consulting (one of the major management consulting firms in the country) show that chief executives earning R95 000 would expect to get only an additional R30 000 to R45 000 (between 30% and 50%) in fringe benefits which would include a car, a guaranteed company-paid holiday, an entertainment allowance and a company house.

An average managing director of a subsidiary operating company of one of the

SIX weeks ago Mrs Helen Suzman called in Parliament for Dr Piet Koornhof, Minister of Co-Operation and Development, to take a cut in salary because he was "hopelessly incompetent". Since then the Cabinet, in a unanimous decision with the opposition parties, approved a 50% salary increase for Dr Koornhof and his 19 Cabinet colleagues. **GEOFFREY ALLEN** examines the salaries of Cabinet Ministers, their perks and their tax-free allowances — and compares their take-home pay with that of business leaders in similar positions.

## What price a C

### ... and some business leaders

Some of South Africa's business leaders who, although their exact salaries are not disclosed, are known to be in the same bracket as the Cabinet. Mr Gavin Relly and Mr Julian Ogilvie-Thompson, of Anglo American, and Mr Sol Kerzner, of Southern Sun.

major business groups could expect to get paid only about R75 000 (plus about 30% in benefits) and it would take a super-executive to earn the equivalent of a Cabinet Minister.

Estimates are that at Anglo American there are only 20 to 30 employees in the entire conglomerate earning around R130 000 (fringe benefits included) while at the massive Barlows group the figure would be closer to half a dozen.

A well-qualified chartered accountant would receive around R60 000 plus benefits.

On tax, Cabinet members score even more heavily than their private

counterparts:

- In 1984 a married man earning R70 000 will have to pay R27 000 in tax.

- A Cabinet Minister earning R70 000 (less the untaxable R16 000) will pay only R19 000 in tax so that he will score R8 000 in a straight-forward tax break.

On retirement the Cabinet Minister will get a sum (determined by the Treasury) in a once off payment unlikely to be less than R100 000, and a handsome monthly pension, equal to his salary without the fringe benefits.

Where private sector executives can score though is in share purchasing options in the companies they run.

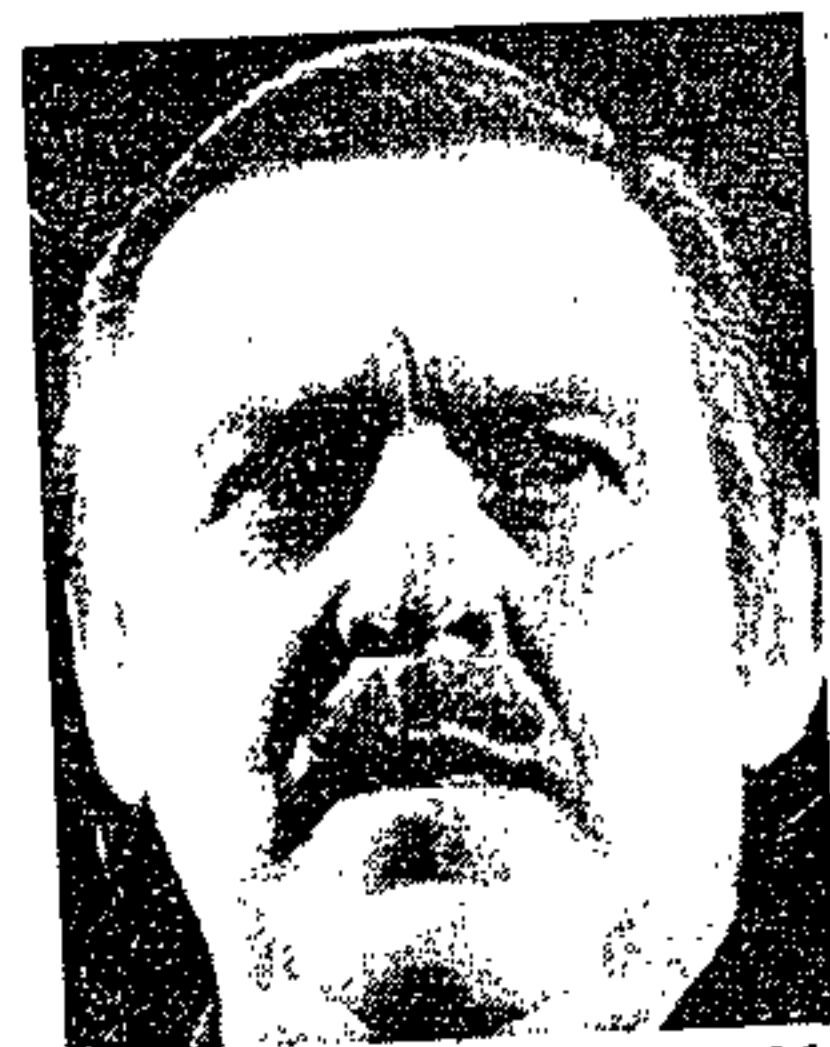
For example Mr Sol Kerzner who owns 10% (valued at R34-million) of the shares in his Southern Sun group received a payout of R2.6-million last month when the company declared its dividends.

"I'm sure a man like Dick Goss, former head of SA Breweries, must earn a huge sum in this sort of way," one management consultant said.

Mr Ralph Parrott, chief executive of a top employment and managerial consultancy, said: "Sure Cabinet jobs are very well rewarded but think of the pressures and responsibilities on a man like Owen Horwood for example. It's



DR PIET KOORNHOF, Co-operation and Development.



MR PIK BOTHA, Foreign Affairs.



MR OWEN HORWOOD, Finance.





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# Cabinet job?

## Leaders in the same league



Salaries are not known, earn more than R100 000 a year (from left): Tony Bloom, of Premier Milling, Mr Mike Rosholt of Barlows, and

an enormous burden which quite honestly I wouldn't want.

"When you talk about remuneration for these people the fact is that there is a standard going rate for Cabinet Ministers and you can query whether they all match up to the demands of the job."

So what sort of person earns these astronomical sums in the private sector and what type of personality would a company be searching for when employing someone at the rate of R130 000-a-year?

"He'd be a very powerful person, nothing short of managing director or chief executive, and very few of

them earn that sort of money in this country," said Mr Sydney Catton, managing director of an upper-persons employment agency.

But it is virtually impossible to lay down strict guidelines for the type of man required for the job.

How, for example, would you go about comparing the management styles of the flamboyant, out-going, high-living Sol Kerzner at Southern Sun with his flashy style, with the subdued, classical, scholarly, almost backroom approach of Oxford educated Mr Nigel Mathews, MD of Holiday Inns?

How do you compare the delightfully eccentric and

very successful approach of discount king Mr Tony Factor with the down-to-earth fertiliser magnate Mr Louis Luyt?

The answer, according to Mr Parrott, is that you are looking not for education and qualifications *per se* but for a distinct approach.

Leadership, an ability to get the best from people, to select the right man for the job, to think creatively and to be able to conceptualise on a broad basis, are the sort of abilities he says you would be searching for.

"It's something born into the man," said Mr Parrott.

"The distinctive thing about the Anton Ruperts

and Harry Oppenheims is their ability to get on with people and to bring out the best in others. It's inherent."

What's more the top man needn't be a particularly clever administrator because the assumption would be that he would install a competent management structure to handle the finer details of business.

"You'd be looking for a man who has influence among the power circles of the particular industry in which he is involved," Mr Parrott said.

He might be the sort of person who would rise from the ranks of what is known in Johannesburg as the "bright young men" at Anglo-American — people spotted early on as potential top performers and groomed as such as they progress through the company hierarchy.

Does that sound like any Cabinet Minister?

According to Mr Parrott and others it sounds like some.

It must also be kept in mind though that a Cabinet appointment is a party political affair and when a man wields power in the party or performs a special service for it, he must needs be rewarded and a Cabinet post (with all the trimmings and advantages) is often that reward.



# Bonanza time for SA politicians

MEMBERS of the President's Council have received whopping pay rises and ordinary PC members will go home with R600 more in their pay packets from July 1.

Chairmen of the five President's Council committees will receive the same as Cabinet Ministers — a 27 per cent rise to just under R70 000 a year.

Of this, R16 000 is a tax-free allowance.

This is the latest shock in a series of disclosures about massive pay rises for MPs and Cabinet Ministers.

The Sunday Times has established that PC members received letters this week informing them of their pay bonanzas.

Until now, they received pay-packets of R30 000 a year, of which R19 116 was taxable and R10 884 a non-

By NORMAN WEST,  
SYLVIA VOLLENHOVEN  
and BRIAN POTTINGER

taxable allowance, similar to MPs.

PC members, who earlier received monthly pay checks of R2 500, will now be getting R3 100 a month.

A PC spokesman said he was "not authorised" to confirm the increases.

A wall of silence and confusion has accompanied the pay rise for Ministers, MPs and President's Council members.

The key piece of the pay jigsaw fell into place this week when the Government

— responding to Press reports — confirmed Ministers' pay and perks package would rise to R69 680 a year.

The average 27 per cent increase in MPs' pay packages was also officially confirmed only in the wake of Press reports.

The pay rise has also been accompanied by claims — hotly denied — that the Government at one time sought to keep the increases mum.

First indications of the increases came in the last week of the parliamentary session when the Prime Minister, Mr P W Botha, said MPs' salaries would be un-

□ To Page 2

## Pretoria blast almos

By NEIL HOOPER

POLICE investigations of the Pretoria horror blast are almost

An important statement on the blast which killed 11 people on May 20 will be within a few days.

This was revealed yesterday by the Commissioner of Police, General Johannes van der Walt, who said the Special Branch had nearly completed one of the SAP's most intensive investigations.

The police state which will probably be released at a special Press conference, is expected speculation on who is responsible for the blast

From Page 1

## Big pay rises for MPs, Ministers and PC members

coupled from the public service structure.

Press investigations later revealed the extent of the pay rise — to R38 000 a year — and this week Die Afrikaanse, mouthpiece of the HNP, revealed that Ministers' salaries would increase to R69 680 a year. Deputy Ministers would get R56 904. The Leader of the Opposition's salary will be increased to R52 000 a year.

Now the public service is abuzz with talk of a "fifth column" in its midst following the apparently highly-placed leaks.

The issue is particularly embarrassing for the Government in the light of the pay freeze for public servants this year and receding prospects of significant rises later in the year.

Die Afrikaanse also mentioned a telex allegedly sent from Minister of Finance Mr Owen Horwood's office to the Commission for Administration asking what his pension

would be if he chose to retire.

Mr Horwood immediately branded the report "devoid of all truth", and a spokesman for the Commission for Administration claimed the commission would not in any case have dealt with such a matter.

A senior finance spokesman said yesterday that the telex had been sent as a "routine inquiry" by the Secretary of the Treasury as long ago as June 1982.

It is believed that the inquiry was sent by Mr Horwood on behalf of his Cabinet colleagues.

Senior public servants this week sought to play down the reports of a "fifth column" sympathetic to the right wing.

"Any public service in an

open society can expect some leaks," said one official.

They also denied any form of a witch-hunt for leaks within the service.

But although public servants are wary of accusations about political partisanship, concern has been expressed about the possibility of politically inspired leaks.

On two separate occasions in the past the Government has been severely embarrassed by leaks from within the public service.

One incident occurred in 1979 when advance copies of the crucial final report of the Erasmus Commission on the Info scandal was sent without authority to certain newspapers.

The action resulted in an

official of the Government Printer being charged with theft.

In a second incident a copy of the Van der Walt Commission's recommendations on Ciskei consolidation fell into the hands of the HNP only weeks before the 1981 general elections.

The leak enabled the HNP to mobilise in the King William's Town constituency against the NP on the basis that the town was earmarked for incorporation into Ciskei.

In a last-minute move to save the situation, Dr Piet Koornhof, Minister of Co-operation and Development, announced the town was not to be incorporated — but he still failed to prevent an NRP victory which was built largely on public uncertainty over consolidation.

Subsequently the Government introduced legislation to extend privilege to documents handled by the Commission for Co-operation and Development and to penalise officials who gave out unauthorised information.

By CHARMAIN NAIDOO and RAY JOSEPH

## Over Lize's classification

During the past week world attention focused on Lize — abandoned in a Pretoria suburb two weeks ago — as she was put through police laboratory tests to try to determine her race. Police claimed the only reason for the test on a strand of Lize's hair was to help in their search for the mother.

But experts in genetics and trichology have rejected their finding that Lize is coloured as "unscientific and unfounded".

"I've been accused of causing violence because the Government is calling for civil disobedience."

DR ALAN BOESAK  
"Hero" of the WCC



THE Rev Alan Boesak had more fighting words for the South African Government in his final appearance at a forum of the World Council of Churches Assembly in Vancouver.

By IAN BRODIE

## speech fiery out in



WAGES - 1983

AUG. — DEC.

# Public service shocked over MP, PC salary jump

355

18/83

ARGUS

Argus Correspondent

PRETORIA. — The public service is shocked over reports that members of the President's Council have received the same salary increases as MPs.

The chairman of the 26 000-member Public Servants' League, Mr Malcolm Domingo, said he was "rather shocked" that PC and Cabinet Ministers had received salary increases of 27 per cent.

He was particularly perturbed, especially since there was no indication of salary increases for public servants.

## Indication

The president of the Public Servants' Association, Dr Colin Cameron, said the news could be regarded as an indication that the management level in the public service could also get increases.

Mr Domingo said the increases for MPs and President's Council members raised a question: "Has the economy recovered sufficiently for them to allow themselves such increases?"

Should public servants receive salary increases, they should get more than 27 percent because of the difference in salary structures.

## Want more

"If a salary increase in the public service does not exceed 27 percent, public servants will not accept it," he said.

The Argus Political Staff reports that although no public announcement about President's Council salaries has been made, unofficial information shows that PC members will get R600 a month more from July 1.

The salaries of ordinary PC members will go up from R30 000 to R37 200.

Chairmen of the five committees of the President's Council will now receive just under R70 000 a year.



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# More pay — but faces are red

LEON MARSHALL, Political Editor, on politicians who decide their own pay.

THE politicians are running around with red faces, having just voted themselves a hefty salary increase of 27 percent.

From the point of view of a sceptical public, they have been caught with their hands in the state's till.

Whatever the justification for the wage hike, it does seem considerable, especially coming so shortly after politicians' appeals for financial restraint on the part of the private sector and, more specifically, for restraint by the public service's own employees.

The sobering aspect about the politicians' predicament is that this time they are not in a position to point fingers at each other in an attempt to make party-political capital out of it all.

They are all in it together.

For a fleeting period the people have a chance of assessing their legislators not as representatives of their particular political ideals. They are looking at them as politicians per se, and because of the rarity of these occasions the politicians must excuse their frequently slavish supporters the momentary pleasure they may be deriving from the situation.

However, the issue does present certain questions which affect public life.

In the private sector it is widely accepted that the quality of a person's work relates to the amount he gets paid. Companies that cannot afford the best, tend to get the second best.

Politics is markedly different. Many good people have stood for election to public office, but failed to win acceptance because their

views were too advanced for the voters. So they returned to the frequently more lucrative occupations from which they had come.

So it's not just the prospect of good money that entices good people to public office.

Indeed, under a democratic system, the responsibility for the quality of leaders in public life lies not with the elected — but with the electorate. The voters have themselves to blame if they pay first-rate salaries to second-rate representatives.

The politicians have been showing a certain unease at the public reaction to the wage hikes they have voted themselves.

As public figures who pride themselves on their understanding of "the people", they realise they have made a mistake about the timing of the increases — at least — as well as the way the whole-matter has been handled.

A respected political confidante, a member of Parliament, explains the situation as follows.

Voting for their own salary increases is about the worst thing politicians can do. Which is why about 1974 it was decided to vest in the State President the power to pass politicians' increases, even though that amounted to a nominal duty exercised at the discretion of the executive which in turn took its cue from the party caucuses.

In the public eye it was nevertheless bound to look better than Parliament itself voting more money for parliamentarians.

About that time it was decided more or less as a point of principle that MPs' salary increases should relate to public service increases,

and also that MPs should have a salary just a notch below that of the secretary of a government department.

However, when the public service was restructured and department secretaries were upgraded to directors-general, with accompanying salary increases, the MPs fell behind. Finally they landed up five to six notches below the salary scales of department heads.

So this is one of the main reasons why, the MP explained, MPs have now voted themselves an extra increase, separately from the public service to which they related their salaries originally to spare themselves the embarrassment of increasing their own salaries.

As a result of the increases, MPs will be earning about R38 000 a year, and Ministers close to R70 000. MPs get a reimbursive allowance of about R11 000 and Ministers R16 800, which is included in the gross figure.

The MP said if it was taken into account what a risky occupation politics was, it would probably be more widely accepted that MPs had to be assured of a reasonable income.

But he believed that by far the best solution would be if, instead of having MPs vote their own salary increases, an independent commission was appointed at intervals to consider their pay.

Such a commission, he said, could consist of businessmen or other independent people drawn from the public sector. "That would make it all so much less embarrassing," he said.

# Viljoen offers

no JOY  
on pay

By GERALD REILLY  
Pretoria Bureau

THE Federal Council of Teachers' Associations came away empty-handed from an interview with the Minister of National Education, Dr Gerrit Viljoen, in Pretoria yesterday.

The chairman of the council, Mr John Stonier, said in a statement after the meeting the council had told the Minister that salary adjustments had to compensate for inflation and the general increase in living costs.

The delegation was told, however, that because salary adjustments in the public sector were the responsibility of the Minister of Internal Affairs, teachers would have to wait for an announcement from him.

Mr Stonier emphasised that the Government had taken no decision on general salary increases and it would be wrong to arouse expectations.

The council's standpoint was that, in the interests of a contented teacher corps, it should strive for the highest possible general salary adjustments when financial circumstances were more favourable.

Teachers' salaries, in comparison with the earnings of other professional groups in the public sector, were brought to Mr Viljoen's attention, Mr Stonier said.

Mr Viljoen accepted the council's view that a considerable backlog in teachers' salaries had been incurred since April, 1981.

However, there was a difference of opinion over the exact extent of the gap.

The Minister assured delegates the Government stood by its undertaking to approach the salary issue on a basis of "professional differentiation".

Mr Stonier said urgent adjustments in the top structures of education had to be given priority attention, and the Minister replied that the issue was receiving the necessary attention.



CAPE TIMES 5/8/83 355

# PFP to take up the issue of PC salaries

Political Correspondent

THE Progressive Federal Party is to take up the issue of President's Council salaries following a government refusal to confirm reported increases for the advisory body.

The 55 councillors have in the past received the same salaries as members of Parliament, while the five committee chairmen have been paid at the same rate as cabinet ministers.

Both ministers and MPs received a 27 per cent increase on July 1, but neither the President's Council nor the government departments responsible will say whether this also applies to the council.

After a council spokesman had refused to give any information on the issue, the Cape Times approached the Minister of Finance, Mr Owen Horwood and was referred from there to the Prime Minister's Department, which is responsible for the President's Council.

A spokesman for the Prime Minister's Department said yesterday that it was not the task of the department to

give out information of this nature.

Mr Tian van der Merwe, PFP MP for Green Point and opposition spokesman on the issue, said he would take the matter up in Parliament unless the President's Council salaries were published before session resumed next week.

## 'No excuse'

"There is no excuse for this secretiveness," he said in a statement.

"President's Councillors receive their salaries out of taxpayers' money and the public is entitled to know what they are paid."

Mr Van der Merwe said recent salary adjustments for parliamentarians had quite correctly been announced, because the government was in the difficult position of having to decide its own salaries.

"It is no less than correct that full details be made public so that members of the public who feel they are overpaid can take a tough line against them. It makes no sense to spare President's Councillors this criticism," he said.

# Pay rise hopes <sup>argus</sup> are <sup>5/8/83</sup> ~~22~~ <sup>355</sup> dashed

Argus Correspondent

PRETORIA. — The Federal Council of Teachers' Associations has warned teachers not to expect salary increases this year.

After a two-hour meeting with the Minister of Education, Dr Gerrit Viljoen, in Pretoria, Mr J L Stonier, chairman of the Federal Council for whites, had no comfort to offer teachers.

He said the council had told the Minister that salary adjustments had to compensate for inflation and the general increase in the cost of living.

## Must wait

The Minister told the council that because salary increases in the public service fell within the ambit of the Department of Internal Affairs, teachers would have to wait for an announcement on pay from the Minister of Internal Affairs.

Mr Stonier emphasised that the Government had not taken a decision on general salary adjustments.

"It would be wrong to raise teachers's expectations," he added.



# Bleak news expected on State service pay

*Mercury*  
5/8/83

## Mercury Correspondent

PRETORIA—The Cabinet is expected to take an early decision on whether to grant interim increases to public sector workers from October, according to sources here.

But, according to senior public sector workers, the prospects for relief are becoming more bleak by the day.

Earlier this week the Minister of National Education, Dr Gerrit Viljoen, handed off a plea from the Federal Council of Teachers' Associations for interim rises.

He told them the issue of increases in the public sector was the responsibility of the Minister of Internal Affairs, Mr F W de Klerk, and if anything was to be said on the subject he would say it.

### Maximum

Later this month the Federal Council of SATS Staff Associations — representing more than 250 000 railway workers — will meet the Minister of Transport, Mr Hendrik Schoeman, to demand rises from October.

However, they are likely to get the same short shrift as the teachers.

Public sector workers are pinning their hopes for relief on the expectation that the rises would be part of the 'buttering up' process adopted by the

Government to ensure maximum support for a 'yes' vote in the proposed constitutional referendum, expected in November.

They also point out that the Cabinet, having approved huge increases for Cabinet ministers, Members of Parliament and the President's Council from the beginning of July, could not, without antagonising thousands of public sector workers, refuse to approve financial relief for State and provincial workers, police, prisons and SADF personnel, and SATS and Post Office staff.

Senior Government workers said if their interim rises were rejected this would be 'harsh but acceptable' in the light of the current recession and the fight against inflation.

But now that the politicians had granted themselves handsome increases there would be an extremely angry reaction if their claims were rejected.

Cape Times 6/8/83

# PC members get same pay rise as MPs

**Political Correspondent**  
MEMBERS of the President's Council received the same 27 percent increases as parliamentarians from July 1, the Department of the Prime Minister confirmed yesterday.

This means the 55 ordinary councillors are now receiving the R38 000 a year which MPs are paid while the five committee chairmen receive cabinet minister's salaries of nearly R70 000 a year.

The Prime Minister's department, which is responsible for the President's Council, issued a statement yesterday confirming the increases after declining earlier this week to comment on the issue.

A Progressive Federal Party spokesman and MP for Green Point, Mr Tian van der Merwe, had accused the government of unnecessary secrecy over salaries which came from public funds, and promised to raise it in Parliament next week unless details were released.

The departmental statement referred to the restructuring of the public service according to a programme of "professional differentiation" which has been given as the major reason for the increase in MPs' pay.

The Prime Minister,

Mr P W Botha, told Parliament on June 30 that the restructuring had affected the position of public servants, but that there had been no similar programme for the salaries and allowances of MPs.

His department said yesterday that MPs and President's Councillors had not received the same salary adjustments as other bodies last year.

"Professional differentiation also did not apply to them.

"As salaries of members of the President's Council are coupled to those of MPs, the adjustment approved by all political parties has also been applied to members of the President's Council," the statement said.

● The increases are being used by public servants in particular to justify their own claims for pay rises this year. Public servants — including those working in Parliament and the President's Council — have been told they will receive no general increases unless the economy improves.

The rises in MPs' pay were announced after Parliament passed legislation ending the system which linked parliamentary pay increases to those given to public servants.



By GERALD REILLY  
Pretoria Bureau

THE Government is under great pressure to make an announcement about pay rises in the public sector later this month, sources have said.

However, with Cabinet Ministers from the Prime Minister down stressing the acute dangers of inflation and the need for continued tightening of belts, prospects for any meaningful relief are bleak, according to the sources.

Economists agree with the Minister of Finance, Mr Owen Horwood, that there is no painless way out of the recession.

The sources concede the Government is at least partly to blame for the growing clamour for October pay adjustments. The Minister of

# Govt under pressure over pay demands

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Internal Affairs, Mr F W de Klerk, said during the parliamentary session there could be good news for Government workers later in the year.

It is estimated that to give the 620 000 workers in State and provincial departments a rise of 10% would cost more than R500-million.

And to extend this to the whole of the public sector, including railways and Post Office workers, would almost double the figure.

Last week the Minister of Education, Dr Gerrit Viljoen,

told the Federal Council of Teachers' Associations that the issue of increases in the public sector was a responsibility of the Minister of Internal Affairs and if anything was to be said on the issue, he would say it.

Also last week, the committee of university heads led by the chairman of the SABC and rector of the University of the Free State, Prof W L Mouton, pleaded with Dr Viljoen for increases for university personnel.

It said inflation was eroding the living standards of

academics and that adjustments were necessary.

The Federal Council of SATS Staff Associations, representing more than 250 000 railways workers, will meet the Minister of Transport Affairs, Mr Hendrik Schoeman, to demand rises.

Post Office Staff Associations have also asked for immediate interim relief.

Senior public servants point out that the Government has approved huge increases for Cabinet Ministers, MPs and members of the President's Council.

TODAY'S  
WOMAN

# Striking ro

ARGUS 8/8/83

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*'Wayi thint' abafazi  
Wayi thint' imbokotho...'  
(You have tampered with the women  
You have struck against rock...)*

EVERYBODY knew the protest song, but nobody knew who had composed it. "Mama" Zihlangu, chairwoman of the United Women's Organisation, remembers how, through this song, the 20 000 women who went to the Union Buildings in Pretoria on August 9 1956, expressed their anger at the Government over the extension of passes to women.

The Nationalist Government had come to power in 1948 and its new apartheid measures were most forcibly felt by women. In 1952 the Natives (Abolition of Passes and Co-ordination of Documents) Act passed through Parliament, extending passes, under the new name of reference books, to women.

The reaction was furious. Unrest spread around the country as successive municipalities announced that they were to begin registering women and enforcing other new influx control measures.

## Demonstrations

The Women's League of the African National Congress (ANCWL) organised demonstrations and rallies in Cape Town, Port Elizabeth, Oudtshoorn, Stellenbosch and many other towns.

The resistance spurred the formation of the major women's organisation of the 50s, the Federation of South African Women (FSAW), which held its inaugural congress in the Trades Hall, Johannesburg, on April 17 1954.

Delegates and observers from women's organisations all over the country came, and to free the women's energies for the conference, men volunteers were relegated to the kitchen to do the catering.

Ida Mtwana, president of the ANCWL, was elected its first national president, and trade unionist Ray Alexander, who had played a key role in organising the conference, became its secretary.

Four prominent woman activists were elected vice presidents: Gladys Smith (Western Cape), Lilian Ngoyi (Transvaal), Florence Matomela (Eastern Cape) and Bertha Mkhize (Natal).

Among the committee members were Dora Tamana, Albertina Sisulu, Helen Joseph, Fatima Meer and others well known for their involvement in women's organisations, trade unions and politics.

The conference set out its aims in a Women's Charter calling for women's rights, but also stressing unity with men: "We women do not form a society separate from men... As women we share the problems and anxieties of our men and join hands with them to remove social evils and obstacles to progress."

With other organisations, it took up campaigns against the destruction of the township of Sophiatown, outside Johannesburg, under the Group Areas Act, and against the introduction of Bantu education.

## Anti-pass campaign

But its real work began after the announcement by the Government that it intended to start issuing women with reference books from January 1956, which was met with vehement resistance from women all over the country. The anti-pass campaign was to rage on until the early 60s.

Passes were first issued in Winburg, and two months later, the burnings began. Many Winburg women were arrested and charged with theft. There were huge demonstrations by women of other towns — Pretoria, Evaton, Durban, Klerksdorp, Brakpan and Bethlehem were among those that saw rallies and marches as anger mounted.

With other organisations, the FSAW began planning the Pretoria demonstration. Mama Zihlangu recalls the mood at the time: "We hated these books. We wouldn't take them, so they locked us up. We felt we had to burn these books because they were ugly."

## To see Strijdom

She was one of the ANCWL delegates chosen to represent the women of the Western Cape in Pretoria on August 9. "We sent our deputation there and many others went. Church people... everyone, because this reference book was something that could hurt us. Our aim was to see (Prime Minister) Strijdom."

Mama Zihlangu remembers the long train journey and the exhaustion of the many women who made it. She remembers how many dozed off in the sun while they were waiting in the amphitheatre in front of the Union Buildings for Strijdom to come out.

"We never saw him. I don't know how he left or if he was not there, but we never saw him. We were all singing 'Strijdom! Wayi thint' aba-



ck

Argus 8/8/83

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This is the final instalment of JEAN FAIRBAIRN'S series on the fight for women's rights. The period covered marks the high point of women in politics in South Africa.



fazi, wayi thint' imbokotho', our beautiful song. Everybody knew that song, but I don't know who composed it.

"The people were cross, more at not seeing Strijdom. I don't know why he didn't come ... I think he was frightened. It was a huge crowd, you couldn't find your friends in it."

After a long wait, the women collected thousands of individually signed petitions which were taken into the Union Buildings. When all the protests had been delivered, the women stood in silence for half an hour, before singing the African national anthem, Nkosi sikelel' iAfrika.

"That was August 9," said Mama Zihlangu. "Afterwards, although we were angry, we felt we had done something. We came back and told the people that we didn't see Strijdom. And we worked hard and organised more and more ... we did not want to take the reference book."

### Violent clash

The anti-pass campaign continued. Late in 1956 there was a violent clash between protesters and police in Lichtenburg. Two people were killed. Rural women in Zeerust went to jail en masse for either refusing to accept or burning their passes, and there was massive resistance on the Reef and in Natal until the 1960s.

The news of Sharpeville, where 69 pass protesters were shot dead, shocked the entire world.

That the campaigns were backed by the ANCWL and the FSAW did not go unnoticed by the Government. The ANC was banned in 1960, and with it, the Women's League; Helen Joseph, first banned in 1957, was banned again in 1962; Lilian Ngoyi was banned and confined to Orlando township in 1961; Florence Matomela was banned in the same year and later charged and imprisoned for furthering the aims of the ANC; Ray Alexander, banned, went into exile in Zambia.

### Regroupings

With its leadership severely depleted in the crackdown that followed Sharpeville, the FSAW went into a decline. Then began the period of lull from which the women's movement only recently began emerging, with regroupings and the formation of new organisations in the Cape, Port Elizabeth, East London, Durban and the Reef.

In 1981, the United Women's Organisation held its inaugural conference in Cape Town. Today it is a growing organisation with 19 branches and about 600 members in the Western Cape. The UWO is organising a rally in Cape Town for National Women's Day to commemorate the struggles of the past and the march to Pretoria 27 years ago.

Chairwoman Mama Zihlangu will be recalling a proud past at the meeting, and had this message to women for the future: "To the women of South Africa, if we unite we will be able to create a new South Africa."



Albertina Sisulu



Helen Joseph



WOMAN

# Domestic workers are uniting

FOR years, that woman and mother who lives away from her husband and children and sees them only once a year, has led an isolated life. To many, she has only been known as the "woman from the kitchen" and her contributions to the country's economic development have been overlooked.

This is what challenged the South African Council of Churches to start the Domestic Workers Project, a division created by churches to assist the Christian community of domestic workers to develop their own potential and become creative within society.

The project involved a team of professional com-

Come Sunday. It's a day for the best clothes and the best meals for many young township blacks. But for six-year-old Transkei-born Deborah Silala, Sunday has a special meaning. It's the only day she can see her mother and sometimes her granny.

They are domestic workers in Johannesburg's suburbs. She cannot stay with her mother, 22-year-old

By SINNAH KUNENE

agency which helps solve domestic workers' grievances and advises on influx control laws.

"There has been overwhelming progress since the inception of these centres of concern, and as a result, domestic workers are not eligible for unemployment or pension have now clubbed together to fight for their status in

Norah. The law forbids it. Norah's employer found her space at the Orlando Home where she spends six days of the week with other homeless and orphaned children.

She may still be too young to understand but one thing is for sure, Sunday is the most blessed day of the week for her.

Sotlwe, who is ex-chairman of Sadwa. She says there are several workshops and fund-raising functions which are being held at all

centres to train workers to become leaders and initiate their own projects.

"He who gathered much had nothing over, and he who gathered little had no lack (2 Corinthians 8:14). These words from the Bible have encouraged us, and our Father will always help those who help themselves," says Mrs Sotlwe, who also calls on domestic workers to support Sadwa's projects and "openly proclaim love for your sister in Christ."

NB. Sadwa will be having a fund-raising function at the Immaculata Hall opposite Rosebank Hotel at noon today. The organiser, Ms Eunice Dladla, appeals to all members to support the function as this is in aid of the annual congress which is to be held in Cape Town in September.





team of professional com- to fight for their status in



Young Deborah with her mother Norah, whom she sees only once a week.

munity workers and white employers who organised tuitions in skills such as cooking, sewing, knitting, literacy, counselling, typing and driving.

Churches and church-halls in the suburbs were made available for evening and afternoon classes for domestic workers, who also showed a tremendous response as to date the church counts approximately 60 centres of concern throughout the Reef.

"Our aim is to equip the domestic workers with skills so that they may overcome their feelings of helplessness and hopelessness and rather discover that they too are children of God, created in His own image and likeness and with eternal values and significance," states a newsletter on the project.

The Domestic Workers' Project has since been incorporated with the Domestic Workers' Employment Project (Dwep), an

the labour force," says a community worker for the project.

Domestic workers have now launched a labour union, the South African Domestic Workers Association (Sadwa), which has already filed through a memorandum to the Department of Manpower Utilization for recognition. Unlike other employees in the country, domestic

Sowetan 11/8/83

355

13/8/83 (152) (1400) (976) RDM 7355

# Talks to be held after walkout

Labour Correspondent

THE Firestone tyre company and the National Automobile and Allied Workers Union are to hold talks next week following a two-day work stoppage at the company's Brits plant this week.

It is understood that workers downed tools on Tuesday, and returned on Wednesday afternoon, in protest over a 5% wage increase granted by

the company.

Both union and management confirmed yesterday that a stoppage took place and that talks would be held next week. It is understood they will meet on Tuesday.

Brits has not been regarded as a key centre of worker and union activity in the past. However, both NAAWU and the Metal and Allied Workers Union have been recruiting

workers in the area for some time.

A union source said workers had stopped work on Tuesday because they rejected the increase which, he said, had been awarded without negotiation.

The company confirmed yesterday that it is holding talks with NAAWU on the dispute.



# Call for curb on pay raises

355  
E. Post  
13/8/87

A FREEZE on excessive wage increases was the best method of combating inflation according to Dr Johan Cloete. Dr Cloete, group economist of Barclays Bank, was addressing the annual general meeting of the Eastern Province Branch of the Economic Society of South Africa on the subject of inflation.

In South Africa, said Dr Cloete, the initial inflationary push came with an increase in the oil price in 1974 which was compounded by further increases in 1980.

In offering a solution to South Africa's inflation problem Dr Cloete suggested that although policies entailing control of the money supply had the widest support, these raised difficulties, because the money supply itself was affected by other factors in the economy.

Furthermore, fighting inflation in this way involved a recession — which entailed social and political costs "often too high to risk".

Fiscal policies, he argued, would have a more calculable effect on inflation but, to be successful, would have to be supported by appropriate monetary policies.

The best policy for South Africa, would be an incomes policy, which would be able to bring the wage/price index in line with productivity because an increase in wages would then have to be financed by an increase in productivity.

An incomes policy would attack inflation where it was happening — in the wage/price negotiating process — and would focus on a wage standard of value — keeping wages in line with productivity thereby making them a stable standard of value.

# Pay (355) rise for social workers 16/8/63

Mail Correspondent

DURBAN. — A big pay rise for white, Indian and coloured social workers has been announced by the South African National Council for Child and Family Welfare — but for blacks the gap still remains wide.

"This is most unfortunate as it will still remain a source of irritation for many people," Mr Ashwin Mohanlall, president of the Durban Indian Benevolent Society and the South African Indian Council's spokesman on welfare matters, said yesterday.

Mr Mohanlall, who has been spearheading a campaign for salary improvements, said "another disappointing" feature was that in some cases salaries would become pegged at the seventh-year notch.

In terms of the new scales a social worker's starting salary has been raised from R6 534 to R9 648 and the maximum from R15 450 to R16 020.

For black social workers starting salaries have been increased from R5 154 to R8 820 and the maximum from R10 062 to R14 880.



# Motor unions, employers meet on wages

Labour Correspondent

A KEY meeting today between motor assembly unions and employers in the Eastern Cape may decide whether the industry will face another major wage dispute this year.

At the meeting of the Eastern Cape motor industry's industrial council, Fosatu's National Automobile and Allied Workers Union will tell employers its members at Ford, Volkswagen and General Motors have rejected a

wage offer which, NAAWU says, would raise minimum pay by an initial 8c an hour.

Wage negotiations in the Eastern Cape motor industry have been turbulent — with two major strikes staged.

Last year, NAAWU withdrew from the industrial council as a result of one such dispute and only rejoined it earlier this year.

NAAWU's general secretary, Mr Fred Sauls, said yesterday employers had begun negotiations by opposing any

increase at all.

Workers rejected this, he said, and employers had then offered a 5c an hour increase for workers at the bottom of the scale, to be followed by a further 15c increase in September.

Workers at the top of the scale were offered an 1c an hour increment.

This offer was also rejected and employers then offered an initial 8c an hour to be followed by further increase of 15c an hour for the

lowest-paid, Mr Sauls said.

He added, however, that mass meetings of workers at the three motor companies had rejected this offer too.

He said the minimum wage laid down in the industry's wage agreement was R2,15 an hour, but that the "real" minimum was R2,30 an hour. The employer offer was, therefore, "negligible" when looked at as a percentage. Employer comment could not be obtained yesterday.

# Blacks still lag as social workers get big pay boost

Mercury Reporter

A BIG pay rise for white, Indian and coloured social workers has been announced by the South African National Council for Child and Family Welfare — but for blacks the gap still remains wide.

'This is most unfortunate as it will still remain a source of irritation for many people,' Mr Ashwin Mohanlall, president of the Durban Indian Benevolent Society, and the South African Indian Council's spokesman on welfare matters, said yesterday.

Mr Mohanlall, who has been spearheading a campaign for salary improvements for Indian social workers, said another disappointing feature of the new scales was that in some cases salaries would become pegged at the seventh-year notch.

'However, the National Council has been wise to provide for in-depth evaluation and merit assessment of workers to warrant progression above the seventh notch.'

Mrs G B McMillan, director of the Durban Child Welfare Society, and Mrs Faith Msoni, director of the Durban African Child Welfare Society, could not be reached for comment.

Mr Mohanlall said in terms of the new scales a social worker's starting salary had been raised from R6 534 to R9 648 and the maximum from R15 450 to R16 020.

For black social workers starting salaries had been increased from R5 154 to R8 820 and the maximum from R10 062 to R14 880.

The starting salaries for all supervisors had been raised from R10 062 to R16 020 and the maximum from R15 450 to R19 137.



# Price and wage restraints urged

By HAROLD FRIDJHON

**MONETARY** policy alone is insufficient to bring down the inflation rate. The authorities must also use price and wage controls argues Dr Johann Cloete in the current Barclays Business Brief.

Inflation, he says, can be brought down by a monetary policy that is sufficiently strict and that is applied long enough. Monetary policy operates through recession to push down inflation by depressing demand. This forces employers to cut back wage and price increases.

But this means sacrificing growth and employment. And while the South African authorities persist in reducing the rate of increase in the money supply, business and employment conditions will continue to deteriorate.

A moderate tightening of the money supply will be insufficient to bring down the inflation rate within a relatively short space of time without affecting economic growth.

To be effective the squeeze on money supply with important lending rates well above the inflation rate will have to be strong and as the economy is already in a deep recession this will have adverse consequences for business and employment.

The prime overdraft rate will have to be kept at least 3% above the inflation rate and should only come down when the inflation rate is pushed down ahead of interest rates.

Reducing the inflation rate will take time and the prime overdraft rates will have to be kept above the inflation rate for at least six to nine months which means that hopes for an early and strong recovery in 1984 will have to be abandoned.

"Monetary policy is a blunt and indiscriminate measure of control and, to be effective against inflation, it requires

that the growth and employment objectives be abandoned in the short run in the hope that a restoration of price stability will raise the levels of these magnitudes in the longer run.

"It does not allow the monetary policy-maker to moderate the impact of his monetary squeeze on growth and employment, that is, if the monetary squeeze is to do its job effectively against inflation."

It remains to be seen whether the South African monetary authorities will persist in their policy and will accept the consequences.

Many businessmen question whether an effective anti-inflationary policy will be able to be applied because the country cannot afford the large-scale unemployment and the resultant socio-political consequences, particularly as the country is not only suffering from a serious recession but also from the drought.

Dr Cloete says that the authorities need not rely only on monetary policy to bring down the inflation rate and have to endure the losses on the economy which such a policy requires.

"It seems there is another way in which the inflation rate can be relatively quickly reduced to single figures without at the same time imposing an uncontrolled and probably unacceptable severe recession on the economy."

"It seems it should be possible for the Government to use the control it has over the prices and wages administered by large undertakings and firms both in the public and private sectors of the economy to help push the inflation rate down to the desired level."

South Africa has experienced double digit inflation since 1973 but that rate has remained in a narrow band of about 11% to 15%. The relative stability of the inflation rate has been largely the result of the important contribution which control by the Government of administered prices and wages has made towards keeping down the rate of increase in the general price level.

"The Government directly controls a number of important 'input' prices in both the public and private sectors of the economy, while it can readily use moral suasion to influence price and wage formation in those markets where competition is lacking and where price and wage formation is mainly in the hands of a few large employers."

If the Government were prepared to control increases in administered prices and wages in 1984, monetary and fiscal policy could be more accommodating. It could be applied in a contra-cyclical fashion and an uncontrolled recession could be avoided and growth and employment could be protected to some extent.

There is some reluctance in South Africa to recognise the part which proper control over price and wage increases can play and, has played in the past, to control inflation "although there does not seem to be any objection to forcing cutbacks in wages and prices through monetary restrictions... Even Mrs Thatcher has recently called for wage and price increases voluntarily limited to 4% in Britain for the year ahead."

Dr Cloete calls for an integrated policy mix which would involve setting employment and inflation targets adjusted to balance of payments. Money supply could then be targeted to the inflation rate. Monetary and fiscal policy could be conducted within these parameters and this would produce relatively stable interest and exchange rates.

He claims three important advantages to his suggestion:

- Monetary and fiscal policy could then be applied contra-cyclically to smooth out the business cycle;
- Price, interest rate and exchange rate stability;
- Growth and employment objectives would be the priority with money supply and inflation targets as secondary objectives.



An extra R1,3m  
a month  
by next August

By LOUIS BECKERLING  
Business Editor

A WAGE agreement that will put an additional R1.3 million a month into motor workers' pay packets by August next year has been approved by employers and unions in the Eastern Cape's motor manufacturing industry.

Union consent to the new agreement, negotiated by the Industrial Council of the Automobile Manufacturers' Industry, Eastern Cape, was transmitted to employers today, according to a spokesman.

In terms of the agreement the increases will raise pay levels by 12% to 14% over a 12-month period for most workers — and up to 17,4% in the case of the lowest-paid workers currently in employment. They will be phased in over three instalments.

Hourly rates of pay at the lower levels will be raised by 10c with immediate effect (backdated to August), by a further 15c in February next year and a further 15c in August next year, for a total increase over three instalments of 40c an hour.

Increases for the remaining seven grades vary from 10c an hour up to 16c for the top grade (backdated to August), a further 21c in February and a further 21c in August — for a total of 58c an hour over the three instalments for the highest-paid workers.

This means that over a 12-month period the absolute minimum wage paid in the industry in the Eastern Cape will rise from R2,30 an hour to R2,70 — or 17,4%. Assuming a 200-hour month, this increase translates into additional gross take-home pay of R80 a month.

At the higher levels, an aggregate increase of 58c an hour over the same period has been agreed, which, a spokesman said, would add about R120 a

month to the take-home pay of these workers.

Assuming an average of R100 a month extra for workers in the industry and a total workforce of about 13 000, the effect of the agreement will be to inject an extra R15.6 million a year into the economy of the Port Elizabeth-Uitenhage metropolitan area within the next year — an infusion which will considerably enhance the prospects of an economic upturn.

"We can only hope that retailers in the area respond by buying our products," commented a motor manufacturing executive.

The agreement was negotiated within a surprisingly short period, requiring only five meetings between Epama (the Eastern Province Automobile Manufacturers' Association), SAISAW (the SA Iron and Steel and Allied Workers' Union) and Naawu (the National Automobile and Allied Workers' Union).

Negotiations began in July against a background of deadlock and strike action at that same time last year when unions insisted on shifting minimum wages from about R2 to R3,50 over an 18-month period.

Employers balked at the prospect and, in the ensuing deadlock, plants were temporarily shut down as a result of strikes. A unilateral 20c increase was announced and workers eventually returned to work.

Under the circumstances the latest agreement would appear to meet both parties more or less halfway, and the Evening Post understands that all parties to the agreement regard it as "reasonable under the cur-

# Big boost in pay for car workers



symposium would be shortly in Johannesburg where the RDAC will discuss development considerations, with agriculture the implementation of conservation on the region to boost

resolution was also at the congress asking the Department of Agriculture to investigate the tape and shortcomings in the present drought assistance scheme.

Congress also resolved to ask the Government for an adequate supply and for storage facilities for fodder. The importance of build-dams was emphasised in areas where farmers requested this

## Mother and six newborn babies fine

BLANKENBERGE, Belgium — Sextuplets born to a Belgian nurse on Wednesday night are all in perfect health, Mr Andre Dezutter, director of the Queen Fabiola Maternity Hospital, said last night.

He said the babies, five boys and one girl, were about six weeks premature and each weighed between 1,3 and 1,5 kilograms.

Mr Dezutter said he believed the babies were the first sextuplets born in Belgium. — Sapa-Reuter

## Death of ex-mayor 'natural'

CAPE TOWN — A former Mayor of George, 64-year-old Dr Francois Heunis, whose body was found in a ditch on the grounds of the Stikland Hospital this week, died of natural causes.

A spokesman for the hospital said although the results of a pathological examination had not yet been released, the police did not suspect a crime.

Dr Heunis was last seen at the hospital on Tuesday. — Sapa

## Big pay boost for motor workers

From Page 1  
rent economic circumstances".

Unregistered Macwusa (the Motor Assemblers and Component Workers Union) is not a party to the Industrial Council agreement just negotiated, but the new wage structure would be extended to all, according to a spokesman.

Some comments today on the new agreement were:

● Mr Fred Ferreira, chairman of Epama: "Considering the present economic conditions in South Africa I think this is a very equitable agreement."

● Mr A O "Ollie" Rademeyer, director, industrial relations, VW (SA) Pty Ltd: "We are satisfied that this is a very fair award to the employees."

● Mr Tony Gilson, director of the Port Elizabeth Chamber of Commerce: "I understand that wages in the industry in the Eastern Cape are already high in comparison with the rest of the industry. I would therefore hope that the new agreement is not going to make the local industry less competitive than it apparently already is."

Spokesmen for the two unions involved — Mr Henry Ferreira, general secretary of SAIWA (and also chairman of the Industrial Council concerned), and Mr Freddie Sauls, general secretary of Naawu — were not available for comment at the time of going to press.

## ects SA bombing denials

in Lisbon yesterday in its southern province African air raids and on the Pretoria Govern-

to the media here, the African denials that its ngamba in Mexico Prov-

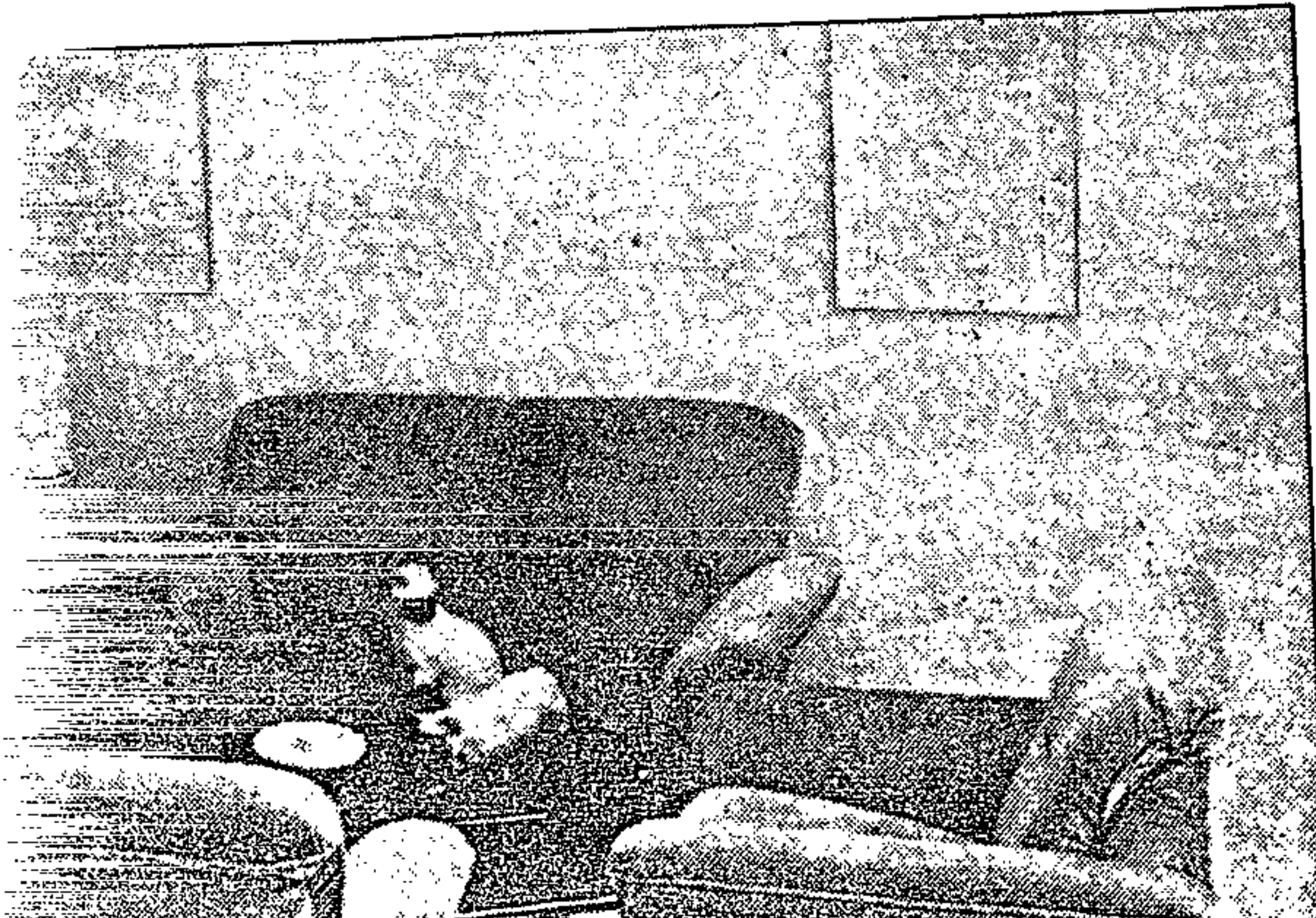
are worthless," the em- the bombing) is there to

On Monday South Africa formally denied Angolan charges concerning the alleged bombing.

Echoing charges carried by the Angolan national news agency, Angop, earlier in the week, the statement said massing of South African troops in southern Angola represented a "growing danger" and issued an international plea that pressure be brought to bear on South Africa.

Reports from Luanda, the Angolan capital, quoted unidentified officials as saying a 10 000-strong force of South African soldiers, foreign mercenaries and Angolan rebels were grouping in Cunene and Kuando-Kubango provinces for a push north towards Luanda. — Sapa-AP

# CONFIDENTIAL



## PO van h two brot found gu

Post Reporter  
TWO brothers were convicted on a robbery charge by a Port Elizabeth Regional Court yesterday after the hijack of a post office delivery van carrying R13 000 pension money outside a Uitenhage post office earlier this week.

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23/8/83

# Arbitrator is called into Putco wage dispute

By STEVEN FRIEDMAN  
Labour Correspondent

WAGE talks between the Putco bus company and two unions representing the company's black workers are deadlocked and the dispute will now be settled by an arbitrator.

A Putco spokesman, Mr Pat Rogers, said yesterday the company was waiting for the unions, the Transport and General Workers' Union and the Transport and Allied Workers' Union, to name an arbitrator who will decide what increase black workers at the company should receive.

Putco is offering workers an increase of R4 a week, backdated to July 1, and a further R3 for the first six months of next year. It says it will negotiate further in November on an end-of-year increase.

The unions, who initially demanded an increase of R65 a week, are now demanding R30. According to the TGWU, the minimum wage is R65 a week.

The decision to refer the dispute to an arbitrator was

taken because Putco is an "essential service" and it is illegal for its workers to strike.

It follows an attempt to settle the dispute by mediation. Two mediators were called in to bring the two sides together, but were unable to do so.

The negotiations began in May.

The unions originally made 16 demands on issues ranging from wages to health and safety and maternity leave, but Putco said it was not prepared to offer any increase and that its managing director favoured a wage cut.

After negotiations, the unions and the liaison committee decided to reduce their demands to four and their wage demand to R30 a week.

Putco replied with its R4 offer and the two sides deadlocked.

The TGWU has claimed that Putco, despite announcing a loss of R1 300 000 in the second half of 1982, is in a "very sound" financial position.

It says the tax Putco paid in the second half of 1982 reflects that it made a profit of more than R6-million, that it has paid this amount in dividends to shareholders and that the net value of its assets has continued to rise.

It says Putco usually argues that commuters will have to pay higher fares if workers win substantial increases, but that it is wealthy enough to pay much higher wages without raising fares.

But Mr Rogers reiterated that the company had sustained a loss of more than R1-million and said the state of the economy made it impossible for it to increase its offer.

He said Putco had offered to negotiate further on the increase for the first six months of this year, which could be improved if the economy had improved by that stage.

"In the present economic downturn, the company's main priority on the labour front is to avoid any retrenchments," Mr Rogers said.



on and asked me to drive slower because his wife was pregnant. I slowed down but he came back and told me she was getting pains."

Mr Fortuin then stopped the bus and went to have a look at the woman.

"I realised she was in labour and immediately started for the hospital."

Other passengers lent a hand in making the woman comfortable and calming the couple.

"When we got to Victoria, I jumped out and ran inside to get help. I then dashed back to the bus."

"When I got there, the baby had just been born."

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# Bonanza bungle

By DIANA POWELL  
Weekend Argus  
Reporter

## PAY BACK BONUS, POST OFFICE STAFF TOLD

AN administrative bungle in the Post Office has resulted in the overpayment of thousands of rands to technical staff who had their salaries upgraded in terms of an "occupational differentiation" programme in April.

Now the Department of Posts and Telecommunications is demanding the money back and angry officials this week passed a motion of no confidence in the management of the Post Office through their union, the SA Telecommunications Association (Sata). The senior director (personnel), Mr G van

Rensburg, confirmed from Pretoria that mistakes had occurred when the increases were handed out as a result of a misinterpretation by the Cape Town pay office of the circular explaining the salary adjustments.

He said a small percentage of technicians, senior technicians, senior telecommunications electricians and telephone mechanics had been given increases which were too high. As a result their salaries were being readjusted and they were being asked to pay back the difference.

### Documents

Officials affected have received letters informing them of the overpayment and asking them to sign documents authorising the department to deduct the money in instalments.

Some have to pay back hundreds of rands and Weekend Argus is aware of one case of a figure of more than R700.

### Mistakes

Officials required to be away from home who receive subsistence allowances will also have to pay hundreds of rands back. The allowances are based on salary and were automatically adjusted to a higher rate when their pay increased. It has been estimated that some officials on full time construction work out of town will have to pay back R5 a day retro-active to April 1.

With the first increased pay cheques, a computerised message on all payslips warned that if any mistakes had occurred they would be adjusted later. But, officials

complaints this week, subsequent slips had said nothing and, after four months, they felt it was reasonable to accept that they were receiving the correct salaries.

Some officials who felt that they had received extraordinarily high increases queried the figures with the pay office and received replies in writing that they were in order.

### Holiday

"What does a man who has been struggling to make ends meet for years do when he receives a decent salary increase? He goes out and replaces his car, gets a loan to improve his house, promises his family a holiday..." one technician said.

"This is a catastrophe

for many people. It has shattered their dreams.

"What is going to happen to those who have committed themselves financially on the basis of improved salaries? They won't be able to pay and there is a Post Office service regulation under which a man can be fired if he is sued for debt."

This week a local Sata committee agreed to act on a demand from members to communicate a motion of no confidence in the Post Office management to head office and to call for a full inquiry into the matter and for the results to be made public to all officials and the media.

### Sympathy

Mr van Rensburg said the department was extremely sympathetic to the increases were handed out, Mr van Rensburg caused hardship and as a

matter of policy leniency would be shown to anyone required to pay money back. Officials who had been asked to repay a specific amount each month could appeal against the figure and if necessary instalments could be "spread over a couple of years."

He was also sorry if anyone who made inquiries to the Cape Town pay office had been misled. The Post Office could not, however, reinstate the incorrect salaries because the people concerned were simply not entitled to the money.

They should have been informed sooner but the mistake had been picked up in head office only a couple of months after the increases were handed out, Mr van Rensburg said.

250-355

MEANWHILE...

27/8/83

## Civil servants still wait for January rises

PRETORIA. — Civil servants in several Government departments are still waiting

record of members who could not obtain the right of investigation into grievances, but who flinched from making use of provisions in the

mission's emphasis on speed in resolving such grievances.

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MEANWHILE . . .

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# Civil servants still wait for January rises

PRETORIA. — Civil servants in several Government departments are still waiting for their January salary increases.

The Public Servant, mouthpiece of the Public Servants' Association, has complained in an editorial that the delays in the implementation of salary increases are "in-

excusable and definitely not conducive to a high personnel morale".

The editorial also criticised the reluctance of the Government departments to investigate the grievances of individual civil servants.

The editorial conceded

that conditions of implementation of the new improved salary structures for various occupational groups, which were determined and released by the Commission for Administration with effect from January 1, were intricate in some in-

stances, and that a shortage of trained staff could have been experienced.

But, it said, a delay of up to six months and longer was inexcusable.

The editorial also referred to many complaints the PSA had on

record of members who could not obtain the right of investigation into grievances, but who flinched from making use of provisions in the Public Service regulations for fear of victimisation.

In some cases where investigations were instituted there was often a "flagrant dragging of feet" in spite of the com-

mission's emphasis on speed in resolving such grievances.



# Retrenched workers get compensation

By STEVEN FRIEDMAN  
Labour Correspondent

THE Datsun-Nissan motor company has agreed to pay compensation to retrenched workers in an out-of-court settlement with the United African Motor and Allied Workers Union — and the settlement is likely to be the biggest yet paid out to retrenched black workers.

The settlement flows from the retrenchment in January of 102 workers, which the union planned to challenge in the industrial court.

Datsun has agreed to re-employ the workers and to pay each one 47% of the earnings he or she has lost as a result of being retrenched.

In a statement yesterday, the union said this would lead to a total pay-out of more than R100 000, but a company spokesman said it was not possible to calculate the exact amount yet, which could be smaller.

Datsun says it settled because it plans to recognise the union soon and did not want "to start our formal relationship under a cloud".

Thus far 76 workers have been re-employed and are therefore entitled to compensation for lost earnings.

In its statement, the union's general secre-

tary, Mrs Dora Nowatho, hailed the settlement as an "important breakthrough".

The union said it had planned to take Datsun-Nissan to the court "for retrenching workers without a valid reason". But the two sides had reached an agreement on August 14 which removed the need for court action.

Besides the money to be paid to the workers, the company also agreed "to reinstate the workers without a change in their conditions of employment", the statement said.

It said this was the second "major victory" for the union in the past six weeks, the first being its success in an industrial court action against the motor company Foden's.

A company spokesman said Datsun agreed to pay workers who were reinstated 47% of the difference between the wage they would have earned at Datsun and what they had earned since being retrenched.

This meant, he said, that a worker who had worked for the entire eight months for 50c an hour less than at Datsun, would receive 23,5c an hour for that period.

He stressed the company had not settled "because we are conceding we were wrong, that would obviously have been for the court to decide".

The settlement had been a "goodwill gesture" aimed at building a "sound relationship with the union."

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W/G 27/8/83 355

# ... and teachers may gain

Weekend Argus  
Correspondent

PRETORIA. — The referendum could bring a financial windfall to teachers in the form of salary increases.

This was the view expressed by Mr Eddie Brown, president of the

Transvaal Teachers' Association, in the August issue of Transvaal Education News.

"Many teachers are cynically looking forward to the referendum on the constitution because we all know that referendum and general election time is teacher

salary increases time," he said.

He said the time had come for the Government to illustrate that it was serious about education by granting teachers the salary increases they deserved.

He said the Government had not stuck to the promises made to the teaching profession three years ago.

Teachers were fully aware that the drought was placing tremendous demands on the Government, but the news of 27 percent salary increases granted to members of Parliament and the President's Council had raised hopes that other employees would receive a small increase to offset the sharp rise in the cost of living.

70  
sensible but  
rather brief



# R800m stake for public service vote

By GERALD REILLY  
Pretoria Bureau

WILL the Government gamble with R800-million of taxpayers' money in an effort to swing the support of public sector workers behind it in the November 2 referendum?

That is the question being asked by political observers, including political scientist Professor Willem Kleynhans.

The R800-million is what would be needed to give the nearly one-million public sector workers in the railways, Post Office, and State and provincial departments an interim rise of 10%.

So far the Government has been non-committal, except for a statement by the Minister of Internal Affairs, Mr F W de Klerk, during the latest parliamentary session, that there could be "good news" for Government workers later in the year.

It is estimated that more than 400 000 of the million public sector workers are voters. If members of their families are added, the total, it is claimed, could be close to a million.

Prof Kleynhans said the Government was "desperate". It clearly feared a defeat on November 2.

It would be looking at all possible strategies, therefore, to strengthen support for the constitutional plan.

And there could be an answer to the R800-million question on Monday.

Then the presidents and secretaries of the 10 railway staff associations will meet the Minister of Transport Affairs, Mr Hendrik Schoeman, to demand immediate increases.

If they get them, other civil servants are likely to get increases too.

Sowetan 29/8/83

## Union clinches major deals with firms

THREE Trade Unions Council of South Africa (Tucsa) affiliates recently negotiated substantial wage increases for their members and concluded satisfactory new agreements with managements.

The three unions whose members are said to be enjoying record wage increases are the Garment Workers of South Africa, the National Union of Wine, Spirit and Allied Workers and the South African Leather Trade Unions, according to Tucsa's official journal the Labour Mirror.

The Garment Workers' achievements in the talks were:

- Substantial wage hikes across the board;
- The abolition of sex discrimination in wages;
- Employers agreeing to match workers' contribution to the provident fund;
- A higher attendance bonus;
- An increase in the number of paid public holidays; and
- A meal allowance for those working later than 6 pm.

Wage increases totalling as much as 87,9 percent are being paid over the next 14 months.

The overall rise given to wine workers is 25 percent more for their pays, they received 15 percent in April and 10 percent will be payable from October 8. Both increases are based on actual wages paid and not on minimum wages.

- All public holidays have been written into the agreement.

The leather trade unions added their achievement of pay rises to the 15 percent increase across the board they received last year.



PARK: Textile worker Ms Veronica Ndlovu, at the Orlando West Industrial Park.

The wine workers' agreement includes:

- Hours of work have been reduced from 46 to 45 per week;
- The annual bonus has been increased from three weeks' wages to four weeks' wages;
- Workers who work overtime later than 6 pm will be provided with a meal or a meal allowance of one rand; and
- sick leave has been increased to 12 working days over a three year cycle;



RAND DAILY MAIL, Wednesday, August 31, 1983

# 10% pay rises in the pipeline for railmen

Pretoria Bureau

SOUTH AFRICAN Transport Services' 250 000 workers are to get 10% pay increases from October 1, subject to Cabinet agreement, the chairman of the Federal Council of SATS Staff Associations, Mr Jimmy Zurich, said yesterday.

And if the railways workers get an interim increase, so will the other 750 000 workers in the public sector.

At a meeting with the Minister of Transport Affairs, Mr Hendrik Schoeman, at Jan Smuts Airport earlier this week, the council's advisory committee was offered 10% from October or 12,5% from January.

The advisory committee opted for the October rise — "who can tell what will happen between now and January", Mr Zurich said.

The Minister told the committee he would lay the issue before yesterday's Cabinet meeting. However, after the meeting Mr Schoeman refused to comment.

Mr Schoeman also agreed to an immediate start with negotiations to eliminate the pay backlog which has built up over the past two years.

Mr Zurich said the advisory committee would meet the general manager of SATS on Monday to discuss future pay adjustments, and on the issue of eliminating all pay discrimination from SATS.

The federal council supports a system of total wage parity in the transport services, Mr Zurich said.

Meanwhile Government sources in Pretoria said if, in fact, the Cabinet approved Mr Schoeman's request for increases, then whatever the railwaymen

got would be given to the rest of the public sector.

This will include workers in the State and provincial departments, the Post Office and police and prisons, and SADF personnel.

It would also apply to teachers and university teaching staff, and the cost to the taxpayer would be about R800-million.

It has been speculated for some time that the Government could hardly resist the temptation to soften up the 400 000 white voters working in the public sector with a pay rise announcement before the November 2 referendum.

Professor Willem Kleynhans, of the department of political science at the University of SA, said: "The Nationalist Party will leave no stone unturned to win this one — including the granting of interim rises to its workers."

Cape Times 31/8/83

# Railmen: 10pc rise'

Own Correspondent

PRETORIA. — South African Transport Services' 250 000 workers were to receive 10 percent increases from October 1, subject to cabinet agreement, the chairman of the federal council of Sats Staff Associations, Mr Jimmy Zurich, said yesterday.

And if the railway workers get an interim increase, so will the other 750 000 workers in the public sector.

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The advisory committee opted for the October rise — "Who can tell what will happen between now and January," Mr Zurich said.

The minister told the committee he would lay the issue before yesterday's cabinet meeting. After the meeting, Mr Schoeman declined to comment.



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WEDNESDAY, 31 AUGUST 1983

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†The MINISTER OF TRANSPORT AFFAIRS:

Yes. Such actions are prohibited in terms of Section 2 of the Prevention and Combating of Pollution of the Sea by Oil Act, No. 6 of 1981. Kuswag spray boats on patrol, aircraft in flight and any other craft in the area concerned report alleged discharges of oil or a mixture of oil and water or any other substance and such reports are immediately perused.

Scientific Committee of Inquiry into the Exploitation of the Pelagic Fish Resources of South Africa and South West Africa

\*2. Mr. R. R. HULLEY asked the Minister of Environment Affairs and Fisheries:

Whether he has taken any action in respect of the recommendations made by the Scientific Committee of Inquiry into the Exploitation of the Pelagic Fish Resources of South Africa and South West Africa; if not, why not; if so, (a) in respect of which recommendations and (b) what action was taken in each case?

The DEPUTY MINISTER OF ENVIRONMENT AFFAIRS AND FISHERIES:

The recommendations are at present being considered and I will make an announcement shortly.

(a) and (b) Fall away.

*Hansard 31/8/83*  
Termite plague  
Q. C. 1. 1987  
\*3. Dr. A. I. VAN NIEKERK asked the Minister of Agriculture:†

(1) Whether a termite plague is being experienced in certain farming areas of the Republic; if so, (a) in which farming areas and (b) what is the extent thereof;

(2) whether his Department has conducted an investigation in this regard; if so, what were the findings;

(3) whether his Department has intro-

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WEDNESDAY, 31 AUGUST 1983

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natural enemies of the insect and a veld reclamation scheme together with sound farming practices are indispensable for success.

(3) Yes. Information services have been undertaken by way of:

(i) distribution of pamphlets on a large scale;

(ii) a number of radio talks;

(iii) general information and advice.

A working group has also been appointed to advise the Department on:

(i) the monitoring of population, damage, influence of drought, natural enemies, etc.;

(ii) the influence of veld management practices;

(iii) combating techniques and stances; and

(iv) extension services.

(4) It is not possible to give an indication at this stage.

(5) No. Several effective chemical substances are, however, available commercially. The trade names of these substances are obtainable from the Department.

(6) No. The harvester termite is an indigenous insect which feeds on indigenous plants. This pest should therefore be regarded as a normal farming risk. Direct financial assistance for combating termites may justifiably cause farmers to insist on similar assistance in respect of other insect pests which attack field and horticultural crops, such as the wheat aphid, fruit fly or Karoo caterpillar. On the other hand, the migratory locust is the only insect pest which is combated by the State and the reasons therefor are obvious.

\*4. Mr. A. FOURIE.—Defence.—Reply standing over.

\*5. Mr. P. A. MYBURGH.—Defence. [Transferred—see \*1 under Prime Minister.]

*Hansard 31/8/83*  
Public servants: salary increases  
Q. C. 1. 1990  
\*6. Mr. J. J. B. VAN ZYL asked the Minister of Internal Affairs:†

Whether he intends announcing a salary increase for public servants within the next two months; if not, why not; if so, when will this increase come into effect?

†The MINISTER OF INTERNAL AFFAIRS:

I indicated in a press statement dated 6 February 1983 that a general salary increase for public servants would apart from occupational differentiation, enjoy one of the highest priorities on public funds if the financial position of the Government could accommodate this later on in the year.

The Government is at present giving serious consideration to this matter within the parameters of the country's economy, Government finances and all other matters surrounding these circumstances.

As indicated earlier on in the year, there will hopefully be greater clarity in this regard before October 1983.

†Mr. J. J. B. VAN ZYL: Mr. Speaker, arising out of the hon. the Minister's reply, as well as in view of the current economic situation and the greater clarity the hon. the Minister promised, is it so that public servants will be granted a salary increase, because there are already speculations that the staff of the SA Transport Services can expect a salary increase?

†The MINISTER: Mr. Speaker, I have a suspicion that the hon. member is querying my reply. I said no decision had been taken as yet and that the matter was under consideration at present. Surely that is clear and plain English. No decision has been taken as yet, but since February this year I am in honour bound to the officials to give an indication round about 1 October whether it is

Hansard

31/8/83

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WEDNESDAY, 3

possible to grant them a salary increase. That is what we are busy with at the moment. For the information of the hon. member for Sunnyside, I also just want to point out that 6 February was still months before the Government decided that a referendum would be held. Please let us not play politics as regards these matters concerning the remuneration of public servants. While the private sector has granted salary increases to its workers, public servants have until now handled the fact that the Treasury has been unable to fulfil their expectations, with great responsibility. We therefore should not make politics out of this.

†Mr. J. J. B. VAN ZYL: Mr. Speaker, I want to give the hon. the Minister the assurance that we do not want to make politics out of this. Is it so that, if the public servants get an increase, the people of the Post Office and the SA Transport Services will get increases simultaneously? Will the increases be granted simultaneously or separately?

†The MINISTER: The hon. member should wait until greater clarity is given and an announcement is made in this regard. Then he will get all the replies to his questions.



CAR. Times 31/8/83

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# Wage restraints could have major impact on inflation rate — RAU

Own Correspondent

JOHANNESBURG. — Wage restraints could have a major impact on South Africa's inflation rate over the next few years according to a study by the Rand Afrikaans University's economics department.

The study estimates that without a policy of wage restraint South Africa's annual inflation rate, which is currently dropping, will shoot up to 14 percent in 1986.

It is expected to rise even further after 1986.

## Increases

Wage rate increases are expected to be 10 percent in 1984, 21 percent in 1985 and 24 percent in 1986.

The study estimates inflation will drop below nine percent in 1984 and stay there through 1985 and 1986 if wage increases are held down to nine percent, 11 percent and 12 percent respectively in those years.

"This clearly illustrates the importance of wages as an element in the price-setting process.

"It suggests we may eventually succeed in bringing down inflation to low levels again, pro-

vided we take the necessary action on the structural level and do away with the pre-occupation with monetary policy, without abandoning an attempt at monetary and fiscal discipline," the RAU report comments.

## Bargaining

The authors of the report say a request for wage restraint does not mean they are asking for wage controls.

"Wages in general are set by way of bargaining between large groups in various forms.

"Restraint in the bargaining process is all that is necessary."

Wage restraint implies fiscal discipline as it means less government expenditure and higher company savings.

A further implication is that less tax income will be required by the government.

## Lower growth

In addition to reducing inflation a wage restraint policy means lower growth in the money supply while imports will be less than at higher wage and inflation levels.

In spite of the relative drop in personal dispos-

able income caused by lower wages, real consumption rates rise marginally at the lower price levels and real growth increases somewhat, the RAU report estimates.

HEI HEI HEI HEI

Public

# servants' pay: within weeks

News

ARGUS

1/9/83

355

By TOS WENTZEL  
Political Correspondent

THE Government is expected to tell 250 000 workers in the South African Transport Services and public servants generally whether they will receive a pay rise, and how much it will be, before the end of the month.

This has been indicated by the Minister of Internal Affairs, Mr F W de Klerk, and the Minister of Transport Affairs, Mr Hendrik Schoeman.

About 1 300 000 people — almost a quarter of the working population — are employed in various levels of the public sector.

In answer to a question in the Assembly yesterday, Mr de Klerk said a decision had not yet been taken.

## **Matter being considered**

He said the matter was still being considered and he hoped there would be greater clarity before next month.

As indicated earlier this year, a general increase for public servants would, apart from occupational differentiation, enjoy one of the highest priorities on public funds if the financial position of the Government could accommodate it later this year.

Mr Schoeman, Minister of Transport, said today finality had not been reached yet on transport workers.

He said he had met representatives of staff associations on Monday and another meeting would take place in a fortnight.

It is understood that Sats workers have asked for a 12,5 percent increase but that they are likely to be offered 10 percent.

## **Losing money**

One of the difficulties the Government faces is that Sats is losing a considerable amount of money.

The chairman of the Public Servants Association, Dr Colin Cameron, said in Pretoria today it was reassuring to know the Government is actively investigating public service salary increases.

"The PSA has good faith the Government will make salary adjustments in the present economic circumstances," said Dr Cameron.

He stressed that any increase should be across-the-board and granted simultaneously to all sectors of the public service.

Public servants did not receive general increases this year, but have held pay talks with Mr de Klerk in recent weeks.

## **Fanning inflation**

The Director of the South African Institute of Public Administration, Mr J J N Cloete, warned that any salary increases should be kept modest — "or we will just fan inflation which in turn will harm the general welfare of public servants".

He said salary increases should only be given in inflationary times, where it could be proved that productivity would be boosted.

While questions were being answered in the Assembly yesterday on salary increases, there were Opposition interjections that an announcement would be made before November 2, polling day in the referendum.

(Turn to Page 3, col 5)



## Pay rises for MPs 'shock' Instituut

Financial Editor

THE Afrikaanse Handelsinstituut (AHI), which represents most Afrikaans businesses, is "shocked and amazed at the big increase members of Parliament and members of the President's Council have appropriated to themselves".

AHI president Mr Hennie Klerck said today the pay rises had helped foster the inflation psychosis.

"They created unnecessarily high expectations in the rest of the Government sector at a time when poor economic conditions put a damper on wage and salary adjustments in the private sector."

### UNSUITABLE

Although the AHI had no objections in principle to the increases, they could not have happened at a more unsuitable time, Mr Klerck said.

Mr Klerck hinted strongly that the AHI would like to see some form of wage freeze.

He said Britain had reduced its inflation not only through monetary and fiscal measures, but also by successfully restricting trade-union wage demands.

He added that the AHI believed the Government should not try to avoid direct confrontations on irresponsible wage demands.

## Another Somerset West woman attacked

Crime Reporter

A THIRD Somerset West woman has been attacked in her home as a strong police contingent continues the search for a man who is believed to be responsible for the rape of two women within a week.

Mrs Gwendoline Douglas, 52, was attacked and thrown to the ground at 11 pm last night when, after taking a short walk in the garden, she found an intruder in her lounge.

### ASSAILANT FLED

Major George Kershoff, police liaison officer for the Boland, said Mrs Douglas, of Alphen Place, Dirkie Uys Street, screamed for help and her assailant fled.

Mrs Douglas was unable to give police a detailed description of the man.

This is the third attack on

# Public News



SPRING has sprung, the grass has riz. . . so says the old Western Cape, the first sign of spring is the arrival of: should celebrate Spring Day, September 1, glory

## 20 schoolchildren in hospital

Argus Correspondent

JOHANNESBURG. — More than 20 schoolchildren were overcome by gas at a Johannesburg northern suburbs school today when a chlorine gas bottle exploded near a swimming pool and fumes drifted into classrooms.

The Sandton and Randburg ambulance departments ferried the children from Hyde Park High School to the Johannesburg

## Missing Korean Jum

SEOUL. — The South Korean government said today it was "almost certain" a South Korean Jumbo jet airliner, which vanished earlier today

tacked and shot down by a "tion," Mr Lee told reporters.

He said the South Korean



# Watchmen to get pay rises

5/9/83  
Crime Reporter 355

THE wage determination due in the third quarter of this year is expected to legislate for a substantial increase in the pay packets of black watchmen and security guards in Natal.

And, according to Mr John Vlotman, Natal chairman of the S A National Security Employers' Association, 'because security companies operate on small profit margins they are bound to pass on this additional expense to their customers.'

Guard wages have lagged behind the rest of the labour market and Natal employers who are members of the association have unanimously agreed to increase guard

wages on or before October 1. The last statutory wage increase was in July 1982.

'Many security companies are already paying in excess of the minimum R160 a month.

'The advent of urban terrorism coupled with the increase in crime as a result of the high unemployment rate has put additional pressures on the security industry. The need for higher standards and increased efficiency to meet these challenges is clearly recognised.

'But unless the men are properly compensated we cannot expect this increase in efficiency while at the same time they risk their lives in the course of their duties,' he said.



# '12 percent not enough

Sept 1983

C. Herald

## **Lowest-paid teachers 'left out once again'**

THE pay increase for public servants in January will not be enough, the Cape Teachers Professional Association has said.

Mr Vernon Pitt, deputy president of the CTPA said in a statement they would "naturally welcome any steps to improve the financial position of teachers".

"It is, however, doubtful if the 12 percent increase announced by the Minister (of Internal Affairs) will significantly improve the situation in view of the high rate of inflation.

"It is particularly disappointing that, yet again, no progress has been made in respect of the poor salaries of the lower-qualified teachers.

"The CTPA has requested an early interview with the Minister to discuss the very urgent matter," Mr Pitt said.

## **- say State workers**

THE 12 percent increase, effective from January 1 1984, granted to State employees, would afford some relief but was still not enough to stop the effects of inflation, says Mr Malcolm Domingo, national chairman of the Public Servants League of South Africa.

"We need at least double the amount they have given us because the cost of living is so high and unbearable," Mr Domingo said.

"A very frustrating factor is that an increase which is on par with inflation in fact, was given to certain State officials in high government positions (members of parliament)."

"It must also be realised that what is important to the worker is the amount that he or she takes home at the end of each month.

"Here one sees that 12 percent extra on a salary of R1 500 a month amounts to an additional R180 whereas 12 percent on a R200-a-month sala-

ry, which is what thousands of State workers earn, only amounts to R24."

Mr Domingo said it was sincerely hoped that parity would also be introduced on January 1.

"This should apply at all levels but particularly in the lower income bracket."

He urged the State to view the question of parity in a "serious" light, as the efficiency of the public service was in the balance.

The League, formed in 1969, represents 26 500 coloured and Indian State employees in a number of job categories.

### **REJECTING**

At its congress earlier this year, the organisation shed its traditionally conservative image by adopting a hard line on the Government's proposed constitution — and apartheid in general — rejecting it outright.

Speaking at a press conference shortly after the congress, Mr Domingo said his union would adopt an increasingly progressive line and would "work with" other democratic organisations, particularly trade unions.

355 270 268 7/9/83  
 Hansard Q. 61. 2049  
 \*4. Mr. J. J. B. VAN ZYL asked the Minister of Transport Affairs:†

Whether he intends announcing a salary increase for employees of the South African Transport Services within the next two months; if not, why not; if so, when will this increase come into operation?

†The MINISTER OF MANPOWER (for the Minister of Transport Affairs):

I refer the hon. member to the statement I made last night.

†Mr. J. J. B. VAN ZYL: Mr. Speaker, arising out of the reply of the hon. the Minister, can he tell the House why the salary increases will only be paid from 1 January next year and not now already, four months earlier? What is the reason for that? [Interjections.]

#### Salary increases

\*5. Mr. J. J. B. VAN ZYL asked the Minister of Posts and Telecommunications:†

Whether he intends announcing a salary increase for employees of his Department within the next two months; if not, why not; if so, when will this increase come into operation?

†The MINISTER OF POSTS AND TELECOMMUNICATIONS:

Yes. I refer the hon. member in this regard to my press statement of 6 September 1983, in which I announced that with effect from 1 January 1984 general salary relief will be granted to all members of the staff by means of the payment of a pensionable allowance of 12 percent on basic salary.

†Mr. J. J. B. VAN ZYL: Mr. Speaker, arising out of the hon. the Minister's reply, can he tell us why the Post Office cannot grant its employees a salary increase from 1 October? Why should it only be done on 1 January next year? [Interjections.]

†The MINISTER: Mr. Speaker, in the negotiations I conducted with the Post Office Staff Association, I received requests to let it commence at the earliest possible date on which the Post Office can afford it. In my opinion and that of the Department 1 January 1984 is the earliest date on which we can afford it.



1m employees to benefit

# Public servants get 12% pay rise

355  
ROM  
7/9/83

By GERALD REILLY  
Pretoria Bureau

**A MILLION public sector workers are to get pay increases of 12% from January.**

The announcement made last night is the culmination of months of pressure exerted by the public sector staff associations in the South African Transport Services, the Post Office, and other State and provincial departments.

## Hurry if you want a gambling cruise

Mail Reporter

IT'S not going to be that expensive to gamble your money away on coastal casino cruises this summer ... but if you haven't got a berth then hurry, because most have already been taken up.

According to Mr Burger Oelofse, manager of TFC International, the cruises have proved to be immensely popular.

Coastal cruises between Cape Town and Durban are offered on two ships this year.

Only two of the 10 trips on the luxury German vessel MS Astor, and the liner MS World Renaissance, are not fully booked yet.

Cruise prices on the MS Astor range from R417 to R1 128. The MS World Renaissance is the most expensive R680.

## Foster home for Pretoria foundling

ROM 238  
7/9/83

By MAURITZ MOOLMAN

A BABY girl who unknowingly sparked off an international debate on whether or not she was white has now been placed in a foster home.

The two-month-old child — who cannot now be named in terms of the Children's Act — was given her home by the Children's Court in Pretoria last Friday after spending her first eight weeks in a white Pretoria hospital.

her racial classification, in terms of the Children's Act.

The Act prohibits the publication of any information on a child which could conceivably lead to the identification of a child who has appeared before a Children's Court.

The baby was found in a bag in Pretoria on July 9.

A commissioner of a Children's Court has been quoted as saying that the Children's

Last night, however, although grateful for the 12%, senior Government workers were "deeply disappointed" the increases had not been dated from the beginning of October.

They pointed to the 23% rises the politicians had voted themselves from the beginning of July.

They estimated the total wage and salary bill of the public sector would now rise to about R8 000-million a year.

It would cost the railways administration, the post office, and the central Government nearly R1 000-million more a year.

Economists said the increases would raise pressure for bigger railway and post office tariffs in next year's railway and post office budgets.

The move was therefore inflationary, but this was unavoidable as there was no doubt the increase was justified, they said.

Political observers said the decrease in the fuel price last month, combined with the 12% salary increase, would help the Government's referendum campaign "whether this was intended or not".

Senior members of staff associations said that by January it would be 21 months since they last received a



Sixteen-year-old Charmain Theron, treasurer of Pretoria President, Mr Marais Viljoen, signs a napkin — a souvenir — one of 180 school children who paid a fee. Scholars from several Pretoria schools were free to offer which many took up.

## Queen Ntomb over as Swazi

312 ROM

By PATRICK LAURENCE  
Political Editor

Affairs



pressure exerted by the public sector staff associations in the South African Transport Services, the Post Office, and other State and provincial departments.

## Hurry if you want a gambling cruise

Mail Reporter

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## Foster home for Pretoria foundling

By MAURITZ MOOLMAN

A BABY girl who unknowingly sparked off an international debate on whether or not she was white has now been placed in a foster home.

The two-month-old child — who cannot now be named in terms of the Children's Act — was given her home by the Children's Court in Pretoria last Friday after spending her first eight weeks in a white Pretoria hospital.

No further details were available from the Department of Health, Welfare and Pensions yesterday.

The child's racial classification caused an international uproar following a police statement which claimed forensic tests on her hair had proved her to be non-white.

A spokesman for the department yesterday refused to disclose with whom or where she has been placed, or

her racial classification, in terms of the Children's Act.

The Act prohibits the publication of any information on a child which could conceivably lead to the identification of a child who has appeared before a Children's Court.

The baby was found in a bag in Pretoria on July 9.

A commissioner of a Children's Court has been quoted as saying that the Children's Court never decides on race but only where a child is to be placed after classification by the Department of Internal Affairs.

Meanwhile a University of the Witwatersrand lecturer, Mr Graham Barlow, is to make an application with the Supreme Court to appoint a legal guardian for the child. A white couple has — so far unsuccessfully — instituted proceedings to have the baby adopted.

Last night, however, although grateful for the 12%, senior Government workers were "deeply disappointed" the increases had not been dated from the beginning of October.

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Political observers said the decrease in the fuel price last month, combined with the 12% salary increase, would help the Government's referendum campaign "whether this was intended or not".

Senior members of staff associations said that by January it would be 21 months since they last received increases. They missed out on their routine rises in April.

They claimed the salary backlog measured against inflation of between 12% and 14% during the 21 months had increased, and further compensation would be demanded in April next year.

The president of the Artisan Staff Association, Mr Jimmy Zurich, said:

"We are grateful for the 12%. We were given an indication it would be from October. But this is not the end of the story."

Mr Zurich will lead a deputation from the ASA to see the Minister of Transport Affairs, Mr Hendrik Schoeman, later today.

"We will tell the Minister we want to see him again in February to ask for further salary adjustments from April."

He said further increases in living costs were just ahead, including a higher bread price and an almost 15% increase in electricity tariffs.

The president of the Public Servants' Association, Dr Colin Cameron, said the 12% rise was a reasonable adjustment taking into account the recession and the drought.

The rise, however, would not compensate fully for the big pay backlog which had accumulated over the past two years — "but it is nonetheless very welcome".

It should have the effect of discouraging resignations from the service and in stabilising the staff position in State departments.

Sixteen-year-old Charmain Theron, treasurer, President, Mr Marais Viljoen, signs a napkin main was one of 180 school children who Scholars from several Pretoria schools will offer which many took up.

## Queen Ntombi over as Swazi

By PATRICK LAURENCE  
Political Editor

QUEEN Ntombi, mother of the Swazi heir to the throne, Prince Makhosetive, has been officially installed as Queen Regent, the Swazi Prime Minister, Prince Bhekimpi, announced yesterday.

The announcement came as a surprise as Queen Ntombi was widely reported to have refused to act as Queen Regent while she was still mourning for the death of King Sobhuza.

He died just over a year ago and the mourning period was reported to have had between one and two years to go.

It was because of her reluctance to accept the regency conferred on her after the deposition of Queen Dzelwe as Queen Regent in a palace coup, that the Authorised Person, Prince Sozisa, was appointed acting Head of State only last week.

Queen Ntombi's installation took place on Monday night and was witnessed by the Royal Family, the Authorised Person, the 15-man Supreme Council of State, or Likoqo, and the Swazi Cabinet.

The installation took place at the new royal residence of Mphonod, 15km from Manzini.

No mention was made of the fate of Queen Dzelwe, who tried unsuccessfully to challenge the validity of her deposition in the Swazi High Court and who was at one stage backed by Prince Gahbeni, Minister of Home

After the installation, Queen Ntombi will move to the royal palace in Manzini. She will be the first woman to hold the position of Queen Regent. The installation ceremony was held in a grand hall. Queen Ntombi is the mother of Prince Makhosetive. She was installed as Queen Regent after the death of King Sobhuza. The ceremony was attended by many guests. Queen Ntombi is expected to reign for a long time. She will be the first woman to hold the position of Queen Regent. The installation ceremony was held in a grand hall. Queen Ntombi is the mother of Prince Makhosetive. She was installed as Queen Regent after the death of King Sobhuza. The ceremony was attended by many guests. Queen Ntombi is expected to reign for a long time. She will be the first woman to hold the position of Queen Regent.

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Ring the Rand  
Daily Mail 710-9111

### INSIDE MAIL

● WHEN WATER HITS THE FLAT RATE

PAGE 9

Flair

● FASHIONS OF A

## US steps in as Beirut battle rages

BEIRUT. — The US Middle East envoy, Mr Robert McFarlane, flew to Damascus yesterday, hoping to persuade Syria to stay out of intense battles raging around Beirut.

● Rebel Chadian forces backed by Libyan armoured cars and tanks yesterday attacked government positions at the eastern crossroads of Oum-Chalouba, the second assault on the isolated garrison in five days.

● Talks on siting of missiles in Europe between the United States and Soviet Union were resumed on Monday, but have been jeopardised by the downing of the Korean airliner.

● A government advisory group urged Britain yesterday to reconsider whether it was making the best use of aid in its trade policy towards tropical Africa.

● World News  
— Page 4

### Breakfast Quip



"What can you expect from an organisation called TED?"

## Teachers allegedly

Mail Reporter

FOUR Soweto teachers been suspended by Department of Education Training and a fifth charged of misconduct six pupils claimed raped by a group of in a classroom.

And police have the docket to the Johannesburg senior public prosecutor for his decision.

Mr Edgar Posselt, department's deputy public relations officer



# Teachers 'unhappy' with pay increases

Pretoria Bureau

THE teaching profession would not be happy with the 12% pay rise announced on Tuesday for the public sector, the secretary of the Transvaal Teachers' Association, Mr Jack Ballard, said yesterday.

"The rise is merely a morsel to keep the pangs of hunger away," he said.

"What we want, and what we have been promised, is that the occupational differentiation principle will be applied to teachers. This will result in solid worthwhile increases."

The teaching profession, he added, was falling far behind the public service, where the

principle had been applied for some time.

Leaders in the profession say discontent is growing among teachers because of a string of unkept Government promises.

Last week the chairman for the Federal Council of Teachers' Associations, Mr John Stonier, warned that if quick action was not taken to reduce the big pay backlog, public action — like that taken during the pay crisis two years ago — could not be ruled out.

Yesterday, the standing committee of the federal council had discussions with the Minister of National Education, Dr Gerrit Viljoen, on the salary issue.

dropped

# Pay rise: Teachers cautious

355  
C. Hume 8/9/83

By MARTINE BARKER  
Education Reporter

TEACHERS have responded with considerable caution in welcoming the announcement earlier this week that they will be among the State employees to receive a 12 percent increase from 1 January 1983.

In a press statement released after a meeting yesterday morning with the Minister of National Education, Dr Gerrit Viljoen, the chairman of the Federal Council of Teacher Associations, Mr John Stonier, said that while teachers would welcome the increase it should be borne in mind that it "only partially compensates for the current inflation rate".

The minister's statement, released yesterday morning, indicated teachers' salaries would receive the highest priority in the next financial year in an attempt to place the profession in at least the same position relative to the other sectors of the public service, as it was in 1981.

## 'Calm'

Mr Stonier said the importance of such a step could not be overestimated and would help towards restoring "a level of calm" in the profession.

The president of the South African Teachers Association (Sata), Mr Alan Powell, expressed concern that the increase would merely have the effect of "widening the already serious salary gap" between teachers and people em-

ployed by the State in comparable professions.

While welcoming the increase, he said he feared it would "do little to recruit and retain teachers in a competitive skilled manpower market".

The general secretary of the Suid Afrikaanse Onderwysersunie (SAOU), Mr Johan Botha, said the SAOU was "grateful" the increase had been possible but felt it could only be viewed as an "interim solution".

Teachers' salaries had fallen behind those for people in comparable professions within the public service by as much as 17 percent, he said.

## 'Adjustment'

Mr Franklin Sonn, president of the Cape Teachers Professional Association (CTPA), said his association "welcomed the additional amounts" but acknowledged the increase as "an inflationary adjustment".

The CTPA, most of whose teachers are employed by the Department of Internal Affairs, had requested an urgent meeting with the minister to discuss the question of lower-paid teachers, said Mr Sonn.

Statements issued this week by the Ministers of Internal Affairs and National Education indicated that while lower-paid teachers could expect further improvements within this financial year "fully-qualified teachers" would be enjoy high-priority treatment early in the next financial year.



# Building workers to get 16 pc rise

Staff Reporter

BUILDING workers' trade unions and master builders have negotiated minimum wage increases of 16 percent for all workers in the building industry in the Western Province.

This was announced today by Mr Harry McCarthy, chairman of the Building Industrial Council.

The 16 percent pay rise, which will come into effect next month, will put another R31-million in the pockets of 40 000 workers.

It increases a tradesman's earnings by 60c an hour to R4.40 an hour which is R35.20 a day or R774 a month.

Mr John Rabie, director of Rabie Homes, says it is a dramatic rise which will heavily affect the industry and the increased costs will have to be borne by the buyer.

"About 40 percent of the cost of a house is labour and this is going to add about R2 000 to the average home price."

Not really relevant to the situation

OLIGOPOLY.

1. JOINT PROFIT MAX.

(9) NO BIG ONE ABLE TO DOMINATE

(10) Few sources

(11) Barriers to Entry

255 433 (256)  
WP builders  
Wages rise 10/9/83

CAPE TOWN. — Building workers' trade unions and master builders have negotiated minimum wage increases of 16% for all workers in the building industry in the Western Province.

This was announced yesterday by Mr Harry McCarthy, chairman of the Building Industrial Council.

The increase, which affects about 40 000 building workers, is expected to become payable next month.

The pay rise could add R1 000 to the cost of a R60 000 house, according to calculations by the Building Industries Federation. — Sapa.



# TTA: Teachers need more

By GERALD REILLY  
Pretoria Bureau

THE long delay in the Government applying "occupational differentiation" to the teaching profession had caused frustration and discontent, the secretary of the Transvaal Teachers Association, Mr Jack Ballard, said yesterday.

The view among teachers now was that the Government could not delay the move beyond the first quarter of next year.

It would mean solid increases for certain categories of teachers — in areas where the shortage was greatest.

"We expected the principle to be applied to the profession a long time ago. It was held up last year when we got the same 15% increase given

to all workers in the public sector."

Mr Ballard said it was the organised teaching profession which had initially suggested the occupational differentiation plan.

"Unless it is applied next year there will be trouble in the profession. We have had promise after promise, and nothing materialises."

Mr Ballard said there were critical areas in the profession in which properly qualified teachers were badly needed.

"It is for this reason that the application of the occupational differentiation scheme has become so urgent and so vitally important," he added.

Teachers are to get the 12% rise promised to all pub-

lic sector workers from January.

Most teachers see it as too little, too late and regard it as an "unsatisfactory interim move".

● The Transvaal Educators' Society has welcomed the Government's announcement of a salary increase for teachers but hoped the proposed second 20% increase in April would not be spread over three years.

Mr J R Lambson, president of the TES, issued a statement noting "with delight" the Government's increase — five weeks after the society announced the intention to form a teacher's union.

"We hope that the increase will not be spread over three years as was the case in 1981."

# Desired basic wage would cost R5 000-m extra

By Amrit Manga

INDUSTRY will have to bear the burden of an additional R5 000-million over a period of a year if the current minimum wage of 5-million low-skilled workers is raised to an aspired-to R95.

"The additional cost could be much higher if industry delayed increases too long," warns Professor Dick Sutton of the Unisa School of Business Leadership.

According to University of Natal sociologist Professor Laurie Schlemmer, workers in the skilled and unskilled categories who currently earn an average wage of R74 are already aspiring to a new minimum of R95.

In addition, employers will in the next three years be confronted with intense and unconventional labour challenges which will include calls for equal wages, and a greater interest in the welfare of workers and their quality of life.

Demands for huge wage increases along with negotiations on issues not traditionally part of the bargaining-table agenda are bound to

have significant political overtones, according to Prof Sutton.

Industrialists should therefore prepare for increased worker militancy and industrial disobedience at least for another two years, warns Rod Ironside, General Motors' assistant managing director.

The tempo at which the industrial-relations scenario is developing in South Africa is accelerating and reaching levels much higher than those to which managers have become accustomed.

South Africa already faces a rising rate of industrial action compared with the world's major industrialised nations.

The National Manpower Commission's annual report for 1982 listed a record 394 strikes or work stoppages involving 141 571 workers resulting in an average loss of more than 66 working days per 1 000 workers.

More than 1 000 workers were on strike each day of last year, according to the commission.

By comparison, Germany

● To Page 3



# Union accepts pay offer

14/9/83  
Labour Reporter

ABOUT 1000 workers, all members of the National Automobile and Allied Workers' Union (Naawu), this week downed tools at three plants of a motor-components firm, Autoplastic, in a wage dispute.

The plants are in Cape Town, Pretoria and Port Elizabeth.

The Cape Town secretary of Naawu, Mr Joe Foster, said the company had offered an immediate eight-cents-an-hour increase.

A Sigma spokesman said the work stoppage at the Rosslyn, Pretoria, plant of Autoplastics was resolved yesterday in negotiations between the manufacturers and Naawu.

The spokesman said Autoplastics would begin production today.

Mr Foster said the union had been demanding a 15-cents-an-hour increase backdated to July, but were happy with the eight cents offered yesterday.

# Ciskei nursing pay rises

EAST LONDON — Nurses employed by the Ciskei Government — who have not received their increases due since last October — would get them from the end of this month, the Director General for Health and Welfare, Dr Leslie Mzimba, said yesterday.

But the increases would be made available in three phases Dr Mzimba added.

He said there had been problems with effecting the increases and these had now been ironed out. He did not say what they were.

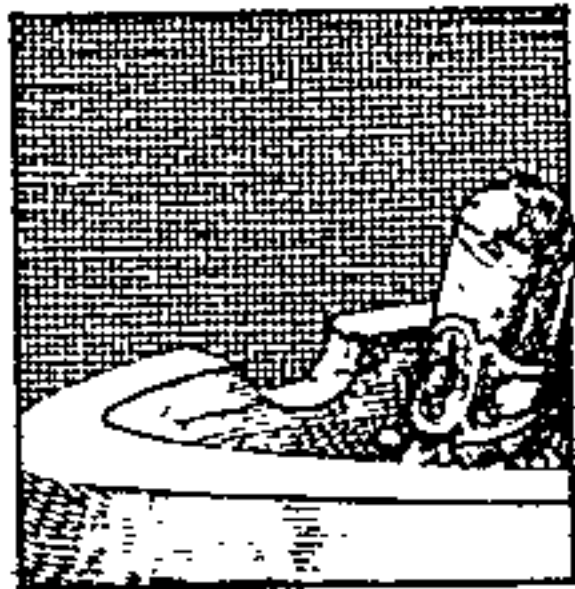
Dr Mzimba said the first phase would be adjustment of salaries to new levels from the end of September.

At the end of October the nursing staff would receive back-pay dated from March to August, 1983.

The third phase would be effected at the end of November when they would be paid increments covering the time from November, 1982 to February, 1983, Dr Mzimba said.— DDR



# Bang goes that Havana



This week two prominent economists called for wage restraint as an ally in the battle against inflation. It cannot be more than ally, of course — rising pay-

packets are simply rising labour prices, and they cannot be financed without a rising money supply. But as it happens, employers won't have to make wage restraint a formal policy — or at least not yet. Right now the market is already doing the wage restraint job for them, and doing it thoroughly.

With few exceptions, salaries and wages are the largest single expenditure for companies, and the obvious target for cutting costs in recession. Profits tend to be squeezed last — or at least the above-the-line kind that are ploughed back into hidden reserves. The point is illustrated well in the graph which shows a rise in corporate savings in the teeth of both a decline in business activity and sharp falls in corporate results.

The graphs that show lower disposable incomes and lower rises in per capita earnings illustrate another point. Managers faced with falling demand no longer need the volumes of unskilled, semi-skilled and even skilled labour that kept the show running at the peak of the business cycle. If they don't retrench, they soft peddle on recruitment and restrain annual salary increases. When this happens on a large scale, aggregate demand for labour goes for a loop, and with it, aggregate labour's bargaining power, collective and individual. Wage and salary increases stop, or slow down, and the consumer price index,

Employers won't have to take a stand on wage restraint. Falling demand, and a falling inflation rate, are doing it for them.



Parrott ... looking for those who are equal

rather than the poaching competitor, becomes the rule of thumb for the annual increment. To employees, job security suddenly looks a lot more worthwhile than pay-scale hopping.

There are exceptions to this rule. One is

the type of specialised technical skill that reflects structural shifts in the economy caused by emergent industries usually based on technological advances. At the moment, computer engineers and biophysicists are not on the same wheels as the business cycle. "Employers are still looking — and paying — for the real specialists," says personnel consultant Colin Katz. "But the more common skills are just not in demand."

Another exception is the type of managerial skill that blossoms in recession — Kamikaze marketing men, cost-crunching financial controllers and top-drawer personal assistants who carry Valium in their handbags. "There's been a shake-out," observes management consultant Ralph Parrott, "of people who haven't proved equal to the recession. They've been judged to be inadequate to recession problems. At this stage, if we recruit, we look for those who are equal." But even here he notes a tendency for employers to put ceilings on recruitment salaries.

These are the exceptions. For the rest, those lucky enough to have kept their jobs, the breathtaking pay rises of the last few years are clearly over. "I'll give you an example," says Ib Ravensborg of HAY Management Consultants. "From August 1979 to August 1982, middle management salaries rose 60%, against a CPI rise of about 46%. This year there's been a dramatic change, and people will match the CPI only if they're lucky. It'll be worse next year. If the CPI rises, say, by 12.5%, middle managers and senior executives will have gone up about 10%. For general staff in manufacturing it'll be about 8%. Only black workers and skilled professionals in service industries are likely to see 14%."

## UNIONS SOFTEN DEMANDS

Not only executive pay increases have dropped substantially during the recession. During the past year, unions representing black workers in a variety of major industries have come away from negotiating tables with less than they gained in previous years.

The fact that they have been willing to settle for less is significant. When government granted statutory trade union rights to black workers in 1979, there were gloomy predictions that chaos would result from unrealistically high black expectations. Indeed, only a year ago there were claims that government's labour reforms would founder on the rocks of the recession, with unions representing black workers refusing to moderate their demands.

In fact, not only have black unions in

some major manufacturing industries accepted smaller pay increases during the past year, but the rate of industrial action has dropped substantially. Last year, according to government statistics, SA experienced an all-time high of 394 strikes and stoppages when black workers' high expectations conflicted with economic realities.

However, there has been a remarkable drop in strike action during the first six months of this year — 63 strikes and stoppages, compared with 182 during the same period last year. There has been an even greater proportionate drop in the number of manhours lost due to industrial action, while some of the most strike-prone unions have displayed a desire to use "official" dispute-settling procedures.

Events in the mining industry provide one of the best examples of black workers' willingness to compromise. This year, for the first time in its history, the Chamber of Mines negotiated with unions representing black mineworkers. Despite the fact that these unions gained pay rises substantially lower than those unilaterally granted by employers last year, there was no significant labour unrest on the mines.

Wage negotiations in many industries have obviously been protracted and acrimonious. However, as one respected industrial relations practitioner says of negotiations with black unions: "Collective bargaining is collective bargaining, and we are having to get used to living with each other in the good years and the bad."



FM 16/9/83 (153) (355)

Statistics from the P-E Consulting Group show that in the last year, pay rises generally failed to match the rate of inflation, in most cases for the first time in four years. For executives and white-collar general staff alike, the 18% increases at the height of the last boom have shrunk to under 13%.

Even low-base income groups, the earlier beneficiaries of socio-economic pressure to close wage gaps and of strong union organisation, are showing the same patterns now. Black general staff, who received a 25% pay rise in 1980-1981, got under 14% this year. And next year is expected to be little different for most categories, worse for some and better for virtually nobody.

At the same time, staff turnover rates have also dropped dramatically. In the last year, to July 1983, they ranged from 16% to 25%. During the previous 12 months, the lowest rate was 26%, and the highest was 36%. Katz makes a gloomy point. "Good people in good jobs are not moving," he says. "The turnover we're seeing is mainly retrenchment."

Another trend tracked by the P-E figures, this time in executive salaries, is a resurgence of "smorgasbord" remuneration

— fringe benefit packages — at the expense of basic cash salaries. This suggests a lesser fear of imminent fringe benefits taxation. But it also suggests that companies are turning to the taxman to preserve real remuneration values in recessionary times. The figures show a marked shift towards fringe benefits.

The P-E figures are based on returns from 847 organisations and claim to represent over 1m employees, so they provide a good bird's eye view of what is happening across the economy. The macro-economic angle was recorded by the Reserve Bank's 1983 annual economic report last month. "Nominal factor income in the form of salaries and wages," it said, "still increased at the high rate of 19% in 1982. But owing to the general economic slow-down and the accompanying easing of labour market conditions, the further increase in the first half of 1983 decelerated to a seasonally adjusted annual rate of 10.5%."

The general trend in wage and salary rises is downwards, but it's not uniform, as the table shows. High-level technical skills and certain managerial functions are at a premium. Manufacturing staff, on balance,

is not. Says Ravensborg: "Service industries are holding up well in terms of wages and salaries. It's a high-technology, high-volume sector, and less price sensitive. So we're seeing a swing, especially of skilled professional staff, towards service firms like banks and insurance companies, and away from manufacturing companies, which are very exposed to recession."

Where steady demand for new staff remains, says Chris Winborne, PRO of the Association of Personnel Service Organisations in SA, it is generally restricted to what employers call "good" candidates for middle and senior management positions. But fewer are seen as good. And many of those employers who, with one eye on the next economic upswing, are preparing to recruit people timeously are "increasingly turning to importing the skills they require from overseas."

Wage restraint is well entrenched as part of the drive towards cutting costs and riding out the recession. Says Parrott: "The tendency to fill offices and to keep cars moving is definitely down." Not without coincidence, so is the rate of growth of the money supply and inflation.

## THE SHRINKING PAYPACKET

### Salary Increases by Group

	Executives	General staff				CPI
		White	Asians	Coloureds	Blacks	
1978/79	6.9%	10.9%	12.4%	14.5%	13.2%	13.5%
1979/80	18.4%	16.4%	17.1%	18.2%	13.8%	14.6%
1980/81	18.4%	15.6%	22.1%	14.3%	24.6%	14.5%
1981/82	13.2%	14.6%	24.2%	18.0%	20.3%	14.4%
1982/83	12.7%	12.3%	12.1%	12.3%	13.6%	12.8%
Average increases over 5 years	91%	92%	124%	105%	119%	110%
Projected increase for 1983/84	12.9%	10%	12.5%	12.5%	12.5%	10%

### Staff Turnover

Overall staff turnover	White	Asian	Black	Coloured	Average
1981/82	34%	36%	26%	33%	30%
1982/83	21%	16%	24%	25%	21%

#### Retrenchment 1982/83

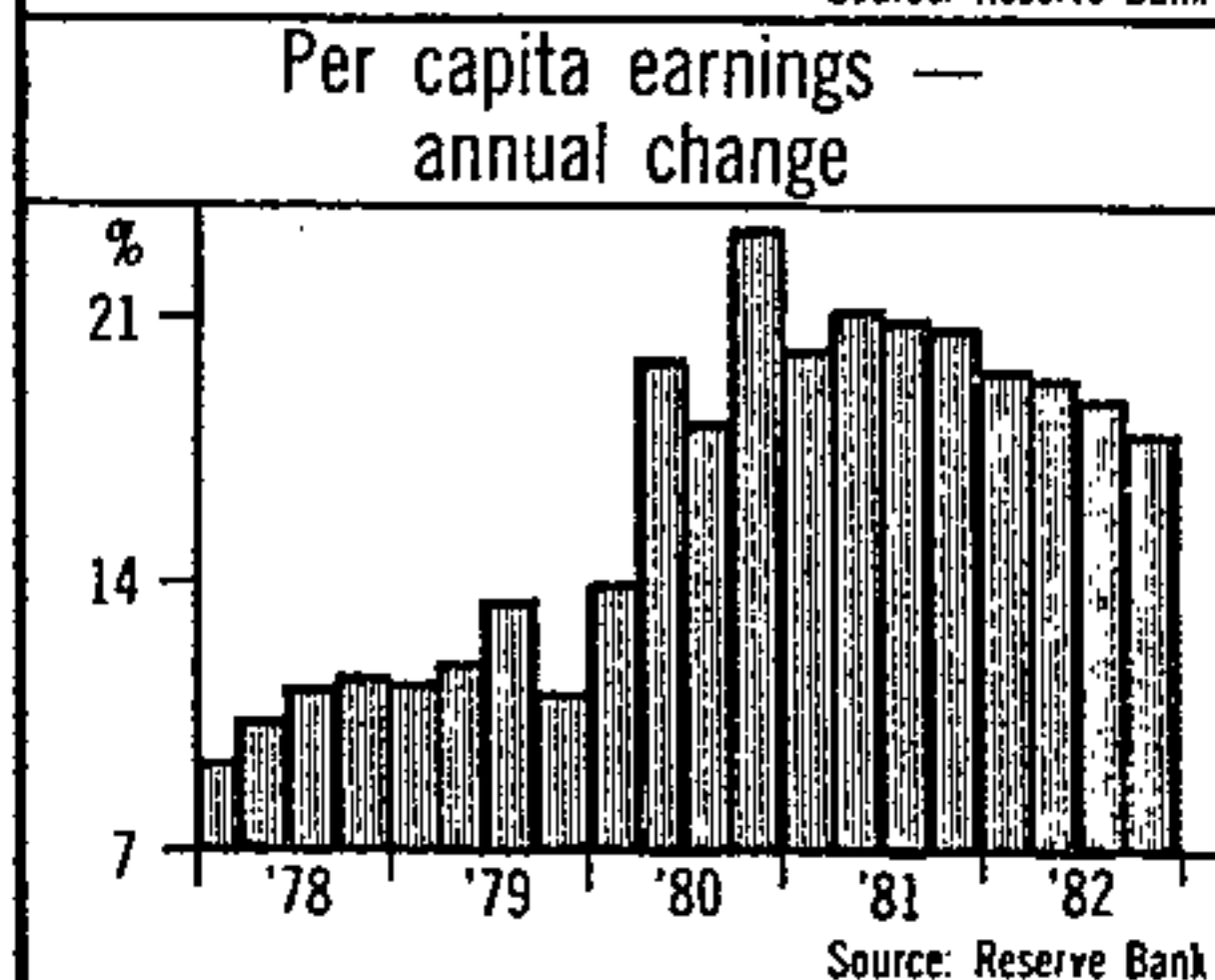
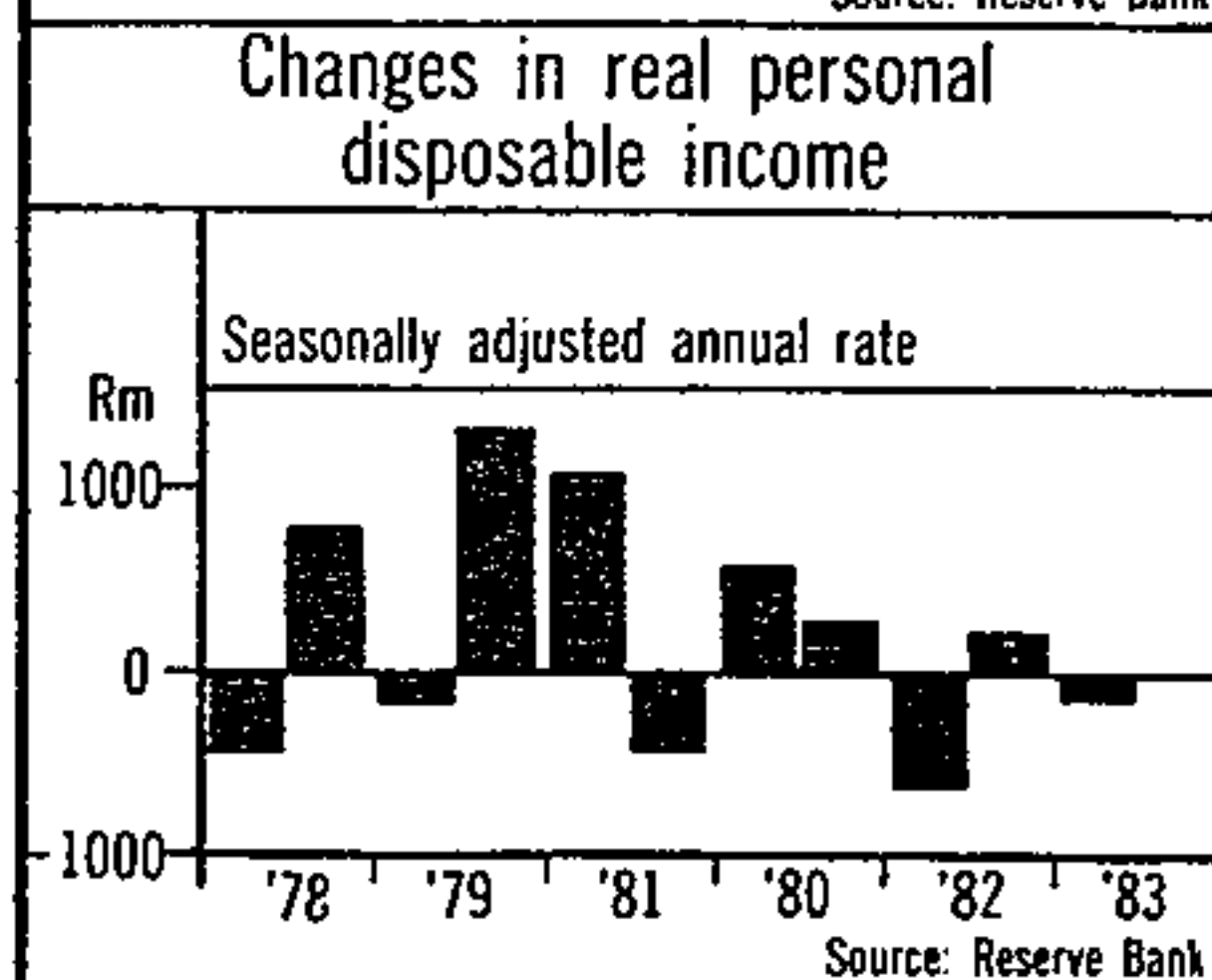
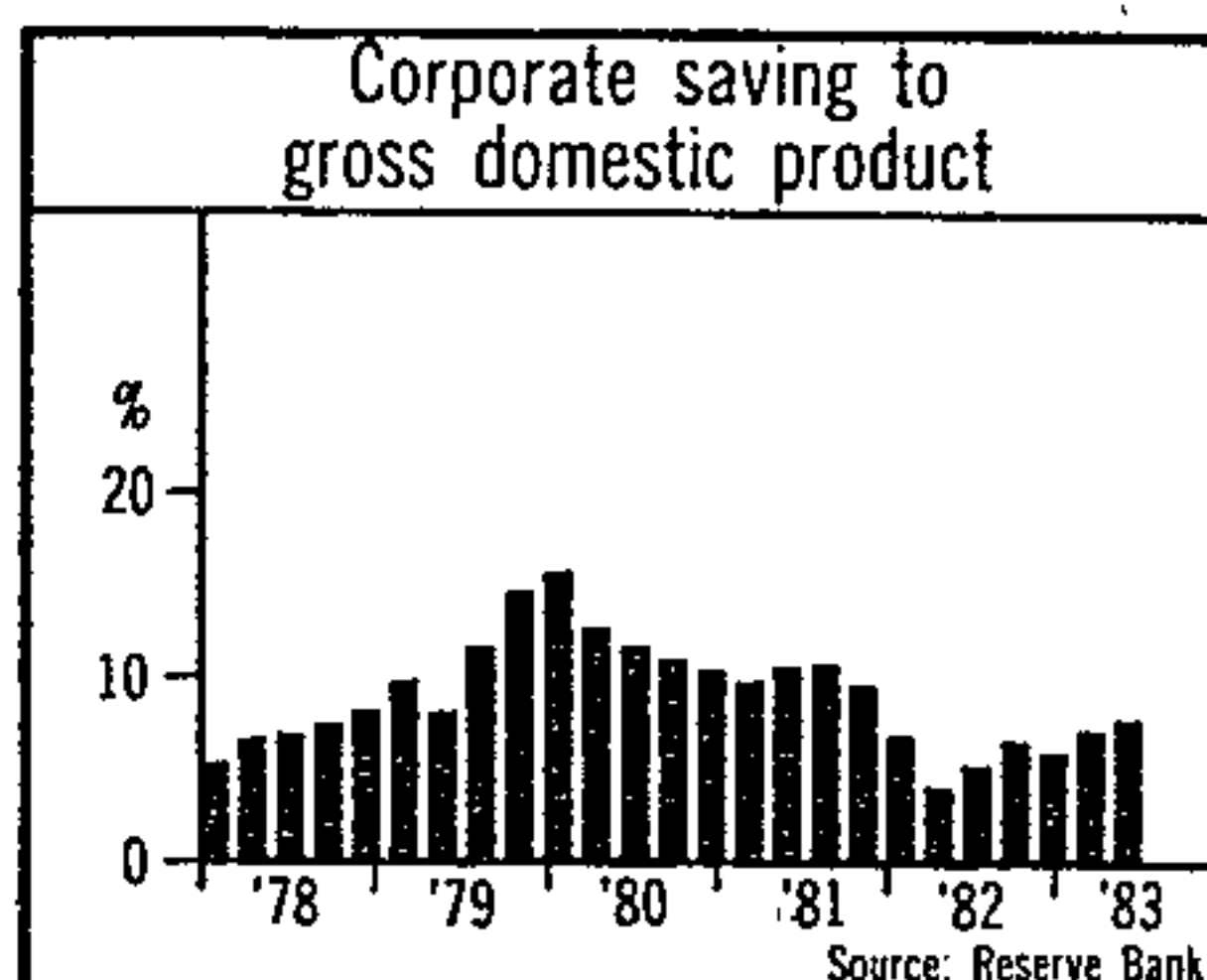
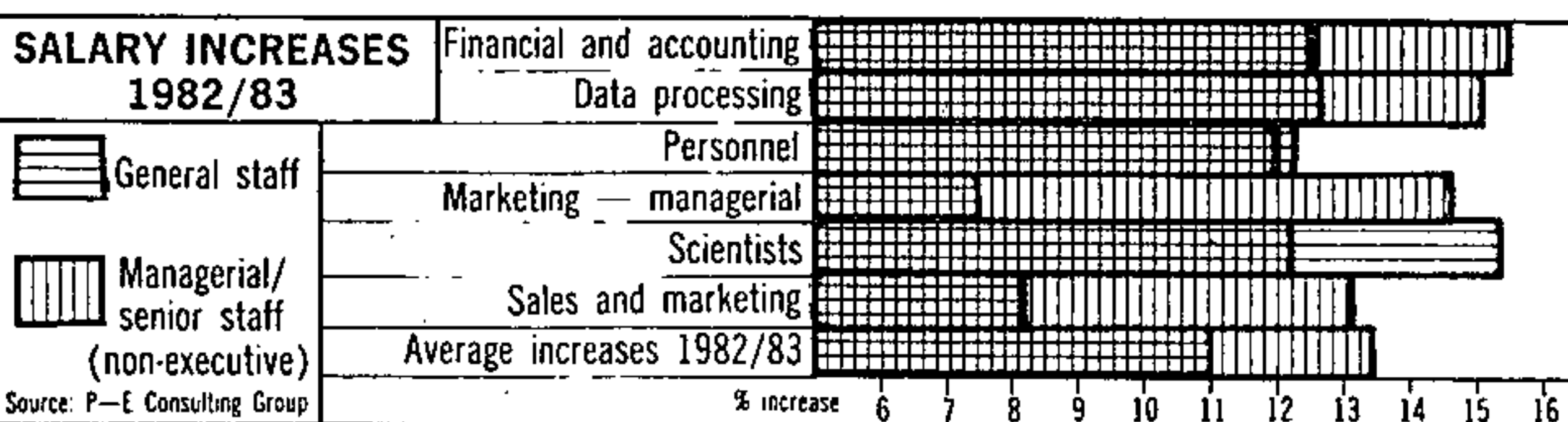
	White	Asian	Black	Coloured	Average
All sectors	6%	25%	15%	15%	16%
Materials manufacture	21%	25%	39%	35%	28%
Construction	13%	35%	33%	—	25%
Financial institutions	1%	—	—	3%	3%

### Executive Pay Increases

1982/83	Basic salary	Total salary*	Total cost† of employment
Weighted average			
All positions	12.7%	13.5%	13.7%
Chief executive	13.8%	13.4%	11.3%
Marketing executive	14.8%	15.2%	15.9%

\* Basic salary plus bonus and directors fees.

† Total salary plus fringe benefits.





# Lowest living wage figure is fixed

Sept. 1983

Mercury Correspondent

JOHANNESBURG—A Richards Bay civil engineering company has struck an unusual wage deal with the Metal and Allied Workers' Union.

In terms of the agreement, the union and Stone Bay Sales have agreed on a minimum figure which both sides see as an 'acceptable living wage'.

The gap between this figure and the minimum presently being paid by the company will not, however, be bridged immediately. Instead, a series of negotiations will determine how quickly the minimum will be increased to enable the 'living wage' target to be met. This must be done within a fixed period.

## First step

The first step in this process is a 30 c-an-hour increase which will come into effect on October 1. Six-monthly negotiations will then be held to achieve the 'living wage' figure.

The company is a member of the Grinaker group, in which Murray and Roberts and Duiker Investments also have a shareholding.

The deal follows demands by Federation of South African Trade Union members that employers pay a minimum 'living wage'. It is believed to be an attempt to balance this demand with companies' ability to afford increases.

In a statement yesterday Mawu's secretary in Richards Bay, Mr Willis Mchunu, said the agreement followed negotiations in Empangeni on September 22.

## Desirable

The union and the company agreed to set what they considered to be an acceptable minimum wage and also agreed that it would be desirable to close the gap between the present minimum wage and the accepted minimum. This is, however, difficult to implement, the statement added.

It had therefore been agreed to follow certain steps to reach the target within the period fixed.

The 30 c increase would apply until March next year and the balance would be negotiated in the six-monthly stages.

Benefits presently enjoyed by workers would not be affected by the increase.

'At the conclusion of negotiations, both parties expressed satisfaction at the positive attitude displayed,' the statement said.

255 20/9/83

# Mawu clinches pay deal

By STEVEN FRIEDMAN  
Labour Correspondent

TWO Natal companies have agreed in negotiations with Fosatu's Metal and Allied Workers Union to pay workers a minimum wage of R90 a week — a key breakthrough for the union in its current attempt to win pay rises from metal companies outside the official industrial council system.

At one company, Barlow Rand subsidiary WB Camerons in Durban, the wage agreement follows a strike

ballot in which 93% of the union's members voted to strike if the wage dispute was not settled.

The union has been campaigning for a R90 a week minimum but this figure is some 40% above the minimum in the council agreement and most employers have resisted it.

By concluding the agreements, the two companies, WB Camerons and Prestige, have also ignored requests by employer federation Seifsa not to bargain wages outside the industrial council system.

In a statement yesterday, Mawu said the WB Camerons deal would increase minimum pay by 24% and that at Prestige the industrial council minima had been exceeded by 80% for most workers.

A WB Camerons spokesman confirmed that the minimum would rise to R90 a week, but said this would take effect from January 1 only.

At Prestige, Mawu said the increases would be backdated to July and talks on further increases would be held in November.





RIS  
STERDAM  
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many more

# Teachers' pay '30% below cost of living'

355 301 RDM 20/9/83

By HELENE ZAMPETAKIS

RESENTMENT over teachers' salaries has not been diminished by Government assurances that they will give top priority attention to the problem.

Angry teachers said in interviews they would like to see regular cost of living salary adjustments which take inflation into account, outside of salary increases.

They said their salaries had fallen about 30% behind the cost of living since the Government responded to massive teacher agitation in 1981 by increasing salaries by up to 26%.

Mr Jack Ballard, TTA general secretary, said this increase had brought teacher's salaries up to standard for a year.

But salaries have dropped so far behind their equivalent professions that a principal with a masters degree who has been teaching for 17 years takes home a mere R1 000.

Several teachers expressed resentment over the fact that they came boldly into the public eye whenever their salaries needed upgrading.

"It is embarrassing for us to have to campaign for a decent income every few years when it should be an automatic annual consideration," one teacher

said.

And another said: "Unfortunately we are dealing with a Government that only responds to pressure. So we have to constantly haggle in three year cycles for a decent increase that brings us up to standard."

"The Government reacts to a tremendous uproar by giving teachers an increase, and then they leave it for several years."

"They need to work out a system whereby we get cost-of-living increases every year," one teacher said.

● Eking out a living — Page 11

## 200 at veteran unionist's funeral

RDM 20/9/83

By STEVEN FRIEDMAN  
Labour Correspondent

MORE than 200 people, including employer representatives and trade unionists across a wide spectrum of ideologies, gathered at Johannesburg's West Park Cemetery yesterday for the funeral of veteran trade unionist Mr Morris Kagan.

Mr Kagan, who was general secretary of the Witwatersrand Liquor and Catering Employees' Union,

helped to initiate unions for shop workers and assisted in the formation of independent black trade unions during the 1950s and 1970s.

He was a familiar and respected figure to both employers in commerce and to trade unionists across a wide spectrum.

Besides members of Mr Kagan's family, including his three children, employers from several major chain stores and tearoom owners'

representative Mr D Michos attended the funeral yesterday.

Trade unionists who attended included Mr Chris Dlamini, president of the Federation of SA Trade Unions, Mr Phiroshaw Camay, general secretary of the Council of Unions of SA, and Mr Arthur Grobbelaar and Dr Anna Scheepers, general secretary and president of the Trade Union Council of SA.

A large delegation from

the Commercial, Catering and Allied Workers Union of SA, one of the fastest-growing black unions in the country which Mr Kagan assisted at various times, also attended, including union general secretary Mrs Emma Mashinini, president Mr Isaac Padi and worker leaders from various stores.

Rabbi I Goss conducted the service and delivered brief remarks lauding Mr Kagan's contribution to the trade union movement.

## Squabble over TV series

London Bureau

LONDON. — A major TV documentary series about the Social Democratic Party was almost scrapped at the last minute because of a row over using the theme music from the award-winning film "Chariots of Fire".

Only the last-minute intervention of film producer David Putnam saved the four-and-a-half hour documentary, "Claret and Chips", from being pulled off the air by Channel 4.

TV cameramen spent more than a year filming the activities of the Social Democrats to compile a history of the party over the last two years.

All went well until they started editing the film. The trouble stemmed from the fact that the SDP had used the "Chariots of Fire" music as one of their campaign tunes.

Greek composer Vangelis was furious when he learned about his composition being associated with a political party and refused permission to use it.

Then, David Putnam, an SDP supporter, stepped in. He personally contacted Vangelis who finally relented.

## Di's pregnancy is 'speculation'

London Bureau

LONDON. — Princess Diana's Press secretary, Mr Victor Chapman, was yesterday quoted as saying fresh reports that she was pregnant were "pure speculation" and "rubbish".

But with even Fleet Street's "serious" newspapers publishing reports in recent days claiming she was expecting a baby in April, Mr Chapman's statement has not halted speculation.

Buckingham Palace has not yet issued a firm denial of the reports. Spokesmen either refuse to comment or describe the reports as speculative.

Princess Diana, Prince Charles and the infant Prince William are still on holiday with the Royal Family at their Balmoral Castle estate in Scotland.

The princess herself refused to comment. She answered with an adroit "that's a bit personal" when she toured a factory last week and a girl worker asked her directly if she was expecting.

Buckingham Palace has not responded to a swipe at Princess Diana from Mr Arthur Scargill, the Marxist leader of Britain's mineworkers.

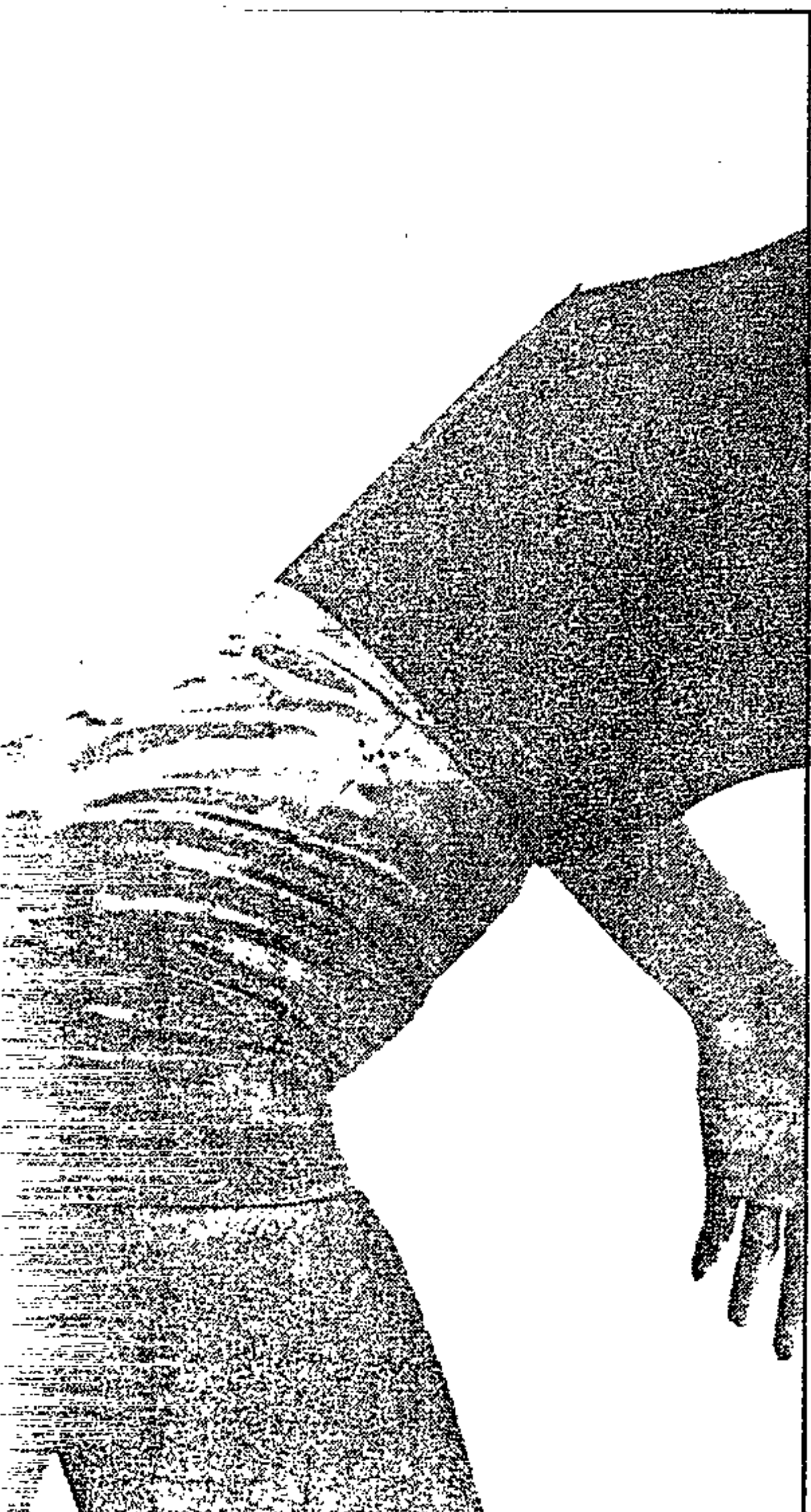
In a morning television in-



PRINCESS DI pregnant?

republic and that the Royal Family should be deposed.

Protesters jammed the switchboards when he said the princess could be better employed selling maternity dresses and other maternity





# cleaners' pay 'shameful'

By HELENE ZAMPETAKIS

TRANSVAAL wages paid to cleaners have forced schools to supplement

— illegally. Statistics for school and hostellers' wages were disclosed at Transvaal Teachers' Association conference at the weekend. An average salary of under £100 a year is paid less than the average household subsistence level (£120).

According to figures released by the Institute of Race Relations, the average salary of a cleaner in Johannesburg was £221 this year — and this

figure excluded rents and transport. The TTA disclosed that many teachers received in one month what one cleaner received in a year.

And the total monthly wage cheque for a school with four cleaners was usually less than the monthly cheque of a first-year teacher.

A resolution, proposed by Mr D P Robertson from the Central Rand branch of the TTA, called on the Transvaal Education Department to review "as a matter of urgency" these wages.

Outlining the salaries for cleaners, the TTA said many cleaners had wives and children in the "homelands" and their income was mini-

mal. They had to subsist on a total income of R100 to R200 a month.

Male school cleaners start at R103 a month — and the ceiling scale is R208 a month.

A woman cleaner's starting salary is R91 and increased only up to R191 a month.

Miss Elizabeth Niemeyer, president of the TTA, said yesterday the "disgraceful" salaries were likely to be increased by 12% when teachers and other civil servants received their increases next year.

Despite TTA rulings that schools may not pay their cleaning staff additional wages other than overtime, many schools resorted to this form of

payment to supplement the wages. "It is becoming increasingly difficult to obtain the services of cleaning staff if there is a change of staff. The wages offered are not attractive," the TTA said.

In a response to a TTA memorandum earlier this year, the TTA said leave privileges and the creation of promotion posts would be investigated. At present there are no such privileges.

"As a result of the present economic position, the department is unfortunately not in a position to deviate from (the present staffing structure) at this stage," the director, Professor J H Jooste said.

## Leadership academies' still up in the air

Mail Reporter

Transvaal Education Department has not yet made any decisions to implement leadership academies, which have been strongly criticised by English school-

teachers. J H Jooste, director of the department, said yesterday the department had issued queries to measure teachers' responses to leadership academies at regional conferences earlier this year. He said how plans for the academies stood at present, Jooste said there were

no indications of future developments "at this stage". He did not elaborate on what the department had in mind for the academies.

However, according to briefings to English schools earlier this year, teachers understood that the academies would be designed to encourage qualities of leadership from the Transvaal's more outstanding youth.

The academies would operate like boarding schools, and children between Standards 7 and 8 would leave their normal schools and

their homes to attend them. They would have a similar function to veld schools. These pupils would then be reintroduced into other schools as leaders for their final two years of high school.

At the weekend, the Transvaal Teachers' Association condemned the principle of establishing such a scheme and called on TTA to drop plans for them "as a matter of urgency".

The principle has been strongly condemned as being "open to abuse and therefore dangerous".

Miss Elizabeth Niemeyer, president of TTA, said yesterday English schools would strongly oppose such a programme if TTA decided to implement it.

The system would remove the cream of pupils at a time when they could be making a very important contribution to their schools. The principle also assumed that normal schools were not providing suitable opportunities for the identification, development and training of leaders, Miss Niemeyer said.

It was debatable whether such a system would in fact be in the interests of pupils concerned. For example, these pupils could become the objects of resentment among other pupils.

The resolution unanimously passed at the TTA conference slammed the system as "extremely unhealthy", saying it would give the department the opportunity to mould attitudes and values as it saw fit. It was viewed as an elitist concept which was bound to foster attitudes of exclusiveness.

## Bid to ban Soviets from Games

LOS ANGELES. — A ban on Soviet participation in the 1984 Los Angeles Olympics because of the downing of a Korean Air Lines jet is the subject of a million signature petition.

Five Southern California businessmen, including two Korean-American community leaders, launched the 60-day national petition drive on Monday to pressure President Ronald Reagan and Olympic officials to block Soviet participation in the games.

"The actions taken as sanctions against the Soviet Union have not been strong enough, and certainly have not been effective in condemning the Soviet Union for massacring 269 innocent men, women and children," said Mr David Balsiger, an Orange County evangelical author who organised the petition.

Copies of the petition demanding the banning of the Soviet Union from the Games through executive order, congressional legislation or denial of visas will be given to world leaders and Olympic officials.

It also urges state legislatures to pass resolutions asking that the Soviet Union be banned and asks

## 'Education charter' formulated

By HARRY MASHABELA

A CONFERENCE organised by the National Education Union of South Africa (Neusa) and held in Maritzburg at the weekend, decided to formulate an "education charter" for an alternative to the existing black and white education systems.

Mr Curtis Nkondo, Neusa's president, said yesterday the education charter

tions, teachers, individual parents and students through seminars and workshops.

The Maritzburg conference was attended by 130 delegates the National Union of South African Students (Nussas), Congress of South African Students (Cosas), Azanian Students Organisation (Azaso), Teachers Action Committee (TAC) and Diakonia, a Durban-based

critical of both bantu education and white education in this country and now want to chart out an alternative. All progressive organisations are to be asked to join hands with us to work towards the creation of an equal and democratic education system," said Mr Nkondo.

The idea of an alternative education system was, he added, born out of their ac-

Charter that "the doors of learning shall be opened to all".

Mr Nkondo also said that several resolutions were adopted by the conference, rejecting the President's Council proposals, the three Koornhof Bills, the De Lange Report on education and the conferment of the freedom of Soweto on the 21 Battalion. The National Education Union of South Africa is an





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And another said: "Unfortunately we are dealing with a Government that only responds to pressure. So we have to constantly haggle in three year cycles for a decent increase that brings us up to standard.

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● Eking out a living — Page 11



2014 2019/83

# Eking it out on a teacher

The profession that must lead South Africa into the future is, it seems, paid at a rate that belongs to the past. Despite a growing recognition that our educators must be remunerated to account for their vital role, they are still struggling to make a living. The cost of living has steadily eroded the financial security of those who teach our children. So far the Government has promised 12% increases for next year, but teachers want at least 32%. HELENE ZAMPETAKIS spoke to four teachers and found out why.

THEY'RE not on the breadline, but it sure feels like that. That was the gist of four teachers' descriptions of how they come out on their salaries.

Take CHRIS WRIGHT. He teaches maths at a primary school in Bezuidenhou Valley, Johannesburg. He's got a wife and two children, a R60 000 bond, two cars — and he takes home R800 a month.

For the first time in his career — he is now a head of department — he could, if he had to, make out on his salary alone. He has been teaching for 13 years.

"We could probably eke out an existence if my wife didn't work, but we would really battle. As it is, we rely heavily on her income," he says. His wife, Lee, is a businesswoman who works half day and contributes one third of the family income.

Mr Wright says he is equivalent in qualification and earning capacity to lower middle management — and therefore capable of earning at least an extra R700, according to recent surveys.

And his salary can't go up much higher. "Many people

**DEBRA PILKINGTON ... high school teacher on maternity leave.**



because we survive adequately. I know of teachers who have to do extra lessons and rely on the three merit awards to jack up their salaries."

Mr Wright would like to see regular cost of living adjustments which take into account inflation "outside of salary increases". With salaries at this standard, there was no room for extravagance.

"When the videos moved into the market, we teachers were the last to get them. Mr. ... went to

teacher, has had to go back to work.

"Cash in hand is the problem", he says. "There is no way I could live on my salary without my wife working, though we don't want her to work."

"We never go out. We can't afford to splash out on luxuries — there are too many essential expenses to meet."

"But I have made very quick progress — it took me 10 years to become a headmaster and that saved me. "But I've been happy as a teacher — it gives me a lot of

**BRUCE EDWARDS ... teaches matric geography and history at Sandown High School**



R1 354.25 a month — that's R1 119.75 plus R234.50 from the TED towards his bond for their home in Buccleuch.

In July the bond repayment was R371 — but now he pays R975 because of extensions to the house. He is taxed R96.97, pays R89.58 to a pension fund, R22.40 to the medical aid fund, and R2 to the SA Teachers Council.

That leaves him R168.30. "So Jo works and the baby goes to a creche. We can't

make ends meet otherwise. We live closely, we have to penny-pinch," he says.

He gets a little help from parents of his pupils, and his father-in-law gave the couple an old car. Their second car was bought on his wife's salary.

In his first year of teaching he found the salary "abominably low". His wife earned more than he did.

Even now he's in a lift club to save on transport costs and

he hasn't bought new clothes for 18 months.

"But if I become a head of department, I will have to buy a couple of suits," he says. He is resentful that a man in the teaching profession can only aspire to a slightly higher salary than his, as a principal.

But Mr Edwards is very proud of the brand new house he has just built — and the TED housing subsidy did make it possible for him to

WF ... te math pr sch Bez and R n Plc Hl Z



# 355 it out on a teacher's wage...



**BRUCE EDWARDS**  
... teaches  
matric  
geography  
and  
history at  
Sandown  
High  
School



**CHRIS WRIGHT**  
... teaches  
maths at a  
primary  
school in  
Bez Valley  
and takes  
home  
R800 a  
month.  
Pictures:  
**HELENE  
ZAMPE-  
TAKIS**



to PhD, but when he gets it, his salary won't increase, because he has reached his earning ceiling.

BRUCE EDWARDS teaches matric history and geography at Sandown High School. His wife gave birth to their first child two months ago, and went back to work on September 1.

He produced his July salary advice slip. He earns

R1 354,25 a month — that's R1 119,75 plus R234,50 from the TED towards his bond for their home in Buccleuch.

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he hasn't bought new clothes for 18 months.

"But if I become a head of department, I will have to buy a couple of suits," he says.

He is resentful that a man in the teaching profession can only aspire to a slightly higher salary than his, as a principal.

But Mr Edwards is very proud of the brand new house he has just built — and the TED housing subsidy did make it possible for him to

build it.

He stresses that the pension and medical aid schemes are some of the best available. And the TED pays 86% of maternity costs.

And he points to the extra ways of earning money — marking matric papers can make a teacher up to R400 a year, extra lessons can bring in another R20 an hour.

□ □ □

DEBRA PILKINGTON, a

high school teacher, is on paid maternity leave. Before she had her first son, Matthew, she became a subject head.

"But all it meant was that I had two extra free periods and more responsibilities."

After six years of teaching, she clears R740. And before she married her lawyer husband, Mike, she had to share a house with four people in a low-rent area to cut the high costs of rent.

"If I hadn't shared the house, half my salary would have gone on rent alone," she says.

The new family relies completely on her husband's salary and when she goes back to work, it will only be on a part-time basis.

"We regard my salary as extra pocket money. Most women who go back to teaching go back because they love the work. No-one who needs money will go back into teaching."



Government has promised 12% increases for next year, but teachers want at least 32%. HELENE ZAMPETAKIS spoke to four teachers and found out why.

THEY'RE not on the breadline, but it sure feels like that. That was the gist of four teachers' descriptions of how they come out on their salaries.

Take CHRIS WRIGHT. He teaches maths at a primary school in Bezuidenhout Valley, Johannesburg. He's got a wife and two children, a R60 000 bond, two cars — and he takes home R800 a month.

For the first time in his career — he is now a head of department — he could, if he had to, make out on his salary alone. He has been teaching for 13 years.

"We could probably eke out an existence if my wife didn't work but we would really battle. As it is, we rely heavily on her income," he says.

His wife, Lee, is a businesswoman who works half day and contributes one third of the family income.

Mr Wright says he is equivalent in qualification and earning capacity to lower middle management — and therefore capable of earning at least an extra R700, according to recent surveys.

And his salary can't go up much higher: "Many people on our staff have reached their maximum earning capacity," he says.

The TED subsidises R300 of his monthly bond payments of R600.

Every month he must spend just R130 short of his income on basics: about R400 on food, about R100 on clothing, R30 on school fees, and about R150 on transport costs for their two cars, both of which are paid off.

"If one of them went on the blink, we'd really be in a state," he says.

Like other teachers interviewed, Mr Wright thought he was relatively well off.

"I'm not a good example

RDM  
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355

DEBRA PILKINGTON ... high school teacher on maternity leave.



BRUCE EDWARDS teaches matric geography and history at Sandown High School

because we survive adequately. I know of teachers who have to do extra lessons and rely on the three merit awards to jack up their salaries."

Mr Wright would like to see regular cost of living adjustments which take into account inflation "outside of salary increases".

With salaries at this standard, there was no room for extravagance.

"When the videos moved into the market, we teachers were the last to get them. When Rod Stewart went to Sun City, the price of tickets seemed like a lot of money — it amazed us when friends could dash off on the spur of the moment to spend a weekend there.

"We're just lucky to have tolerant wives," he sighs.

□ □ □

MARTIN FOSTER — with a Master's degree — is principal at a primary school in Bezuidenhout Valley and has been in the profession for 18 years. He takes home R1 000 a month.

His has four sons between the ages of four and 12, and this year his wife, also a

teacher, has had to go back to work.

"Cash in hand is the problem", he says. "There is no way I could live on my salary without my wife working, though we don't want her to work."

"We never go out. We can't afford to splash out on luxuries — there are too many essential expenses to meet."

"But I have made very quick progress — it took me 10 years to become a headmaster and that saved me."

"But I've been happy as a teacher — it gives me a lot of job satisfaction that money can't buy," he says.

Mr Foster had to start "from scratch" after returning from a year's study leave in Canada. He spent his life's savings of R15 000 to take his family with him.

"In Canada a headmaster with my qualifications earns double what I do, though their cost of living is higher," he says.

He bought a house in 1976, when prices were relatively low. He pays it off at R420 a month, and the TED gives him R190 towards the bond repayment.

Mr Foster is working on his

PhD, but when he gets it, his salary won't increase, because he has reached his earning ceiling.

□ □ □

BRUCE EDWARDS teaches matric history and geography at Sandown High School. His wife gave birth to their first child two months ago, and went back to work on September 1.

He produced his July salary advice slip. He earns

R1 354,25 a month — R1 119,75 plus R234,50 the TED towards his home in Buccleugh.

In July the bond repayment was R371 — but now it's R975 because of extra on the house. He is taxed R89,58 to a pension fund, R22,40 to the medical fund, and R2 to the SAAERS Council.

That leaves him R1 119,75. "So Jo works and goes to a creche. We

TWO years ago the Government promised to bring teachers' salaries up to standard.

But the extent of the backlog was so great that it had to be done in two steps.

First, in 1981, the Government adjusted all salaries to a mean derived from a special report on teachers' salaries by Dr Roux Venter, of the Transvaal Education Department.

The second step was designed to be implemented within the next couple of years.

This step was to be the introduction of professional differentiation, bringing teachers' salaries up to a par with their counterparts in other professions.

It never happened.

And their salaries have lagged so far behind again that teachers now earn not only less than other civil servants in equivalent professions, but also fall way behind the rate of inflation.

Mr Jack Ballard, general secretary of the Transvaal Teachers' Association said that teachers have tried to challenge the belief that teaching is part of the civil service.

"We have tried to divorce the two because of the nature of the profession.

"Teaching needs a particular salary structure. It needs professional differentiation because teachers need four years of training to

qualify for the profession. That makes teaching an expensive business."

Describing education as the "Cinderella of the provincial services", Mr Ballard said teachers began agitating for increased salaries round 1980.

"They saw how civil servants with the same qualifications, drive and ability could progress faster in financial terms than they could," he said.

And the Roux Venter report showed, on the basis of comparisons in the public and private sector of professions of equivalent training and responsibility, that teaching lagged far behind.

The first step to increase teacher's salaries was implemented, and in the meantime professional differentiation within other sectors of the civil service put them ahead of the teaching profession.

Professional differentiation was not dealt with in teaching. In 1982 the civil service, including teachers, received a 15% salary increase, but this year there was no increase.

"With inflation running at about 14% for the last two years, it puts teachers way behind."

"They didn't catch up in the first place, when the Government planned to restore the balance," Mr Ballard said.



# Too early to talk about cleaners' pay

By HELENE ZAMPETAKIS

IT IS "too early" for the Transvaal Education Department to say what they will do about school cleaners' wages.

Referring to a motion passed unanimously at the Transvaal Teachers' Association annual conference over the weekend, a spokesman for TED said yesterday it would have to process the demand for cleaners' salaries to be increased.

The spokesman said motions from associations' conferences were submitted to the department in written form.

It took "a while" for the department to process the motion before any decisions were taken, he said.

The TTA had called on TED to increase "as a matter of urgency" the salaries of janitors, who were earning between R91 and R208 a month.

Their salaries were well below the Institute of Race Relations' household subsistence level, which was R277 for a family of six in urban areas.

Many schools were supplementing their cleaning staffs' salaries, even though it went against department rulings.

Certain schools had employed the same cleaners and members of their families for generations, Miss Elizabeth Niemeyer, president of the TTA, said this week.

The loyalty of the cleaners had induced them to increase their salaries.

# Jobless benefits being reviewed

ARGUS 11/10/83 355 366 335 301

THE Government is reviewing the benefits paid by the Unemployment Insurance Fund.

This was reported today by Mr J W Nelson, president of the Steel and Engineering Industries Federation of South Africa (Seifsa).

He told the federation's annual meeting in Johannesburg Seifsa had

asked for an examination of the fund because of the recession.

In spite of major efforts to reduce retrenchments by eliminating overtime and working short time, the recession had led to employment in the metal industries dropping by 70 000 or 15 percent between November 1981 and May this year.

Production in the major iron and steel basic industries had declined by 30 percent from the mid-year peak of 1981.

Foundry output dropped to 546 000 tons — the lowest recorded in 10 years.

However, Seifsa's output still exceeded R10 000-million a year, constituting a third of the total manufacturing output in South Africa, while its employee strength remained above 400 000.

with its present policies and focus on inflation and the shortage of skilled manpower which were affecting industry's ability to compete with overseas producers.

Wage negotiations had proved particularly difficult this year. However, an agreement was reached for a five to seven percent increase in statutory minimum wages and guaranteed minimum increases ranging from 21c to 10c an hour.

## SKILLED MANPOWER

Seifsa was concerned about pressures being put on the Government to move away from its long-held policy of promoting secondary industry through moderate and selective tariff protection and export promotion aids.

It was essential for the Government to continue



# Black consumers gain more muscle

BLACK consumer power is rapidly gaining the kind of muscle that should soon make it the dominant market force, according to recent research, but insufficient effort is being directed towards making an impact on black buyers.

The latest forecast of retail sales by Unisa's Bureau of Market Research has found that blacks will be the major consumers this year in at least 6 of 17 merchandise categories, accounting for 40 percent of total sales, while whites will make up 46 percent of the market.

Two years later the picture is expected to have altered radically, with the black share rising some 15 percent above white consumption.

Commenting on the findings, Rightford Searle-Tripp and Makin Advertising says in its monthly "Indaba" report on urban black social, cultural and economic trends, that the significant shift in market share is now being noticed by marketers,

## Marketplace

A column on the media, PR and advertising

By GORDON KLING



but very little effort is being made to make an impact on black consumers. Only about 15 percent of total media expenditure is now devoted to attracting black custom.

"One complicating problem, of course, is the lack of suitable above-the-line media to reach the various sub-segments of the market. However, many clued-up marketers have not allowed this lack of conventional media to stifle their marketing effort and are using other equally effective communication tactics to put their message across."

The Unisa survey found that black spending was above whites' in food, non-edible groceries (their term), both alcoholic and soft beverages, adult footwear, TV sets, radios, tape-re-

orders, and men's and boy's clothing and accessories.

Black children seem to lag in the Unisa categories, but Market Research Africa has found in another study that they too are becoming a very big factor in the marketplace.

The largest single market for canned foods is black schoolchildren under 16.

They eat 53 percent of soups and 36 percent of canned ready meals, and in terms of volume, the black-child market for canned soup is eight times the size of the white-child market.

To keep things in context though, RS-T&M notes that if the figures are related to per capita consumption, the blacks don't do so well at all.

The latest information on household income of all races from AMPS

1983, based on fieldwork conducted during the first half of the year, shows the wage gap has widened.

The University of Stellenbosch Bureau for Economic Research has found a marked divergence in outlook between blacks and whites, with only the latter putting an optimistic face on economic expectations for the next five years.

Commentary on the findings

# Public service the joker in country's perks pack

280 355 2004 18/10/87

By J MANUEL CORREIA

ONE of the biggest problems in introducing the long threatened tighter tax clamp on fringe benefits is the public service.

Exclude civil servants and there will be an uproar from the private sector — include them and there may be heavy staff losses from state and semi-state operations.

But what sort of fringe benefits are open to those in the public sector?

A spokesman for the Atomic Energy Commission (AEC), under which falls Nucor and Ucor, said middle management was granted loans for the purchase of cars, up to a maximum of R16 000, repayable over 48 months.

There was a reimbursement tariff for official use of the vehicle but all other aspects such as maintenance and licensing were the responsibility of the staff member.

As far as housing was concerned the AEC tried to help as much as possible with collateral and the like but there were no outright loans. However, the AEC did pay a subsidy. The ceiling for a loan was usually R50 000 but this could be exceeded in certain circum-

stances.

The commission also had the usual pension benefits — in this case a 16% contribution by the employer and 8% by the staff member — and group insurance schemes. Medical benefit was about 80% and 100% for operations.

Asked if middle management received tax incentives, the spokesman said: "Not really. We are investigating a deferred remuneration system, which would include insurance policies, but this has not come off yet."

"We can't compete with the private sector on salaries or even where it comes to fringe benefits, but we are doing our best."

A spokesman for Escom said the commission provided housing loans for middle management but that the ceiling

would depend on the individual's income.

A man earning R1 000 a month would be entitled to a loan of roughly R45 000 but there was no real housing ceiling as such.

The commission had a sliding scale of interest repayment charges. The interest on the first R10 000 was 2,5%, on R20 000 4% and on the balance 10,5%.

Repayments were based on the principle that not more than a quarter of total income should be spent on housing.

Middle management was not provided with cars unless these were strictly for official purposes.

No tax incentives were provided but if an individual wished to further his career, there were comprehensive training schemes provided by

the commission.

University loans were also available.

Personnel also had the usual medical benefits and a pension fund, in Escom's case 12% contributed by the employer and 6% by staff.

All staff received a 13th cheque.

Armcor declined to supply particulars.

A spokesman for Iscor said top management decided on the allocation of cars for middle management.

There was a good housing scheme for top and middle management with a ceiling of R60 000, at 4% interest with repayments based on the principle that no more than a quarter of salary should be spent on housing.

The only bonus available was a leave bonus, which amounted to a 13th cheque. Employer's contribution to pension fund was 13% and that of employees 7%. The medical scheme amounted to about an 80% benefit.

No tax incentives were provided to middle management.

● Efforts to obtain details of middle management perks from the Commission for Administration, which regulates the public service, were unsuccessful.

## UK business executive rewards

LONDON. — The average male executive in Britain has a £9 770 salary plus extra cash earning of £188 — about £2 500 more than the national average for men, according to the latest Reward salary survey.

The figure for managers represents an increase of 7,7% over the past year, compared with 8,2% over the previous 12

months. A further slowing of increase is indicated by an average rise of 3,8% over the last six months.

The twice yearly survey also reports signs that salaries of managers in small companies are increasing faster than those of executives in large companies, thus reversing a 20-year trend. — Financial Times.



# 'New character' for Govt service

20/10/83  
B55  
Mercury

Mercury Correspondent

PRETORIA—The Government's occupational differentiation programme for virtually every group in the public service will be completed before the end of the year, the Minister of Internal Affairs, Mr F W de Klerk, said in a statement in Pretoria last night.

This, he said, would be a milestone in that a dispensation, tailored to the specific requirements of every group in the service, would have been created.

'Then we will have laid the foundation for a system of personnel administration which will compare favourably with the best in the world.'

It would contribute greatly to the efficient fu-

ture functioning of the public service.

The president of the Public Service Association, Dr Colin Cameron, said last night the Minister's statement meant that salary levels and relationships in the many different areas of the service would be realistically adjusted.

'Many adjustments in terms of occupational differentiation have already been made. The completed programme will create far greater staff stability in the service. It should give the service a whole new character.'

Other public service sources said occupational differentiation meant basically that salaries in the service, particularly in key areas, would be made

more competitive with those paid in the private sector.

This is aimed at blocking the drift of personnel in the service to the private sector.

The Government, it was stated, was alarmed at the prospect of heavy staff losses to the private sector once the economic upswing started.

With the heavy demands which would be made on the service if the new constitution were implemented this could have led to administrative chaos.

The new dispensation, the sources said, would help counter this threat.

The Minister said in his statement, new service

dispensations had already been implemented for a large number of occupational groups.

The purpose, he said, was to carry out the Government's aim of restructuring the public service personnel call and in more efficient personnel administration to improve services to the public.

The service, just as any other institution, must compete for personnel on the open labour market.

For this reason, the Minister said, and because individual salary and service benefits were personal and confidential matters, it was policy not to make known details of the dispensations of occupational groups.

CAPT Times 21/10/83 (23/10/83) (355)

# Below poverty line wages agreed on

By PHILLIP  
VAN NIEKERK  
Labour Reporter

WAGES well below the minimum poverty line have been negotiated in two separate local Industrial Council agreements gazetted over the past few weeks.

The Worcester Industrial Council for the Building Industry has agreed on a minimum wage of 66c an hour for the lowest grade of worker, with operators on 88c an hour, unskilled workers at 94c an hour and watchmen at R36,30 a week.

The lowest minimum wage agreed on by the Industrial Council for the Cape Worst Textile Industry is R41,25 a week, while many grades are under R50 a week.

The wages were negotiated by the Building Workers' Union and the Textile Workers' Industrial Union respectively — both parties to the industrial councils.



— Labour —

In February, the Bureau of Market Research calculated the Supplementary Living Level — which does not include luxuries — in Cape Town as R290 a month (R67 a week) for blacks and R299 a month (R69 a week) for coloured people.

Adding inflation, many of the new grades are to earn less than a third of this amount.

The bureau's Mini-

mum Living Level in Cape Town in February — which 'includes only the bare necessities and doesn't provide for any mistakes in buying — was R224 a month (R52 a week) for blacks and R226 a month (R52 a week) for coloured people.

With inflation added, most grades in the new agreements are below this minimum poverty line.

Mr Norman Daniels, general secretary of the Textile Workers' Industrial Union, said the textile wage represented a 12 percent increase and was "not so bad" given the depressed conditions in the economy.

He said wages in the cotton section of the industry, where a 15-percent increase had been negotiated, were better.

Mr R Simmons, secretary of the Building Workers' Union, said the increase in his industry was about 10 percent. This was not wonderful, but was only an interim agreement.

Miss Di Cooper, assistant branch secretary of the General Workers' Union — which is opposed to serving on industrial councils — said industrial councils put workers in a weak position and excluded them from participating.

"A union is in a much stronger position when it negotiates from a position of strength on the shop floor," she said.



# MANUFACTURING INDUSTRY SURVEY F

# Unskilled workers

# wages up 23 pe

**By Mike Peirson**  
**Finance Editor**

AVERAGE black wages for unskilled workers in the manufacturing industry in Natal have risen by more than 23 percent in the past year, according to a comprehensive survey just completed by the regional Chamber of Industries.

Some 35 firms within this sector took part in the current exercise (carried out by the chamber twice a year) representing some 10 677 employees.

Findings showed that from a revised index base of 100 decided upon in September last year, the figure rose to 112,63 in March this year and to 123 by September 30.

This has happened at a time when there has been a substantial decline in the physical volume of manufacturing production and a high and increasing rate of unemployment, highlighted in the NCI's annual report presented this week.

The chamber's economics committee hit out at the continued high inflation rate adding that perpetuation of this at levels of 12,5 percent was a "recipe for disaster, rapidly and progressively eroding our country's export competitiveness in overseas markets and, more than that, emasculating local industries' ability to compete against imported products in our domestic markets".

The committee stressed, therefore, that it now endorsed strongly the intensified application of the instruments of monetary policy in combating inflation.

Immediate prospects



for the manufacturing industry appeared to be little better than they were at the same time last year.

"The mirage effect, in terms of which projected recovery dates recede as

■ ROLAND Freakes (left) was presented with a gold watch at the Natal Chamber of Industries AGM this week in recognition of 25 years service — 10 years as executive director and 15 as deputy.

we approach them, is still with us and current forecasts are that no upturn will be experienced before May 1984," said the committee.

On the industrial relations front the chamber

said managements of small to medium sized companies were getting to grips with IR and the dynamics of the changing employment field.

The chamber had also been giving back-up services to those firms without trained IR personnel.

Members had been worried about delays experienced by a "not insubstantial" number of workers in receiving unemployment insurance benefits due to them. This had been caused by staff shortages in the government department concerned and to some degree by the increased

## PENSIONS: DOMESTICS WAR

**Finance Editor**  
**EMPLOYERS** and domestic workers who contribute to a private pension fund should beware. The domestic workers could lose their State pension.

Personal finance magazine Plan Ahead reports it has discovered that only if a private pension fund pays out less than R29,50 a month is the domestic worker eligible for a State pension — which has just risen to R57.

The news will obviously shock many employers who have been contributing regularly to private schemes for their domes-

tics and who have not realised that in doing so they risk sacrificing the State pension.

It has been pointed out that while the State pension, although not a large amount, is likely to rise with the cost of living, those received from private schemes, based on a fixed monthly investment, are not.

The magazine also points out the pitfalls for married couples. If one spouse is receiving more than double the allowed amount (R59) from a private scheme, the other spouse is also not eligible for a State pension.

One way to avoid such problems is for an employer to contribute to a fund that pays a lump sum on retirement, rather than a monthly amount.

One recommended by the Domestic Workers' Service of the Institute of Race Relations is run by a building society and takes the form of investment in subscription shares. Payments are a set amount every month and can be made up to 30 years before the shares reach maturity.

Part of each monthly payment goes towards a life insurance policy which provides for inheritance of the subscription share pay-

out.

But, of course, this does not take into account the effects of inflation on the capital amount.

Pension funds for domestic workers continue to be badly subscribed. The Domestic Workers Pension Fund, started with much fanfare two years ago, still has only about 3 000 members.

A consultant for the fund explained that if an employer started contributing to the fund when the worker was 30, it would pay out R500 a month on retirement at 65.

"That, in anyone's book, is a better proposition than

5 Tribune 23/10/83

# FINDINGS ers' 355 rcent

volume of claims because of rising unemployment.

There was also concern about the relatively short term over which unemployment benefits were payable and the burden this must inevitably place on retrenched workers, especially in the present extended recession.

It needed investigation by possibly the National Manpower Commission with a view to setting contributions by both sides at parity and increasing them in the good years and decreasing them in the leaner

ones.

"With unemployment seemingly becoming a structural problem in the economy," said the report, "there appears to be a decided need for an in-depth investigation into extending social security schemes in order to provide more realistically for the needs of the day."

The recession and job cutbacks had tended to cause workers and unions to look more towards job security and less to wages and other aspects of the remuneration package.

There had been a big move towards the Industrial Court as a dispute adjudicating forum.

And the chamber has expressed concern that the findings of the court are not published.

Employees had, however, had considerable success in the court, so much so that there had been suggestions of employee-bias.

But, said the report: "The chamber does not share that viewpoint and believes the unions have been extremely careful in their choice of cases to place before the Industrial Court and, dare it be suggested, some managements are not yet completely in touch with the realities of the new and still developing industrial relations dispensation?"

## ED

even two State pensions coming into the home," says the magazine.

And Reg Munro, assistant general manager of pensions for the Old Mutual Group, has gone on record as saying he believes domestic workers will not pay the contribution themselves because a living wage and unemployment insurance are more immediate concerns.

Another option the magazine gives is a regular monthly purchase of unit trusts (for as little as R10 a month) and re-investing the dividend income to increase the investible amount.



76/10/83  
Mercury  
Queensburgh  
raises pay for 240

Mercury Reporter

MORE than 240 Queensburgh municipal workers of all race groups had been granted a 12 percent across-the-board increase in salary, it was announced yesterday.

The Town Clerk, Mr Peter Kinnaird, said the council had decided earlier in the year to grant no increases in salary at all this year, in keeping with a Government plea to combat inflation and because of the recession.

But more than 200 black workers went on strike briefly in August, demanding a 15 percent wage rise. They marched

through the town centre and assembled in front of the Queensburgh Civic Centre, where they insisted on a meeting with the full council.

Mr Kinnaird and the Mayor, Mr Tim Dyer, met the workers and assured them that their grievances would be discussed.

In the light of this the council had taken a fresh look at the budget, and had decided to grant the increases.

Mr Kinnaird said yesterday that the blacks were satisfied with the increase, but had indicated that it would have to be adjusted again soon.

# Garlick's wage levels slated

Labour Correspondent

WAGE LEVELS at Garlick's department store in Johannesburg have come under fire from the Commercial, Catering and Allied Workers Union (CCAWUSA).

The union's general secretary, Mrs Emma Mashinini, said she had been approached by a former Garlicks worker, Ms Lena Fiska, who was dismissed this month after working for the company for 13 years. At the time she was fired, Ms Fiska was earning R200 a month, Mrs Mashinini said.

She said this wage was well below the minimum pay rate set out in the wage determination for the commercial distributive trade.

In most job categories, the determination, which is legally binding, sets out higher minimum rates for longer-serving workers and Mrs Mashinini said that Ms Fiska's wage was below that prescribed for a worker with 13 years' service.

A Garlicks representative confirmed yesterday that Ms Fiska had been receiving R200 a month, but denied that this was below the minimum in the determination.

She said Ms Fiska had been working as a "general assistant" for which the minimum is R186 a month, regardless of length of service, unlike other categories where rates rose with the length of service.

"We were therefore paying Ms Fiska above the minimum for this rate," she added.

Mrs Mashinini charged that, regardless of the legal minimum set out in the wage determination, "R200 a month for a worker who has served a company for 13 years is simply not morally justifiable".



# Public Service salary rise

355  
RDM  
2/11/83

Pretoria Bureau

THE Government is to spend millions of rands in an effort to bring public service salaries closer to those in the private sector.

And thousands of Government and provincial workers will get substantial pay increases in addition to the general 12% rises for all public sector workers from January 1 — some from the beginning of this month.

The cost of the 12% increases to State and provincial department workers, police, prisons, and South African Defence Force personnel, will exceed R600-million a year.

In Pretoria yesterday the chairman of the commission for administration, Mr Jimmy van der Merwe, said the occupational differentiation programme was virtually complete.

Circulars had been sent to State departments to enable them to inform staff of the intended changes.

The programme rested on a full description of each category of job, the requirements of the job, the entry requirements, and the requirements for advancement.

"The aim is to ensure quality staff with a market-orientated salary structure. Those who do not have the necessary requirements will miss out."

The implementation programme, he said, would include medical doctors and dentists from November 1, and the general service corps in the SADF, groups in the prisons department, and uniformed and detective branches of the SA Police, from January 1.

Mr Van der Merwe emphasised the benefits applied only to specific groups.

The virtual completion of the occupational differentiation programme — it has taken more than two years — has been welcomed by the Public Servants' Association.

It will mean a substantial narrowing of the salary gap between the private and public sectors.

THE vast majority of black teachers have not passed matric or even Standard 8.

Blacks qualify as teachers if they have:

- A Standard 6 pass.
- A teacher's certificate (a Standard 8 pass and two years of college training).
- A diploma (a matric certificate and two years of training).
- A diploma which includes a matric pass and three years of training.

The type qualification prescribes not only the quality of teaching available BUT it also determines the teachers' salary.

Only those with the diploma — including matric and three years' training — are paid on the same scale as whites.

The rest earn significantly less.

This emerges from the third report dealing with teachers' salaries. The first gave details about white teachers, and the second about coloureds and Indians.

The names of teachers interviewed in this report have been changed, at their request.

**ANDREW TSHABALALA** can make more money as a labourer than as a teacher. But his love of teaching draws him to the profession that keeps him living on a shoestring.

He can barely support his family on the R218 gross he earns each month.

When he leaves his Standard 4 and 5 history and geography classrooms each afternoon, carrying a battered briefcase of marking, he heads for a converted garage that passes for home.

The threadbare room, which has no electricity or running water, is divided by a screen. Behind this, his teacher wife, Marina, tries to quieten their baby's infectious laughter.

Sitting at a plastic-topped table, which he is paying off on hire-purchase, Andrew gives a tired smile and begins his story:

"I worked as a labourer for six years before my father told me to go to college and learn how to teach. I had a Standard 8 and I trained for two years to get my teachers' certificate before I got my first job in Soweto. In those days I was single

# A teacher who earned more as a labourer

By HELENE ZAMPETAKIS

and I stayed in the Salvation Army hostel. I could make ends meet."

Mr Tshabalala was paid R130 a month in 1980. Recalling the tight budget of his bachelor days, he spreads his fingers and counts off the items: "R54 went for rent, R20 for insurance, R8,50 for water, R20 for transport

... But when he met Marina, he resigned from teaching and went back to his job as a labourer on the railways. "I had to pay R1 000 for lolo, and more for the wedding and rings. I couldn't afford it on my teacher's salary. Eventually my wife's parents gave me a discount," he smiles ruefully.

But despite the higher salary as a labourer — at first he earned R340 with overtime, which increased to R440 when he became a ticket inspector — he was unhappy.

"I kept remembering that I was a teacher. And whatever I earned on the railways, I always remained a 'kaffir'," he says bitterly.

So in May this year, he went back to teaching. His salary dropped by more than half and he now takes home R199 a month.

Although Marina's salary of R280 for teaching in a lower-primary school helps them to keep going, they find it difficult to meet their basic expenses.

With so meagre a salary, Andrew can't afford to keep up the payment on his building society shares that

he bought when he worked on the railways.

But that is the least of his problems. He is caught in a Catch-22 situation where his poverty keeps him poor. Although he desperately wants to improve his qualifications, he finds it difficult to study after school-work and while sharing a room with a boisterous baby.

And when his stomach is empty, it is even harder to concentrate, he says.

He spends about R55 on rent and R100 on food for his family. He calculated that R50 pays for paraffin, mealie-meal, tea and other basic food items, while R65 goes on meat and vegetables each month.

"I can't sleep at night. I think of what I can do, I think about leaving teaching ... but I was trained as a teacher," he says.

His father, who lives in the Cape, wants to pay for full-time college tuition for a year. But without his salary, his wife would not be able to keep the sparse home going.

"Life is too hard, but we must do it. There is no other way."

And he adds emphatically: "The Department of Education and Training must solve this problem. They must see to it that teachers earn a decent wage."

**JOHANNA MAGUBANE** agrees emphatically. She earns even less than men at her level as a primary school teacher.

Despite her nine years' experience, her teachers' certificate entitles her to no more than R300 gross a month.

For Mrs Magubane, life has been "very hard". She is paying a lawyer to fight a case against her husband, who wants to take custody of their two children.

She gets no maintenance from her ex-husband and must pay R50 a month for the baby to board with her aunt so that she can work to support them.

"He's a sickly child — he has a weak chest — so I give my aunt R30 a month for medicines. I spend R1,10 five times a week catching a taxi to see him."

So she lives in her parents' three-room home with her older son, nephew and cousin.

The three breadwinners — her parents and herself — pool their incomes to support the extended family.

She pays off clothing accounts, amounting to R110 a month, for her children and herself.

"Sometimes I don't bank any of my salary. The biggest problem is that I can't save. I live from month to month."

"I feel sometimes that life is very short ... this is a life of survival. Anything could happen at any time, I wouldn't cope financially," Johanna said.

**STANLEY THEMBA** is one of the many black teachers who qualified when only two years of training was required for a diploma.

He is training for the third year, and in the meantime he is paid R704 a month. Stanley has been teaching maths at a high school for

nine years.

After deductions, which include a department-subsidised bond repayment, he takes home R430. He has been teaching for nine years.

He supports his pregnant wife and two children, and his young brother who is still at school.

He is better off than Mr Tshabalala and Mrs Magubane, but he still needs to work five nights a week supervising adult education classes in Soweto to make ends meet.

"It is really depressing. I feel that I am working for survival, that my salary is not my own, when all is accounted for," he says despondently.

The difference between black teachers' salaries below and above parity is startling.

**PATRICK MASHABELA** earns what white teachers earn, but he was not always one of those lucky few.

For four years he brought home R399 as a high school teacher of English, history and career guidance.

That was before he qualified for the extra year of training that gave him parity ... and suddenly his salary rose dramatically to R1 320.

"I sacrificed a year's salaries to reach parity with whites, but then my salary made a huge jump."

For him, the sacrifice was possible and definitely worth it: "We are coping adequately at last," he says with a smile.

Handwritten notes and scribbles in the top right corner, including the number 355 circled.



# Most domestics paid less than suggested rate

10/11/83 Mercury 355

**Mercury Reporter**  
THE wages paid to black domestic workers by Durban homeowners are more often than not below the wage recommended by the South African Domestic Workers' Association, and in some cases below reason-

able subsistence level.

If an extensive, random telephone survey of white employers in the Durban and surrounding areas is representative, full-time live-in domestic workers are fast becoming a thing of the past.

Part-time employers said in most cases domes-

tics had two or three, and on occasion, as many as four jobs. Only in this way was it possible for them to earn a living wage.

Less than 20 percent of the families interviewed could afford the luxury of a full-time servant, and in every case where a full-time worker was kept, she was paid well below the recommended level. All provided meals for the

workers, some by allowance and others directly.

Among those who employed part-time workers the pay-rate was better, but the provision of meals was scarce.

A new list guiding employers on what is considered a fair wage has been published by the association. It says that in view of soaring inflation, which hits domestic

workers harder than most, the rates should be adhered to.

The recommended wage for a daily worker is R11 — or about R1,40 an hour. For overtime pay the rate is R1,50 an hour.

In the survey employment time varied between one hour a day, two or three times a week, to eight hours, three or four times a week.

The lowest rate paid was 66c an hour, less than half the recommended level, and the highest R1,66. The average was R1,20.

When employers who paid less than the recommended wage were questioned, they said they were not aware of the level. But most said they would have to consider meeting the wage.

Two women slammed down their telephones.

For full-time employees the highest wage was R100 a month, R20 short of the recommended minimum, and the lowest R75. The average was about R90.

Guidelines concerning leave, provision of meals, accommodation, legal rights, dismissal and abolutions are included in the association's list.

They recommend that domestic workers be given at least one full day off a week, and one afternoon during the weekend.

Annual leave should be four weeks at full pay, and workers should be given a month's notice, or a month's pay in lieu of notice, if they were to be fired on the spot.

The association reminds employers that it is illegal to deduct money from workers' pay for articles damaged in the course of duty.

# Stoppage by 500 men in Phoenix firm

*Mercury* 15/11/83

## Mercury Mercury

NEARLY the entire work force of 500 men from the Bestconstructo company in Phoenix stopped work yesterday because of dissatisfaction over wages.

According to the general manager of Bestconstructo, Mr F B Hechter, management were unable to establish a specific reason for the strike, although it was wage related.

The workers left their nearby building sites and set off to walk to the company's offices in Ntuzuma Road. Police monitored the workers throughout the morning but there were no incidents of violence or aggression.

## 'Didn't know'

'There was some confusion as to what it was all about. We asked the men to appoint spokesmen but they still couldn't explain what was wrong, except to say that it was about wages,' said Mr Hechter.

'I think it was something to do with the Industrial Council pre-

scribed wage increases which are bi-annual and amount to about 12 percent.

'They didn't know what the increase was and when we told them they indicated they weren't happy with it. But it was a very divided nucleus of about 20 people who were dissatisfied.

'We have offered anyone with a complaint the opportunity to go to his senior and we will attend to each individual case.'

Mr Hechter said that in the past there has been legitimate complaints and claims regarding wage packets but these

had been 'minor' and were always immediately rectified.

After the discussion with management yesterday morning it was decided that the workers would continue with the strike for the remainder of the day and return to work today.

The company is at present involved in the building of 50 houses in Newlands and 2 000 houses in Phoenix. Mr Hechter said a substantial financial loss would be suffered by the company because of the strike.

Detcourt



# Workers win big bonus increase

## PORT ELIZABETH —

Workers at the Shatterprufe Safety Glass company in Port Elizabeth are to receive a 250% bonus increase and a 10% across-the-board wage increase, following negotiations between management and the Chemical Workers' Industrial Union last week.

Mr Les Kettledas, a spokesman for the Federation of South African Trade Unions, said members believed the bonus increase was "very substantial", the size of the increase being one he had not previously encountered in his dealings with employers.

"In my opinion the bonus increase compares favourably with some of the other leading companies in the area," he said.

This follows a dispute between management and 520 workers at the company who staged a one-hour strike last Tuesday over management's wage and bonus offers.

Workers finally accepted management's offer after a report-back meeting with the union last Thursday. The increases come into effect next month.

Mr Kettledas said workers were happy with the bonus increase as it was a "sensitive issue which had been a priority among them". The union, however, would continue to pursue its demand for one month's salary as a bonus, he said.

He said management's initial offer of a 3% wage increase and an additional annual bonus — equivalent to one week's wages — had been rejected by workers.

The final bonus increase was equivalent to three-and-a-half weeks' pay and meant that a worker in the lowest grade would receive an additional R205 bonus — in this instance, a total of R287.

Mr Neville Schonegevel, personnel director at Shatterprufe, said the company was satisfied with the settlement.

A recognition agreement was concluded between management and the union on August 12 and more than 80% of the workers belong to the CWIU. — Sapa.

# Civil servants' new deal

Argus Correspondent

PRETORIA. — A new deal involving salary adjustments and substantial changes in conditions of service for 53 000 civil servants has been announced.

As part of its on-going programme of occupational differentiation, the Commission for Administration has created a further 200 job categories bringing the total number of categories created since the programme began in 1981, to 600.

All government de-

partments were today instructed to start evaluating those staff members who fell into the new categories.

It is unlikely, however, that those civil servants affected will receive adjustments to their salaries before Christmas.

It is expected to take at least six weeks before the new system comes into effect.

Mr I H Robson, chief director of planning for the commission, said the new deal affected five major groups in the civil service. provincial ad-

ministration, public servants in the black national states and statutory bodies such as the South African Bureau of Standards and the CSIR.

The five groups included:

- Highly qualified staff with a minimum qualification of a bachelor's degree.

- Supporting technical staff. Both of these categories' salary adjustments and new conditions of service will be retrospective to October 1.

- Line administration clerical personnel such as tax officials and other clerks that provide services to the public.

- Stores personnel and others involved in provisions administration.

- Personnel officers, advisers and training staff.

The salary adjustments and changes in conditions of service for the latter three categories will be retrospective to November 1.

Each government department, national state

and province will have to evaluate their staff and make adjustments if and where their staff fit into the new categories.

The 12 percent across-the-board salary increase for all civil servants on January 1 will be calculated on the adjusted rates for the 53 000 civil servants affected by the new deal.

Mr. Robson said the new deal aimed to make the civil service more competitive in the labour market and rewarding for employees whose performance was above average.



# 'Equal pay in maths to prevent crisis'

355 ~~SSA~~ 2/12/83

By HELENE ZAMPETAKIS

THE Human Sciences Research Council has advised the Government to eliminate sexual discrimination for maths and science teachers and to pay them more than other staff.

In a survey into the shortage of high-level manpower in the natural sciences and maths, the HSRC advised the teaching profession to combat the shortage of maths and science teachers by co-ordinating recruitment, adapting current syllabuses and using educational-technological aids more effectively.

And the Transvaal Teachers Association's bulletin, which published the survey in the latest edition of the Transvaal

Educational News, stressed that teacher shortage in this field was assuming "critical proportions".

The survey found that about 2 400 students would have to obtain BSc degrees every year until 1990 to adequately meet manpower needs.

At present, only 1 914 whites and 300 black students graduate in this faculty each year.

"The whole shortage situation becomes a vicious circle," the HSRC found. Because a low number of students studied the natural sciences, too few post-graduates students and teachers were recruited for this field.

The unavoidable result was that the quality of research and training at all levels of education was lowered. And both these factors were responsible for

diminishing students' interest in this field.

"It is of the utmost priority to launch a countrywide co-operative effort to improve the academic qualifications of the large number of unqualified and under-qualified teachers ... and to keep this knowledge up to date."

A recruiting campaign should also be initiated at the highest level but it would only be successful if science and maths teachers salaries were "elevated financially" above the rest of the teaching staff.

Students should be able to train for these subjects at colleges of education.

And all sexual discriminatory measures in the conditions of service and remuneration should be eliminated to recruit women to the field.

# January wage increase for Natal garment workers

## Mercury Reporter

THE second stage of a new wage structure for nearly 50 000 Natal garment workers will come into effect from January 1 next year with further pay increases of up to 12 percent for some workers.

Mr Frankie Hansa, general secretary of the Tusca-affiliated Garment Workers' Industrial Union, said yesterday the revised scales were agreed to by the union and the Clothing Manufacturers Association last year. The first stage of the agreement was implemented in January, this year.

A feature of the new increments was the elimination of the wage disparity based on sex. While this longstanding grievance has been abolished, a sting in the new deal has been the increase in fringe benefits, comprising the sick and provident funds, which have been upped by as much as 70 percent, he added.

In terms of the new structure, a head cutter now earning R115 a week will earn R126,50 a week in January — a hike of R11,50. A cutter and trimmer earning R90 a week will get R9 more, pushing

up his pay since the new agreement came into being last year by nearly 50 percent.

Mr Hansa said parity in pay between male and female workers was reached in January this year when the wages of a qualified grade one male machinist earning R42,40 a week at the time, and his female counterpart earning R36,30 a week, were both increased to R50 a week. They would get a further increase of R5 next January.

Mr Hansa also disclosed proposals by the union to form a new fund to help members who were unemployed. If ap-

proved at the union's general meeting next week, the union membership fee would increase from 65 c a week to R1 a week from January 1.

One of the benefits was that if a member who lost his job and the union was unable to find him alternative work, he would get 45 percent of his wage for six months.

This is in addition to what the member will collect from the Unemployment Insurance Fund from the Department of Manpower. This means that the member will get 90 percent of his wage if he is unemployed, he added.



Div (c)	% change
14	n/c
35	+16,7
—	—
—	—
—	—
3,5	+40
9,5	+27,7
3,9	+0,05
16	-500

at well into 1984 as far as is concerned. How all divisions are trimmed well placed for a try once consumer demand increases.

the packaging, paper appliances division, pak should maintain things and appliances do better.

avy equipment and ng and construction should perform really well because of im- asset management.

only fly in the oint- is the steel division (Burg Steel), which is ed to incur further

yst Eric Levine of Pollak & Freemantle Barlow's 1984 earnings 7c and the dividend at ovided corporate tax is aged. The rights issue improved the debt/ ratio from 44% to

4 puts Barlow on a PE of 7 against the industri-

# Pros and cons of basic wage

IMPLEMENTATION of a national minimum wage (NMW) will prevent unskilled workers from entering the labour market and will effectively swell total unemployment.

But it will also prevent the "gross exploitation" of employed workers.

Employers and trade unions remain divided on the issue. While unionists argue that structural constraints on the free movement of labour make it necessary for a legislated NMW, employers say it will delay freeing the labour market from statutory control.

Structural constraints in the form of stringent influx-control laws militate against workers securing the highest wages, according to unionists.

"In the absence of free-market forces necessary for the setting of fair market related wages, trade unions find it necessary to protect their members against employers," says Phiroshaw Camay, general secretary of the Council Unions of South Africa (Cusa).

"Because of stringent influx-control regulations, workers' bargaining power for the highest possible wages is seriously curtailed," he says.

The implementation of an NMW would introduce a de-

gree of equilibrium in the present unbalanced wage market.

"An NMW should be indexed and reviewed annually so as to adjust it to the rate of inflation," says Mr Camay.

Employers' rejection of the concept on the basis that it will send unemployment figures soaring have been dis- pelled as being a limited

view.

Mr Camay points out that, while that might be true in the short term, market forces will return the situation to an equilibrium.

"But an NMW will not materially alter the rate of return on investment because many commodities are being traded nationally at a fixed price," according to a leading economist.

"Labour is just one more commodity traded on the same basis as most raw materials.

"But the implementation of an NMW will effectively seal off access to jobs at lower wages, effectively preventing unskilled workers from entering the labour market at a competitive rate," says Mr Camay.

He charged trade unions and labour organisations with seeking to institutionalise protection for employed members against the threat posed by unemployed work-

seekers.

"The proportion of jobless black youth increased to 50% of the black workforce after implementation of an NMW," he claims.

The National Manpower Commission's (NMC) contention is that an NMW will encourage industry towards capital-intensive develop-

This trend will be followed primarily to minimise labour costs and balance it against labour productivity, according to the NMC.

But unions argue that it would be illogical to ignore the country's vast labour resources and instead promote capital-intensive production measures.

The NMC, however, argues that the existing part minimum wage system forms part of the broader policy system to create employ-

## 2-million jobless by end of year

By Amrit Manga

UNEMPLOYMENT in South Africa, including the home-

lands, will pass the 2-million mark by the end of this year.

The projected figure represents 25% of the total labour supply of almost 9,5-million, according to the Southern Africa Labour and Development Research Unit (Saldru).

This will push the increase in unemployment since the beginning of the recession up to almost 4% from the 21,1% recorded in 1981.

The increase is, however, less than that experienced during the recession of the late Seventies, when unemployment rose by 6,9% from 13,7% in 1975 to 20,6% in 1979.

But the most recent National Manpower Commission esti-

# PE bosses urged to close wage gap and train workers

By LOUIS BECKERLING  
Business Editor

A SOMBRE warning that the yawning gulf between the living standards of whites and blacks in South Africa should be closed was issued yesterday by Mr Wally Life, American-born president of the Midland Chamber of Industries.

Echoing an injunction earlier this year to Port Elizabeth businessmen from the US Ambassador to South Africa, Mr Herman Nickel, Mr Life observed that failure to close this gap would lead to rejection of the free enterprise system.

Mr Life's comments came during his presidential report to the MCI annual meeting.

"Any company with an investment in South Africa has to ask itself the question whether this large disparity between the living standards of the whites on the one hand and the blacks on the other, is not a source that will breed rejection of the free enterprise system with potentially disruptive consequences.

"I think that most South Africans agree that it is not desirable to have such a large disparity between the living standards of the various groups that make up this country.

"If this is so, who is to take the initiative to close the gap between the two

extremes?"

Observing that South Africa ranked 35th in terms of world population, 24th in terms of gross domestic product, and 18th in terms of passenger cars in use, Mr Life said it was no surprise that with such important rankings — "which in fact understate the importance of SA as a market" — that the world expected South Africa to have achieved the same ranking in the field of social and political development.

"But averages tend to mask the two wide extremes. Many of South Africa's 4.7 million whites have a standard of living as high, or higher, than that enjoyed by North Americans and West Europeans.

"They have sophisticated consumer tastes and operate within a modern industrialised economy.

"The black population largely lives at a level which in many respects is equal to that of the inhabitants of the low-income Third World developing countries and it is this perspective that complicates comparisons."

Noting that income and living standards could only be raised by enriched working situations, Mr Life said simple redistribution of wealth would not solve the long-term problem of closing the gap.

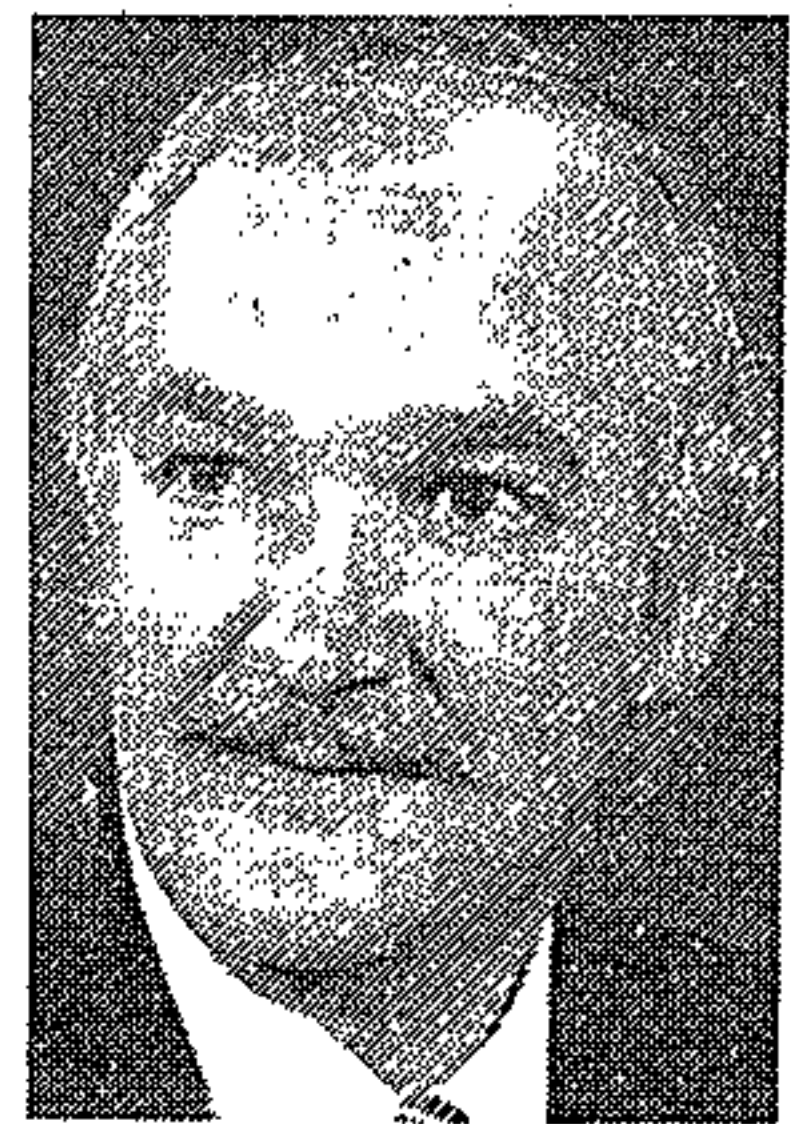
"Only sustained growth in wealth generation can achieve this. Closing the standards of living gap can only be achieved through improved education and more work opportunities for more people."

Accordingly the Midland Chamber of Industries, undertaking its responsibilities in this regard, would establish a "special task force to optimise all the available training facilities that its members have".

"We will ask MCI member companies to increase the number of openings for courses they are conducting by 25% and make extra places available to matriculants who are not employed.

"In this way we will be able to show the workforce of the future that we believe in training, that we want them to gain experi-

ence in the environment of industry, so that when a job opportunity does occur they will understand how private enterprise works and thus will be better prepared to contribute to its stability."



MR L BRITZ has been appointed manager of Santam's Port Elizabeth Branch.

BACKGROUN



# Clothing workers get R9,3-m rise in pay

Staff Reporter  
CLOTHING workers in the Western Cape are to get a pay rise from Monday worth about R9,3-million a year.

This will put about R180 000 a week into the pockets of the 59 000 workers, and comes in time to be included in their end-of-year bonuses.

The rise is the result of a new 12-month wage agreement and follows a cost-of-living adjustment in mid-year and a R9-million-a-year pay rise in December last year.

Machinists, the largest group, are to get a R2,50 rise to a basic R54 a week, taking their pay to 26 percent more than the R42,80 minimum a year ago.

The lowest grade, learners, will now get R36, up from R32.

## REVIEW IN JULY

Provision is made in the agreement between employers and the Garment Workers Union for another wage review next July to compensate for inflation in the next six months.

The chairman of the Cape Clothing Manufacturers Association, Mr. Simon Jocum, said today competition is so tough that companies will not be able to increase prices, and will have to absorb the pay rise.

"We are in a buyers' market. Clothing firms are under pressure. Business could get worse next year. Most manufacturers will have to make up for the increase by better productivity somewhere along the line."

Under the wage agreement, increases will now be automatic every six months.

# Be prepared for a pay squeeze

**By HOWARD PREECE**  
TAX rises and continuing high real interest rates are likely next year, according to Dr Johan Cloete, chief economist of Barclays National Bank.

He predicts, however, that inflation will be down to about 9%, measured by consumer prices, and that there will be real economic growth of about 2,8%.

Dr Cloete is not over-optimistic about gold.

He also thinks wage and salary rises will in general be held to about 10%. This will mean, particularly with any tax increases, that total real disposable incomes will again show a reduction.

Main points of his forecasts for next year are:

**GOLD AND EXPORTS.** The odds are gold will remain "relatively weak, given a continuation of relatively high interest rates overseas in the year ahead, together with relatively low inflation rates and a relatively strong dollar.

"With these fundamental determinants of the gold price likely to continue to exert a restrictive effect on the price in the months ahead, it would probably be unwise to expect that gold earnings for 1984 will be any higher than they have been in the past year".

Dr Cloete also believes that with

only moderate world economic growth next year South Africa's non-gold exports will probably show an equally moderate upturn.

Taking that and gold together the total export stimulus, "on which our next cyclical economic upswing is so dependent, is likely to be considerably more moderate than at the start of the previous upturn in 1978".

**THE BUDGET.** Dr Cloete says the deficit before borrowing for 1984-85 could well be more than R3bn.

For anti-inflation reasons this would have to be met by raising taxes and/or borrowing in the domestic capital market.

Dr Cloete says Mr Owen Horwood, Minister of Finance, "is likely

to pursue a middle course — increase direct taxation on individuals and perhaps also on companies moderately and, at the same time, push up his borrowings and hence interest rates in the capital market".

These rate increases will, however, be less than would be necessary without tax rises.

**WAGES AND SALARIES.** These are "unlikely to show an increase of much more than 10% during 1984 compared with an estimated increase of around 13% for 1983.

"Assuming an average inflation rates of 9% for 1984, and no increase in employment levels in the face of a likely continuation of negative new fixed investment in real terms, it must accordingly be expected that total real disposable incomes

## FORECAST IN A NUTSHELL

	Estimated % 1983	Forecast % 1984
<b>Growth</b>		
Real GDP	-4,0	2,8
Agriculture	-13,9	11,7
Mining	-1,6	0,5
Manufacturing	-8,0	4,0
Wholesale and retail	-2,0	-0,2
Building, construction	-1,4	-0,5
<b>Real consumer spending</b>		
Total	-0,5	-0,6
Durables	-8,2	-4,7
Semi-durables	-2,8	-3,7
Non-durables	1,3	0,8
Services	2,0	1,0
<b>Real investment</b>		
Total fixed	-8,7	-1,4
Public corporations	-9,5	1,8
Public authorities	-6,1	3,1
Private sector	-9,7	-4,8
Inflation	12,4	9,0

will show a further reduction next year".

Tax increases would add to that possibility.

**INFLATION.** Dr Cloete sees various reasons why there will still be strong upward pressures on prices.

"It must be expected that producers and suppliers of such necessities as food, housing, power and transport will tend to increase their prices at rather immoderate rates despite the severe recession."

This will be helped by the fact that people simply have to buy these items.

Against that prices more dependent on consumer discretion will be restrained and this will be boosted by the chances of no fuel price rise and the modest tariff rises announced by Escom.

This should see the consumer price index down to 9% next year, especially if further depreciation of the rand and another rise in general sales tax can be avoided.

**MONEY SUPPLY.** "For the year ahead... the rate of increase in the money supply should slow down quite appreciably as the banks are unlikely to continue to create credit for non-productive purposes on the same scale as during the past year."

The broadly defined M-2 should rise by around 14% against an estimated 20% for 1983.

This would be enough to allow a significant fall in short-term interest rates from the second quarter of 1984.



DR JOHAN CLOETE

**BALANCE OF PAYMENTS.** A 5% rise in net exports of goods and non-factor services in real terms is seen for 1984.

Imports should also show a moderate real increase.

**ECONOMIC GROWTH.** The export upturn, coupled with an end to the running of inventories in the domestic economy, should produce real growth of about 2,8%.

Dr Cloete says, however, that "this would represent largely a statistical improvement and, except for a possibly strong contribution to growth from the agricultural sector in the year ahead, business firms generally as well as the consuming public are unlikely to experience any real improvement in their standard of living at least for the greater part of 1984."



# Crucial Paris meeting on Kyalami track

By WIM VANVOLSEM  
THE International Motor Racing Federation will decide next Wednesday on the final improvements that have still to be made to bring the Kyalami race track in line with international Grand Prix standards.

Three South African motor racing personalities will fly to Paris to attend the important meeting of the Formula I Commission of FISA (Federation Internationale du Sport Automobile).

The start of next year's international Grand Prix season has been put back by almost a month to allow the organisers of the SA Grand Prix to make the necessary changes at the country's major circuit.

The first race of the year, in Rio de Janeiro, was postponed from February 26 until March 3 and the SA Grand Prix, scheduled for March 10, will now take place on April 7.

Mr Bobby Hartsliel, owner of Kyalami Enterprises, Mr Mervin Key, local Formula I

Commissioner, and Mr Chris van Zyl, controller of motor sport at the Automobile Association, will be present at the Paris meeting on Wednesday to discuss the required changes.

The main item on the agenda will be the improvement of the pit area.

Several possibilities exist, and include widening the pit lane and moving back the pit area.

The pit area also requires more electrical facilities, necessitated by the increasing use of mini computers by Grand Prix competitors.

The most expensive option would be to rebuild the installations, or set up a new separate Formula I pit area at another site along the track. The existing pits could then be used as an entertainment centre or a go-kart track.

Kyalami Enterprises has already agreed to lengthen the run-off of the straight, levelling the track surface at several points and moving back the protective wall at Wesbank Corner.

11.5% 375  
pay rise  
for  
9/12/83  
newsmen

SENIOR editorial staff on major English-language newspapers will be guaranteed minimum increases of 11.5% next year, the SA Newspaper Press (Editorial) Conciliation Board announced yesterday.

In a statement issued in Johannesburg, the board said the Southern African Society of Journalists had reached agreement on the increases with the Argus Printing and Publishing Company and SA Associated Newspapers.

The 16 newspapers covered by the agreement will increase the total salary bill for senior staff by at least 13.5% in January, 1984.

Each member of staff who has remained with the same employer for at least a year will get a minimum increase of 11.5% on his or her December, 1983, salary. At least another 2% will be distributed at the discretion of editors.

Salary grades for journalists in their first five years of employment have also been improved, the board said. Cadet journalists with matric will receive starting salaries of R500 a month next year and graduates will start at R825 a month.

The board added that agreement had also been reached on new salary grades for library and photographic assistants, on a five-day working week and on the option of payment in certain circumstances for extra time worked. — Sapa.

## Murder accused not drunk, court told

Mail Correspondent

MARITZBURG. — Mr Theodoros Canos of Huhluwe, accused of murder, was not as drunk as he made out on the night he allegedly shot his lover of nine years, the supreme Court was told in Maritzburg yesterday.

The body of Miss Margharita Fourie, 31, was found lying on her bedroom floor with a bullet wound through forehead in March this year.

In summing up his case before Mr Justice Kumbleben and two assessors, the State prosecutor, Mr I Slabbert, the memory of Mr Canos, 38, was "not affected by over-consumption of alcohol as he seemed to have picked up a tolerance from regular drinking".

Canos had the presence of mind to take off his shoes before entering the house and then had two national telephone conversations that night.

He had no recollection of knowing that the deceased was lying on the floor

next to the bed — and where the revolver had been put.

"In refusing to testify, he has not allowed his memory to be tested under cross-examination."

Mr Slabbert said the firearm would have to be in an "unusual position for a suicide shot".

Defence counsel Mr J van Rensburg, SC, told the court his client had drunk between eight and 10 tots of whisky at an hotel and had left the hotel in a drunken state.

"The extraordinary feature of this case is that the accused did not blame someone else, like a burglar, or fake the scene by putting the gun in the deceased's hand."

The gunpowder analysis used to show that Miss Fourie appeared not to have pulled the trigger was done with tests which were new and "unreliable".

"In all probability, Miss Fourie shot herself as she was under mental strain, and from a letter we know that she contemplated suicide."

Judgment will be given today.

## Two escape death

DURBAN. — Two painters working nine storeys above Gillespie Street, Durban, yesterday clung desperately to the railings of their cradle when one side of it broke free from its cables.

"I thank God I'm alive," said a dazed Mr Johnny Govender, minutes after a rescuer pulled him to safety through a ninth-floor window. He was working with Mr Joseph Lutuli, painting a block of flats, when the accident happened.

Mr Govender said he had been trying to set a pin, which secured the cradle to the cables, but the pin apparently did not set true. The cradle broke loose and dangled vertically.

The two men were taken to hospital suffering from shock. — Sapa.

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# Journalists reach a pay agreement

9/12/83 Star 355  
Senior editorial staff on major English-language newspapers will be guaranteed minimum increases of 11,5 percent next year, the SA Newspaper Press (Editorial) Conciliation Board announced yesterday.

The board said the Southern African Society of Journalists had reached agreement on the increases with the Argus Printing and Publishing Company and SA Associated Newspapers.

The 16 newspapers co-

vered by the agreement will increase the total salary bill for senior staff by at least 13,5 percent in January.

Each member of staff who has remained with the same employer for at least a year will get a minimum increase of 11,5 per cent on his December 1983 salary.

At least another two percent will be distributed at the discretion of editors.

Salary grades for journalists in their first five

years of employment have also been improved, the board said.

Cadet journalists with matric will receive starting salaries of R500 a month next year, and graduates will start at R825 a month.

Agreement has also been reached on new salary grades for library and photographic assistants, on a five-day working week and on the option of payment in certain circumstances for extra time worked. — Sapa.



A CRISIS within South African Airways has been averted by a deal which encompasses a 12% across-the-board salary increase and vastly improved pension and other benefits for the airline's 520 pilots, cabin crew and ground staff.

The multi-package deal, described as the biggest breakthrough of its kind in SAA's history, was disclosed at a time when many of SAA's pilots, bitter and discontented over working conditions and financial benefits, were threatening to quit their jobs or call for stay-away action.

But in terms of the agreement, discussed by pilots and management this week at a closed meeting in Johannesburg, all SAA personnel stand to gain substantially in several ways.

And in the case of pilots, flight-pay schedules and other payments — in addition to basic salaries — will also be improved.

The biggest breakthrough, however, came in the field of pension cover — the main cause of dissatisfaction among pilots and other staff which, at one stage, threatened to lead to a head-on clash with management.

Pilots are paid on the basis of a two-tier system — basic salary and flight pay.

A 747 Boeing commander, for example, who earns, say, a total R48 000 — made up of basic salary and flight pay allowances — receives pension coverage for only two-thirds (R38 000) of his gross salary.

Faced with a first-option retirement at the age of 50, and a compulsory retirement at 58, senior pilots — there are about 100 Jumbo captains in SAA's fleet — felt their pension cover was inadequate.

However, in terms of the deal, their full salaries (basic plus flight pay) now become pensionable. And with a 12% salary increase, this means jumbo commanders will earn R50 000 a year and more — with maximum pension cover.

By KITT KATZIN

The pension benefits apply to all SAA staff and come into effect next month.

This more than any other grievance — and the basic 12% salary increases to railwaymen and other South African Transport Services (SATS) staff — has repaired deteriorating relations between staff and management and gone a long way towards creating a new era.

Financially pressed and understaffed in certain crucial categories, SAA is struggling to contain losses that topped R90-million last year.

The deal also provides for:

- Improved flight pay schedules for Boeing 737 and Air Bus commanders, bringing them into line with senior gradings.

- Salary increases exceeding 12% for certain pilots flying on domestic routes, mostly Boeing 737s.

- A commitment by management to pay out customary bonuses — virtually a double salary cheque — in April next year.

- On-going negotiations to solve remaining grievances concerning working conditions, and overtime payments.

Details of the plan were discussed between the pilots' association and SAA management, represented by Mr Gert van der Veer, the airline's new chief executive, at a special meeting this week.

The meeting was said to have marked the "beginning of a new era" and Mr van der Veer, who has been in SAA's hot seat for only two months, was warmly applauded.

Over 200 pilots, including 27 Jumbo captains — a record attendance for the association — were present.

The deal emanates from a complex and prolonged investigation into the grievances and working conditions of SAA staff by a special committee headed by Dr A.T. Moolman, deputy general manager (personnel) of SATS.

The association was represented by its executive committee, headed by Captain de Villiers Steyn, president, and Captain Lynn Barratt, vice-president, who have served on the executive for eight years.

SAA has been hit by recession and monetary problems, and SATS itself, which also controls railways and harbours, has reduced its staff by 35%.

# New deal averts SAA crisis

SUNDAY EXPRESS December 11, 1983

# Miners to demand double pay



By MONO BADELA

WHEN THE National Union of Mineworkers (NUM) holds its second annual national congress in Welkom tomorrow, about 300 delegates representing more than 55 000 black mine workers will call on their officials to demand more than double their salaries when wage negotiations begin with the Chamber of Mines next year.

Job reservation in the industry and poor working conditions for black miners will also be high on the agenda.

NUM's general secretary Cyril Ramaphosa told City Press this week that some far reaching decisions would be taken at what he described as a "very crucial meeting".

Black miners in South Africa earn an average of R129 a month, said Ramaphosa.

The Hlobane mine disaster, in which 63 black miners lost their lives, will be fresh in the minds of the delegates from six regions in the Transvaal and Orange Free

State.

The one-day congress will be held at the Phillip Smith Hall, Thabong Location, near Welkom. NUM was established in August last year, and its first congress held in December that year.

The union's membership has increased dramatically since the first inaugural congress. Ramaphosa said the Hlobane coal mine disaster will be hotly debated when safety and working

NUM'S Cyril-Ramaphosa: . . . "very crucial meeting"

conditions are discussed by delegates.

"Also on the agenda will be job reservation. We have long indicated that we are strongly opposed to job reservation and will decide on a strategy to end job reservation in the industry," said Ramaphosa.

"The bosses are making millions of rands in profit and are enjoying the protection of the Government on such

practices".

He said it was well-known that racial discrimination was still rife on the mines and that black miners were precluded from earning wages equivalent to the jobs they were doing.

Apart from the election of new officials and discussions of the annual report, the union will also concentrate on formulating its strategies for the year ahead.



# Railwaymen to call for 22% pay hike

Pretoria Bureau  
RAILWAYMEN want a further 10% rise in pay in addition to the 12% to be granted to all public sector workers from January 1.

The chairman of the Federal Council of Railway Staff Associations, Mr Jimmy Zurich, said this in Pretoria yesterday, and said the council would meet the Minister of Transport Affairs, Mr Hendrik Schoeman, for pay discussions in Cape Town on February 10.

Mr Zurich said even after the 12% January pay rise, railway workers would be at least 10% short of what inflation required.

He said the major effort by railway workers to raise productivity had been a major factor in enabling the Minister to reduce his estimated deficit for the current finan-

cial year. 13/12/83  
This effort was evident in the fact that although total railway staff had been reduced by about 30 000 in the past 18 months, all was running efficiently.

Mr Schoeman's Administration Economy Campaign successfully reduced his budget deficit for April to September from the expected R320-million to R93-million, and he recently announced a further staff cut of about 8 000 next year.

However, a big deficit at the close of the financial year is expected.

And with the 12% January pay-hike for the 240 000 railway workers adding about R300-million to the administration's total wage-bill, economists say the Minister will probably have to raise tariffs from the start of the new financial year.

AMC T-12/15  
12/12/83  
(355)

# Jobs 'Public sector still lags'

Education Reporter  
WHITE male graduates employed in the public sector are better off today than they were in 1981, but they are still lagging behind graduates in the private sector. This is the finding of a report on the wage structure of white males released recently by the Institute for Manpower Research of the Human Sciences Council. The report, which examines the situation up to March 1983, points out that while graduates in the public sector lagged behind their colleagues in the private sector in 1981, this backlog had been reduced to 11 percent this year, however, they are still lagged behind the private sector when private graduates were 9 percent ahead of those in the public sector. The income of all graduates had increased "considerably" since 1981 — in the private sector, median incomes had gone up by 16.7 percent annually (from R19 750 in 1981 to R26 910 in 1983), while in the public sector the increase had been 19.6 percent (from R16 810 in 1981 to R24 030 in 1983). The report showed that the income of self-employed people was very sensitive to the economic climate. Self-employed people put considerably more hours per week into their careers than employees. The difference was approximately 46 hours against 38 hours as fringe benefits accounted for 17 percent of the total income for employees, while in the public sector fringe benefits made up 16 percent. Housing benefits in both sectors amounts to about R3 000 a year.



# Builders' holiday pay R68-million

By Carolyn Dempster,  
Labour Reporter

A holiday pay packet of R68 million was handed to 270 000 workers and artisans in the building industry who went on their annual holiday today.

In the Transvaal, which takes the biggest slice, the 108 000 builders under the jurisdiction of Industrial Councils took home a total of R34 million.

The scheme which affords builders a fully paid three-week holiday should not be regarded as a bonus, said Mr Lou Davis of the Building Industries Federation.

Workers in the building industry were usually

paid on an hourly or weekly basis.

Some might go on leave without a cent in their pockets were it not for the holiday pay system, worked out so that employers can make contributions to the fund administered by the Industrial Councils.

The recipients do not have to belong to the councils so members of the unregistered emergent and largely black building unions also benefit from the scheme if they fall within the councils' area of jurisdiction.

In areas where there are no Industrial Councils the builders cannot benefit.

Builders return to work on January 9.

# Newspaper workers get pay increases

Star 16/12/83 355

The Media Workers Association of South Africa and the two major English-language newspaper groups in the country, Saan and the Argus Company, have concluded a wage and salary agreement for 1984.

The agreement includes increases ranging from 11,5 percent to 23 percent.

A five-day, 40-hour week has also been agreed upon for all employees except security workers.

Mwasa members who are monthly-paid, will be compensated in certain circumstances for overtime and public holidays worked.

Negotiations on the inclusion of June 16 as a paid public holiday will take place early next year.

Salary scales for junior reporters, photographers and photographic and library assistants have been improved.

All increases come into effect on January 1, and are based on wages and salaries as at December 31 1983.

Weekly paid employees in the Argus Company have received an additional two percent on their basic pay backdated to July 1 1983.

In terms of the agreement, weekly paid unskilled workers will receive an increase of R17 or 12,5 percent whichever is the greater and semi-skilled workers R25.

The salary bill for senior journalists and other monthly paid employees will increase by 13,5 percent of which 11,5 percent will be across-the-board and the remaining two percent allocated at the discretion of the employers.

Mwasa, Argus and Saan will meet some time next year to review their wage bargaining machinery as well as the recognition agreement between them.



AKGWS 16/2/83

# The lot of white male graduates in public sector has improved

Argus Correspondent

PRETORIA. — The lot of white male graduates in the public sector has improved in the past three years more dramatically than that of their private sector counterparts.

However, public sector employees with degrees or diplomas still lag behind those in the private sector — even with

fringe benefits taken into account.

This has emerged from a Human Sciences Research Council report on "The Wage Structure of White Male Graduates in 1983".

The median value of the income package of graduated public ser-

vants this year totalled R30 380, while the private sector package was R34 680.

The income of public servants increased by 19,6 percent a year since 1981, and that of private sector employees by 16,7 percent.

The report says the "sensitiveness of the income of self-employed persons" is disclosed in the data. In the past three years their income improved by only 14,6 percent. They experienced a boom in the period 1979-81, however, with a 20,3-percent annual increase.

More public servants receive housing benefits (four out of five) than do private sector employees (about half), the report says.

Top earners in the self-employed group are surgeons, with a median income of R66 500, while farmers earn by far the least — R20 000.

In terms of remuneration, private sector employees come next, with top earnings going to managing directors, at R54 180.

Inspectors of Education top the list in the public sector graduates at R30 160, with agricultural researchers and teachers occupying the low scales.

The report also reveals that while the wages of public servants peak at the age of about 55 and 59 years, private sector employees earn most between the ages of 45 and 49 years, as do self-employed persons.

355 (150) RDM  
20/10/83

# Strike is averted as OK and unions agree on pay

By STEVEN FRIEDMAN  
Labour Correspondent

A LEGAL strike at OK Bazaars has been averted by a wage agreement between the company and two shop workers' unions which will raise pay for around 20 000 OK workers throughout the country.

A key feature of the agreement is that workers in country areas will receive the same increases as those in the towns and cities.

Country workers usually receive lower rises than those in the cities and it is believed that OK is the first major chainstore to agree to give both groups the same increase.

The agreement was reached between OK on the one hand and the (black) Commercial, Catering and Allied Workers' Union (Ccawusa) and the (white and coloured) National Union of Distributive and Allied

Workers (Nudaw) on the other.

The OK board met three times after Ccawusa declared a formal dispute with the OK over pay when wage talks between the two deadlocked. The Nudaw later also declared a dispute, arguing that its members would be affected by any wage agreement between OK and Ccawusa.

Had the two sides failed to settle the dispute, the unions would have been able to hold a legal strike ballot.

According to a joint statement by the two sides, the settlement means workers affected by the dispute will receive an increase of R35 a month backdated to December 7 and a further R10 in April next year.

The new agreement will apply until the end of next September and negotiations for an increase to be effective from October 7, 1984, to

October 6, 1985, will commence not later than July next year, according to the statement.

Ccawusa claims that minimum pay at OK is around R230 a month.

The joint statement stresses that only workers "in respect of whom the dispute arose" will receive these increases. This means union members, and all workers in the same job grades as them, will receive them.

The wage deadlock arose after Ccawusa demanded a R50 increase with immediate effect.

OK countered with an offer of R20 in December and a further R15 in February. This would have applied to workers earning less than R350 a month only. The company also suggested that fresh negotiations on a possible further increase take place early next year.



# Reductions in pay rises are forecast

21/12/83 355 E. Post

JOHANNESBURG — The likelihood of further substantial cutbacks in nominal salary and wage increases in response to the depressed demand for goods and services experienced over the past year, is predicted by Barclays National Bank in its latest Business Brief.

Commenting on total real disposable incomes, it says these will drop further next year, especially in view of the likely increase in personal income tax.

"Salary and wage increases generally are unlikely to show an increase of much more than 10%, compared with an estimated increase of around 13% for 1983.

"Assuming an average monthly inflation rate of around 9% for 1984 and no increase in employment levels in the face of a likely continuation of negative new fixed investment in real terms, it must accordingly be expected that total real disposable incomes will show a further reduc-

tion next year, especially if there should be an increase in personal income tax, which seems very likely.

"A decrease of perhaps as much as 3% in total real disposable incomes next year would, in turn, have adverse implications for private consumption expenditure, which is the main constituent of total domestic demand."

Over the past year, private consumption expenditure had been kept up to a considerable extent as a result of the consuming public having had resort to hire purchase and other forms of personal credit on a substantial scale.

"It is unlikely, however, that consumers will be able to and will be prepared to continue to take up credit on the scale of the past year.

"Any positive increase in private consumption expenditure next year is, in fact, probably only possible if the inflation rate for 1984 should fall even below 9%," Barclays states.

Discussing taxation, it says the Minister of Finance is likely to be faced with a deficit before borrowing that could well be in excess of R3 billion in next year's Budget.

In view of the need to push down the inflation rate, he would not be able to finance this shortfall to any material extent by borrowing from the banking system or by borrowing overseas.

"He would accordingly have little option but to finance the deficit by increasing taxation or by borrowing more funds in the domestic capital market or, of course, a combination of both.

Anything more than a moderate increase in taxation at the time of the Budget would be adverse for growth and employment and would probably put paid to any hope of recovery of the South African economy during the course of 1984.

The South African Reserve Bank, in its quarterly bulletin, meanwhile says the rate of increase in nominal salaries and wages in the first three-quarters of 1983, compared with the corresponding period of 1982, amounted to only 12% — well below the rate of increase in each of the preceding four years.

However, in terms of successive quarterly changes, the rate of increase in nominal salaries and wages accelerated from 11% in the first quarter to 12½% and 14% in the second and third quarters,

respectively.

Net personal saving remained subdued and showed little change in the first three quarters of 1983. As a ratio of personal disposable income, it remained at a historically low level of 3½%.

Reviewing employment trends up to mid-year, the Reserve Bank says the levelling out of the decline in real economic activity was evident in this field.

Total non-agricultural employment, which had declined during the second half of 1982 and the first quarter of 1983, actually showed a slight increase in the second quarter.

In the private sector, employment receded further in manufacturing, construction and non-gold mining, but increases were recorded in the number of workers employed by financial institutions, gold mining and the private transport sector.

In manufacturing, the existing labour force was used more fully, as was reflected in an increase in the number of overtime hours worked in relation to ordinary hours.

In the first six months of 1983 total non-agricultural employment was 1.9% lower than in the corresponding period of 1982. This was mirrored in an increase in unemployment.

Seasonally adjusted, the number of registered unemployed whites, coloureds and Asians rose from 32 790 in December, 1982, to 40 012 in June, 1983.

# Docks men get 13% rise

Mail Correspondent

CAPE TOWN. — Almost 3 000 stevedores in South Africa's four largest ports will receive an average pay rise of 13% in terms of a new wage agreement negotiated between the General Workers' Union and SA Stevedores Ltd.

Announcing the pay rises in a statement yesterday, the GWU said the 1984 rates for stevedoring hands for an 8½ hour shift would be R19,73 in Cape Town, R18,65 in Durban and R18,20 in Port Elizabeth and East London.

Workers in higher categories would receive similar percentage increases. Union members found the new rates "acceptable under present circumstances", the statement said.

A union spokesman added that the new agreements were signed port by port in negotiations held over the past six weeks.

The pay rises were slightly higher than increases in the cost of living during the past year.

Also, further progress had been made in eliminating the pay differentials between the ports, he said.

A spokesman for SA Stevedores Ltd confirmed the pay rises and declined to comment further.

● In its statement, the GWU sharply attacked the government for allowing the decline of the Port Elizabeth harbour.

Expressing concern at the decline, the union said its members were "suffering the consequences of government neglect of the region in general and the harbour in particular".

This caused hardship to other workers in the region and was detrimental to the general level of economic activity.



# 23/12/85 Mercury Stevedores get pay rises 355

**Mercury Correspondent**

**CAPE TOWN**—Almost 3 000 stevedores in South Africa's four largest ports will receive an average pay rise of 13 percent in terms of a new wage agreement negotiated between the General Workers' Union and S A Stevedores Ltd.

Announcing the pay rises in a statement yesterday, the union said the 1984 rates for stevedoring hands for an eight-and-a-half-hour shift would be R19,73 in Cape Town, R18,65 in Durban and R18,20 in Port Elizabeth and East London.

Workers in higher categories would receive similar percentage increases.

Its members found the new rates 'acceptable under present circumstances', the statement said.

A union spokesman added that the new agreements were signed port by port in negotiations held over the past six weeks.

The pay rises were slightly higher than increases in the cost of living during the past year.

Also, further progress had been made in elimi-

nating the pay differentials between the ports, he said.

A spokesman for S A Stevedores confirmed the pay rises but declined to comment further.

In its statement, the union sharply attacked the Government for allowing the decline of the Port Elizabeth harbour.

The union said its members were 'suffering the consequences of Government neglect of the region in general and the harbour in particular'.

This caused hardship to other workers in the region and was detrimental to the general level of economic activity.

# 13 pc pay rise for stevedores

W/EMG 24/12/83  
Labour Reporter

315

ABOUT 3 000 stevedores in South Africa's four major ports will receive an average wage increase of 13 percent.

The increases follow six weeks of negotiations between the trade union representing the stevedores, the General Workers' Union, and South African Stevedores (Ltd).

The new wages for stevedore hands will be R19,13 a day in Cape Town, R18,65 in Durban and R18,20 in Port Elizabeth and East London.

## "Exceptional decline"

A spokesman for the General Workers' Union said that "under present circumstances our members find the new rates acceptable".

While there had been a "temporary decline" in shipping generally, the union said it was particularly concerned about the "exceptional decline of activity in the Port Elizabeth harbour."

A spokesman for South African Stevedores (Ltd) confirmed the wage increases.



# Bigger pay packets for civil service

ARGUS 29/12/83

Argus Correspondent  
PRETORIA. — Public servants can expect bulkier pay packets at the end of January when the 12-percent pay rise promised them in September comes into effect.

In addition, some pay packets will also include the benefits of the new deal for 53 000 public servants in 200 occupational groups announced by the Commission for Administration at the end of last month.

No specific date has, however, been set for the

implementation of the new deal — which could include salary increases and quicker promotion.

Depending on certain administrative details to be worked out, each public service department will implement the new deal as soon as possible.

Five main groups are involved in the deal, which is part of the occupational differentiation programme aimed at bringing the public service into closer competition with the open labour market.

These groups are:

- Highly qualified

groups with at least a bachelor's degree.

- Supportive technicians in 43 categories who work closely with these groups.

- Line administration and clerical personnel in a total of 60 occupational groups.

- Provisionary and administrative personnel involved in stores and equipment procurement occupations.

- Personnel officers, organisation and work study officers, training officers; advisers and their associated clerical staff.

The new dispensations for the first two groups will be backdated to October 1, and for the other three groups "dispensation will be effective from November 1".



# 'Phantastick? Darling you're phurthest out!'

Mail Reporters

THERE I was, rambling down Eloff Street dressed as a pumpkin, when who should I meet but Napoleon, strolling hand in hand with a tyrannosaurus rex. Three leprechauns danced a jig on a nearby bus stop...

Such might be the fantasy of Jo'burg's costumiers, who have been doing a roaring trade in fancy-dress hire over the festive season. They have hired out more costumes than ever before to those citizens who feel the urge to be even wilder and woollier than is customary at this time of year.

In an attempt to flee 1984, people have been turning to the past. Popular costumes include mediaeval outfits, suits of armour, Elizabethan gear, and other such accoutrement of older, and therefore presumably merrier, eras.

The demand has been such that people tired of their own personas, and lusting for change, have often been unable to find the mask to fit their mood.

"People have been going for all sorts of things..." said Mrs Ida Woolf, proprietress of Jack Woolf Theatrical Hire Company, yesterday.

Her shop is a dim, cavernous maze of dusty clothing racks covering a entire floor of an old building in Commissioner Street.

Fantasy upon dream upon wish lie here in tumbled heaps, spilling from cabinets full of gleaming helmets, glass jewels and papier-maché crowns to the old wooden door. Here is a floor to ceiling set of shelves filled with tarnished metal armour; there is a rack of lacy, frothy dresses from some impossibly glamorous fourteenth century.

For some reason, soldiers require a lot of costumes. American Civil War, English Civil War, World War II...

For very little — just a matter of money (about R10 basic, going up to about R25 with extras) — you can live your dreams. For a night at least.



## Public servants deal 'is pleasing'

By J S MOJAPelo  
Pretoria Bureau

THE new salary dispensation for public servants plus the 12% salary hikes to take effect from the end of January was "gratifying", according to the president of the Public Servants Association, Dr Colin Cameron, in Pretoria yesterday.

The dispensation, based on occupational differentiation, aims to bring public sector salaries in line with those offered by the private sector.

Public servants were promised 12% salary increases in September. Some pay packets, in addition to the increased salaries, will receive the benefits of the new deal for 53 000 public servants in 200 occupational groups announced by the commission for administration at the end of last month.

The five main groups involved in the deal are:

- Highly qualified groupings with at least a bachelor's degree;
- Supportive technicians in 43 categories;
- Line administration and clerical personnel in a total of 60 occupational groups;
- Provisionary and administrative personnel involved in stores and equipment procurement occupations; and
- Personnel officers, organisation and work study officers, training officers, advisers and their associated clerical staff.

The new dispensation for the first two groups will be backdated to October 1 while the other three groups' dispensation will be effective from November 1.

Dr Cameron said the dispensation "has so far generally worked out well".

### MATTER OF FACT

TO CORRECT specific errors of fact, write to the Editor at P O Box 1138, Johannesburg, or telephone the Editor's secretary at 710-9111 between 9am and 5pm on weekdays.

If you have broader complaints about the Rand Daily Mail these can be taken up with the Mail Ombudsman, James McClurg, c/o the Editor's secretary.

A REPORT in the Rand Daily Mail on Thursday described Inderal as a "drug associated with death".

The report carried the findings of the University of Cape Town Ciba-Geigy Medical Safety Centre about ad-

Young Peter Kohncke has appealed to Queen Elizabeth II to save his dog 'Tammy', sentenced to death by an Australian court for biting two people.

Picture: UPI

## ... for New Year



17645 8/12/83

## Big strides by black

workforce

355 / 17645  
Labour Reporter

THE position of black workers has improved greatly, Mr Harry Oppenheimer, chancellor of the University of Cape Town, said at a graduation ceremony today.

He said the rapid growth and official recognition of black trade unions was an almost revolutionary change which would have effects not only in industry but throughout the social and political system.

"Over the last 16 years there have been major improvements in the earnings of blacks in industry," he said.

Real wages had increased by about 23 percent for whites and by about 67 percent for blacks since 1968.

### MINING

"In the mining industry, on account of extremely low levels of black wages in the past, the figures are much more spectacular."

Real wages for blacks had risen by 278 percent and for whites by eight percent since 1968.

"Average white earnings in the mines are now just over five times the average of black earnings, as compared with 19 times in 1968."

"There has also been a great intangible change in the attitude of managements and white workers towards black workers, and much has been done to equalise and humanise conditions of employment for all workers," he said.

However, this did not mean that nothing more need be done to bring racial discrimination in industry to an end.

Argus 16/12/83

355

## Big wage rise, yet blacks worse off — study

Staff Reporter

WHILE real black wages rose enormously in the past decade, most blacks may be even worse off now, a University of Cape Town study suggests.

The study by UCT economics student Mr Stephen Devereaux is part of the second Carnegie inquiry into poverty and development in Southern Africa, co-ordinated by the South African Labour and Development Research Unit (Saldru).

Mr Devereaux did not dispute that real black wages rose enormously over the past decade and that relaxed job reservation and a growing need for skilled labour had led to increased black upward mobility.

### TRAPPED

But the positive trends did not alleviate the poverty of most blacks, he found. Rising wages may have been offset by rising unemployment and hardship among those excluded from education and employment opportunities, particularly in the homelands.

"The positive argument that blacks gained substantially from wage rises and upward mobility applies only to those fortunate enough to be absorbed into modern sector employment.

"For the rest, possibly the majority, who remain trapped in low-employment rural areas, facing malnutrition and disease, little has changed."



WAGES-1984

JANUARY — DEC.

*[Handwritten scribbles]*

# Post staff told: wait for increase

3/1/84 Stan  
355 Pretoria Correspondent 568

Employees of the Department of Posts and Telecommunications have been warned not to anticipate their salary increases, apart from the 12 percent announced in September last year.

The January issue of the department's Staff journal, Postal, warns them that salary increases resulting from the new job evaluation system will materialise much later in the year.

In the technical division, the journal says, about 19 000 posts have been evaluated and a report is to be considered by top management.

This is the procedure for other divisions:

- The training of job describers for post and management services, telecommunications, commercial, regional audit and uniformed staff is due to start in Durban on January 9 and elsewhere the next day.
- Job describers for the various head office directorates are scheduled for training on February 6.
- Job descriptions for the whole clerical/administrative division will be completed by March 9. After the data have been graded and processed a likely target date for this group is May 31. Implementation date will be January 1 1984.
- Job evaluation of smaller groups of staff will be undertaken as soon as possible, the journal says.



*Cape Business News*

# SLOW DOWN '84 PAY HIKES

SINGLE digit inflation may be hopeful this year; single digit salary increases are far more likely in 1984. Average salary hikes of around 13% started off 1983, fell to 11% by mid year, and were closer 9% in a Xmas survey of year end increases.

A similar survey done in 1982 of Cape employers suggested likely increases of around 15%, actual increases granted were closer 12-13%.

Consultants suggested that actual increases were often below those planned — unless boom conditions meant employers being held to ransom. Cape Chairman of the Institute of Personnel Management Dr E. Lehmann suggested 'Companies are taking a bigger risk this year on salary hikes — they are prepared to lose a few'.

Renwick's Ron Gaylard says 'It will only require a 15% salary package improvement to entice a good man this year.' Salesmark, in their latest salary review, went as far as to suggest that

remuneration improvement may only be possible by a change of employer!

The general consensus is that increase in the range of 8-11% are likely. The only real disagreement is where the increases may be greatest, at the top or bottom. Some considered that lower paid and clerical staff, more effected by the cost of living, may get increases closer the inflation rate.

Less vulnerable higher paid staff and executives would therefore get lower increases. Traditionally the reverse tends to be true. In boom times general staff get higher (percentage) increase to keep them from straying. In recessions, with less enticements, employers don't

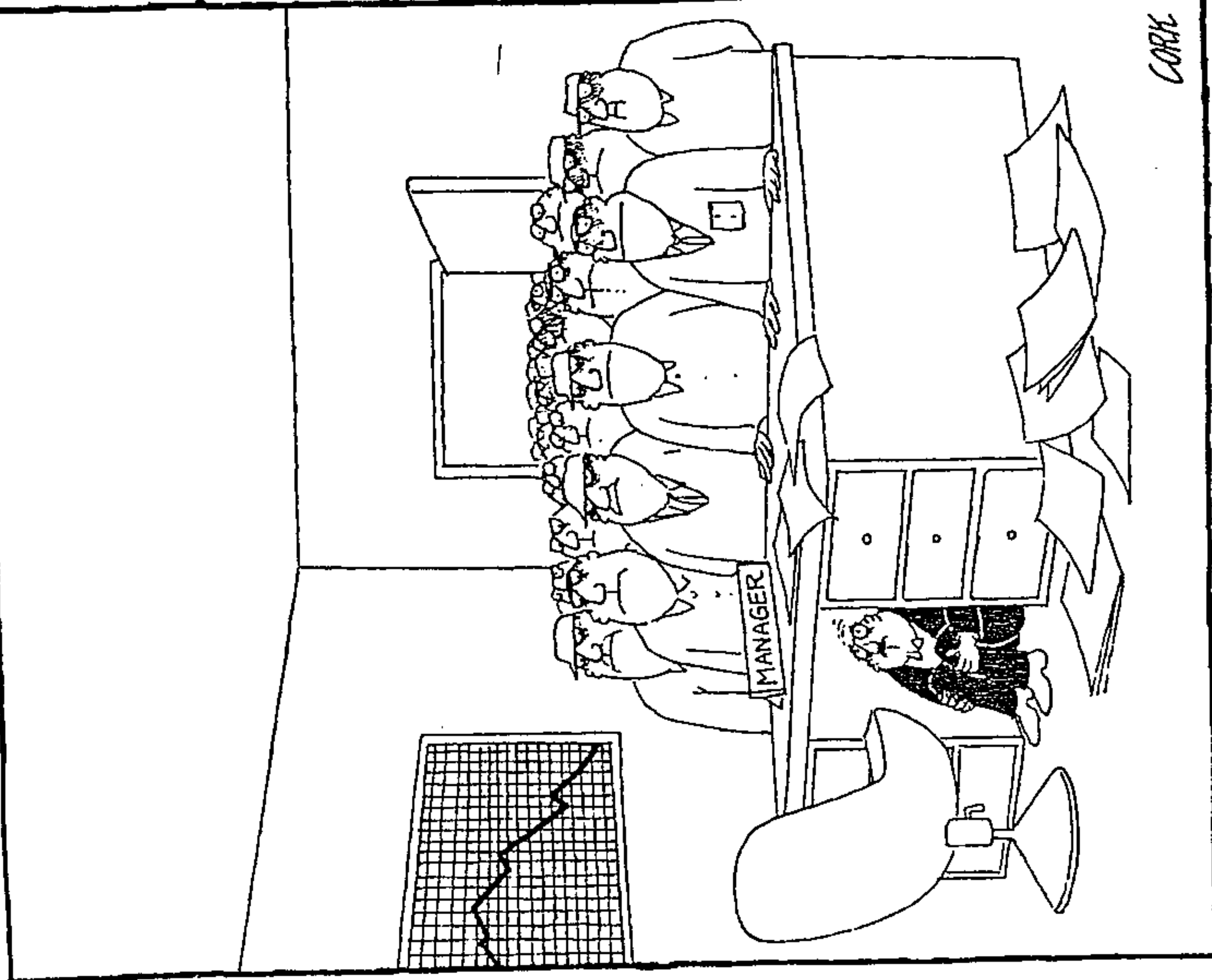
need to grant such large increases.

13th cheques have now become the norm in salary packages, certainly for large employers. 'The annual bonus is a matter of fact condition for over 95% of administrative employees' said one consultant, 'the only question is how much?' Most said that a 13th cheque — more exactly an 8.33% annual bonus, was now paid by two out of three employees.

Respondents to PE Consulting Group indicated that 56% pay a 13th cheque, a further 8% pay a 10% bonus, the balance is split up between those who pay less or have different methods of arriving at a

players, mostly smaller ones, still paid a two or three week 5% bonus; about the same proportion who paid no bonus at all. The last group (no bonus), also included a significant number of self employed or directors of smaller companies.

Certainly top of the pops for 1983 was SA Perm. Perm staff enjoyed bonuses and increases that added an extra third to their 1982 pay. Like UBS and a number of other financial houses, SA Perm have been paying a 10% annual bonus for some time. The other two thirds of Perms staff bonanza came from a merit based annual increase and a once only longevity bonus for the Societies 100th anniversary.



CORK



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#### ANNUAL BONUSES

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Respondents to PE Consulting Group indicated that 56% pay a 13th cheque, a further 8% pay a 10% bonus, the balance is split up between those who pay less or have different methods of arriving at a bonus. Their survey showed that 80% of annual bonuses were paid at or shortly before Xmas.

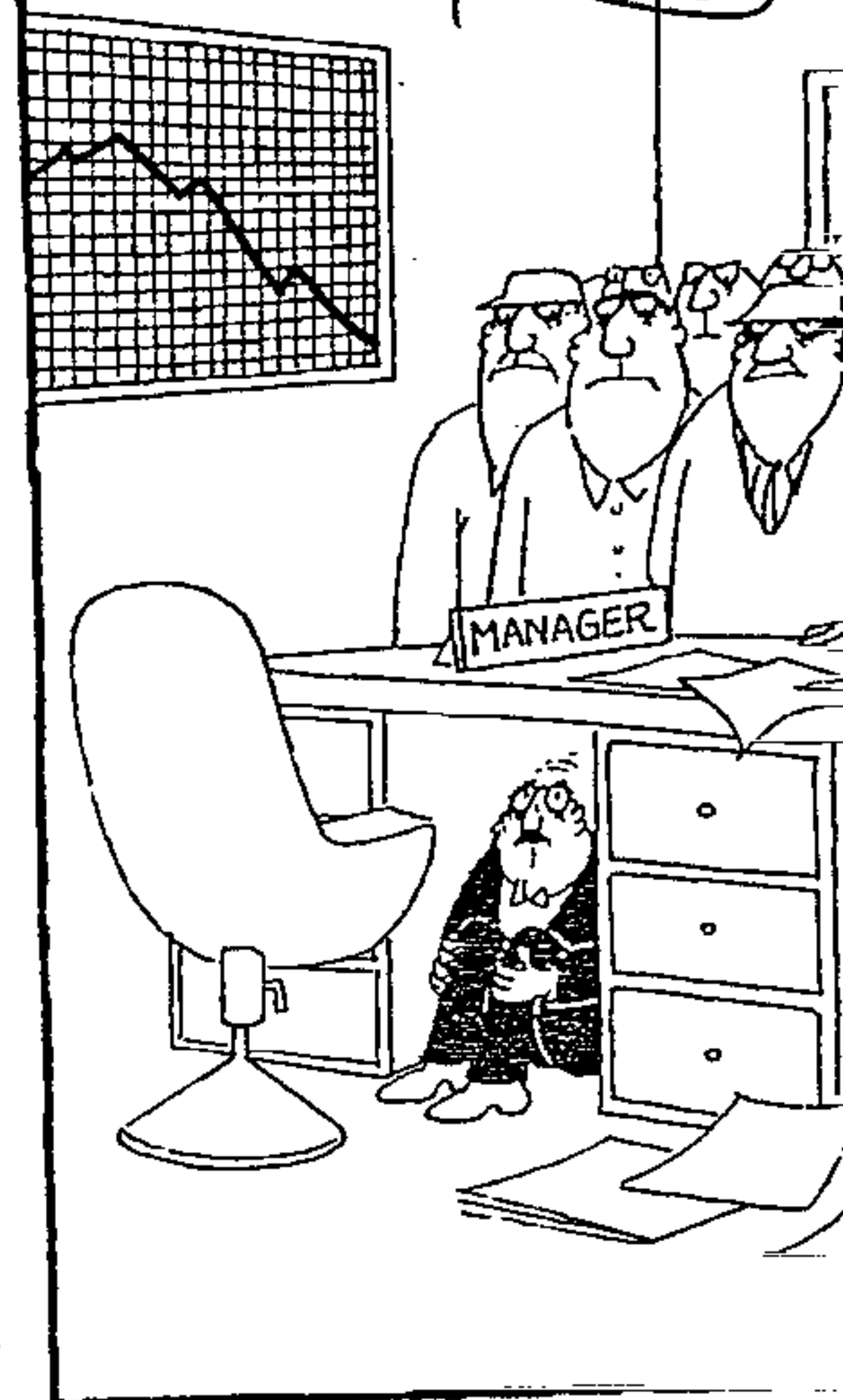
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Cape Bus. News

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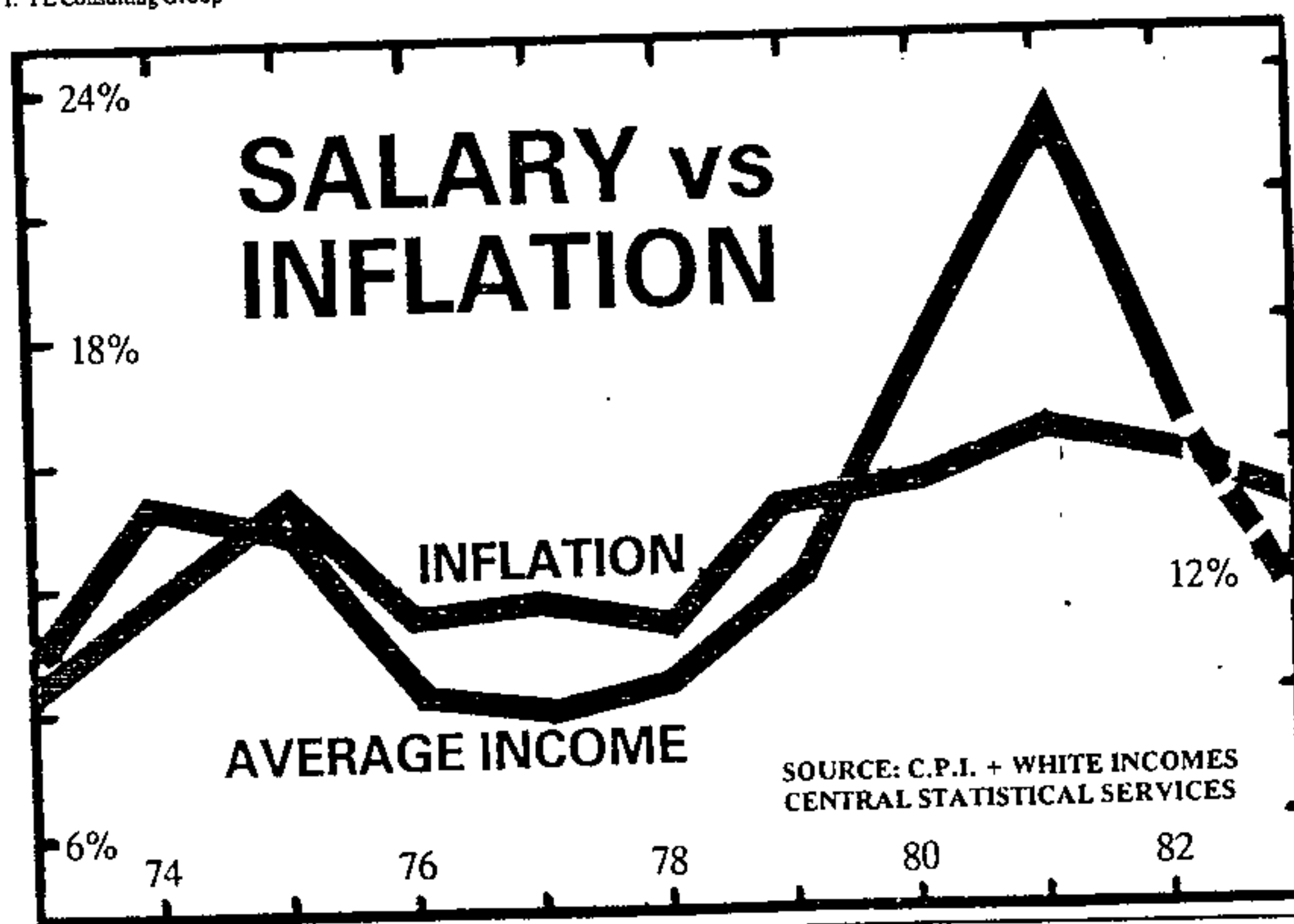
#### SALARY HIKES

	1981	1982	1983 <sup>3</sup>
General staff <sup>1</sup>	24,6%	12,0%	8-10
Executives <sup>1</sup>	18,4%	12,7%	10-11
Average white <sup>2</sup> incomes	22,3%	15,2%	
Inflation <sup>2</sup>	15,2%	14,7%	12,5%

1. PE Consulting Group

2. Central Stats Services

3. Estimates



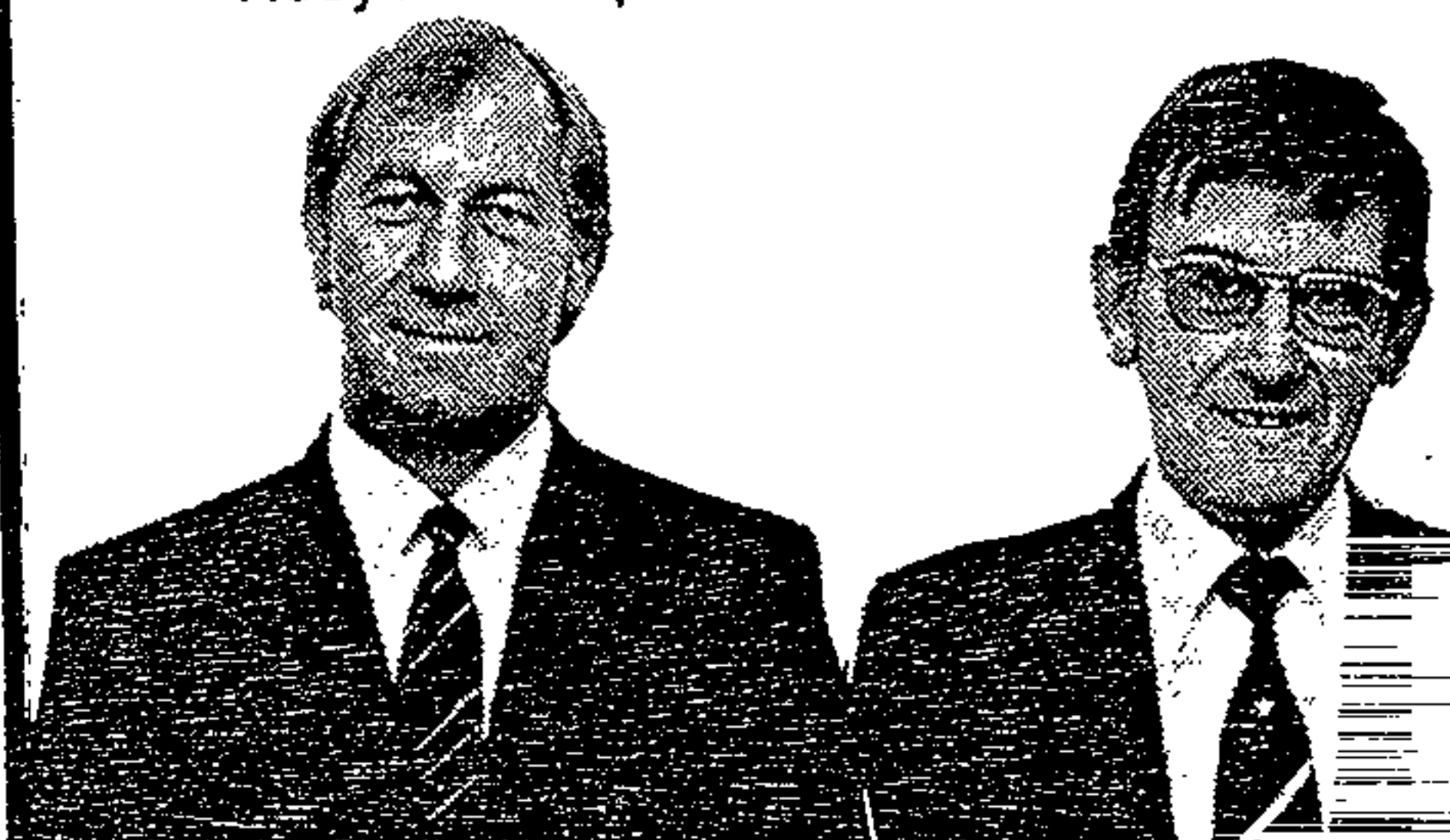
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## EXPERIENCE THE EXPERIENCE

To make the BMW experience become a reality talk to the people with years of BMW experience behind them. Men like Steve van Rooyen of Cape Town, Mike

Depper of Parow will introduce you in motor driving



STEVE VAN ROOYEN

MIKE DEPPER

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CAPE TOWN: Phone 25-1482  
4 SOMERSET ROAD

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34 MAIN ROAD



# Some ~~varsity~~ varsity staff 16/1/84 'paid too much'

Post Reporter

MANY university lecturers are overpaid, according to a professor at the University of Port Elizabeth, Professor Theuns Erasmus.

He believes that because university lecturers are not paid according to performance, many are overpaid — and just as many underpaid.

Prof Erasmus, dean of the science faculty at UPE, said lecturers were not given financial incentive to improve their standard of teaching and were also not penalised for shoddy work.

"Ultimately the standard of teaching at universities will degenerate because we will not be offering our brightest students a rewarding career," he said.

Prof Erasmus was commenting on a statement by Professor Charles Fensham, of the University of Stellenbosch, who said in the Yearbook for 1983 of the Suid Afrikaanse Akademie vir Wetenskap en Kuns that lecturers in South Africa were "overpaid schoolteachers".

Prof Fensham said lecturers earned huge salaries to play the role of teachers and many did not do their work properly.

He said it was time lecturers of this type were paid less and their hard-working colleagues properly remunerated.

Prof Erasmus said he thought lecturers' salaries were inadequate, but the problem was whether these salaries were earned.

"A poor university lecturer does not make a good school teacher because the fields are quite different and the crux of the whole matter is that lecturers will not work harder if they are not given the incentive to do so."

# Civil service holds thumbs over pay

By Sheryl Raine,  
Pretoria Bureau

More than 50 000 civil servants, including the police, should know by the end of the month how much the State's job-differentiation programme will add to their pay packets.

Apart from a 12 percent across-the-board salary increase for all civil servants, which came into effect on January 1, several sectors of the service will receive additional increases, incentives for efficiency and cash rewards for performance, according to a programme to differentiate job categories in the public sector.

A spokesman for the South African Police confirmed that some members of the force had already received official notification of their new pay deals, retrospective to January 1.

The spokesman declined to give details about the increases, stating that the Minister of Law and Order had requested that salaries be kept confidential.

Those members of the SAP

who had not yet been notified about their new salary structures would be notified by the end of the month.

The South African Defence Force is next in line for job differentiation but evaluation of the many job categories in the military sector is likely to take time.

Not all members of the civil service will qualify for job differentiation.

The Commission for Administration has been scrutinising the civil service since 1981 and has assessed certain job categories only for job differentiation.

Government departments whose staff falls into the approximately 600 newly created job categories have already been ordered to evaluate staff and are on the job.

The Department of Posts and Telecommunications is busy evaluating technical staff whose salary adjustments will be retrospective to October 1, according to the Commission for Administration.

$$\begin{array}{r} 15 \\ 60 \\ \hline 48 \\ 24 \\ 12 \\ 6 \end{array} \times \begin{array}{r} 25 \\ 50 \\ 100 \end{array}$$

$$\begin{array}{r} 25 \\ 15 \\ \hline 125 \\ 25 \\ \hline 6 \overline{) 375} \\ 6 \end{array}$$



# Salary <sup>Argus 18/1/84</sup> bonanza for <sup>SSC</sup> 50 000 civil servants

Argus Correspondent  
**REFORMA.** — More than 50 000 civil servants, including the police, should know by the end of the month how much the Government's job differentiation programme will add to their pay packets.

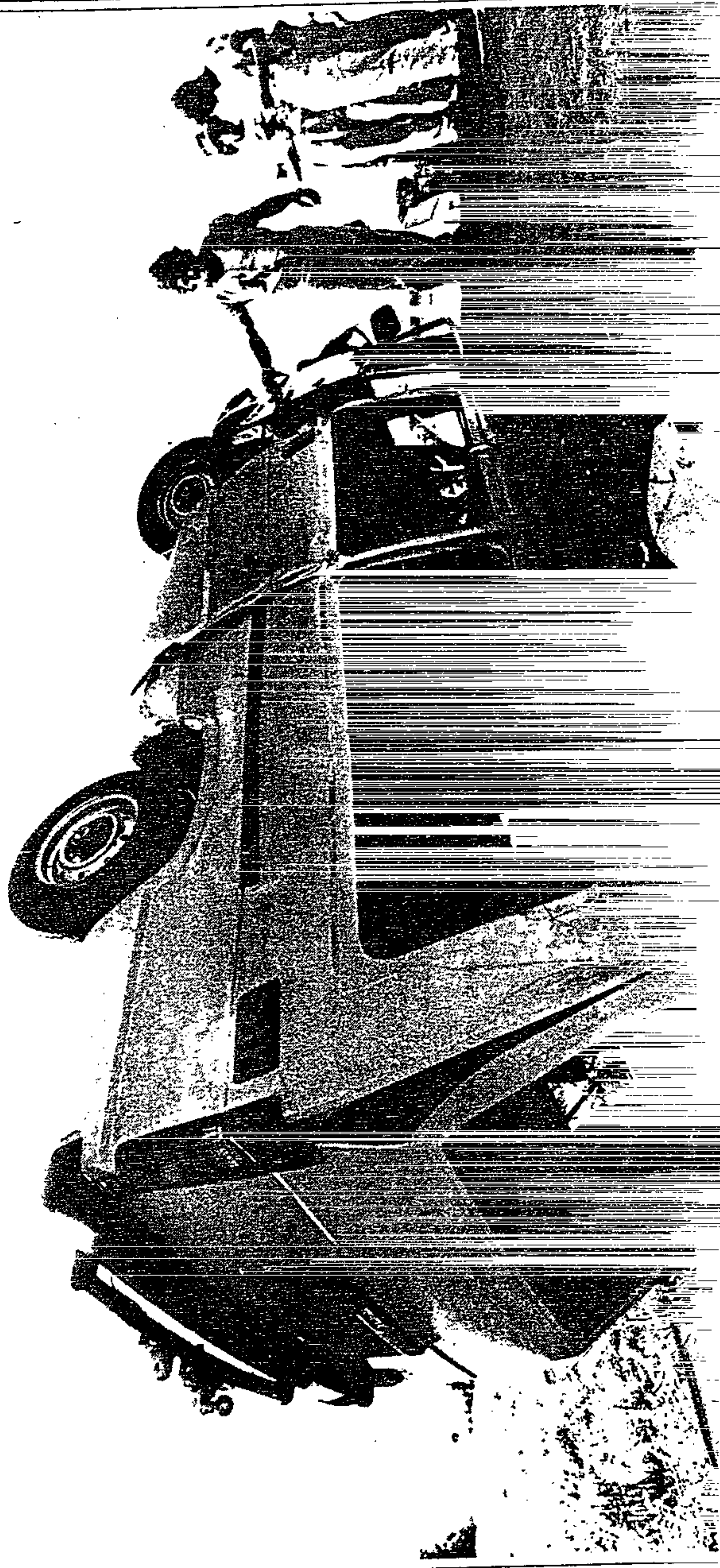
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## Very grateful

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And a member of the official Opposition's police group, Mr Ray Swart, said it was particularly important that the lower ranks received reasonable remuneration to step up recruitment.

A spokesman for the South African Police confirmed that some members of the force had already received official notification of their new pay deals. These would be retrospective to January 1.

### Confidential

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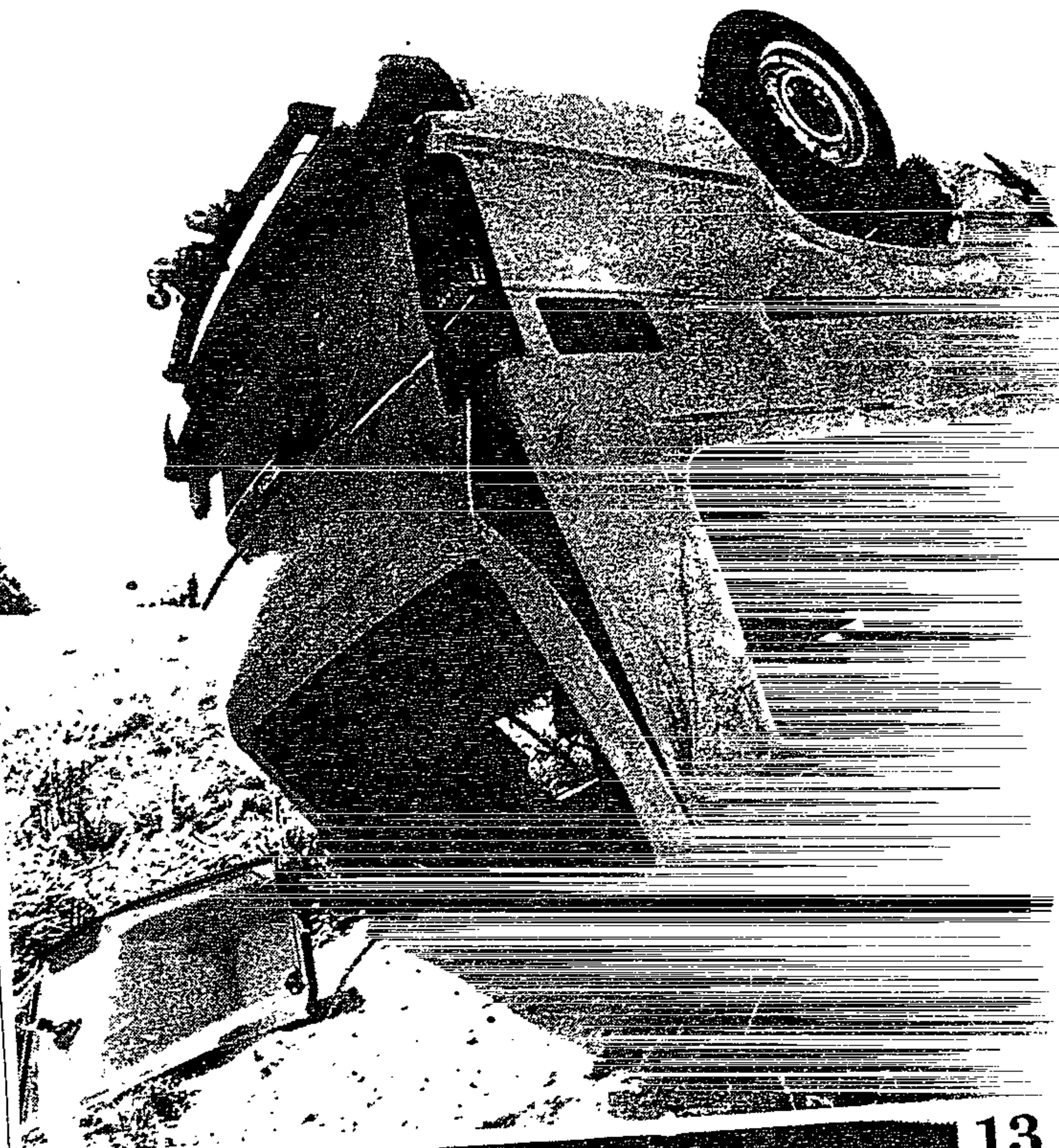
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Argus 18/1/84 (355)



### Fourth AECI plant joins big strike

ARGUS 18/1/84  
 183 152 143  
 Labour Reporter  
 AECI workers at the company's Umbogintwini plant have decided to join the nationwide strike, bringing the number of workers on strike to close on 9 000, according to the SA Chemical Workers' Union.

A union source said today that the legal strike, which now affects four major explosives factories, had entered its third day with no incidents being reported.

A company spokesman confirmed that 1 000 workers at the Umbogintwini plant had come out on strike today, bringing the number on strike to 8 650.

Production is believed to be at a standstill at all four plants.

From Page 1 to 10



One of the injured is lifted into an ambulance before being taken to Conradie Hospital.

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# Anger at 'squander', burden on poor

ANGRY Teleletters callers attacked the government, and the Minister of Finance in particular, yesterday on the latest general sales tax increase.

"The Minister of Finance should be asked to resign," said Mr A Sufi of Athlone. "This is a country of natural wealth, but millions are being squandered on a senseless war in which innocent youngsters are being killed and the people are being left to carry the financial burden."

Mrs F Forshaw of Lakeside said: "It is iniquitous that a Minister

of Finance should resort to robbing the poor. He should be thrown out forthwith. If he put extra taxes on tobacco and alcohol, however, he might do some good."

Mrs I E Collinson of Goodwood also called for heavier taxation on tobacco and alcohol rather than on food. Mr Ivan Sylvester of Brackenfell said: "It is the people who have no say in the government who suffer most under this taxation."

"The government has been digging this country's grave since 1948 and this increase in sales tax is just another

turn to make good our own losses?"

Mrs D Dixon of Rondebosch said: "It is a disgrace the way the poor people of this country are being made poorer to keep the rich richer. If the country is in such a financial mess, why can't MPs reduce their own salaries?"

"Our wages are going

nowhere these days," said Miss Florrie Oliver of Bakoven. "The droughts are God's work, so why should we workers have to pay?"

Miss S Gamaroff of Mowbray said: "Food is a necessity and not a luxury, and should therefore not be taxed. Our money is being used to build a laager and the word 'defence' is becoming offensive. The government should put the millions of rands to better use than ammunition."

Mr Mike Saunders of Caledon said: "While the increase is probably a necessity, the govern-

ment's timing, as usual, is bad and the warning insufficient."

"The whole tax situation should be reviewed," said Mrs S Roodman of Lotus River. "It is ridiculous that we have to pay sales tax, income tax and a loan levy."

Mrs G Arendse of Lotuss River estimated that "a woman has to work for four or five months a year just to pay the taxation on her family's living costs."

"The government's actions are becoming worse than communism," said Mr E Barros of Bonteheuwel. "The

government just does what it wants to, without considering the man-in-the-street, as in this latest tax increase."

Mr Charles Grover of Constantia said that the front-page headline of Tuesday's Cape Times was misleading. "Sales tax is, in reality, rising by 16,6 percent, which is one percent on six percent. One percentage point would equal 6,1 percent."

If you would like to comment on these views or any other topic, telephone Teleletters on 24-2233 extension 216 between 9am and noon today.



# How PE's prices, wages shape up

LIVING costs appear to differ little from one major centre to the next in South Africa — though at the other end of the spectrum incomes can and do show major differences.

This emerges clearly from the table (left), compiled by BUSINESS POST from statistics supplied by the Central Statistical Office in Pretoria.

Good news for East London householders is that the price of a random basket of goods bought there is lowest of all in comparison with the price-setter, Johannesburg.

The hypothetical basket of goods (see footnote), would have cost a Reef householder the most (R47,64), while for the same selection an East London

shopper would have paid least — R44,26 (or 7% less than her Reef counterpart).

For the same basket of goods householders in Port Elizabeth and Durban would have paid R46,57 (2,2% below the Johannesburg price); in Pretoria R46,53 (-2,3%); in Maritzburg R46,05 (-3,3%); and in Cape Town R45,52 (-4,4%).

Naturally such a comparison should be conducted over a longer term (the prices were canvassed in November last year), in order to establish a trend, and the income earned by shoppers in the different areas needs to be calculated in order to draw a fair comparison.

A major personnel consulting group released selected details of a recently-completed regional salary survey to BUSINESS POST, which goes some way towards a fairer comparison.

According to these figures (surveyed among white workers), it appears that at the lower end of the

salary spectrum Eastern Province salaries for junior office staff, for instance, is up to 24% below that paid in Johannesburg.

Thus basic gross median monthly incomes for "A3" income earners in Johannesburg were around R700, while in the Eastern Province this dropped to R542 a month and in the Western Province to R532. (In Pretoria the comparable figure was R619 and in Natal R620).

The gap was not as great at the upper ("D-upper") end of the scale, where professional and skilled salaried workers earned around R2 500 a month in Johannesburg, R2 300 in Pretoria and Natal (-9%), slightly less in the Western Province (R2 280), and some R2 200 in the Eastern Province (-14%).

The hypothetical basket of groceries was made up of: 1kg flour, 1kg breakfast oats, 2 litres milk (delivered price), one loaf white bread and one loaf brown bread, 1kg rump steak, 2kg boneless chick, 2kg wors, a 2kg leg of lamb, 4kg potatoes, 1kg tomatoes, 1kg green beans, 1kg squash, 500g butter and one dozen eggs.

## INSIDE

- Wool report
- General Motors achieves record sales



# Vac jobs do not <sup>355</sup> always ~~355~~ pay <sup>ROM</sup> <sup>28/1/84</sup>

Mail Reporter

STUDENTS and scholars working for South African companies during the recent school and university vacations were paid the minimum wage of R9 a day or slightly more — but women were less protected than they were under the old Shops and Offices Act of 1964.

A Rand Daily Mail survey showed many 16-year-olds were given the bare minimum wage, while matric pupils were paid only R12,40 per day.

University students did slightly better, with wages ranging from R15 to R17,50 a day for second year students.

And some shop employers failed to observe legal requirements of the Basic Conditions of Employment Act of 1983, such as providing a meal break after five continuous working hours.

An exclusive Sandton boutique, employing several students, gave some a lunch break from 3pm to 4pm.

But under the new Act, employees are no longer obliged to provide seats — one for every three females and two for more than three women shop assistants — “at all reasonable times”.

In terms of the new Act, all shop assistants can be made to work for five hours without sitting down, even when customers are not in the shop.

Some employers believed sitting created “a bad impression” among customers.

A law student from Maritzburg was fired for asking to sit down at an exclusive Sandton boutique earlier this month.

In a letter, the Department of Manpower told her she could take no legal action in terms of the new Act. There was no case of unfair dismissal, they said.

# Few hard trends in latest wave of strikes

LABOUR WEEK BY PHILIP VAN NIEKERK

20 M 28/1/84

355

UNIONS and employers are waiting with bated breath to see if the upsurge of worker militancy in the first weeks of the new year will continue.

By the end of last week, at least 20 000 workers had participated in strikes and work stoppages involving a broad spectrum of unions.

There are few hard and fast trends for labour observers trying to make sense of it all. Wages have been cited as the major reason for the strikes but they are not an adequate explanation on their own.

A number of strikes have involved workers protesting against alleged unfair dismissals and a few have been over union recognition, with the new uniform tax system also getting a mention.

The drop in the number of strikes last year was attributed to workers valuing job security above wage increases during a recession, which is still with us.

A more complex picture is that the whole climate has changed, due to political and economic factors. If that is so, then the wave of industrial action could be, as one labour consultant described it, merely the "overture to an almighty opera".

There is no doubt that the black community is taking massive economic strain as a result of lower wage increases over the past 18 months, dropping employment levels and the drought.

Mr Charles Simkins, an economics researcher at the University of Cape Town, has calculated that the standard of living of blacks dropped by 4,1% between May 1982 and May 1983. And that trend was unlikely to improve during the remainder of 1983.

While the real wages of blacks increased by about 1,5% during that period, Mr Simkins has also taken into account population growth, at 2,8%, and employment, which dropped by 2,8%. The burden of supporting the increasing numbers of unemployed has fallen largely on the shoulders of the wage earners.

Further evidence of a decline in the standard of living for blacks has been unearthed by UCT's Southern Africa Labour Development Research Unit (Saldru).

It has made a study of all industrial council wage agreements during 1983, which show that the real wage of unskilled workers, nearly all of whom are black, dropped by 4,7%.

Adding to the financial squeeze is the drought in the rural areas, which has made the families of migrant workers more dependent on wage income at a time when those wages have been declining.

Mr Simkins has calculated that between May 1980 and May 1983, the standard of living of blacks improved by 2,6%, compared to 4,9% for whites, 5,7% for coloureds and 14,5% for Asians.

This followed a period during the middle and late 1970s when the standard of living of blacks was increasing at a faster rate than whites, gradually redressing the vast imbalance.

Thus the rising expectations of blacks have been increasingly frustrated, reaching a peak with the actual decline in living standards during recession-hit 1983.

Labour consultant Mr Gavin Brown believes the "cutting edge of the recession is only drawing blood now". He says there is widespread anger that "white business is

tightening its belt at the expense of black employment and income", a perception which is confirmed by union leaders.

The real pressures have been building since the middle of last year and were seen in the increase of strike action towards the end of the year. Now, the caution of most of last year has been translated into anger — and workers are increasingly taking action regardless of the consequences of losing their jobs.

More difficult to measure in percentages is the effect of the political climate on the industrial scene. Here there is little doubt that the new constitution, the white referendum and the continued exclusion of blacks from political power has politicised and embittered black workers.

Barred entrance into the political arena; their political frustrations are likely to increasingly surface on the shopfloor.

This could acquire a new focus in the new uniform tax system to be introduced in March, over which there have already been rumblings.

Most unskilled and semi-skilled workers will pay less tax than they are paying at present. But the issue of whether they should pay tax at all — supporting the Defence Force on the border and the building of new Parliaments in Cape Town which they have no voice in — will be reawakened.

One union leader said that while it was not a strong issue yet, employers are likely to encounter problems when they start handing out tax forms for workers to fill in and explaining what the deductions are all about.

Finally, any explanation of the strike wave of the past two weeks has to be made by looking concretely at the strikes themselves.

The AECL strike by about 8 650 workers, for instance, was the country's first legal national strike. Its only resemblance to most of the other strikes was that it was over wages.

The strike was a consequence of the increasing use by emerging unions of the official dispute-resolving machinery, a trend given impetus during the recession.

Any hope, however, that it would improve the credibility of the country's labour legislation has suffered a crushing blow along with the crushing defeat suffered by the South African Chemical Workers Union (SACWU).

At the end of the day, after having gone through the complicated and lengthy channels which are required before a legal strike is possible, the balance of power had not changed. Workers could still be threatened with dismissal if they did not go back to work.

This should provide ammunition for the lobby which has been calling for a legal bar on the firing of legal strikers. If the Department of Manpower wants black unions to make use of the Labour Relations Act, rather than striking illegally, the argument goes, they will have to provide some form of incentive to workers.

The strikes in the mining industry — at Impala Platinum Refinery and Rietspruit — can be largely attributed to the relatively recent unionisation of black mineworkers, chiefly by the National Union of Mineworkers.

What is apparent in almost all of the disputes is that the unions have been taking a beating. Whether that means that industrial action can be quelled by tough management attitudes will be seen in the weeks and months ahead.



# We pay well — BMW

BMW paid its employees the highest wages in the motor industry, but it was being held to ransom by people who demanded even more, a spokesman for BMW South Africa has said.

He was reacting to a strike at the company's Rosslyn plant, which remained closed for the fourth successive day on Friday following a wild-cat strike last Tuesday.

"Worker leaders have a duty to explain to their

members the economic facts of life. In our case, these facts are: Our employees earn a minimum wage of R507 per month, which is the highest in the motor industry and substantially higher than in most other industries.

"Secondly, due to the depressed state of the car market, retrenchments and short working weeks elsewhere in the motor industry are the order of the day," he said.

The spokesman said BMW was still investigating threats and incidents of violence during last Tuesday's strike.

"The safety of a number of workers, in particular black foremen, was endangered by violent elements. We cannot re-open the plant until employees can be assured that those who intimidated them, have been brought to book," the spokesman added.

— Sapa.

ARGUS 1/2/84

LABOUR

1972 1973 1974 1975 1976 355

## Paper mill workers want to negotiate wages directly <sup>(1424)</sup>

Labour Reporter

MORE than 2 000 workers at five mills belonging to the Mondi Paper Company have asked to negotiate wages directly with the management rather than using the official machinery.

The 2 300 workers, who belong to an affiliate of the Federation of SA Trade Unions (Fosatu), the Paper, Wood and Allied Workers' Union (PWAU), have said they are dissatisfied with wage increases negotiated through the Pulp and

Paper Industrial Council.

The latest increases granted by the council bring minimum wages to R1,38 an hour in the lowest-paying Mondi factory and to R1,97 an hour in the highest-paying, according to a union spokesman.

A union statement said no progress had been made in negotiating wages with local management.

PWAU claims to have majority support in five out of six of Mondi's

paper mills, with the Cape Town mill the only exception.

A spokesman for Mondi said the management would bargain with representative bodies on issues common to all employees "in one forum only, that is with all unions together."

"The Industrial Council provides for just such a mechanism and the paper and pulp industry is no exception to this preference for non-racial, non-fragmentary bargaining."



Cape Times 8/2/84 (355A)

# Married black women the 'losers'

Own Correspondent  
JOHANNESBURG. — While most black workers will be paying less tax from next month, married black women will be the main losers from moves to include blacks in the same tax system as whites.

This emerges from a paper on the new tax system by Mrs Sheena Duncan of the Black Sash, which indicates that lower-paid married black women may pay three times more tax under the new system.

Figures quoted in Mrs Duncan's paper were confirmed yesterday by Mr Clive Kingon of the Department of Inland Revenue.

However, he said some married women might have tax deducted from their pay which they did not need to pay, and urged them request the

authorities to direct their employers not to deduct tax from them.

Couples with children would be exempted from tax unless they earned a "relatively high" salary.

can also warns that the tax move "is going to cause trouble and will prove yet another focus of anger for the black community".

It was "a good thing in

over how tax money is spent.

Quoting from guidelines by employer bodies advising members on how to "sell" the measure to workers, Mrs Duncan charged that these suggested that black workers were "sheep" which could be "manipulated".

Mrs Duncan says married black women will experience a "drastic and sudden" increase in taxes from next month.

Until now, married men and women have been paying R7,20 a month tax if they earn R350 a month or less. Under the new system, the man will pay no tax, but his wife will pay R22,83.

Married women earning R200 per month have been paying 74c tax up to now, but will pay R6,42 from next month.



With one child, they had to earn R6 817 a year between them before paying tax. With two, this rose to R7 651, with three to R8 484 and with four R9 317.

In her paper, Mrs Dun-

itself' because it meant many lower-paid blacks would no longer be paying more tax than whites at the same income level.

But blacks were likely to react against it because they had no say

By BESSIE BOUWER

EYEBROWS may have been raised when this advertisement appeared recently.

But R60 a month for a domestic worker is the rule rather than the exception. Weekend Post enquiries reveal.

Many Port Elizabeth employers are still paying only about half the salary recommended by the Domestic Workers' Association of South Africa, which sets the minimum at R110 a month.

Most are not prepared to pay anything near this figure.

When Weekend Post called the first number given in the R60-a-month advertisement, the person answering the telephone said a domestic worker had been appointed at this salary.

There were so many applications that unsuccessful candidates had been referred to friends or neighbours, she said.

She said she did not think R60 was a low salary because the domestic worker only "made tea and dusted the office". She received a lunch-break and transport home was provided.

Later the head of the company said the advertisement had been placed while he was in Johannesburg and it was incorrect.

He usually paid R26 a week and would check the appointment at R60 a month with his wife.

He rang back to say a woman had been appointed at R60 a week — higher than the usual salary because she also doubled as telephonist.

The chairman of the Consumer Association in Port Elizabeth, Mrs Thelma Basford, this week condemned R60 a month for a full-time domestic worker as "pure exploitation".

She appealed to employers to look "into

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**MAID** required from Monday to Saturday. Must have references. Very good salary. Phone 337294.

**MAID** wanted to work Monday till Saturday from 8am till 6pm. Duties will include making tea and keeping business clean and tidy. Salary R60 per month. Phone 513628 or 321164.

**WANTED:** Coloured char. Satisfactory from Saturday of Korsten. Phone 331390.

**WANTED,** domestic mornings only Monday to Friday. Lorraine

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**Mrs PAT MAQUINA...**  
... head of Dwasa

your souls" and to realise that bread costs as much for the domestic worker as for the employer. A rise in the cost of living applied to both employer and employee.

Mrs Pat Maquina, secretary of DWASA, referred to instances where domestic workers were grossly exploited.

She said a woman who had been with the same family for 43 years received a salary of R80 a month. Her employer did not pay into a pension fund and when she left her employment no provision had been made for her.

In another case an employer paid her domestic worker R10 a week and expected her to pay for her own transport. The woman was expected to be on duty seven days a week and, if she was absent, an amount of two rands was deducted from her salary.

This woman told Mrs Maquina that she had been unable to afford the busfare and had, therefore, walked several kilometres to work. This meant that in all kinds of weather she left her home at 5am and only returned after dark.

The survey indicated that most employers were reluctant to pay more than R80 a month but most were willing to pay for transport.

In some cases there were employers who were meeting the recommended salary and were aware of DWASA's recommendations that uniforms and three meals a day be provided.

Some employers said the domestic workers ate the same meals as the family and one woman said that she also bought food and vegetables for her domestic worker every weekend.

Another woman said that many of her friends were apprehensive of Dwasa and refused to have anything to do with contract papers because they felt this would later be used against them.

Few employers were, however, aware of a pension fund and most said they were prepared to subscribe to it only after the domestic worker had proved reliable and had worked for them for some time.

Employers felt reliability and honesty were the most important criteria. However, one also expected her domestic worker to be "cheerful, humble and to do whatever she was told without complaining".

# R60 a month pay is not unusual for PE domestics

WEEKEND POST, FEBRUARY 11, 1984

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Wk, End Post- 11/2/84

Domestic workers should also be allowed time for meal breaks and the number of working days should be constant, she said.

Feb 1984

# Women are exploited

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By SINNAH KUNENE

South African trade unions have been urged to challenge the extreme exploitation faced by black women workers.

This issue was the highlight of a summer school course on women and work at the University of Cape Town recently, and it has also a constant feature in the official journal of the Garment Workers' Union of South Africa (GWUSA).

Miss Adrienne Bird, education officer for the Federation of South African Trade Unions, says women are most vulnerable to retrenchment because of their position at the bottom of the pile. The legal system has made no provision for maternity leave and this makes it impossible for women to have long unbroken service records, she says.

"The last-in, first-out principle is used by unions when negotiating retrenchments and because of broken service, women are in effect discriminated against," she adds.

Other problems faced by women include sexual harassment and discriminatory medical aid schemes concludes Ms Bird. As for sexual harassment at the workplace, unions in this country take up very few, or no cases at all, states the GWUSA journal.

The editorial states that unions may be dealing with very few cases involving sexual harassment, but this does not mean that it does not occur because if the issue could be taken up, they could be well shocked at the extent of

it.

Unions in other countries are beginning to take up the issue. The British Trade Unions Congress defines it as repeated and unwanted verbal sexual advances, sexually explicit derogatory statements or discriminating remarks made by someone in the workplace which are offensive to the worker involved and interfere with the worker's job performance in due course.

According to the editorial, surveys in England reveal a stag-

gering proportion of women with such encounters — up to 75 per cent in one instance. A study of British female managers produced a figure of 50 per cent. It is also reported that a majority of women, at least 50 per cent choose to answer sexual harassment by leaving their jobs.

All the surveys say that women have found that complaints either to management or through their unions have not ended the harassment.

Mrs. Lucy Myubelo, general secretary of the

general secretary of the National Union of Clothing Workers' (NUCW) whose union recently signed an agreement on a four months' confinement leave for its members, with the GWUSA, says the clothing industry seemingly have not such problems as sexual harassment. Although she admits that there could be many unreported cases, these would be very very few as their industry is mainly female.

Sexual harassment begins when the advance is persistent and causes distress. Examples of sexual harassment of an

extreme sort are:

- Workers being told to come for a job interview after hours when there

are no other workers in the factory;  
• Sexual abuse and swearing.



By Angus Macmillan

THEY may have to put up with sneers and red tape, but today's public servants are better off than many of their peers in the private sector.

No longer is the public servant's salary a joke among his contemporaries in commerce, his pension scheme can hardly be bettered, and he need not earn a fortune to afford a house. He also has job security and restful nights.

Assistant director of personnel management in the Commission for Administration Etienne van Rensburg, says: "People think the public service is merely a shelter for those who can't work anywhere else. The Government has to provide a certain amount of sheltered employment, but it also employs a large body of professionals."

The personnel manager of a commercial firm says: "Working for big brother is now so much more attractive to the young job-seeker than it was 10 years ago that it is taking a lot of talent away from the private sector."

Improvement in the public servant's lot is largely due to a job differentiation project launched in 1979. Its major objectives were to stem the loss of skills to civvy street, limit overseas recruitment and make the State a bountiful employer.

More than 700 job categories were highlighted in the project which analysed the marketability, skills and career prospects of each position. Its initial function was to focus on critical staff shortages, but it was modified to look at the total public-private sector employment situation.

Five years ago B.Sc. and B.Com graduates in the public service were on the same rigid salary scale as holders of B.A. degrees. Salaries were not market related or based on practical value in the service. Under the new system ap-

plicants are paid according to the demand for their skills.

There is no doubt that cash salaries are higher for top performers in commerce and industry, but the public servant's package is not to be sneezed at. His 12% increase in January was bigger than that received by many a private-sector employee.

Young accountants can almost name their price in industry, starting at R30 000 and a car.

A newly graduated civil engineer can expect R13 000 to R15 000 a year with no perks in industry. If he works for the Government, he starts on R15 600 — and qualifies for several perks. An arts graduate can start in the public service at R12 000 a year.

Mr van Rensburg says a motivated man or woman can more or less map out a career as a public servant and be well rewarded. "There is nothing stopping a B.Com graduate becoming a chief director and earning R44 000 after 10 years in the service."

Cash salaries and fringe benefits, such as cars and expense accounts, are the major drawcards in the private sector. Retirement provision and housing subsidies are the main carrots that attract job-seekers to the public service.

A P-E Corporate Services salary survey estimates that about 50% of com-

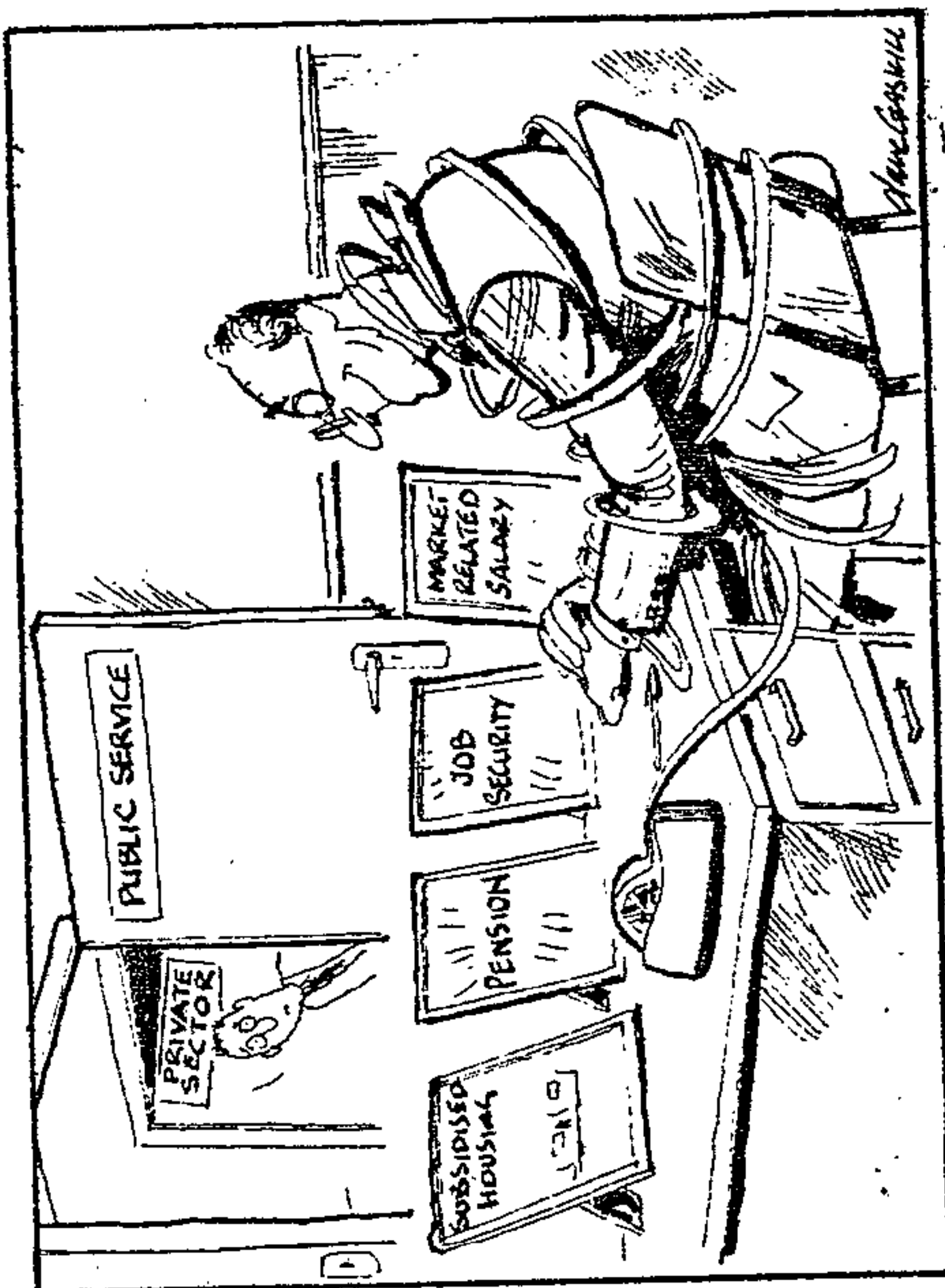
mercial employers offer some form of housing subsidy to staff. But all public servants qualify for subsidies which limit their bond interest rate to 3%. Up to 65% of mortgage bonds with banks and building societies are subsidised by the Government.

Mr van Rensburg says: "Someone who joins the public service on about R30 000 with an existing bond of R55 000 would receive a subsidy of R497 on an R810 monthly instalment." The lower the employee's salary the higher his subsidy percentage.

A new staff member without a registered bond can qualify for a housing subsidy within a year, depending on age. He does not need a deposit for a house or flat. Significantly, average property prices in Pretoria are the highest in the land.

Public service pensions, on paper at least, leave most private schemes standing. The public servant contributes 8% of his monthly income and the State puts in 21% compared with the average private sector employer's 7% to 12% contribution.

According to Mr van Rensburg, a public servant retiring on a salary of R30 000 after 48 years of pensionable service receives a lump sum of R98 768 and an annual pension of R26 181.



*Cape Times 16/2/84*

# Yet another pay rise for MPs

Political Correspondent

MEMBERS of Parliament have had their salaries increased by 12 percent as from the beginning of this year.

The pay rise, which follows their 27 percent "adjustment" in July last year, will take their earnings up to about R34 000 a year, much of it tax-free.

Cape provincial councillors have also received a 12 percent increase effective from January 1, and it is assumed the same applies to the other three provinces.

The increases were confirmed unofficially yesterday, as MPs and councillors have been asked not to speak to the press about the issue.

The only increases announced were for the State President, Mr Marais Viljoen, and the State Vice-President, Mr Alwyn Schlabusch. The leader of the Assembly, Mr Hendrik Schoeman, proposed increases to R84 000 and R73 000 respectively from January 1. The opposition parties agreed.



# Unions question MPs' pay rises

17/2/84 Labour Reporter

LEADING trade unionists yesterday reacted sharply to the latest pay rise for members of Parliament.

Mr Joe Foster, secretary of the Federation of South African Trade Unions (Fosatu), said the move demonstrated that most workers had no control over what MPs did.

"MPs can vote themselves increases and nobody can say anything about it. I'm sure that if the majority of the people in South Africa were properly represented in Parliament, these increases would not have occurred," he added.

The latest pay rise of 12 percent for MPs — which follows an increase of 27 percent in July last year — will

take their earnings up to about R34 000 a year, much of it tax-free.

Mr Piroshaw Camay, secretary of the Council of Unions of South Africa (Cusa), said the increases were "completely unacceptable" to workers.

"Employers are telling us that wages have to be kept below the inflation rate and are offering paltry increases of 7 percent to 8 percent as a result."

Mr Lief van Tonder, president of the Trade Union Council of South Africa (Tucsa), said the increases came while employers were telling workers to moderate wage demands.

"The increases are that much more difficult to understand because the people who are giving the advice are not setting an example themselves."

# Craxi cuts workers' inflation protection

ROME — The Italian Government has imposed by decree an incomes policy which includes a reduction in the protection against inflation given by the Scala Mobile system of wage indexation.

The Government decided on an unprecedented break with a tradition of seeking voluntary agreements on pay policy. The decree is a sequel to a refusal by one of the biggest of the three union federations to accept the Government's income policy proposals.

The Prime Minister, Mr. Bettino Craxi, said that it had not been possible in the negotiations to remove "obstacles of typically political kind", an implicit reference to the opposition Communist Party, which is thought to have used its influence to discourage the unions from signing an agreement.

## COMPENSATION

The most important provision of the decree, which takes effect immediately, reduces by three percent the indexation through the Scala Mobile for which wage earners will receive compensation each quarter.

If inflation this year runs for example at 12 percent, as had been expected in the absence of any incomes policy, workers will be compensated for only 9 points on the index.

The Government is aiming to get inflation down to an average of 10 percent this year, compared with last year's average of 15 percent.

The decree also limits a 10 percent limit on rises in state-controlled prices, such as those of electricity and gas.

The Government also intends to block all rent increases for this year and has temporarily blocked rises in prescription charges.

Although it appeared that Mr. Craxi had outmanoeuvred the unions which are divided on the issue, the success of the policy depends partly on how it is accepted in the factories, where all three unions will be consulting members. — Financial Times.



## Parliament and Politics

# MPs paid over R48 000 a year

*Cape Times 22/2/84*

Political Correspondent

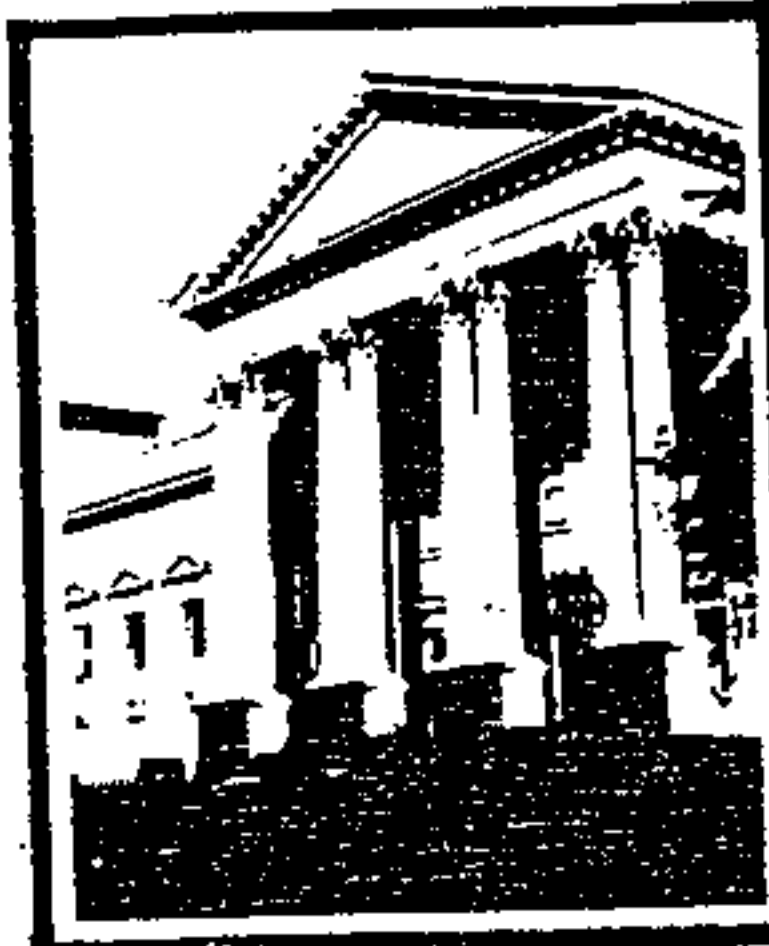
MEMBERS of Parliament are earning more than was originally thought after their recent 12 percent pay increase.

Their total package, including various allowances, is now worth more than R48 000 a year, of which only R27 000 is taxable.

The large portion of tax-free earnings means their take-home pay is more than that of people earning appreciably higher salaries, including some of the top civil servants.

These figures were confirmed yesterday in spite of the continuing secrecy imposed on the salaries of all public servants, including MPs and cabinet ministers.

MPs now earn a basic



salary of about R27 000 a year.

In addition they are paid a reimbursive allowance of R16 000 a year and a car allowance of about R5 500 a year, both of which are tax-free.

The secrecy about their earnings has been imposed by the government but accepted by all three parliamentary

opposition parties.

The government has contended that public servants are entitled both to a proper remuneration and to confidentiality about their earnings.

Others, while agreeing with the need for properly-paid civil servants, believe they are paid with public money and taxpayers are entitled to know their rates of pay.

This argument has arisen repeatedly in recent years, such as when new police pay scales were introduced but the government would not divulge them.

Members of the public calling for greater police protection were unable to judge whether the scales were adequate to attract more police recruits.

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S. Times  
26/2/84

# Survey boosts salaries

By Angus Macmillan

TOP dogs in the public service can partly thank the private sector for their fatter pay packets announced this week.

A market research company was hired by the Commission for Administration, the service's central personnel authority, to compare public servants' working condition with those in the private sector.

The company looked at 50 top notches — from directors of departments to directors-general — and concluded that although they were subject to similar responsibilities and pressures as their profit-oriented peers, they were grossly underpaid.

An example is the post of director-general of health. He heads a staff of 31 000, but is paid less than the marketing director of a manufacturing firm employing 2 000 people. The industrial firm has a R2,5-million profit on a R50-million turnover.

Martin Raath, director of liaison and recruiting in the commission, says: "We had to lift management salaries high enough to give flexibility to our pay scales — but I can't tell you how high."

The top notch is now about R48 000. Under the new deal it is expected to be about R60 000.



# Strip search settlement

*Tribune 26/2/84 355*  
**Security firm pays women who claim they were forced to undress**

By Barney Mthombi

A SPRINGS security firm has paid R40 each to 14 workers after it was taken to court for allegedly forcing them to strip in order to be searched. The matter was settled out of court.

The firm, SA Security Services, was taken to court by the Fosatu-affiliated National Union of Textile Workers on behalf of the 14 female workers.

The case was heard and settled last month. The R40 each of the workers received is equivalent to a week's wages, and the firm also agreed to pay their legal costs.

The incident took place about two years ago at Braitek, a textile factory at Springs where the workers are employed. The union claims the workers had knocked off one night and had been told to stand in a queue by SA Security Services personnel who had been hired to handle security at Braitek.

The workers were herded into a hut where they were made to strip naked and then searched.

Interviewed by the Sunday Tribune this week, four of the workers said they were questioned while stripped for 40 mi-

utes, which resulted in their missing their transport home.

"We feel bad about it — the way it was performed lowered our dignity," said Ms Emma Madonsela outside the factory this week.

Ms Aletta Kodisang said such degradation would not happen to white women in the factory: "It degraded us, we were shocked."

Braitek apologised immediately on hearing of the incident and dismissed the security firm.

The union however decided to take SA Security Services to court for detaining the workers illegally and for making them strip.

NUTW Transvaal chairman Nelson Mthombi told the Tribune: "The reason we decided to settle for so little is because statements made by some of our members

were not so good. The incident happened long ago and we were going to lose the case on technicalities. Our lawyers then felt we should agree to a settlement."

Braitek's managing director, Dr Eric Rosochacki, said: "After the event we terminated their (security firm) services because there was dissatisfaction all round. We just took a commercial decision."

But Mr Mike Andre of SA Security Services claims the union had withdrawn the case against his company. "The original claim was for R21 000, and they withdrew it," he said.

"We ended paying less than R1 000 in nuisance fees. It was gesture on our part."

"I don't have the exact terminology, but they withdrew from the case."

# Standard's robots oust people

355  
STANDARD Bank's R13-million investment in its 278 Autobank machines is paying off — at the cost of jobs.

The head of the bank's personal banking services, Gutch Vickers, says the Autobank network has enabled Standard to reduce its teller staff by 50.

This is a saving of about R650 000 a year in salary costs alone.

In 1983, 14 400-million transactions

were recorded through the Autobank network, and in December a record 1 700-million transactions were processed.

Standard has by far the biggest automatic teller machine network of all the banks, and last year installed machines at a rate of one every three days.

The linkage of its savings accounts to the machines — with the added incentive of one percentage point

26/2/84  
higher interest — helped to increase the balances held in Standard's savings accounts by R28-million (2,1%) in the quarter to December.

It was the only big bank to achieve an increase in the balances of savings accounts in the three months.

Another reason, says Mr Vickers, is that unlike some of its competitors, Standard Bank clients are charged nothing for operating a savings account.



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# QwaQwa wages causing concern

2/3/84

By Anthony Duigan

Thousands of workers in QwaQwa, the tiny homeland bordering Lesotho, are being paid wages of between R30 and R56 a month by industrialists who are getting large government subsidies to operate there.

A report on the wage structure in the QwaQwa growth point of Phuthaditjhaba, about 50 km south-west of Harris-mith, has been prepared by the local industrialists' association. It shows that very low wages are being paid, even to skilled workers.

## SUBSIDY CHANGE SOUGHT

The QwaQwa Cabinet, concerned about the low wages, does not want to confront the industrialists for fear of scaring them off. But it is to ask the Decentralisation Board in Pretoria to change certain aspects of the subsidy package which, it believes, keeps the black wages depressed.

"Some industrialists claim up to R109 a month for each worker they employ — they are allowed to do so because of the way the wage subsidy is worded — but few workers are being paid that much," said a QwaQwa official.

Three-quarters of the estimated 4 500 Basotho women employed in the factories of Phuthaditjhaba are paid a basic wage of less than R60 a month, the industrialists' report shows.

But they are responsible for turning out expensive products which are sold on overseas markets. Less than five percent of the women are earning more than R100 a month.

With many workers having to pay bus fares of about R3.50 a week, the basic take-home pay for a third of the female workforce is likely to be less than R30 a month.

"Most of the workers will take home more than their basic wage because they work overtime," a QwaQwa government official pointed out. The basic hours worked varied from 40 to 48 hours a week, he said.

## MEN ARE BETTER PAID

The male workforce — about 900 out of the almost 5 500 employed in the 62 factories in Phuthaditjhaba — are generally white-collar workers and better paid. More than half the men are paid between R150 and R216 a month basic salary but fewer than one in 28 of the women are paid at this level, according to the figures in the report.

QwaQwa officials were reluctant to comment on the wages being paid in the factories but they confirmed the general dissatisfaction in senior official circles about the situation.

"We are trying to get a gentleman's agreement with the industrialists to pay a minimum of R50 a month," said an official. "but there is no question of legislating for a minimum wage."

● See Page 7, World section.

## 1-DAY SALE OF PERSIAN & ORIENTAL RUGS & RUNNERS

PROTEA PERSIAN CARPETS ARE LIQUIDATING 1/2-MILLION RANDS WORTH OF THE FINEST PERSIAN & ORIENTAL CARPETS, RUGS & RUNNERS AT FAR BELOW TODAY'S REPLACEMENT VALUE PLUS — 3 MONTHS TREATED AS CASH. A RECENT SURVEY DONE IN THE AREAS OF RANDBURG & NORTHCLIFF BY MR A BLUMBERG AND HUNDREDS OF HIS SATISFIED CLIENTS, SHOWS THAT OTHER ORIENTAL DEALERS WHETHER THEIR RUGS ARE ON SALE OR NOT WE ARE AT LEAST 20 TO 50% CHEAPER. AND OUR QUALITY IS SAID TO BE THE VERY BEST

DEALERS BRING GST No. CREDIT CARDS WELCOME. NO APPROX.

Each piece carries our unique Certificate of Authenticity. It is accepted by all major insurance firms. We offer you our 10 years' experience to guide you in choosing the correct piece for your home. Listed below are a few examples.

DESCRIPTION	SIZE	RETAIL PRICE	NOW
Dhurrie Khellim	1,52 x 0,90 m	R80	R9
Finest Pushti Belouch	0,76 x 0,54 m	R250	R72
Afghan Shah	1,25 x 0,80 m	R600	R140
Keran Lahore	1,56 x 0,96 m	R850	R275
Antique Persian Kerman	3,95 x 2,75	R6 900	R795
Afghan Doulatabad	2,05 x 1,16 m	R1 800	R570
Afghan Khellim "A" Grade	3,80 x 1,96 m	R2 450	R495
Karachi	1,80 x 1,20 m	R1 500	R499
Kashmir Bokhara	3,13 x 2,21 m	R3 655	R870
Finest Silk Hereke	0,68 x 0,49 m	R4 050	R1 250
Pure Silk Afghan	1,86 x 1,18 m	R9 800	R2 980
Yofi Islamabad	2,21 x 1,52 m	R4 200	R1 690

PLUS: QUMS, TAFRISH, SENNEH, HUSSAINABAD, SAROUK, HAMADAN ZAGEH, ETC. AT PRICES NO DEALERS IN SA CAN OFFER

**SALE TAKES PLACE AT OUR WAREHOUSE: 84  
MARIA STREET. No 4 FOUNTAINGATE BLDG.**



# Women desperate for jobs and money taken for a R1,10c pay for wee labour

A NUMBER of women taken from the Atteridgeville labour offices to a farm near Brits for five days were given amounts ranging from R1,10 to R7,50 as payment for the work done — and not the promised R35 for the five days.

They are some of scores of women looking for jobs who are taken by unscrupulous whites and made to work and

By MZIKAYISE  
EDOM

then given little reward for their labour — sometimes a fraction of the original offer.

The SOWETAN this week interviewed a number of women who claimed they were at the Atteridgeville labour offices at the corner of Komane and Mngadi Streets, when a certain "Baas Troskie" arrived looking for 30 women to do some piece jobs.

He promised to pay R7 per day and a number of women jumped into his lorry. This was on a Monday.

The women said they were driven to a farm near Brits where they were ordered to cut long grass with sickles until at about 4 pm when their boss brought them back home.

Mr Anna Mpho

Mathenjane (19), of 6 Ramokgopa Street, said they were collected again by "Baas Stroskie" on Tuesday, Wednesday, Thursday and Friday and ordered to cut the grass at Halfway House near Johannesburg.

The group, including married mothers, she added, provided their own food during the five days in which they worked "like slaves."

Ms Mathenjane said: "We were shocked when this white man came to pay us at about 2 pm on Friday. Some of the women had amounts totalling R1,03 in their pay packets. Others received R2,60. I was paid R7,50. The whole group was angry because this man had promised to pay us R7 per day. I won't go for piece jobs anymore."

The mayor of the township, Mr Z Z Mashao yesterday condemned "in the strongest possible terms" the exploitation of residents by whites and also said he would take up the matter with senior officials of the labour department.



SOWETO'S "Mr Clean" (checked shirt and dark glasses, Mr En...

## Creche fees go up

MONTHLY fees will go up by R3 at the Itireleng Creche, Mabopane, starting April 1.

According to notices sent out to parents by the institution, each child will have to pay a monthly fee of R15 instead of R13. No reasons have been given.

Some of the parents interviewed expressed dissatisfaction saying they were not consulted.

THE National Environmental Awareness Council (Neac) is attracting people from as far as Lesotho who want to learn more about its cleanliness campaign.

This was said by the president of Neac yesterday, Mr Japhta "Mr

By STAN M:

"Clean" Lekgetho when welcoming 20 members of the Lesotho Workcamp Association who are attending classes to learn more about the council's cleanliness campaigns.

Mr Lekgetho said Neac was not only addressing itself to littering as a form of pollution, but to other community aspects as well: environmental pollu-

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Full range in ladies and girls sizes.  
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## 360 pr-

THE KwaThema and the Daveyton town councils have allocated about 360 sites for the building of prestige houses to a home building company.

The company will start building on the 250 stands in Daveyton and 110 stands in KwaThema at the beginning of May. New owners of a

360 pr-



for jobs and money taken for a ride

# pay for week's

Mr Clean's  
fame  
spreads  
wide

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SOWETO'S "Mr Clean" (checked shirt and dark glasses) shakes hands with Lesotho Workcamp officer, Mr Emmanuel Pama.

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Mr Lekgetho said Neac was not only addressing itself to littering as a form of pollution, but to other community aspects as well: environmental pollu-

tion, atmospheric pollution, water pollution and the management of other resources. How to use water, trees and soil property are some of the things taught by Neac.

He said people attending Neac classes are also taught how to develop recreational facilities like parks, community centres and picnic spots.

The Lesotho Workcamp Association officer, Mr Emmanuel Pama, said his group was very much interested in learning more about the cleanliness campaign projects conducted by Neac.

"We need to increase our knowledge about cleanliness as LWA is involved in other cleanliness projects like improving sanitation, roads and providing clean water for Lesotho citizens," Pama said.

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Soft leather uppers  
hardwearing comfort soles  
we favour Inca's casually  
D'slightly smarter  
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from selected stockists



## 360 prestige homes on the Reef

THE KwaThema and the Daveyton town councils have allocated about 360 sites for the building of prestige houses to a home building company.

The company will start building on the 250 stands in Daveyton and 110 stands in KwaThema at the beginning of May. New owners of

the houses are expected to move in during September.

At the moment the company is busy with the infrastructure. This includes the laying on of a sewerage system and

the installation of water pipes. The company will also arrange building society finance for the prospective buyers.

Mr Tom Boya, the mayor of Daveyton, told The SOWETAN yesterday that the houses will cost between R19 000 and R20 000 and this

R50-m not enough



ROM 11/3/84 □□□ (385)  
MOST metal unions have now released their pay demands. They confirm speculation that bargaining may be torrid.

The Metal and Allied Workers' Union has already said it wants a R2,50 an hour minimum. At present it is R1,53. Cusa's Steel, Engineering and Allied Workers' Union is demanding R2,53.

The Confederation of Metal and Building Unions (CMBU), which represents mainly skilled workers, wants a 12% across-the-board rise.

But it also wants sharp rises in minimum pay as

part of a revamp of wage grades. The CMBU demands would push the minimum to R2 an hour — with the minimum for a skilled worker rising from R4,41 to R5,50.

Unions have also made other key demands. MAWU wants the work week cut from 45 hours to 40 and agreement that workers be laid off, not retrenched.

SEAWU wants a redundancy pay agreement giving workers a week's pay for every year worked.

The CMBU also wants a shorter week — 42 hours — and three more days' leave.

Employers will not reply until April 10, when talks begin. But some sources say they may take a tougher stance than last year when only small rises were agreed.



# Low pay embitters domestic workers

Post Reporter

ABOUT 150 domestic workers in the Albany district yesterday complained bitterly about the "paltry wages" they earned.

They voiced their grievances at a mass meeting organised by the Port Elizabeth-based Domestic Workers Association of South Africa (Dwasa) in the St. Phillip Church Hall, Grahamstown.

Miss Nombhe Kopo, a Dwasa executive member, said they expressed their bitterness at the salaries they earned in the Albany district. They said they earned between R25 and R40 a month.

Miss Kopo said one woman, aged 62, told the meeting she had earned R7 a month during a 15-year period and her wages were only increased this year to R30 after she complained.

"They unanimously accepted the minimum wage of R110 a month for domestics recommended by Dwasa to all employers," she said.

Miss Kopo said Dwasa aimed to ask the Government to include domestic workers and farm workers in the legislation that protected all workers from exploitation and also to scrap General Sales Tax on foodstuffs.

Sowetan 22/3/84

## Slave wage women get threats

355

By MONK  
NKOMO

A NUMBER of women who recently claimed they were exploited and paid up to R1,10 per week by white bosses while looking for piece-jobs at the Atteridgeville Labour Offices, have been threatened that they will no longer be allotted jobs, The SOWETAN was told yesterday.

The women yesterday said two black and white officials at the local labour offices had accused them of taking the matter to the Press.

One of the women told The SOWETAN: "A black official working at the offices called me and told me that whites were going to hate me because we reported the matter to the newspapers. He also told us that we are not going to be given jobs anymore because of our actions."

### Meeting

She added: "A white official, also working in the labour bureau, shouted and accused me of taking the complaints to the Press. He took my name and address and threatened that I will never be given a job there."

The mayor of the township, Mr Z Z Mashao, yesterday said he had taken statements from some of the women who had been exploited. He had also arranged a meeting with the officials concerned and the council will issue a statement next week.

About 30 women were recently taken in a lorry by a white man from the labour offices after being promised they would be paid R7 each day for five days. They were driven to farms near Brits and Halfway House near Johannesburg and ordered to cut long grass with sickles for the whole week.

The women, who alleged they worked like "slaves" throughout the week and provided their own food, said they were "shocked" when the white man, a certain "Baas Troskie" came to pay them out their salaries that Friday.

"Some of our colleagues had amounts totalling R1,03 in their pay packets. Others were paid R2,60 and some R7,50 they said. None of them was paid the promised wage of R7 each per day.



# 'Dignified way of life' is the aim Workers want a living wage - research

S. Friburn  
25/3/84  
355

By Carolyn McGibbon

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

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

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

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

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

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

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

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

In general, trade unions had made lit-

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

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

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

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

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

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

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

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

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

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

355

# Pay increase on cards for sugar people

N. Mercury Mercury Reporter 27/3/84

THOUSANDS of employees in the sugar industry are likely to receive pay increases from April 1 if current negotiations between employers and the workers are successfully concluded.

A spokesman for the C G Smith sugar company yesterday confirmed negotiations were in progress, but declined to divulge any further information at this stage.

The negotiations are taking place at Industrial Council level and are expected to be finalised this week.

Mr Selby Nsibande, general secretary of the National Union of Sugar Manufacturing and Refining Employees — one of the five worker unions attending the pay talks — yesterday confirmed that negotiations had reached an advanced stage. He would not say what percentage increases were being sought.

Last year sugar industry wages were negotiated outside the Industrial Council for the first time — and union members were happy as they felt they had ended up with a better deal because of this.

After more than a month of negotiations wage increases for last year ranged from 13 percent on the lower grades to 7.5 percent on the higher grades.



AK645 28/3/84 ~~142A 18/3/84~~ NATI

## Big Naawu pay rise<sup>355</sup>

Argus Correspondent  
JOHANNESBURG. — The National Automobile and Allied Workers' Union this week achieved a 62-percent pay rise for members at Miller Engineering, a components manufacturer in Pretoria.

The wage agreement, which pushes salaries up from 80c to R1.30 an hour, has been hailed by

the union as a significant increase considering the recession. It will come into effect this month and is operative until next March.

A spokesman for the Fosatu-affiliated union said the agreement was the start of a drive by Naawu to organise the components manufacturing industry.

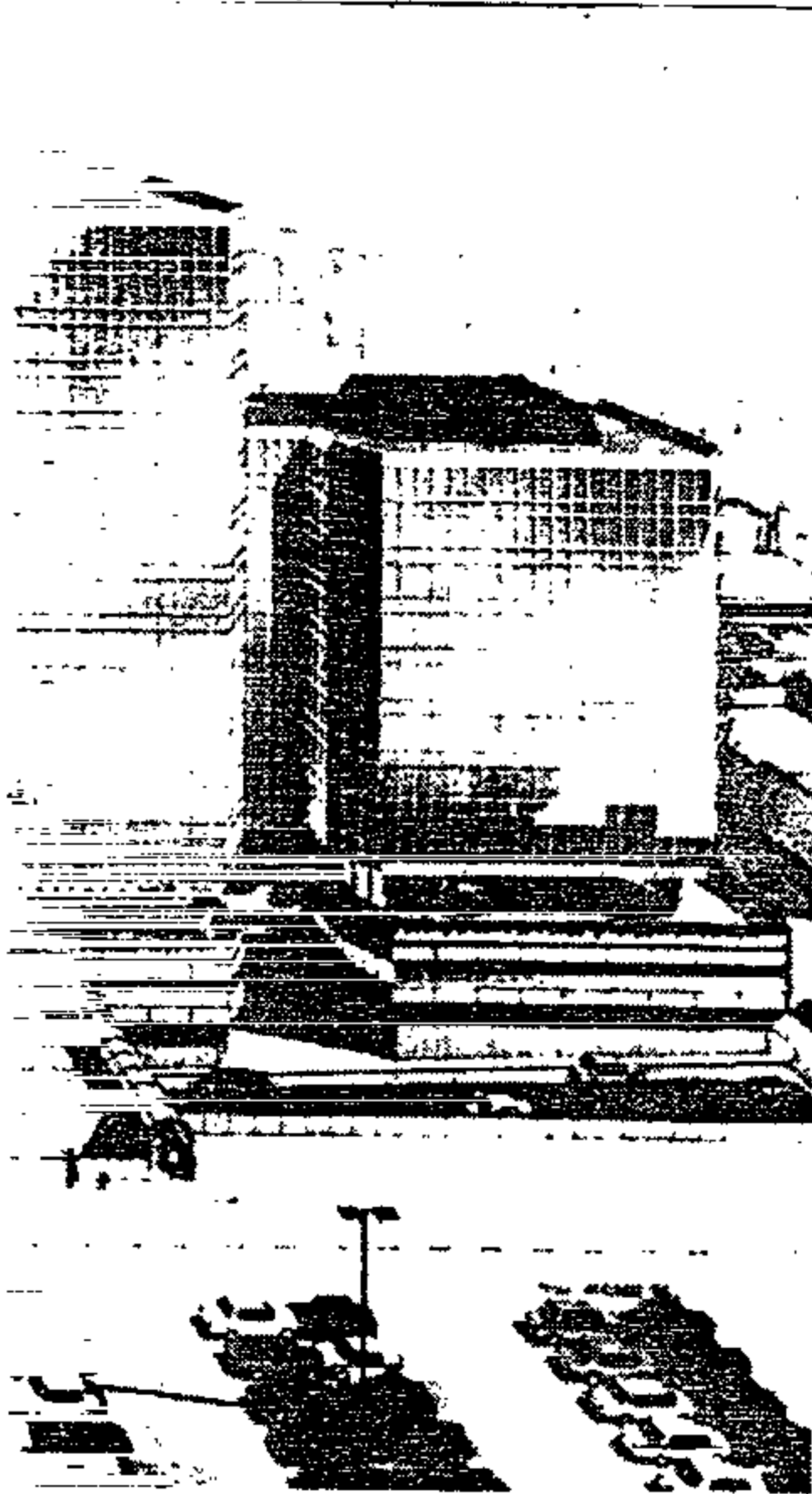
ARGUS

28/3/84

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# e gap ILO



## 3 machine tool orders

were down seven percent on a year ago when order backlogs were still being filled.

But they showed a hefty 30 percent rise over the previous month's total of \$113-million (R139-million). This was mainly because the January total had been artificially depressed by deliberately heavy sales in December last year.

Machine tool manufacturers in the US now appear reasonably optimistic that the recovery will continue strongly enough to push deliveries back up to 1981 levels. — Financial Times News Service.



THE wage gap between men and women is biggest in Japan, a survey of wage disparities conducted by the International Labour Office has found.

In some economic sectors in Japan the women are paid less than half the wage received by men, the ILO reports.

However, the ILO has found that over the past decade the wage gap has narrowed to some extent — sometimes significantly — in most of a selected number of industrialised countries.

Differences in men's and women's salaries in 1982 ranged between 54.9 percent in the Republic of Korea and 8.1 percent in Australia in non-agricultural activities to between 56.9 percent in Japan and 9.7 percent in Sweden in manufacturing industries.

According to the ILO, salary gaps narrowed between 1973 and 1982, but widened between 1977 and 1982 in Australia, Denmark, the Netherlands and the United Kingdom.

The ILO analysis covered 10 countries in non-agricultural activities and 14 countries in manufacturing industries for the years 1973 and 1982, and for the years 1977 and 1982 14 countries in non-agricultural activities were covered and 18 in manufacturing.

### Gross salaries

The wage gaps were calculated from gross salaries in national currencies as published in the 1983 edition of the Year Book of Labour Statistics.

The wage gap between men and women is measured by the difference between salaries they receive, expressed in percentage of the male salary.

In 1982, among selected European countries women's wages lagged behind those of men in non-agricultural activities by only 11.4 percent in France, but by 33 percent in Switzerland, while in Japan and the Republic of Korea the gaps reached 47.2 percent and 54.9 percent respectively.

From 1973 to 1982 Japan was the only country where the gap between men's and women's wage widened from 46.9 percent to 47.2 percent.

In the other countries — Australia, Belgium, Czechoslovakia, Denmark, France, the Federal Republic of Germany, the Netherlands, Switzerland and the United Kingdom — the gaps narrowed with the most significant change — 37.5 percent to 30.9 percent — occurring in the United Kingdom, and the least — 33.2 percent in 1973 and 32.7 percent in 1982 — in Switzerland.

From 1977 to 1982, however, among the 14 selected countries the wage disparities increased in Australia, Czechoslovakia, Denmark, the Netherlands and the United Kingdom, with the most marked increase in Japan — 44.2 percent to 47.2 percent.

### Greatest improvement

During this period the greatest improvement was in Iceland, with a drop to 15.0 percent from 19.9 percent. The Federal Republic of Germany is the only country where the wage differential of 1982, 27.3 percent, was identical to that of 1977.

In 1982 in the manufacturing industries, women earned 9.7 percent less than men in Sweden — an improvement over 15.9 percent in 1973 — and 56.9 percent less in Japan where their position had worsened since 1973 when it was 53.5 percent.

For the period 1973 to 1982, women's wages drew closer to those of men in the following countries: Australia, Belgium, Czechoslovakia, Denmark, Finland, the Federal Republic of Germany, Greece, Ireland, the Netherlands, Norway, Sweden, Switzerland and the United Kingdom.

Improvements ranged from the most notable in Australia where the gap narrowed from 30.6 percent to 21.8 percent, to Czechoslovakia where it narrowed only slightly from 32.6 percent to 32.1 percent.

From 1977 to 1982, among the 18 selected countries, the gaps diminished more or less appreciably in the following countries: Belgium, Cyprus, Czechoslovakia, Finland, France, the Federal Republic of Germany, Greece, Ireland, the Republic of Korea, Norway, Sweden and Switzerland.



# Reply on wages of sheltered workers

31/3/84  
S. Post  
355  
~~355~~  
~~355~~  
~~355~~

SIR — I would like to comment on the letter from Mr Chris Beer under the heading "Pay rise needed for disabled workers" (Week-end Post, February 25).

An investigation has revealed that your correspondent was admitted as a sheltered employee to Service Products (N'Dabeni) in Cape Town, on November 3, 1980, where he was employed until he resigned voluntarily on January 12, 1982.

In regard to the matters raised by Mr Beer, the department wishes to comment as follows:

The Sheltered Employment Scheme administered by the Department of Manpower provides for the establishment of factories where persons may be employed who suffer from physical and mental disabilities and who, as a result of their disabilities, are unable to undertake or retain work in the open labour market, but who are nevertheless able to do worthwhile remunerative work under sheltered conditions.

The various factories where persons eligible for sheltered employment are employed operate as autonomous bodies which

are subsidised by the department, and sheltered employees can, therefore, not be classified as public servants. The projects where they are employed are also not "Government shelters", as stated by your correspondent.

The aim of sheltered employment is to foster the self-respect and sense of independence of a disabled person and to give meaning and content to his existence by providing him with security in employment and wages.

The conditions of service of sheltered employees are determined with the emphasis perhaps not so much on their productivity but on their willingness to work and to earn their own keep.

The scheme also serves to prepare employees for ultimate selective placement in ordinary employment in the open labour market and the wages offered must, therefore, be such that the incentive to accept outside employment is not stifled.

In determining the wages payable to sheltered employees, regard must, however, be had to the fact that the workers employed at sheltered employment factories do not possess the capabilities required to

maintain a quality and production level comparable to that of workers employed in the open labour market under competitive conditions, nor are they required to do so.

As a result most sheltered employment factories operate at a considerable loss, thus requiring a substantial subsidy by the State towards operating costs to ensure the continuation of the sheltered employment scheme.

In this connection sight must not be lost of the fact that employees in sheltered employment factories enjoy certain other privileges which, in terms of their monetary value, would amount to several rands — such as annual bonuses, the provision of protective clothing free of charge and free medical services, to mention but a few. Furthermore, employees with large families may apply to the Department of Health and Welfare for further assistance.

It is considered that all these privileges contribute towards easing the lot of sheltered employees and must also be taken into account, apart from the wages they receive, if their employment conditions are to be viewed in proper per-

spective.

They enjoy permanent employment irrespective of their production and losses incurred by factories and whether or not there is sufficient work to keep them fully occupied.

Regarding the remark that sheltered employees are not allowed to become members of the Public Servants Association, it must be pointed out that membership of this association is restricted to public servants. Employees are, however, free to become members of other staff associations or trade unions at their own expense.

The statutory public holidays are applicable to and enjoyed by employees of sheltered employment factories.

The Department is fully aware of the needs of sheltered employees and continually endeavours to improve their conditions of employment within the limits of available funds. Thus, whenever salary increases become effective in the Public Service, the necessary steps are taken to have their wages adjusted.

P J VAN DER MERWE  
Director General  
Department of Manpower  
Pretoria



## PEOPLE IN THE NEWS



Yvonne Bryceland

### American letdown

**Y**VONNE Bryceland won't be on "The Road to Mecca" after all... she's not even on the road to the United States.

American Equity has turned down Athol Fugard's plea to have the South African star in his new play, which has its premiere in the US later this year.

While waiting for a decision, Miss Bryceland turned down a lot of important roles in Britain and now the disappointed actress is hoping for some TV or film work to fill in the gap.

● Page 1, Tonight!

### Mum's an engineer

**M**AKING her mark in a man's world is Myrene Reynolds. This divorced mother of four is a successful hydraulic sales engineer in Cape Town.

Ms Reynolds, who married at 17, went back to educating herself following her divorce.

She studied after work and gained an engineering diploma from a Transvaal technikon.

● See Page 6.

People generally better off than in 1975

# Pay increases 'are beating inflation bogey'

Star April 1984  
By Bill Levitt

People are better off today than they were in 1975, says the National Productivity Institute.

A bleak government report recently showed that inflation had risen by 200 percent since 1975. It said that a R100 grocery bill nine years ago would now cost almost R300.

Consumers have also had to pay similar increases for shoes, clothes, furniture, household services, medical care, transportation and education.

Although the cost of living had gone up an average of 160 percent between 1975 and June 1983 this percentage had probably risen considerably after a barrage of recent price increases, the institute said.

But, despite these discouraging facts, many people were generally better off than they were in 1975.

In several sectors — including manufacturing, electrical, construction, commerce and transportation — wage increases in real terms had outstripped inflation by between five and 18 percent in the nine-year period.

### Position could deteriorate

But economists warn that the position could deteriorate if the Government does not lower inflation to about five percent, the current level of its major trading partners.

Several leading financial institutions forecast that continued high inflation and lower productivity will further deplete disposable income which has been steadily declining.

Forecasters also predict that salaries are likely to trail inflation in the coming months and economic growth is likely to be hampered by the low gold price and continued high government spending.

Government statistics show that the Witwatersrand and Maritzburg had the highest average increase in consumer costs — 165 percent.

Durbah had an increase of 162 percent, followed by the Vaal Triangle at 164 percent; Pretoria 161 percent; East London 153 percent; Port Elizabeth and Cape Town, 152 percent and Kimberley 149 percent.

If food prices are taken separately, the percentages rise by another 25 percent.

The Government's Central Statistical Services emphasised that the consumer price indexes did



With text books in hand, a group of Shangaan women hit Gazankulu wait at an open-air literacy school for correct their work. According to officials, people in t

## Festival committee is seeking R26-m

The Johannesburg centenary celebrations in 1986 will be quite a party — if the R26 million earmarked for the occasion can be raised.

The Johannesburg Centenary Steering Committee revealed its hand last night and produced 22 prominent Johannesburg businessmen, educators and administrators, each of whom will help mount an exciting range of centenary projects.

The chairman of the committee, Mr David Lewis, said: "At the centre of the plans is the multimillion-







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The Government's Central Statistical Services emphasised that the consumer price indexes did not indicate whether it was more expensive to live in one city than another — they indicated price increases only.



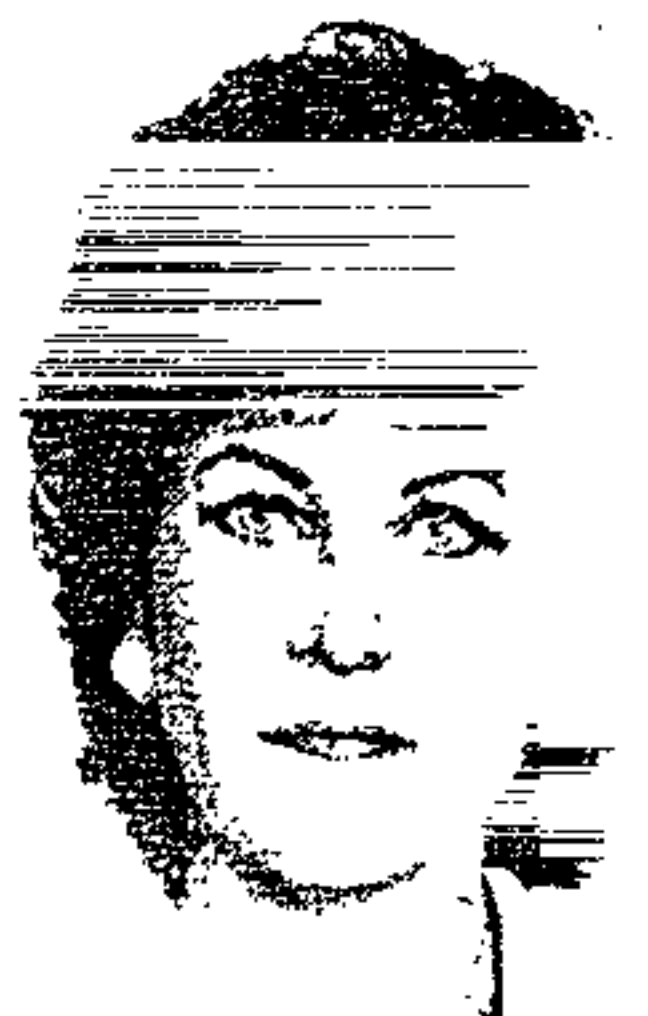
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The chairman of the committee, Mr David Lewis, said: "At the centre of the plans is the multimillion-rand integration of the Gold Mine Museum at Crown Mines, the proposed early Johannesburg village and the new showgrounds, all in the same vicinity. The National Sports and Recreation development with its proposed theme-park, sports stadium and other facilities will also form



Mrs Carol Keil



# Bumper bill from the bureaucrats

THE South African taxpayer will this year pick up a staggering R3 900-million pay tab for public servants as the Government makes desperate efforts to beat past backlogs in public-service pay.

In two years State spending on public servants' salaries has jumped 56 percent, amounts for housing allowances have more than doubled and millions of rands more have been poured into service benefits.

But total authorised staff strengths have actually dropped — from 262 000 to 256 000 within a year.

The public-service pay crunch — now creating major problems for a hard-pressed Treasury — is an attempt to staunch the flow of public servants from government service after successive years of pay disappointments.

It is also aimed at quieting a substantial and influential political lobby group during a time of major constitutional and political flux.

Last year the Government pumped R250-million into the Commission for Administration's investigations into its occupational differentiation programme, by which certain key staff were lifted out of the existing pay structure and paid more.

With the massive occupational differentiation task now almost complete, the Government is budgeting only R109-million this year for the programme — basically "maintenance" money to keep the new scales functioning.

## Burden

But now the individual government departments must carry the burden of the higher pay scales identified and implemented by the commission's investigations last year.

And the estimates of expenditure for 1984/85 tabled in Parliament this week show that the great leap to make public-servant salaries competitive is hurting badly.

The budgeted pay tab for public servants in the major government departments — not even counting Transport Services, Post Office, Parliament and minor sections — increased from R2 500-million in 1982 to R2 900-million last year and is up to R3 900-million this year.

By BRIAN POTTINGER  
Political Correspondent

Public service pay now accounts for more than 15 percent of the total Budget.

The heaviest wage bills were mostly within the security services and Justice, where the attrition rate among prosecutors, filing clerks, policemen and prison warders has been fiercest.

Big pay hikes in Internal Affairs and Education and

Training are also apparent as the Government battles to equalise pay and expand its teacher corps.

The Finance Department itself shows a big hike in the salaries bill to offset the crippling staff shortages that at times in the past two years have threatened to close down sections of the Receiver's collections and investigations departments.

And Health and Welfare has pushed up its salary bills substantially to counter widespread dissatisfaction in the nursing community.

Key items include:

- Internal Affairs' pay tab has jumped from R510-million last year to R641-million this year — up 25 percent and, if compared with 1982, an overall hike of 45,3 percent in two years.

- Law and Order's wage bill increases from R415-million to R616-million, a 48 percent hike. Since the 1982 Budget the total pay tab has increased by 73 percent. Prison-personnel expenditure has gone up 33,7 percent in a year and 67,6 percent in two years.

- Education and Training — under enormous pressures to upgrade teachers' salaries and expand primary and secondary education — has seen an increase in staff salary bills of 46 percent in one year and 77 percent in two years.

- The Department of Finance's pay hike was a modest 22 percent this year, but, compared with two years ago, it has increased 83 percent.

Health and Welfare has pushed up its wage bill from R141-million two years ago to R226-million this year — a 60,2 percent increase.

## Mortgage

Nor has government housing assistance to its staff taken a back seat. The total to be spent on housing assistance to officials has more than doubled — from R46,5-million last year to R102,1-million this year — only R24-million less than the Department will be spending on black housing as a whole throughout the country.

The biggest item is R101-million to be spent on subsidies on mortgage loans granted to State employees — long held to be one of the best ways of preventing massive outflows of skilled workers when the economy is booming.

The same Department will be spending a mere R5-million to subsidise interest on mortgage loans to the public.

Even the police are kicking in increased amounts for mess facilities to make service conditions more interesting. The tab is to be doubled from R1-million to R2-million this year.





MONDAY, 9 APRIL 1984

†Indicates translated version.

For written reply: *Hansard*  
*Q.61.887*  
Medical University of Southern Africa:  
applications for admission

79. Mr D J N MALCOMMESS asked the Minister of Education and Training:

How many applications by students for admission to the first-year course in the faculties of (a) medicine, (b) dentistry and (c) veterinary science have been (i) received and (ii) accepted at the Medical University of Southern Africa in respect of 1984?

The MINISTER OF EDUCATION AND TRAINING:

- |     |  |     |  |      |  |
|-----|--|-----|--|------|--|
| (a) | 1 033 for MBChB                                    | (i) |  | (ii) |  |
|     | 1 011 for courses in supplementary health services |     |  |      |  |
| (b) | 287 for BChD                                       |     |  |      |  |
|     | 380 for courses in supplementary health services   |     |  |      |  |
| (c) | 96 for BVMCh                                       |     |  |      |  |

Official visits abroad

147. Dr F A H VAN STADEN asked the Minister of Education and Training:†

Whether he paid any official visits abroad in 1983; if so, what (a) were the dates and was the (b) duration, (c) cost and (d) purpose of each visit?

The MINISTER OF EDUCATION AND TRAINING:

Yes.

- (a) 18 June 1983.  
6 December 1983.

(b) One day, in each case.

(c) Will be furnished by the Honourable the Minister of Foreign Affairs.

(d) My predecessor visited the Ciskei on 18 June 1983 in order to attend the graduation ceremony of the University of Fort Hare and I visited the same country on 6 December 1983 to finalize matters regarding my previous portfolio.

*Hansard*  
*Q.61.887*  
Public Service  
*9/4/84*  
304. Mr S S VAN DER MERWE asked the Minister of Internal Affairs:

(a) How many (i) White, (ii) Coloured, (iii) Indian and (iv) Black persons are there in the Public Service and (b) how many such persons in each category hold posts classified in the (i) administrative, (ii) clerical, (iii) professional, (iv) technical and (v) general A divisions?

The MINISTER OF INTERNAL AFFAIRS:

- |     |               |         |
|-----|---------------|---------|
| (a) | (i) White     | 137 416 |
|     | (ii) Coloured | 35 201  |
|     | (iii) Indian  | 16 728  |
|     | (iv) Black    | 105 265 |

(b)		Category	White	Non-White
(i)	Administrative	8 709	328	
(ii)	Clerical . . . . .	15 459	223	
(iii)	Professional . . . .	8 618	1 041	
(iv)	Technical . . . . .	6 802	33	
(v)	General A . . . . .	1 636	72	

Total ..... 41 224 1 697

Note: It is at present not possible without more ado to separate the number of Coloureds, Indians and Blacks in the various divisions of the Public Service and therefore only the total number of non-Whites has been indicated. To separate the figures, a survey in each individual

Cape Times 10/4/84 (25) (25) (25)

# Domestics: Minimum wage mooted

Staff Reporter

**EMPLOYERS** should pay domestic workers an absolute minimum of R150 a month, plus two meals a day and travelling expenses, the Roman Catholic Justice and Peace Commission recommends in a brochure published in Cape Town.

Citing a University of Port Elizabeth research paper on the minimum monthly household subsistence level for a

family of six, it suggested the "absolute minimum monthly wage" for 1984 should be R150 plus two meals a day and travel expenses for a full-time worker living out. If she lived in, it should be R133, plus all meals.

Overtime pay (anything more than 40 hours a week) should be worked out at R1,50 an hour.

If employers could not afford this, they should reduce the domestic worker's working

hours rather than fire her.

"Remember domestic workers would rather offer their services for a little money than nothing at all," the leaflet said.

Wages for domestic workers should be determined more by the needs of the person than by the going wage rate.

"Too many domestics are suffering low pay and long working hours," the leaflet said.

Employers could help in upholding the dignity of their domestic workers by granting them basic rights such as extra pay for extra hours, sick leave, time off to visit their families and friends, and holidays.

"There is no legislation protecting domestic workers as such. This then places them in a very vulnerable position.

The worker is totally dependent on the attitude and outlook of the employer."



FRIDAY, 13 APRIL 1984

964

Maj R SIVE: Mr Speaker, further arising out of the hon the Minister's reply, does he not believe that, in view of the new constitutional system, this law should be repealed before the system comes into operation?

†The MINISTER: Mr Speaker, I said during an earlier debate in this session that there are facets of this Act which are receiving attention, and I have now again indicated it in reply to the question. The new dispensation is fundamentally based on the recognition of the difference between the groups. It is also based on separate voters' lists, where persons from a particular population group must elect members of that population group to represent them in their own chamber. That is why I regard the existence of separate voters' lists and therefore also the existence of separate parties as a fundamental prerequisite for the new dispensation.

*Handwritten: Q. Col. 763  
Msinga area: Tribal clashes  
13/4/84*  
\*20. Mr M A TARR asked the Minister of Law and Order:

(1) Whether any persons died in tribal clashes in the Msinga area (a) in 1979, 1980, 1981, 1982 and 1983, respectively, and (b) from 1 January 1984 up to the latest specified date for which figures are available; if so, how many in each case;

(2) whether the South African Police have taken any preventive steps in this regard; if not, why not; if so, (a) what steps and (b) when;

(3) whether any further steps are contemplated; if not, why not; if so, what steps?

†The MINISTER OF JUSTICE (for the Minister of Law and Order):

(1) Yes.

(a) 1979: 55

1980: 7

1981: 20

1982: 16

1983: 43

(b) 1 January 1984 to 3 April 1984: 35

(2) Yes.

(a) and (b) Patrols, including special weekend patrols are being carried out in the area on a continuing basis, while use is from time to time also being made of helicopter support. Discussions with tribal heads are held regularly, the latest of which took place on 14 March 1984, but owing to the unpredictability of the warring impi's, it is not always possible to defuse an explosive situation or to avert the deep-rooted friction.

During the past four years approximately 2 400 arrests had been effected, while the special fire-arm squad operating in the area has already confiscated 2 169 fire-arms during the same period.

(3) Yes. During the past few weeks a comprehensive investigation into the policing of the area has been instituted. It is intended to establish a special unit in the area as soon as possible. In the meantime the Pietermaritzburg reaction unit has been deployed in the area.

†Indicates translated version.

For written reply:

*Handwritten: Q. Col. 764  
Public servants: salary increases  
13/4/84*  
450. Mr S S VAN DER MERWE asked the Minister of Internal Affairs:

965

FRIDAY, 13 APRIL 1984

966

(a) How many public servants received salary increases as a result of the salary adjustments effected in July 1983 and (b) what was the (i) average percentage of the increases received and (ii) highest percentage received by any public servant in terms of the said adjustments?

The MINISTER OF INTERNAL AFFAIRS:

(a) No general salary adjustment as such was effected on 1 July 1983. The service dispensations of certain occupational classes were however adjusted on a market related basis with effect from 1 July 1983 as a result of occupational specific investigations. The classes and the number of personnel involved are as follows:

Social Worker	2 691
Orthopedic Bootmaker	30
Clinical Technologist	50
Medical Technologist	1 231
Medical Orthotist and Prosthetist	185

(b) (i) and (ii)

In order to give an accurate indication of what the actual average and highest adjustment were will mean that particulars in respect of individuals will have to be obtained from each file in each department.

The reason being that normative requirements for translation to the new dispensations were set by the Commission and implemented by the departments concerned.

Individual as well as average percentage improvements depend on the degree to which the officials concerned comply with the new requirements.

*Handwritten: Q. Col. 765  
Maize: consumer prices  
13/4/84*  
559. Mr E K MOORCROFT asked the Minister of Agriculture:

(a) What were the consumer prices of

maize in the (i) Transvaal, (ii) Eastern Cape and (iii) Western Cape as at the latest specified date for which figures are available and (b) what is the breakdown of each of these figures in respect of (i) rail, (ii) storage, (iii) production and (iv) any other specified costs?

The MINISTER OF AGRICULTURE:

(a) (i), (ii) and (iii) Maize is sold by the Maize Board to all buyers (among others, millers, feed manufacturers, feed lots, dealers, farmers etc.) in the Republic (including the B.L.S. and T.B.V.C.-countries, and South West Africa/Namibia) at fixed selling prices on a free on rail basis. The Maize Board's selling price was fixed at R187,05 per ton as from 1 January 1984 for the best grades of white and yellow maize in bulk quantities of 190 t and more.

(b) (i) Railage differs according to the distance from the production area to the buyer.

(ii) The Maize Board's storage costs on maize sold for local consumption is normally covered by a State subsidy and is consequently not recovered from buyers.

(iii) The cost of production is only one of several factors taken into consideration for the purpose of fixing the producer prices of maize and can therefore not be isolated from the other factors.

*Handwritten: Q. Col. 766  
National states: health services  
13/4/84*  
758. Dr M S BARNARD asked the Minister of Health and Welfare:

(1) (a) How many (i) doctors, (ii) dentists, (iii) physiotherapists, (iv) occupational therapists and (v) nurses are there in each specified national state

# Hotline spotlight on pay for small firms

By Angus Macmillan <sup>355</sup>

**SMALL** business thrives on the productivity and loyalty of individuals. But it is often out of touch with the rest of the business world.

The main reason for bankruptcies and low profits in the sector is lack of financial knowledge. Another factor is a lack of fundamental human resources skills.

Some small companies lose staff because they do not pay enough. Others are draining profits to keep employees on top rates and prevent them from moving. In short, it is a lot more difficult for the small operation to know what the market rates are.

## Graduates

Many ventures cannot warrant full-time accountants, let alone personnel managers familiar with the sensitive issues of working conditions and pay. The university graduates are more likely to be found in the heart of corporate bureaucracies where allocating parking bays is often the most taxing task of the day.

For years large companies have been subscribing to comprehensive salary surveys which give them accurate indications of how they compare with the opposition. Many of them have based their pay packages, including fringe benefits and bonuses, on what they learn from consultants' surveys.

Staff turnover, costs of replacing staff, leave policies, transport and overtime entitlements — all of which have

been well documented for big business — are now crucial considerations for the small company looking to maintain a stable, close-knit working unit.

## Rapidly

Although South Africa is a long way off the United States where firms with fewer than 20 employees generated two-thirds of the new jobs between 1969 and 1976, small business is growing rapidly here — and so are its needs.

P-E Corporate Services and FSA Management Consultants have long provided valuable remuneration and employment data. Companies fill in questionnaires and the results are sold to subscribers.

P-E has seen the gap in the small sector and launched a service called Hotline for companies with fewer than 250 employees and an annual turnover of under R5-million.

It provides subscribers with hourly and monthly rates of pay for more than

1 000 positions and gives various other employment hints and inside information on how to keep staff.

## Data bank

The Small Business Development Corporation (SBDC), which recently swallowed the Government's small business information centres, agrees that this area needs attention.

It refers clients to private consultants when they need specialised services. Costs incurred are rebated by the Government through the Council for Small Business Promotion in Potchefstroom.

The SBDC and other organisations marketing finance and advice have been mostly concerned with the capital and infrastructural requirements of small business.

The corporation's public relations head, Jacques Verster, says: "We are working on producing a data bank which will enable us to supply statistics at the touch of a button."



355 S. 7 June 22/4/84

## Teachers out in salary cold

Business Times Reporter

TEACHERS are wondering when the 23% increase in the education budget will show on their pay slips.

They are the only public servants who have not been lifted out of the pay doldrums by the Government's recent image-building campaign — and they may yet have some waiting.

Their case for improved salaries rests with the Commission for Administration, personnel watchdog of the public service, which says it is still looking at the pay position.

Proposals by the commission must be approved by the cabinet before teachers and lecturers take home more money. Educationists have complained that they are the Cinderellas of the public service.

In February, top dogs in the public service — directors of departments and above — were awarded increases backdated to the beginning of the year. This was also part of the government's pay differentiation programme and over and above the general 12% pay increase received by all government employees in January.

### Cheap houses

With most public servants paying no more than 4% interest on housing bonds up to R50 000, pay boosts have helped many of them to overtake unsubsidised private-sector workers.

Teachers are a notable exception, although housing subsidies make their pay packages more attractive than those of many at private schools and institutions.

Cash allocated to education is divided among government departments and provincial administrations. Apart from Gerrit Viljoen's Department of National Education and the Education and Training Department, Internal Affairs receives a large chunk for coloured and Asian education and the four provinces are included in the R4 200-million budget.

ARGUS 24/4/84

355

# Pay rises likely to lag, survey finds

**SOUTH AFRICANS** will have to tighten their belts one notch further as salary increases look set to lag behind the inflation rate once again.

The April salary survey conducted by P-E Corporate Services SA shows that the average increase granted to general staff of all races for the nine months from July 1983 to April this year was 6,3 percent, while the consumer price index rose 5,8 percent in the same period.

Although this reflects that salaries were ahead of the CPI for this period, Miss Jane Ashburner, manager of the remuneration division, forecasts that once the effects of the price rises in

food and fuel come into effect, the inflation rate will rise to at least 12 percent.

She said: "Although the CPI has been 10 percent over the past year it is highly unlikely that it will remain so and could easily go up to 14 percent or higher in 1985."

## HARD PRESSED

General staff increases for the year would be hard pressed to reach 12 percent, although this was the predicted figure.

"Actual percentage increases granted have traditionally been 2 percent lower than those predicted by companies."

The survey compiled from data provided by over 800 organisations employing more than 1,1-million staff of all races, found that the highest increases for this nine month period were granted to blacks at 7 percent, with whites and Asians following at 6,2 percent, while the lowest increases were granted to coloured people at 6,1 percent.

Mis Ashburner said the 7 percent increase for blacks, although marginally higher, could be misleading as this had been granted on lower salary levels than that for whites.

In real rand terms this meant that the wage gap

between black workers and whites was increasing.

"A 6,2 percent increase on a white employee's salary of R1 000 would give him R62, while the black worker would receive his 7 percent on R500, giving him only R35 more to take home."

Within the white sector, the highest increases were granted to personnel staff at 9 percent, while the lowest was received by data processing and general administration staff, both of which received increases of 4,6 percent.

"The low increase of 4,6 percent for these two categories is probably due to the fact that they received high increases last year, with data processing being the highest of all categories at 14,5 percent and general administration being well up at 13,3 percent."

## MORE BLACKS

However, whereas white data processing staff received the lowest increase, blacks in this industry sector received the highest at 10,5 percent.

"This was due to the fact that more and more blacks are moving into jobs traditionally held by

Asians in the computer operations area."

Staff turnover dropped from 21 percent in July 1983 to 18 percent in April this year, with blacks being the only group to have recorded an increase in turnover from 24 to 32 percent.

Staff turnover for whites remained at 20 percent while that for Asians dropped from 16 to 11 percent and for coloured from 25 to 9 percent.

The industry sector which experienced the highest turnover of white staff was that of consumer goods manufacture at 29 percent while for blacks the highest occurred in the materials manufacture sector at 44 percent.

The survey broke staff turnover down into four components — dismissals, voluntary, retrenchments and other (including resignations for health reasons, retirement, death and pregnancy).

Among the black sector dismissals were up from 20 to 38 percent, voluntary decreased from 51 to 45 percent, retrenchments were up from 15 to 16 percent and other decreased from 14 to 9 percent.



## Up to 33% increases for civil servants

HOUSE OF ASSEMBLY. — Senior public servants received salary increases of up to 33 percent in the latest pay adjustments announced by the government, according to the Minister of Internal Affairs, Mr F W de Klerk.

Those affected included deputy directors, directors, chief directors, deputy directors-general and directors-general and equivalent gradings, Mr De Klerk said yesterday in reply to a question from Mr Roger Burrows (PFP Pinetown).

A chief director or his equivalent would receive a 33 percent increase in terms of the adjustment.

The present annual salary for the post is R44 850.

Other gross salary increases listed by Mr De Klerk were 20 percent for deputy directors, 30 percent for directors, 32 percent for deputy directors-general and 31 percent for directors-general.

Directors-general presently earn R59 130, while their deputies receive R50 490 and directors earn R39 630. — Sapa

Wednesday 25/4/84 12:35

# Salary rates will rise 12,5pc this year, says BER

CAPE TOWN—Nominal salary and wage rates are expected to rise by about 12,5 percent this year and the total salary and wage bill by about 12,3 percent, the Bureau for Economic Research at the University of Stellenbosch says in its revised 'Prospects for 1984' report released yesterday.

The Bureau believes the level of economic activity will remain low for the rest of this year and that unemployment will continue to rise.

This alone must have a negative effect on the ability of employees to negotiate relatively high salary and wage increases.

Furthermore, company profits which already declined in 1983, will remain under pressure in 1984, making it more difficult for them to grant such increases and hardening their attitude against demands of that nature.

'Thus salary and wage increases in the private sector will probably be moderate, especially since a further easing in inflation in the immediate future is foreseen.

## Civil Service

'Against this it may be argued that the Civil Service received a general salary increase of 12 percent at the beginning of 1984 and that the process of differentiation is continuing, and thus that salary and wage adjustments in the public sector will be appreciably higher than in 1983.

'With salary levels in the public sector becoming more competitive with those in the private sector, and with high level manpower still in serious short supply, it can be argued that the private sector will have to follow suit in granting salary increases.

'However, given the expected position of the private sector as described above, it is not foreseen that this sector will be in a position to do anything substantial about it in 1984.

## Wage bill

'In total, nominal salary and wage rates is expected to rise by about 12,5 percent in 1984 and the total salary and wage bill by about 12,3 percent.

'With farming income still severely affected by the drought in the summer rainfall areas and dividend payments also expected to decline, only a sharp increase in interest payments and in the income of self-employed professionals will prevent the total income from property by households from declining in nominal terms.'

The fact that the Minister of Finance, Mr Horwood, did not change the personal tax schedule in the Budget implied a continuation of fiscal drag, with the result that the average tax rate of individuals would increase. 'This will result in a retarded rate of increase in nominal disposable income of about 10 percent, and thus virtually no change in real terms, implying a further decline in the real per capita income of individuals.

'Accordingly, the ability to buy goods will be severely affected.

'With the level of credit used already very high, the lower property prices of late affecting perceptions of wealth, and interest rates at historically high levels, it cannot be expected that the use of credit by individuals will continue to rise at the rate it did in 1983.

'All these factors point

to a consumer demand which is unable to continue at the high levels reached at the end of 1983 and which should steadily decline during the course of the year.

'With salaries and wages in the private sector starting to recover towards the end of 1984, total private consumption expenditure may level out in the fourth quarter.

'Within the realm of overall private consumption expenditure the sharpest reaction will probably be felt in the demand for durables and semi-durables. Spending on non-durables will probably still increase but at a lower rate than was the case in 1983.

'As far as the demand

for durables is concerned virtually all categories will be adversely affected.

'This will be particularly true for furniture and household appliances, in sympathy with the expected downturn in the private house building market. Spending on recreational and entertainment goods will probably still increase, with the demand for video equipment and computers continuing to be strong.' — (Sapa)







Real National Congress in struggle against apartheid for majority rule in South Africa.

#### CALL ON APARTHEID

The communique called for abolition of apartheid, preferably by peaceful means, and led for talks between the country's whites and blacks. However, it said apartheid should be abolished by whatever means were necessary.

The communique was endorsed by the presidents of the C and Swapo.

The president of Swapo, Mr. Nujoma, said South African troop withdrawal from Angola would in no way affect the struggle for SWA/Namibia independence.

## Municipal workers demand pay rise

Staff Reporter

MUNICIPAL workers, "tired of begging", are to demand higher wages from Cape Town City Council

A meeting of more than 3 000 council workers in the City Hall yesterday rejected the council's wage structure as "discriminatory" and "loaded against the lower-paid workers", said the secretary of the Cape Town Municipal Workers Association, Mr J H Ernstzen.

He said the workers claimed that labourers were paid "starvation wages" and could not

manage on their pay packets.

"How must we feed our children and send them to school when we hardly have enough money to pay our rents, bus fares and train fares to work?" was the sentiment expressed, according to Mr Ernstzen.

#### R119,55 MINIMUM

Workers were "tired of begging", Mr Ernstzen said, and the CTMWA would demand that all workers employed by the council be paid a "living wage".

The executive committee and general council (shop ste-

wards) of the union had been instructed to demand that:

- Labourers be paid a minimum wage of R119,55 a week, as opposed to R59,77 a week at present.

- Pay scales of all workers earning more than labourers be increased accordingly.

Workers would consider further action if their demands for a realistic living wage were not met, Mr Ernstzen said.

- A City Council spokesman said today that as soon as the CTMWA's representations were received they would be placed before the Executive Committee for consideration.

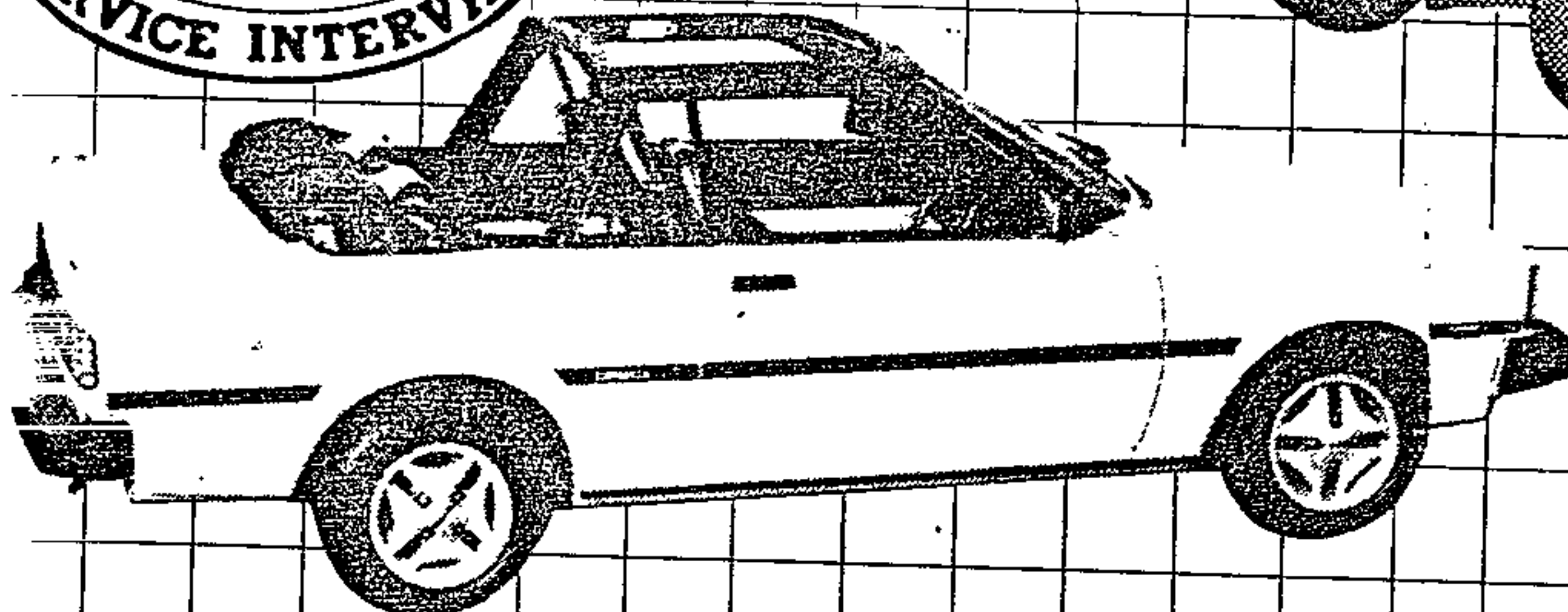
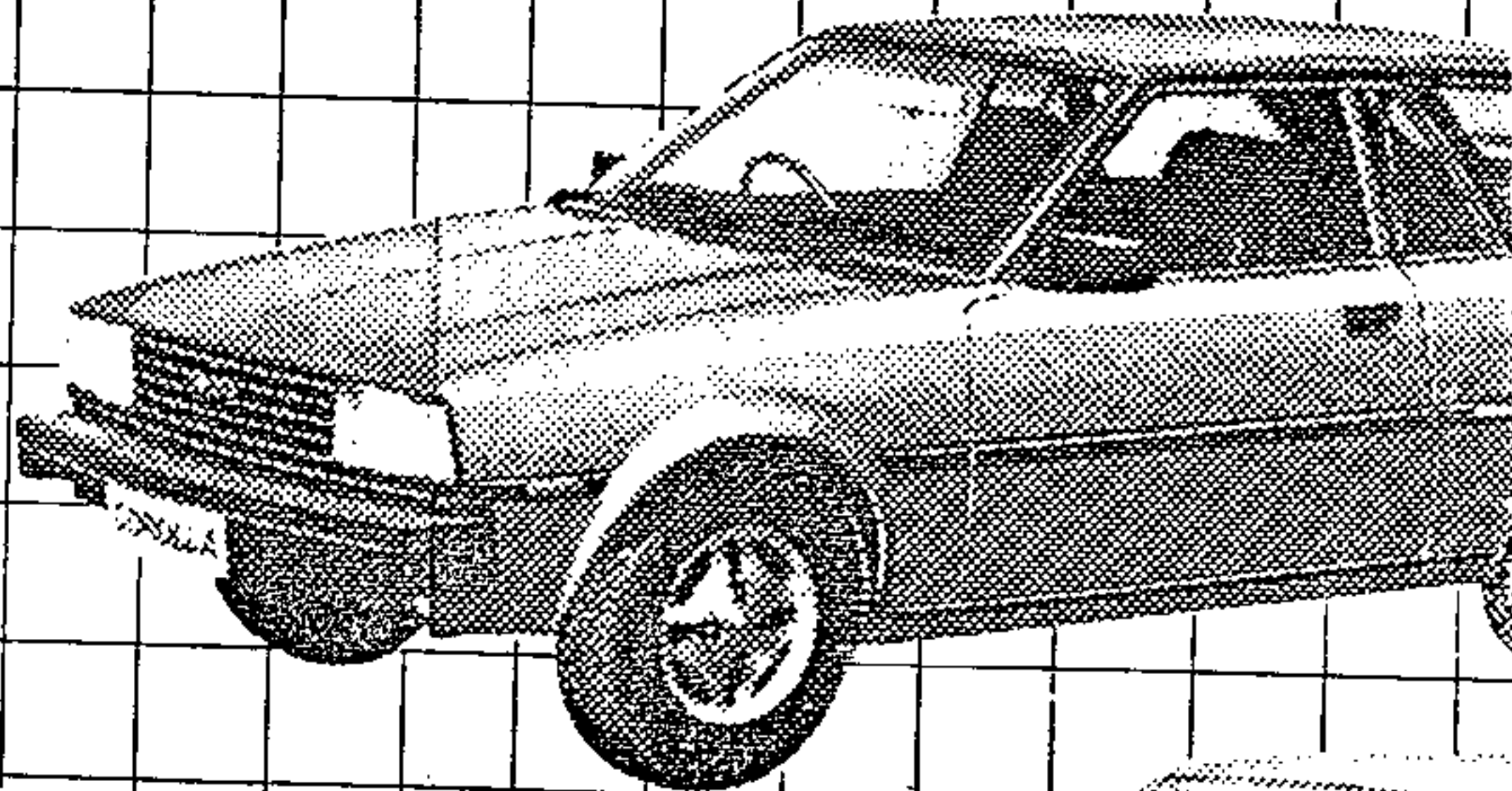
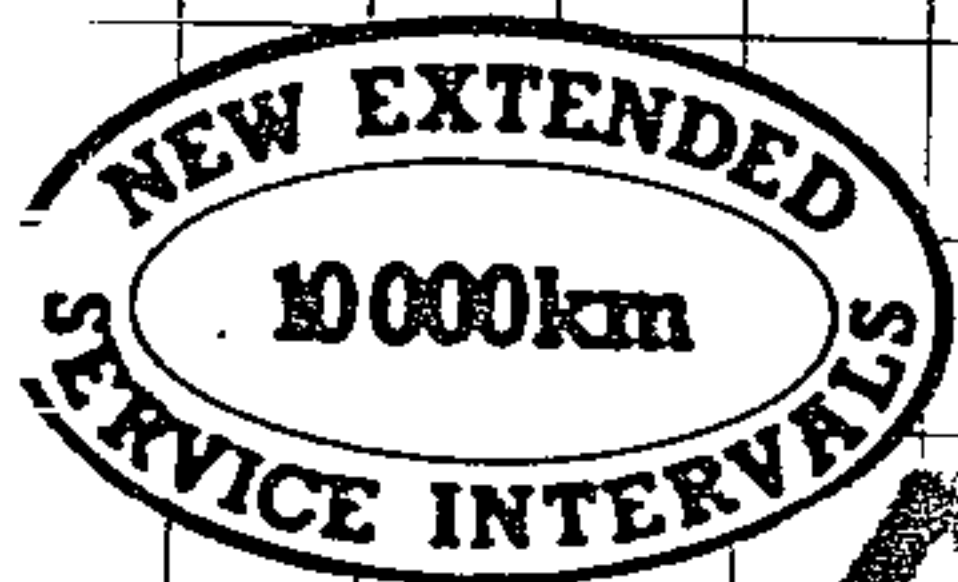


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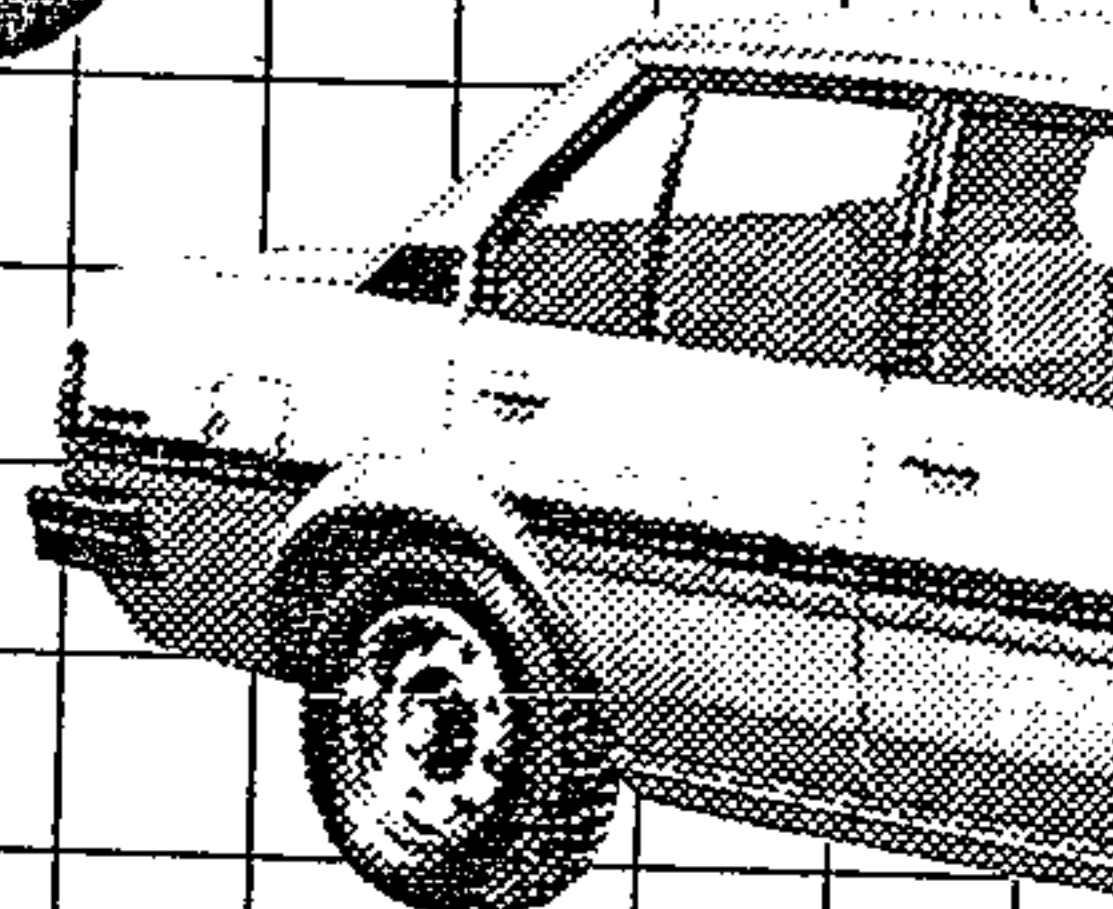


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395 395

EVENING POST, TUESDAY, MAY 1, 1984

# Warning to PE industry over high wages

By LOUIS BECKERLING, Business Editor  
PORT ELIZABETH industrialists were warned today that a high wage policy inevitably meant a low employment policy.

The warning came in a May Day talk by Professor Brian Kantor to the Economic Affairs Committee of the Midland Chamber of Industries.

Prof Kantor, head of the Economics Department at the University of Cape Town, urged employers and, by inference, trade unions to "develop a proper, rather than a false consciousness" of what may be done to help potential entrants to the labour force.

High wage rates artificially enforced, notably by foreign

opinion, were not in the interests of those seeking jobs, said Prof Kantor. (The predominantly multinational controlled motor industry in Port Elizabeth already pays wage rates which are about 20% higher than those paid on the Reef.)

Prof Kantor said it should be recognised that, if the population grew as forecast, an "awesome" gap would develop between the potential and measured labour force.

"This is where being smarter and a proper sense of social responsibility comes in," said Prof Kantor.

"It should be noted that we should not be concerned whether these people entering the labour market will survive or not (they will not necessarily be engaged in employment in the modern sector), but whether their income prospects will be better or worse.

"And they will be better or worse, depending upon the policies of firms and the Government.

"They will be better off, but perhaps not well off, if the firms do not or are not forced to regard high and rising real minimum or other wages as the index of their usefulness to society.

"A high wage policy inevitably means a low employment policy."

Employers forced to pay high wages expected proportionately high degrees of skill and technological efficiency and the result had been less, rather than more, employment in certain sectors of the economy, said Prof Kantor.

The results simply exaggerated income differences between "fortunate insiders and less fortunate outsiders".

ARSA  
3/5/84 225 555

## Minister to meet teachers

THE Union of Teachers' Associations of South Africa (Utasa), the umbrella body for coloured teachers' organisations, is to meet the Minister of Internal Affairs on Monday to discuss adjustments in posts and salary structures.

In a memorandum submitted to the minister last month, Utasa warned that "frustration and dissatisfaction was rife" among teachers.

It said a contributory factor was financial discrimination against women and recommended parity in salaries for teachers of both sexes.

In spite of the general salary increase in 1982, there had been no substantial improvement or change in the post structure.



ARGUS 3/5/84 355

## 'Major salary rises for teachers soon'

Argus Correspondent  
PRETORIA. — Teachers can expect major salary increases soon.

According to reliable sources, the report of the committee of heads of education on salary structures has been completed and recommends substantial increases.

The Cabinet will now have to take a decision on its recommendations.

### BUDGET VOTE

An announcement could be made as soon as the Minister of National Education, Dr Gerritt Viljoen's budget vote, which comes before Parliament on Monday and Tuesday.

The minister told the Assembly yesterday the

Government regarded the question of salary parity of teachers and that of other comparably qualified public servants as a matter of urgency.

Answering questions, he said he hoped to be able to give more specific replies "as soon as possible".

"This is a matter of absolute urgency," said Mr E Niemeyer, president of the Transvaal Teacher's Association.

"A statement must be made in the next few days. I hope it will be made during the education debate on Monday and Tuesday," he said.

Because salaries had been an issue for such a long time, rumours had been circulating which could "cause damage."

● Teachers' salaries 'matter of urgency' — Page 14.

Profession warns of permanent and incalculable harm if p

Hopes are high that the "new deal" promised to teachers eight months ago will be revealed in Parliament this week (today or tomorrow) when the Minister of National Education, Dr Gerrit Viljoen, delivers his education budget for 1984.

But teachers are tense and sceptical as they await the news. Their cry for better pay has rung out over decades, and the Government promise of a better deal is almost perennial.

The grievances remain basically the same with variations only in minor details.

Yet despite the dissatisfaction over pay, salaries for most white teachers have increased by an average of 17 percent a year since 1979 — while inflation has averaged 13 percent.

White teachers are, therefore, better off today than they were five years ago.

In 1980 staff — from principals to primary school teachers — threatened to resign or to "go slow".

Many were prepared to strike, and hundreds left the profession for better paid jobs.

The Prime Minister, Mr P W Botha, assured teachers they would get a substantial pay boost that April.

His assurance failed to appease the profession. In March thousands of Transvaal teachers swarmed into Johannesburg to attend their biggest protest meeting in 40 years.

The then Minister of National Education, Mr Punt Janson, was accused of misjudging the reactions of teachers.

He was called on to resign by the Progressive Federal Party in the Transvaal Provincial Council.

A few months later, he was replaced by Dr Viljoen.

When details of the 1980 increases eventually emerged, most teachers were bitterly disappointed.

Despite the introduction of a 13th cheque, most teachers re-

# Teachers have hi hopes for 'new de

Bitterness over unfair pay has steadily increased since the revision of teacher salaries in 1981. Yet in real terms, teachers are better off today than they were then. Education Reporter JEAN HEY reviews the battle teachers have fought since the beginning of the decade.

ceived an increase in the region of 12 percent.

"The inflation rate this year (1980) will be about 14 percent and teachers, who have not had an increase since 1978, will be worse off at the end of the year because of the erosion of the value of the rand," the PFP's Mr Douglas Gibson said in the Provincial Council.

Due to the poor increases, the most powerful teachers' organisation in the country, the Transvaalse Onderwysersvereniging, considered becoming a trade union.

A poll showed 53 percent of its members favoured a union, although the organisation's caucus defeated the motion.

Adding to the simmering discontent was the four-month backlog of pay for black and white Transvaal teachers in 1980.

The bureaucratic tangle which causes the late payment of salaries is a feature of the teaching profession.

Not even the use of computers has solved the Trans-

**How the  
salaries  
have risen  
since 1979**

This table indicates salary for 80 percent of teachers (matric and four years' training)

## MEN

1979	— R450 to R712
1980	— R542,50 to R812,50
1981	— R657,50 to R1085,00
1982	— R756,25 to R1 249,75
1983	— no pay increase
1984	— R847,00 to R1 398,88

vaal Education Department's pay problems.

By July 1980, teachers were appealing for interim pay increases to halt the drain to the private sector.

But the Government rejected their demands and applications at teacher training colleges reached a record low.

In the last three months of 1980, Transvaal teachers were resigning at a rate of 21 a day.

Educationists warned that unless there was an "immediate" 25 percent increase, the Government could expect a "resignation landslide".

The Venter Committee's Report into teachers' salaries brought to the Government's attention just how serious the teaching crisis was.

It also highlighted the serious pay backlog teachers suffered.

As a result, teachers were offered a minimum 20 percent increase in 1981.

Teachers hailed the news of the substantial pay boost with relief and enthusiasm.

The wage gap between qualified teachers of all races was

also eliminated. This, however, offered little comfort to the 80 percent of black teachers who did not have the required matric and three years' training to qualify for equal pay.

And while the colour gap closed at some levels, sexual discrimination continued unchanged.

Women teachers have waged a long and bitter struggle against sexual discrimination. At least 80 percent of the women still earn more than R1 200 a year less than men with the same experience and training.

In an effort to attract men to teaching, the Government introduced a controversial quota system in 1977 whereby a certain number of posts were reserved for men.

Now 1984 has brought a welcome relaxation of the quota system, although educationists throughout South Africa express unconditional condemnation of it and have called on the Government to scrap the system altogether.



cent and incalculable harm if pay increase is insufficient

# Teachers have high hopes for 'new deal'

teachers' salaries with funds from their parent/teachers' associations.

The teacher euphoria of 1981 soon turned to anxiety when it became evident that another pay boost for teachers was not to due for a long time.

Since then, South Africa's 63 000 white teachers have only received the public service increases — 15 percent in 1982 and 12 percent at the beginning of this year.

"The rise is a mere morsel to keep the pangs of hunger at bay," said the secretary of the Transvaal Teachers' Association, Mr Jack Ballard.

Last year teachers were again complaining of their salaries lagging far behind those of other public servants and the private sector.

Only a substantial pay increase for all teachers could quell the "groundswell of discontent", warned the Federal Council of Teachers' Association (FCTA).

In reply, the Government promised teacher salaries would be given "the highest priority" in the financial year of 1984/85.

The big boost for education in the latest Budget — which increased its allocation by 23 percent to a record R4 200 million — has encouraged many educationists to predict Dr Viljoen will be true to his word.

But the delay has turned teacher restlessness into anger.

Cynicism is again rife and teachers are tired of speculating whether the 23 percent increase in education will be reflected on their payslips.

Their professional organisations have given the Government a final warning in no uncertain terms: a further delay will cause an immediate reaction from teachers that could result in permanent and incalculable harm to the teaching profession.

## How the salaries have risen since 1979

This table indicates salary increases since 1979 for 80 percent of teachers (those who have a matric and four years' training).

MEN	WOMEN
1979 — R450 to R712	1979 — R390 to R637
1980 — R542,50 to R812,50	1980 — R462,50 to R712,50
1981 — R657,50 to R1085,00	1981 — R567,50 to R972,50
1982 — R756,25 to R1 249,75	1982 — R652,75 to R1 119,75
1983 — no pay increase	1983 — no pay increase
1984 — R847,00 to R1 398,88	1984 — R731,08 to R1 254,12

vaal Education Department's pay problems.

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But the Government rejected their demands and applications at teacher training colleges reached a record low.

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In an effort to attract men to teaching, the Government introduced a controversial quota system in 1977 whereby a certain number of posts were reserved for men.

Now 1984 has brought a welcome relaxation of the quota system, although educationists throughout South Africa express unconditional condemnation of it and have called on the Government to scrap the system altogether.

Last month saw another step forward for women teachers.

Dr Viljoen announced that married women — who constitute the majority of white teachers — can now hold permanent posts in any province.

He has also promised women teachers the same fringe benefits as their male colleagues in housing and pensions. But this is yet to be confirmed.

After the 1981 pay increases, educationists declared a 71-year battle over teacher salaries had now ended.

But by the beginning of 1982 teachers were again claiming they could not survive adequately on their salaries.

Young, qualified high school teachers in Johannesburg complained that their take-home pay was less than R500 a month — and that they could not afford to live on their own.

Others declared they had no alternative but to "moonlight" as barmaids and waitresses to supplement their earnings.

For years, many schools in the wealthier suburbs of Johannesburg have supplemented



# Teachers *CAPE TIMES 8/5/84* 'at end *355* of tether'

**Own Correspondent**  
PRETORIA. — Anger among the teaching profession is mounting at the continued delay in announcing the promised substantial salary adjustment.

In Parliament yesterday, the Minister of National Education, Dr Gerrit Viljoen, again acknowledged the gap between salaries in the public service and those in the teaching profession.

However, he gave no indication about the extent of the long-delayed increases or when they would come into operation.

Spokesmen for teachers' organizations said teachers had reached the end of their tether and unless a specific announcement on improved salary structures was made by the minister, "a critical situation" would be reached.

The secretary of the Transvaal Teachers' Association (TTA), Mr Jack Ballard, said yesterday: "What the profession wants to hear urgently is when and how much."

The TTA and other teaching organizations wanted their salary scales equated with those in the public service,

which had been substantially boosted by the application of the principle of "occupational differentiation".

The principle had only been partially applied to teachers.

Teachers were angered by the unexplained delays in honouring undertakings given the profession three years ago, Mr Ballard said.

"We are being inundated with inquiries from teachers, many of them irate."

He said the profession wanted the balance between public service earnings and teachers' earnings in 1981 to be restored.

This would mean substantial increases for teachers.

Asked whether teachers would consider strike action as a last resort, Mr Ballard said this was possible, but until now strike action had been resisted by the teacher bodies.

Last week, a SA Teachers' Association spokesman warned that while strike action was not on the agenda at this stage, meetings would be held throughout the country if the government did not fulfil its promise of a new deal for the profession.

## Brand protests at road curbs

**Municipal Reporter**

THE City Engineer, Mr Jan Brand, has protested strongly at a "sudden crippling reduction" by the Provincial Administration in this year's proposed spending on the metropolitan transport five-year programme for roads.

A report containing Mr Brand's protest was before the City Council's Utilities and Works Committee yesterday.

In his report, Mr Brand recommended that the "very serious" effects of the cut should be brought to the attention of the Provincial Administration and the government.

### Capital estimates

The committee supported Mr Brand's stand and recommended that representations be made to the Province and the Central Government to reconsider the decision.

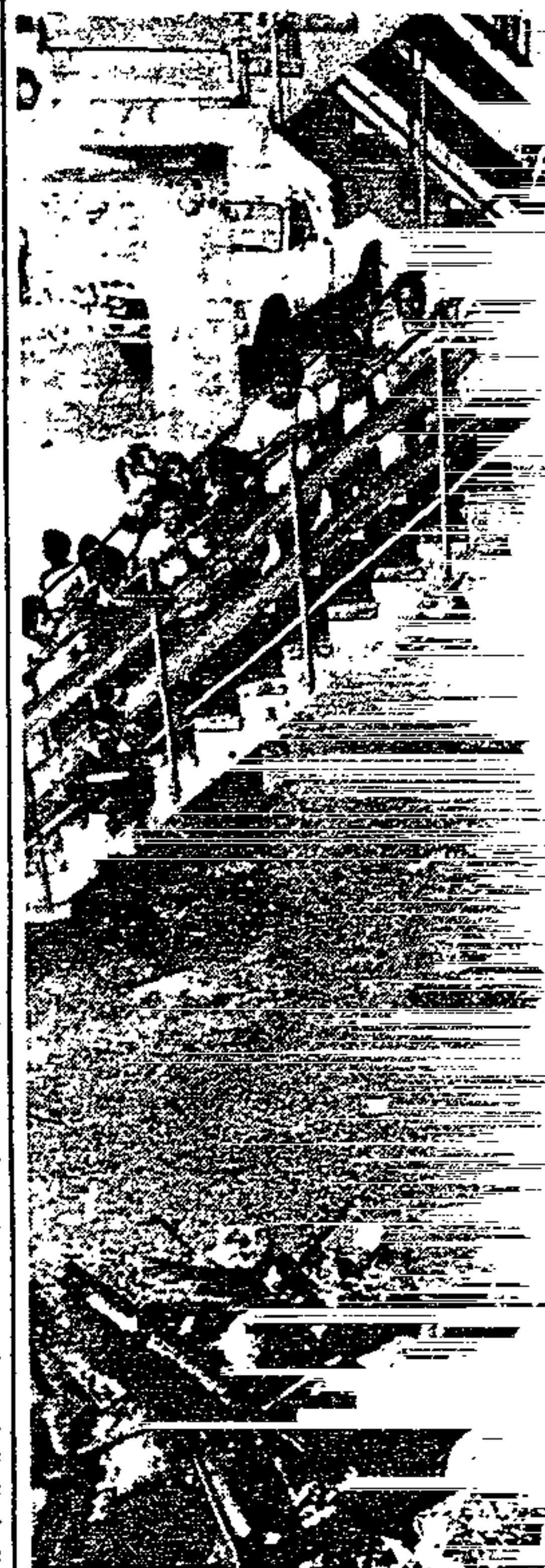
The cutback, from R23 395 000 to R11 765 000, was a reduction of more than 50 percent on a programme which conformed with draft capital estimates already reduced to essentials, Mr Brand said.

Almost the entire programme for road improvement and especially for public-transport infrastructure in the City and metropolitan area had been eliminated by the cut.

"The practical effect on Cape Town for the next financial year is that only two contracts, both nearing completion — Vanguard Drive "S" contract 4 (R130 000) and Keurboom Parkway contract 4 (R1 000 000) — are included."

A further R4 710 000 had been allocated to projects being undertaken by the Province and South African Transport Services to which the council was contributing, he said.

"Of a total capital expenditure of R6 385 000 only R1 130 000 has been provided for projects undertaken by the City Council," he said.



Residents of Frere Court in move the charred remains yesterday afternoon. An burnt to death and her h

## Six Cape winners in Olympiad

**Staff Reporter**

FIVE Cape pupils were among the ten highest scorers in this year's National Science Olympiad, according to Mrs Juliette Peires, a mathematics teacher at Herzlia High School in Highlands Estate, Cape Town.

Her school was among the first to hear the results because one of the Herzlia matric pupils, Davin Milun, had attained ninth position.

The first ten were: Maynard Handley of Hilton College in Natal, Thomas Brown of

## Wine farmer dies at 53

**Staff Reporter**

A WELL-KNOWN wine farmer, Mr Calla van der Merwe, of the farm Merwida, near Rawsonville, died on Sunday morning in Tygerberg Hospital after a short illness. He was 53.

A service will be held at noon tomorrow at the Ned Geref Kerk at Goudini, near Rawsonville.

Mr Van der Merwe will then be buried at the Van der Merwe family churchyard.

He leaves his wife, Cecile, three daughters and two sons.

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CAPE TIMES  
8/5/84  
Viljoen  
speaks on  
salaries 355

HOUSE OF ASSEMBLY.

— An announcement on salary adjustments for teachers would be made as soon as possible, the Minister of National Education, Dr Gerrit Viljoen, said yesterday.

But he emphasized that no decision could be taken before completion of two investigations into teachers' pay scales.

Speaking during debate on his portfolio, Dr Viljoen said he was not prepared to accede to the implied demand of the South African Teachers Association.

The association said last week it would consider action if no announcement was made within a week.

Dr Viljoen said he had recently held talks with the Federal Council of Teachers' Associations on salary improvements. Good progress had been made, he added. — Sapa

CAPE TIMES 10/5/84

# Pay rises for 60 000 workers

Labour Reporter

MORE THAN 60 000 Cape clothing workers are to receive pay rises originally due in July as well as an additional R2 pay increase, following a meeting of the industrial council for the Cape clothing industry yesterday.

The increases, agreed on by representatives of the Cape Clothing Manufacturers' Association and the Garment Workers' Union (GWU), follow several incidents of unrest in the industry.

## 'Inadequate'

The Clothing Workers' Union — formed recently in opposition to the officially recognized GWU — later declared it viewed the increases as "completely inadequate".

Following the council meeting, reliable sources in the industry said employers had agreed to a GWU request that increases in various categories scheduled for July 1 in terms of the existing industrial council agreement be brought forward and paid from May 18.

Employers also agreed to a union request that all workers should receive an additional R2 increase.

Sick-pay rates would be increased from about 50 percent to 65 percent of actual wages, the sources said.

They added that the current agreement expired on December 12 and both employer and union parties to the council agreed to start negotiating a new agreement "as soon as possible" so that new wage rates could be implemented from December 13.

## 'Dissatisfaction'

Ms Subeida Jaffer, Clowu's general secretary, said in a later statement that the union viewed the increases as "completely inadequate", and "regretted" the decision made by employers in the light of the "grave dissatisfaction" expressed by workers.

"It believes their response can only worsen the present crisis in the clothing industry," she added.

Mr A M Rosenberg, chairman of the industrial council, Mr Simon Jocum, chairman of the Cape Clothing Manufacturers' Association, and Mr Cedric Petersen, assistant general secretary of the GWU, declined to comment.



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FRIDAY, 11 MAY 1984

1228

conducted and/or (b) are conducting an investigation into the activities of the Afrikaner-weerstandsbeweging; if so,

- (2) whether he made an announcement to this effect on or about 2 May 1983;
- (3) whether the results of this investigation have been made known to him; if so,
- (4) whether these results will be made public; if not, why not; if so, when;
- (5) whether he will make a statement on the matter?

#### The MINISTER OF LAW AND ORDER:

(1) and (2) The hon member is referred to my statement as reported in Hansard, column 83 of 2 May 1983 during the debate of the Standing Committee on the Police Vote, and my reply to the late Mr Pitman's Question No 11 of 22 June 1983, when I stated that the activities of the Afrikaner-weerstandsbeweging are continuously receiving the attention of the South African Police.

- (3), (4) and (5) I am not prepared to disclose particulars of the information furnished to me by the Police or to make a statement on the matter.

#### For written reply:

##### Port Elizabeth: telephones

806. Mnr T ARONSON asked the Minister of Posts and Telecommunications:

- (a) How many applications for telephones in Port Elizabeth were received during the latest specified period of 12 months for which figures are available, (b) how many of these are outstanding and (c) what steps are being taken to eliminate the backlog?

#### The MINISTER OF POSTS AND TELECOMMUNICATIONS:

- (a) 18 772 during the period 1983-04-01 to 1984-03-31;

- (b) 2 510; and

- (c) to eliminate the existing backlog, which also includes applications received before the above-mentioned period, various exchanges have to be extended and cable works have to be carried out. The number of waiting applicants at each exchange, the nature of the work necessary before they can be provided with service and, except in cases where the provision of the services is awaiting the completion of cable works already in progress, the expected time of completion of the work, appear below:

Exchange	Number of waiting applicants	Nature and expected time of completion of work necessary to provide relief
Algoa Park	448	Cable work and extension to exchange; during first half of 1985
Bethelsdorp	152	Cable work; during second half of 1984
Booyesen Park	2	Cable work in progress

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Exchange	Number of waiting applicants	Nature and expected time of completion of work necessary to provide relief
Charlo	28	Cable work and extension to exchange; during first half of 1985
Greenbushes	4	Cable work in progress
Hunters Retreat	10	Cable work in progress
Newton Park	1	Cable work in progress
North End	32	Extension to exchange; during second half of 1984
Parsons Hill	39	Cable work and extension to exchange; during second half of 1985 or early in 1986
Port Elizabeth Central	32	Cable work and extension to exchange; during second half of 1985
Sidwell	653	Cable work and extension to exchange; during second half of 1985
Summerstrand	1	Cable work in progress
Swartkops	702	Cable work and extension to exchange; during first half of 1986
Thesecombe	1	Cable work in progress
Walmer	13	Cable work in progress
Zwide	392	Cable work and extension to exchange; during first half of 1987

African University and (iv) a male person entering the profession upon completion of his two years of military service followed by his obtaining a BSc degree and a teacher's diploma at a South African university?

#### The MINISTER OF NATIONAL EDUCATION:

- (i) (a) Category D.

- (b) Scale: R9 075 x 621—10 317 x 780—14 997. Notch: R10 317 plus a 12% pensionable allowance of R1 239 payable as from 1 January 1984.

- (ii) (a) Category C, on condition that

355 Teaching profession: salaries  
Q 61.1229 11/5/84  
875. Mr R M BURROWS asked the Minister of National Education

What (a) qualification categorization for salary purposes in employment in the teaching profession and (b) salary scale is applicable to (i) a male person entering the profession upon completion of a four-year diploma course at a South African college of education followed by two years of military service, (ii) a male person entering the profession with an MA degree in physics from Oxford University in England, (iii) a female person entering the profession upon completion of a BA degree and a teacher's diploma at a South



the B-degree includes at least one course in chemistry. (Only the B-degree is recognised for category purposes as M-degrees are obtained at Oxford University without any further study).

(b) Scale: R7 833 x 621—10 317 x 780—13 437. Notch: R7 833 plus a 12% pensionable allowance of R942 payable as from 1 January 1984.

(iii) (a) Category D.

(b) Scale: R7 833 x 621—10 317 x 780—13 437. Notch: R7 833 plus a 12% pensionable allowance of R942 payable as from 1 January 1984.

(iv) (a) Category D.

(b) Scale: R9075 x 621—10 317 x 780—14 997. Notch: R10 317 plus a 12% pensionable allowance of R1 239 payable as from 1 January 1984.

876. Mrs H SUZMAN asked the Minister of Law and Order:

- (a) How many persons were charged with offences relating to sabotage in 1982.  
(b) how many of them were (i) acquitted, (ii) convicted of sabotage, (iii) convicted of lesser offences and (iv) still awaiting trial at the end of 1983 and (c) for what period was each of these persons detained before being charged?

The MINISTER OF LAW AND ORDER:

(a) One.

(b) (i) None.

(ii) One.

(iii) and (iv) Fall away.

(c) 233 days.

Armstrong: office building

Q. 1. 1232 11/5/84  
Mr B B GOODALL asked the Minister of Defence:

(1) Whether Armscor intends to construct or acquire a new office building; if so, (a) where, (b) when is it anticipated that it will be completed or acquired, (c) what will be the total cost involved and (d) how many (i) offices will be provided and (ii) employees will be accommodated in this building;

(2) whether there will be any surplus office space in this building; if so, what will be done with this space?

The MINISTER OF DEFENCE:

(1) Yes.

(a) On the site known as Portion 81 of the farm WATERKLOOF 378-JR and Portion 329 (a portion of Portion 17) of the farm GARSTFONTEIN 374-JR and ERASMUSHUIS, situated on the Eastern side of Pretoria.

(b), (c) and (d) The project is still in the initial planning stage and the date of completion, total cost and exact number of offices have not yet been determined. Approximately 1 500 employees will be accommodated in the building.

(2) No.

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# Teachers 'cynical' over delays in salaries deal

Staff Reporter

OFFICIAL delays in the announcement of a new deal for teachers have made them more cynical of Government policy-makers, says a Cape teachers' organisation.

The South African Teachers' Association (Sata) said it did not want to protect Dr Gerrit Viljoen, the Minister of National Education, from "the anger of our members", but urged members "to exercise restraint if they wish to express themselves at public meetings".

A statement issued through Sata's president, Mr A S Powell, said: "We believe that the unfortu-

nate delays... have eroded the security of teachers and increased the cynicism our members feel toward the bureaucratic structures concerned with determining how much the financial worth of teachers is to the community."

## PRIORITY

Sata noted that Dr Viljoen "and all other party political speakers" had named education as their priority.

"Yet we wonder how it is that Government speakers could admit in the same breath that teachers are being paid far less than people with commensurate qualifications, and that the situation has been allowed to deteriorate since 1981."

The statement said Sata was aware that negotiations by the Federal Council were lengthy, "especially on the time scale occasioned by the Government's actions".

Sata also rebuked Dr Viljoen for criticising the organisation for speaking out on the delays over an official announcement of improved salaries, "when it is clearly our right to ask questions and issue statements".

# Tax-free perks big part of MBA salaries survey

SIGNIFICANT proportions of the earnings of MBA graduates from the University of Cape Town are in the form of tax-free fringe benefits, a survey shows.

This is particularly true of those who have gone to England where the average salary, at R17 000 a year, is far lower than in South Africa but where fringe benefits are worth an average of R27 000 a year, bringing total earnings to R44 200.

Another surprise result of the survey, in which 46 percent of the 1983 MBA graduating class took part, was that slightly higher average starting salaries were paid in the Cape than in the Transvaal.

But those going to the Transvaal were in fact better off because their fringe benefits were worth more. Those in Natal fared best with the lowest salaries and highest fringe benefits.

Starting salaries in the Cape averaged R32 351 a year and fringe benefits R3 583, making a total package of R35 934, compared with starting salaries of R31 268 in the Transvaal and fringe benefits of R7 313, mak-

ing a total of R38 581.

In Natal starting salaries averaged R31 000 and fringe benefits R8 000, making a total of R39 000.

In the United States, starting salaries averaged R35 000 and fringe benefits R6 000, making a total of R41 000.

The average age of the graduates was 31, with five years' business experience, and 56 percent took jobs in the Transvaal after graduating while 27 percent stayed in the Cape.

## BEFORE AND AFTER

Taking the degree made a difference, on average, of more than R5 000 a year to salaries and more than R7 000 to total remuneration.

Before taking the MBA they earned an average of R25 015 a year plus R5 430 in fringe benefits, making a total of R30 445.

After it they earned an average of R30 981 plus R7 130 in fringe benefits, making a total of R38 111.

Those who took jobs in finance fared best, with average starting salaries of R31 696 and fringe benefits worth R14 940, totalling R46 636.

The worst off were those going into production with starting salaries of R25 750 and fringe benefits of R2 000, totalling R27 750.

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that were undertaken at 16 universities. They found that 73% of that so-called research was nothing but a waste of money and a waste of labour and time. Of those that did have some value, very few were practically orientated and would have no effect worth mentioning in the housing field. We therefore have enough experience of this.

*Q. 61.1259 Hansard*  
Bottle store supervisors/senior clerks: salary scales 16/5/84

\*18. Mr K M ANDREW asked the Minister of Co-operation and Development:

Whether (a) bottle store supervisors and (b) senior clerks employed in Black townships in the Western Cape are on the same salary scales; if so, what are these salary scales; if not, (i) why not, (ii) what are the differences and (iii) in what townships are such supervisors and clerks on the (aa) highest and (bb) lowest salary scales?

The DEPUTY MINISTER OF CO-OPERATION:

(a) and (b) Yes, R5 706 x 276 to 6 534 x 312 to 8 406 x 414 to 8 820 plus 12%.

As a result of the fact that the Western Cape Administration Board (now Development Board) came into being in 1979 at the amalgamation of the Peninsula Board and the South West Cape Board a few anomalies exist where incumbents are remunerated according to a personal scale, which is being phased out or brought in line with the salary scale as mentioned above.

*Hansard Q. 61.1259*  
Worcester: Black pensioners 16/5/84  
\*19. Mr K M ANDREW asked the Minister of Co-operation and Development:

(1) To how many Black pensioners were pensions paid in Worcester on (a) 7 March 1984 and (b) 9 May 1984;

(2) whether any pensioners were still waiting in a queue for their pensions to be paid when the payment of pensions to Black persons in Worcester

was stopped for the day on each of the above dates?

\*The DEPUTY MINISTER OF CO-OPERATION:

In Worcester pensions are paid on three consecutive weekdays every second month. The dates on which pensions were paid in March 1984 and May 1984 and also the number of persons to whom pensions were paid on the specific days are as follows:

- |         |              |      |
|---------|--------------|------|
| (1) (a) | 7 March 1984 | 370. |
|         | 8 March 1984 | 155. |
|         | 9 March 1984 | 119. |
| (1) (b) | 9 May 1984   | 380. |
|         | 10 May 1984  | 139. |
|         | 11 May 1984  | 123. |
| (2) No. |              |      |

Defence Act: commissions

\*20. Mr D J DALLING asked the Minister of Defence:

How many citizens commissioned in terms of section 83(1)(a) of the Defence Act, No 44 of 1957, had their commissions cancelled in terms of (a) section 83(3)(a) and (b) section 83(3)(c) of the said Act over the latest specified period of five years for which figures are available?

The MINISTER OF DEFENCE:

The figures for the period 1979-1983 are as follows:

- |         |  |
|---------|--|
| (a) 1.  |  |
| (b) 11. |  |

Defence Force: voluntary whole-time service

\*21. Mr M A TARR asked the Minister of Defence:

How many persons were performing voluntary whole-time service in the South African Defence Force in terms of section

20 of the Defence Act, No 44 of 1957, in 1983?

\*The MINISTER OF DEFENCE:

None.

*Question standing over from Friday, 11 May 1984:*

*Hansard Q. 61.1261*  
Cradock: salary of certain person 16/5/84

\*12. Mr K M ANDREW asked the Minister of Education and Training:

(1) Whether a certain person from Cradock, whose name has been furnished to the Minister's Department for the purpose of his reply, is or was employed by his Department; if so, (a) what is the name of this person, (b) when did his employment commence and (c) where is he employed at present;

(2) whether this person has been paid his salary for (a) March, (b) April and (c) May 1984; if not, (i) why not and (ii) when will he be paid;

(3) whether this person has since left the employ of his Department; if so, when did his employment cease;

(4) whether he was given notice; if not, what were the circumstances surrounding his leaving the employ of his Department; if so, what period of notice was he given?

\*The MINISTER OF EDUCATION AND TRAINING:

(1) Yes

(a) Fort Daniel Galata.

(b) 7 April 1981.

(c) Sam Xhali Junior Secondary School, Cradock.

(2) (a) Yes

(b) and (c) No

(i) Because he is being detained in terms of security legislation and has not rendered service to the Department since 31 March 1984.

(ii) His salary for April and May 1984 will be paid to him if and when he is released without being charged or is acquitted or the charge against him, if any, is withdrawn.

(3) No.

(4) No.

*For written reply:*

*Hansard Q. 61.1262*  
Port Natal: housing 16/5/84

695. Mr P G SOAL asked the Minister of Co-operation and Development:

(1) How many houses (a) had been bought under the (i) 99-year leasehold and (ii) 30-year ownership scheme and (b) were being rented in each township falling under the Port Natal Administration Board as at the latest specified date for which figures are available;

(2) how many housing units had been sold under the special State housing sale scheme in this Administration Board area as at that date?

The MINISTER OF CO-OPERATION AND DEVELOPMENT:

(1)

Chesterville

Lamontville

Hambanati

Klaarwater

Shakaville

Shayamoya

As at 29 February 1984.

(a)(i)	(a)(ii)	(b)
Nil	Nil	1 133
Nil	693	2 065
Nil	Nil	553
Nil	Nil	301
Nil	Nil	185
Nil	Nil	26

(2) 2



# GST: Unions warn Horwood

By RIAAN DE VILLIERS  
Labour Reporter

TWENTY-FIVE trade unions representing almost 300 000 workers have warned that the shock GST adjustments announced last week by the Minister of Finance, Mr Owen Horwood, may result in industrial unrest.

In a statement issued in Cape Town yesterday, the unions said the list of foodstuffs on which GST would be lifted was "totally inadequate", and rejected the increase in GST on other household goods.

## 'No choice'

The statement said the minister's decision reflected "government contempt for working people".

Workers would have no choice but to recoup losses resulting from the adjustments in wage

negotiations, and, failing that, through collective action.

"This will be the inevitable outcome of the minister's decision," they added.

The unions are those represented on the feasibility committee planning the formation of a new trade union federation later this year. They represent almost the entire emergent trade union movement, consisting mostly of black workers.

Unions involved are affiliates of the Federation of South African Trade Unions (Fosatu), affiliates of the Council of Unions of South Africa (Cusa), the General Workers' Union, the Cape Town Municipal Workers' Association, the Commercial, Catering and Allied Workers' Union and the Food and Canning Workers' Union.

The unions wrote to Mr Horwood shortly before the Budget earlier this year, demanding that GST on foodstuffs be scrapped.

They warned they were "expected to report back to workers on the outcome".

After the announcement last week, spokesmen said the group would study the adjustments in detail before commenting.

Yesterday's statement said the list of foodstuffs on which GST would be eliminated was "totally inadequate".

GST should also have been eliminated on canned and certain processed food and other basic foodstuffs such as rice, tea, coffee, sugar and powdered milk.

The majority of workers did not have access to refrigeration and were obliged to spend a "substantial proportion" of their income on these foodstuffs.

They were not able to store fresh fruit, vegetables, meat, fish or dairy products and so gained little from the elimination of GST on these commodities.

## Pay more

"By virtue of the general increase in GST to 10 percent, workers are now obliged to pay more for most of the foodstuffs they consume," it said.

It pointed out that GST had been increased on a range of other household necessities, including paraffin, candles, soap, clothing and household utensils.

"This is absolutely unacceptable and will certainly strongly influence our attitude in wage negotiations," it added.

● Leading article, page 14

● Savings on GST exemption, page 15

# SWA doc

From JOHN BATTERSBY  
LONDON. — The BBC has contested a surprise claim by the South African Embassy here that a BBC television team, which secretly made a documentary on SWA/Namibia last year, were recalled by the "top management" of the BBC before they were deported.

The claim was made as the opening shot in a new war of words between South Africa House and the BBC following the screening on Monday night of a one-hour documentary on the disputed territory which was highly critical of South Africa's role.

The film was seen by millions of British on the BBC's Channel 4 prime viewing time first in the Third Eye series Third World.

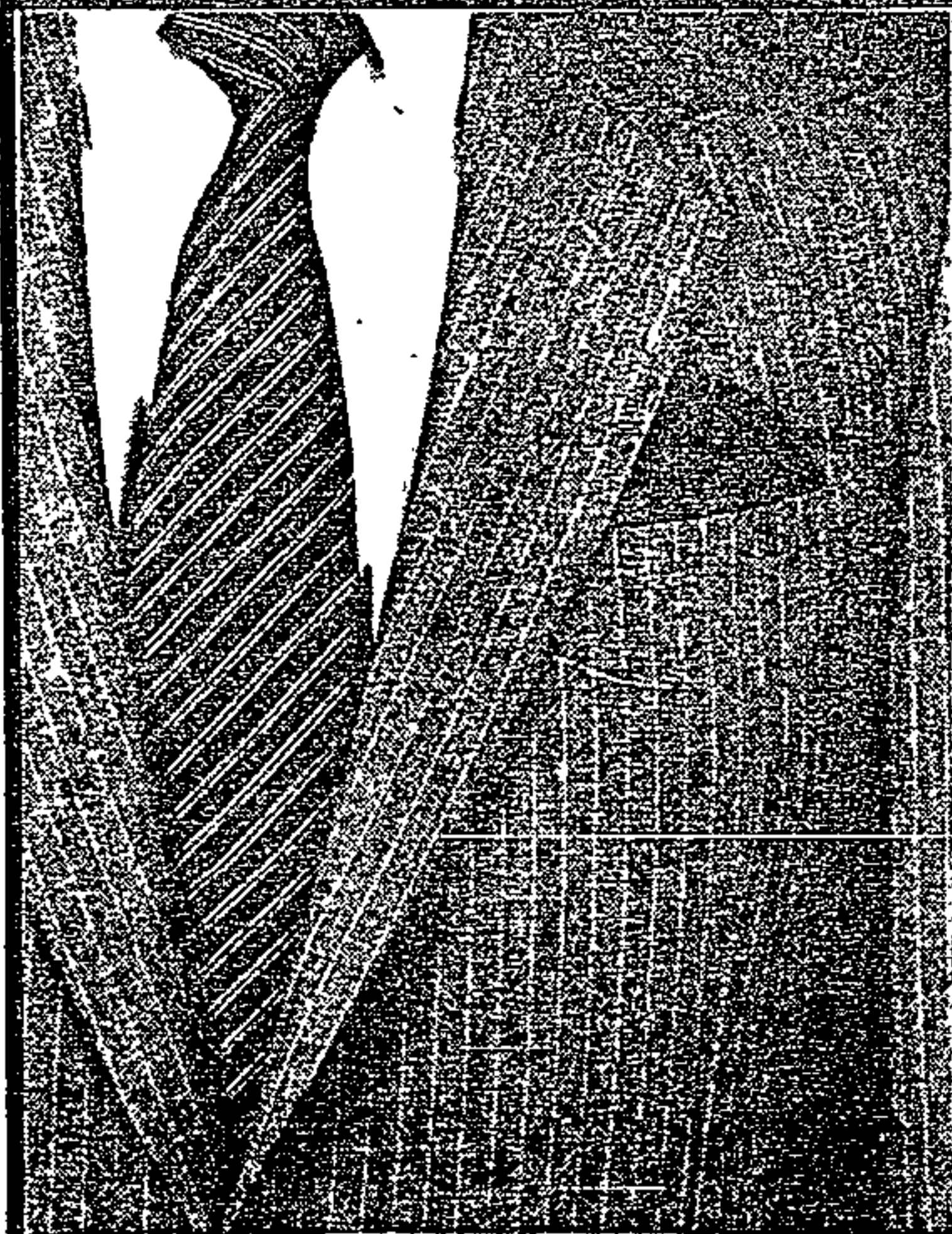
Yesterday the South African Embassy in London said the documentary, "South Africa — Africa's enemy", as "one-sided slanted propaganda". The embassy spokesman declined to comment on the specific allegations made in the film.

The film, which was directed by Mrs Nora Mabin, a member of the Namibian Council of



Workmen repair damaged lampposts in Wynberg, crashed on to a nearby electricity pole, snapped off at the base, were damaged.

## 3-PIECE SUITS



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- ★ PLAIN AND STRIPES
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- ★ 500 NEW SUITS ARRIVING WEEKLY

## Worker fired over T-shirt

Staff Reporter

THE dismissal of a worker at Cradock Hospital for wearing a "Free Mandela" T-shirt was yesterday described

## 47 board official sue Cape paper

By EBRAHIM MOOSA  
FORTY-SEVEN individual inspectors of the firm the number of officials or the sum of



# Spending on defence may rise — Malan

ARGUS 18/5/84

355

Parliamentary Staff  
DEFENCE expenditure on the development of still better weapon systems might have to be increased in coming years, the Minister of Defence, General Magnus Malan, told the Assembly.

He said this would have to be done to keep pace with developments in communist countries.

## Price of peace

Speaking in yesterday's debate on the Defence budget vote, he said there should be no illusions about future defence expenditure.

The price of peace was not necessarily lower than the cost of modern warfare.

If the present peace initiatives proved to be successful it would not lessen the responsibility of the South African Defence Force to maintain peace.

South Africa would have to ensure that a healthy balance of power was maintained in Southern Africa.

## Pay rise for CF

GENERAL Malan has announced a 12 percent increase in pay for the citizen force, part-time members and members of the commandos.

Speaking in committee on the Defence vote, he said the increase would be effective retrospectively from January 1 and arrangements were being made for back-pay "as soon as possible" for these units.

"The part-time members and citizen force can never be materially compensated for the sacrifices they are making for our safety." — Sapa.

Russia would not willingly accept the peace initiatives which were, in fact, a great defeat for that country.

## SA feared

General Malan said South Africa was feared by its enemies. This was one of the most effective of deterrents and also one of the greatest contributions to peace.

South Africa could not afford to save on its "biggest insurance policy" — that of peace and security.

Earlier in his address, General Malan said South Africa's war

against communist terrorism was being waged on a peace-time economy.

"We are not only fighting on a peace-time economy, but we are also winning the war," he said.

## Expenditure

South Africa's present defence expenditure, which amounted to 16.1 percent of the total State expenditure, was low compared to that of many other countries.

Even in Switzerland, which was not directly engaged in any war, the figure was about five

percent higher than South Africa's.

The price of peace was high, and South Africans should not expect a sudden change in national service arrangements.

National service was determined by the nature of the threat against the country.

Should the threat diminish, it would be possible to consider a scaling down of military service obligations.

## Inquiry

General Malan announced he had decided to appoint a committee of inquiry to consider adaptations that might become necessary to meet future demands on the SADF.

The committee would also consider changes in the security situation and defence matters under the new constitutional dispensation.

The committee would be under the chairmanship of the chief of the army, General Jannie Geldenhuys, who would be assisted by the chairman of Armscor, Commandant Marais.

General Malan also said it was possible that still greater priority would have to be given to South Africa's regional defence system.

This might have to be done in response to the African National Congress threat inside South Africa.

# Telegram urges Govt to increase salaries

By Jean Hey,  
Education Reporter

The Transvaal Teachers' Association (TTA) sent a telegram to the Minister of National Education today voicing its dismay at the Government's silence on salary increases and calling for immediate action.

The telegram from the 4 000-strong TTA asks Dr Gerrit Viljoen to inform teachers immediately as to when their salary increases will be introduced.

"Only an announcement by Dr Viljoen can stop a further drain from the profession. His announcement would also help in recruiting new teachers whose applications to register at teacher training colleges must be in by June," said Miss E Niemeyer, president of the TTA.

The TTA's decision to send its telegram was made at an executive committee meeting this weekend, when it was also decided to lodge a formal complaint against the formation of a teachers' union. This follows the recent application for registration of the South African Teachers' Guild.

## HARMFUL IMAGE

"A union runs against the concept of a profession and we feel it would harm the image of teaching," said Miss Niemeyer.

She added that the TTA was satisfied with the work of the Federal Council for Teachers' Association (FCTA), which negotiates white teachers' salaries and conditions of service.

"The disadvantages of a trade union far outweigh its advantages, if any, for the teaching profession," she said.



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Mr Pieter Pretorius of Boksburg intends to sue Mr Kelso Aitken of KR Aitken and Partners in Commissioner Street. He alleges the attorney caused four civil claims to be postponed unneces- sarily.

Mr Pretorius made this claim in his own defence against a claim by Mr Aitken for R4 493 for ser- vices.

He said the attorney had instituted the four actions, but when they came to trial in 1983 he was unprepared. Because various documents vital to the claims had not been filed, the cases had to be postponed.

Mr Pretorius said he was forced to pay the wasted costs of the other parties in the actions, which amounted to more than R5 000. He had also paid various fees to Mr Aitken for the actions.

Mr Acting Justice R Zulman yesterday postponed the hearing indef- initely.

## 'Civil service salaries devouring vital funds'

By Sue Leeman, Pretoria Bureau  
Salaries for South Africa's oversized public service were gobbling funds which could be used for vital projects, the PFP leader in the provincial council, Mr Douglas Gibson, said yesterday.

Speaking during the second reading of the provincial budget, Mr Gibson asked why public servants enjoyed "an easy time" when other sectors of the population were having to cope with lower living standards.

### LITTLE LEEWAY

He said the public service was growing instead of becoming more stream- lined. About one third of all whites now worked directly for the Government or were dependent on salaries earned in the public sector.

Mr Gibson said public service sa- laries would devour 59,1 percent of the Transvaal's total R2 324 million budget for 1984/85.

This left the province little financial leeway, he said.

In 1981 public servants' salaries had risen by 35,5 percent, in 1982 by 25,5 percent and it was expected that in 1983/4 they would soar by 27 percent.

It was estimated that a worker in the public service earning R9 600 a year cost the State R22 146 a year if the worker's benefits package was taken into account.

### POSTS STILL UNFILLED

A public servant with a yearly sala- ry of R18 000 was taking home a yearly package worth R36 395, while an assis- tant director earning R27 000 a year received an annual package valued at R51 807, Mr Gibson said.

He found it unsettling that a large percentage of public service posts were still unfilled. He asked if these posts could not be abolished.

Mr Gibson expressed concern about the fact that, despite Government promises, the service offered by the public sector was no better than it had been in the past.

## Freezing of Zimbabwean share

By Fiona Macleod

The freezing of shares held by Zimbabwean nominee companies had created "very serious problems" for companies listed on the Johannesburg Stock Ex- change and other shareholders, it is claimed in papers before the Rand Supreme Court.

Since an urgent interdict was granted in early April temporarily freezing the shares allegedly be- longing to Mrs Patricia Mann, of Sandton, an average of five similar successful applications a week have been brought before the court.

The applications followed the announcement at the end of March by the Zimbabwean Minister of Fi- nance that all foreign shares would be bought by the Zimbabwean Government and the holders would be paid out in local currency.

Non-residents could put their money into Zimbab- wean Government external bonds, which would bear interest at four percent and would be redeemable in 12 years.

Zimbabwean citizens had formerly been allowed to invest in companies on the JSE, provided the share certificates were held by a nominee company based in Zimbabwe.

The urgent interdicts restrained the companies listed on the JSE from transferring the shares, and directed them to pay all dividends from the shares into a temporary fund held by the Deputy Sheriff, pending the final outcome of the applications.

The shareholders intend to start proceedings against the nominee companies in Zimbabwe to re- cover their share certificates.

A number of applications were due to come before the court yesterday for an order allowing such pro- ceedings to begin. They were postponed until May 29, however, after lawyers asked for more time to con- solidate the numerous applications.

In the first answering affidavit as to why such an order should not be granted, a director of the Anglo American Corporation of South Africa Limited said there were impracticalities involved in the granting

A fourth campus was closed

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Black students at three South

23/5/84 By Michael

Black  
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They were Mrs Cynthia  
Haigreen (44), cashier-  
clerk, Mrs Jean Aspeling  
(30), switchboard opera-  
tor, and Miss Doris Ad-  
dison (21), saleswoman.  
Their badly burned  
bodies were found in the  
rubble near the main exit  
late yesterday. Firemen  
found the remains of the  
other two only a few  
metres away.  
The other 90 staff  
members have been ac-  
counted for. — Sapa

3 people  
killed in  
store blaze

men yesterday found the  
charred remains of an-  
other two people in the  
blackened debris of the  
five-ravaged Elco Dis-  
tributors building.  
This brings to five the  
known fatalities in the  
blaze, which caused dam-  
age estimated at R5 mil-  
lion.  
Police said medical ex-  
perts had been able to de-  
termine that one of the  
two, believed to have  
been customers, had been



# PE, Uitenhage tyre firms offer 55% increase

By CLAIRE  
PICKARD-CAMBRIDGE

UNIONS representing about 7 000 workers in Port Elizabeth and Uitenhage's tyre and rubber industry are currently considering an offer of a 55% minimum wage increase from three giant employers.

This follows lengthy negotiations between the National Allied and Automobile Workers Union (Naawu), Yster en Staal Werkers Unie and three companies, General Tire and Rubber Company, Goodyear Tyre and Rubber Company and Firestone, who are all party to the Industrial Council.

According to Mr Les Kettledas, Naawu's regional secretary, the proposed minimum wage increases from a current R1,38 to R2,15 an hour will bring them into line with

wages negotiated in the local automobile industry.

Mr Kettledas, who led the union negotiations, said they had encountered dismally low wages in the tyre and rubber industry when Naawu first became party to the Industrial Council covering the industry in March this year.

Industrial Council negotiations had begun on April 16, but up until the present proposal they had rejected all employers' offers.

Unions are now considering the employers' offer and will respond on Wednesday after they have had report-back meetings with their membership.

If this is accepted by the workers it will become a

two-year agreement implemented from June 11.

Furthermore, this is the first time workers in the tyre and rubber industry have also been guaranteed minimum six-monthly increases for a two-year period, applying over and above the new minimum wage offers, he said.

These minimum six-monthly increases to keep abreast of the cost of living were previously given at management's discretion.

Long-service leave had also been agreed upon for the first time, as well as an additional paid public holiday over and above that provided in the Basic Conditions of Employment Act.

He said union demands had been for increased wages, minimum wage rates, shorter working hours, long-service leave, lay-off and retrenchment benefits and increased annual bonuses.

Naawu was committed to a struggle for a meaningful living wage and believed the manner in which new conditions of employment had been determined would set a pattern for negotiations in the future, he said.

Mr Fred Sauls, general secretary of Naawu, said the union had been struggling since 1971 to break into tyre and rubber wage negotiations as the Yster-

en-Staal Unie only had been party to the Industrial Council.

However, management had become more open to talking with Naawu after legislative changes in the labour field and a breakthrough had been achieved after 10 years in the cold.

Now that there is direct representation for black workers concerning conditions affecting them, there has been a marked change in the attitude of employers who are looking at wages more realistically.

The employer bodies contacted by Weekend Post said they would rather not comment at this delicate stage of the negotiations.



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WEDNESDAY, 6 JUNE 1984

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(ii) 1,80 kilograms.

**Telephone directories**

977. Mr A B WIDMAN asked the Minister of Posts and Telecommunications:

- (1) (a) How many (i) white and (ii) yellow page telephone directories were printed for the whole of the Republic for the (aa) 1982-83 and (bb) 1983-84 years and (b) what was the total cost involved in each of these years;
- (2) whether any of the directories printed for the 1982-83 year were in excess of the required number; if so, (a) how many, (b)(i) in what manner and (ii) when were they disposed of and (c) what was the total cost involved;
- (3) whether this cost was reported to the Auditor-General; if not, why not?

**The MINISTER OF POSTS AND TELECOMMUNICATIONS:**

- (1) (a) (i) 4 630 316 (aa) (bb) 4 748 993  
(ii) 1 019 904 1 060 251; and  
(b) R13 880 149 R15 801 799;
- (2) Yes;

(a) 166 039;

(b) (i) as waste paper,

(ii) with the distribution of the 1983/84 editions of the directories, and

(c) the printing costs of the excess directories amounted to R398 489. The transport and other costs involved are not readily available;

(3) no, because the cost of unclaimed directories is not considered to be an avoidable loss.

**Telephone directories**

979. Mr A B WIDMAN asked the Minister of Posts and Telecommunications:

Whether (a) tenders were called for from and/or (b) negotiations took place with any companies or bodies for the removal and disposal of telephone directories stored at Stirling Street, Cape Town, in 1983 and 1984, respectively; if so, (i) when, (ii) which companies or bodies were involved, (iii) what number of directories was involved, (iv) what was the total weight of these directories, and (v) what was the outcome of the negotiations, in each case?

**The MINISTER OF POSTS AND TELECOMMUNICATIONS:**

- (a) No;
- (b) Yes, but only during 1984,
  - (i) during January 1984,
  - (ii) only one company was involved, namely Messrs Saveall Paper (Pty) Ltd,
  - (iii) Approximately 94 000,
  - (iv) Approximately 143 tons, and
  - (v) The matter was not pursued after it was pointed out to the departmental official who initiated the enquiry that surplus directories should be disposed of in terms of the State contract for the recovery of waste paper.

**Queenstown: drought relief scheme**

983. Mr D J N MALCOMMESS asked the Minister of Agriculture:

Whether farmers in the Queenstown magisterial district have received payments in respect of their (a) feed and (b) railage subsidies in terms of the drought relief scheme for the months of (i) November 1983, (ii) December 1983, (iii) January 1984, (iv) February 1984, (v)

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WEDNESDAY, 6 JUNE 1984

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March 1984 and (vi) April 1984; if not, (aa) why not and (bb) when will they receive these payments?

**The MINISTER OF AGRICULTURE:**

- (a) Yes. (b) Yes.
  - (i) Yes. (i) Yes.
  - (ii) Yes. (ii) Yes.
  - (iii) Yes. (iii) Yes.
  - (iv) Yes. (iv) Yes.
  - (v) No. (v) No.
  - (vi) No. (vi) No.
- (aa) Applications not yet received.

(bb) Approximately 3 weeks after receipt of applications in Pretoria.

Teachers: salaries Q. 6.1.1514  
355. How many and 6/6/84  
990. Mr R M BURROWS asked the Minister of Internal Affairs:

Whether any Coloured teachers employed by his Department are on salary scales below the M +1 level; if so, (a) what are the salary scales applicable to these teachers and (b) how many teachers are on each of these salary scales at present?

The MINISTER OF INTERNAL AFFAIRS:

Yes.

(a)

(b)

Principal PI (Category A1)  
R10 317 x 780 - 12 657 (male and female) ..... 6  
Principal PII (Category A1)  
R9 075 x 621 - 10 317 - 11 097 (male and female) ..... 7  
Principal PIII (Category A1)  
Deputy Principal (Category A1)  
R7 833 x 621 - 9 696 (male and female) ..... 115  
Principal PIV (Category A1)  
R6 591 x 621 - 8 484 (male) ..... 96  
Head of Department (Category A1)  
R5 502 - 5 970 x 621 - 7 212 (female) ..... 47  
Senior Teacher III (Category A1)  
R4 566 x 468 - 5 970 x 621 - 8 454 (male) ..... 12  
R3 162 x 468 - 5 970 - 6 591 (female) ..... 77  
Senior Teacher II (Category A1)  
R4 098 x 468 - 5 970 x 621 - 7 833 (male)  
R2 889 - 3 162 x 468 - 5 970 (female) ..... 24  
Senior Teacher I (Category A1)  
R3 630 x 468 - 5 970 x 621 - 7 212 (male) ..... 254  
R2 616 x 273 - 3 162 x 468 - 5 502 (female) ..... 116  
Teacher (Category A1) ..... 1 114  
R3 162 x 468 - 5 970 - 6 591 (male) ..... 411  
R2 343 x 273 - 3 162 x 468 - 5 034 (female) ..... 7 364  
Teaching Assistant (Category A2)  
R2 889 - 3 162 x 468 - 5 970 (male personal) ..... 133  
R2 889 - 3 162 - 3 630 (male standard) ..... 27  
R2 070 x 273 - 3 162 x 468 - 4 566 (female personal) ..... 342  
R2 070 x 273 - 2 616 (female standard) ..... 43  
Teaching Assistant (Category A3)  
R2 343 (male) ..... 283  
R1 710 (female) ..... 63

# Row over rise for teachers

AN announcement of a general salary increase of 14 percent for the more than 200 000 teaching personnel at universities, technikons, colleges and schools for all race groups is imminent, according to a reliable source.

But representatives of teaching staff have told the Sunday Times that they would consider such an increase as "very disappointing".

It might lead to even more frustration and dissatisfaction after the long delays in the announcement of salary adjustments which prompted several organisations this week to issue threats of militant action.

Teachers and academics have anxiously been waiting for news on their adjustments since the Minister of National Education, Dr Gerit Viljoen, promised them improved earnings for early in 1984.

They are the only group of public servants who have not yet been catered for in the Government's new salary differentiation scheme.

Teachers' patience has been increasingly taxed, culminating this week in a threat by the SA Teachers' Association, which represents all White English speaking teachers in the Cape, to consider a work-to-rule strike, and refusing to carry out any extra curricula duties at schools if the new deal has not been fully implemented by the end of July.

In Johannesburg, the Transvaal Teachers' Association, with 4 000 members, is thinking of launching a huge public demonstration in protest against the delay in announcing salary increases.

The president of the TTA, Miss Elizabeth Niemeyer,

## Minor increases will not satisfy us say representatives

By WIM VANVOLSEM

said that a decision on a full-scale public protest would be taken within the next ten days.

Reacting to this threat, Dr Viljoen said this week that he realised the urgency of the matter and that an announcement would be made "as soon as possible".

A spokesman for the Department of National Education said that proposals made by RECES (Research Committee on Education Structures) and CES (Committee on Education Structures) were being considered by the

Government which will then decide on a salary structure after consultation with the Treasury.

The Sunday Times understands, however, that an announcement is imminent and that the figure the Government has decided on is 14 percent.

But Professor C Wait, of the University of Port Elizabeth and chairman of the Committee of University Teaching Associations, said that if the figure was correct it would be "very disappointing".

"We are expecting a minimum of 30 percent based on the research done by Prof Joubert Botha, of the Uni-

versity of the Witwatersrand, from which it is clear that even a 50 percent increase would not be asking for too much," he said.

He added that the matter was in the Minister's hands and that his association was "awaiting the news anxiously".

The chairman of the Federal Council of Teachers Association, Mr J L Stonier, told the Sunday Times: "People in the field are getting very angry, but I realise that the Minister is aware of it."

"What can be done is being done and teachers have been asked to be patient."

"But teachers are always expected to be patient and this is leading to frustration," he said.

He didn't know whether the profession will be happy with a 14 percent increase.

## Disappointing

"We are expecting nothing less than anything in the region of 20 percent," he said.

On the possibility of protest, Mr Stonier said that each Teachers' Association was free to decide for themselves or make statements about how they felt about matters affecting them.

A spokesman for the newly established SA Teachers' Guild said in Johannesburg that they would not support any strike actions although they fully understood the frustrations of teachers.



- (1) Whether he recently made an offer to certain Western powers in regard to the take-over of the administration of South West Africa; if so, (a) when, (b) where, (c) to which powers and (d) what is the purport of the offer;
- (2) whether he consulted any persons and/or bodies before making the offer; if so, (a) whom and/or which bodies and (b) what was the response of these persons and/or bodies;
- (3) whether he will make a statement on the matter?

†The ACTING PRIME MINISTER:

- (1) The hon member is referred to the statement by The Honourable the Prime Minister on 31 January 1984 in this House in connection with South West Africa. The Government's standpoint is reflected in this statement. This standpoint has been conveyed to all governments concerned.

- (2) and (3) Fall away.

†Mr F J LE ROUX: Mr Speaker, arising out of the hon the Acting Prime Minister's reply, I do not think the hon the Prime Minister said at the beginning of the year that South West Africa would be offered to one of the five Western powers. That is what the question is about.

†The ACTING PRIME MINISTER: Mr Speaker, I again want to refer the hon member to the statement made by the hon the Prime Minister in this House on 31 January 1984. He must just read it carefully.

†Mr T LANGLEY: Mr Speaker, further arising out of the hon the Acting Prime Minister's reply, I just want to draw his attention to paragraph 2 of the question, in which it is asked whether the hon the Prime Minister consulted any persons and/or bodies before making the offer, and also who and which bodies were consulted and what the response of those persons and/or bodies was. The hon the Acting Prime Minister did not reply to that question. This is a very serious question, but the hon the Acting Prime Minister

is just sitting there with a big smile on his face. [Interjections.]

†The ACTING PRIME MINISTER: Mr Speaker, I admit that it is a very important question and the reply of the Acting Prime Minister is just as important. [Interjections.] I also refer that hon member to the statement made by the hon the Prime Minister in this House on 31 January 1984. [Interjections.]

*Ministers*  
*Hansard*  
*Stockenström*  
*Q. 61.1584* 13/6/84  
\*1. Mr E. K. MOORCROFT asked the Minister of Internal Affairs:

- (1) Whether a request has been made to his Department by the Coloured community of Stockenström for alternative land in lieu of land being expropriated from them; if so, what was the response of his Department;
- (2) Whether his Department accepts the responsibility for moving this community; if not, (a) why not and (b) whose responsibility is it?

The DEPUTY MINISTER OF INTERNAL AFFAIRS:

- (1) Representations in connection with alternative land were submitted to the Department of Internal Affairs by the Rev J M Maart of the Dutch Reform Mission Church of Stockenström. The representations dealt with the resettlement of the congregation and it was indicated that the congregation is interested in land near Port Elizabeth or Humansdorp. I myself have received representations from

— the national Secretary of the Freedom Party of South Africa, in which it was requested that the Kat River area be declared a Coloured settlement;

— the leader of the Labour Party of South Africa, for the retention of

the Kat River area for the Coloureds; and

— Mr D F N Bailey, who requested on behalf of the Kat River Coloured community that the valuation of properties by the Department of Co-operation and Development be discontinued until I have met a delegation of the community, unless I could give the assurance that I could offer to the respective church congregations alternative land surrounding their churches elsewhere.

On 24 October 1983 I wrote to all the abovementioned persons and bodies and suggested that they liaise among themselves in order to form a delegation to meet with me. I offered to travel to Port Elizabeth, East London or even Queenstown for such a meeting and requested that a few dates be submitted to me. Up to now I have received no reaction to my suggestions.

- (2) (a) No, the Department of Internal Affairs is not involved with the resettlement of communities, but can, where it appears necessary, offer assistance to resettled persons under its welfare and farmers' assistance schemes.

- (b) I wish to refer the honourable member to the reply of the hon the Minister of Community Development to Question No 21 on 25 May 1984 in which the hon Minister indicated that the matter was being investigated.

*355*  
*Hansard*  
*Technicians' salaries*  
*Q. 60.1.1585* 13/6/84  
\*2. Mr P G SOAL asked the Minister of National Education:

- (1) Whether, with reference to his reply to Question No 1 on 1 June 1983, salary parity has as yet been achieved at technicians in respect of male and female staff members on post levels one and two; if not, why not;

- (2) whether any steps have been taken to rectify the matter; if not, why not; if so, what steps?

†The MINISTER OF EDUCATION AND TRAINING (for the Minister of National Education):

- (1) and (2) The position as set out in my reply to Question No 1 of 1 June 1983 remains unchanged. Further phasing in of salary parity for fully qualified educators, including parity between the salary scales for males and females at post level two, which is the lowest level of teaching staff posts at technicians, is now under consideration, and an announcement will be made in the near future.

*Hansard*  
*Q. 60.1.1586*  
*Tariff protection* 13/6/84  
\*Mr A SAVAGE asked the Minister of Industries, Commerce and Tourism:

- (1) Whether the Government is moving away from import control in favour of tariff protection; if so,
- (2) whether any provision or exception has been made in regard to goods manufactured in Zimbabwe; if so, (a) what provision or exception and (b) why?

The DEPUTY MINISTER OF INDUSTRIES, COMMERCE AND TOURISM:

- (1) Yes.
- (2) The provisions of the Trade Agreement of 1964 between South Africa and the then Southern Rhodesia (now Zimbabwe) apply. Article 12 of that agreement provides, amongst others, that with limited exceptions quantitative import restrictions shall not be imposed upon the movement between South Africa and Zimbabwe of goods produced in the two countries.

- (a) and (b) In terms of the agreement import restrictions may under certain circumstances be imposed on goods produced in

1964/5 15/6/84

## Public service pay revision at an end

Political Staff

THE substantial revision of public service pay scales which have cost the country millions of rands had come to an end with the increases being awarded to teachers, Mr F W de Klerk, Minister of Internal Affairs said today.

Because of concern "about certain economic problems" facing the country, Mr de Klerk warned that for the foreseeable future a "very conservative approach" would be followed with public service salaries.

Mr de Klerk also appealed to the private sector to co-operate in balancing its needs and interests with the public sector when the economy showed an upward swing.

"We need each other and with the necessary goodwill the two sectors can assist each other to the benefit and prosperity of our country."

He pointed out that the country had a "limited source of trained manpower" from which the public and private sectors had to draw.

"The State is deeply conscious that a strong private sector is essential for the prosperity of the country. Consequently it is policy not to man the public sector at the cost of the private sector.

"The State only wishes to ensure that it enjoy a reasonable share of the skilled manpower available."

He emphasised that "what is now being done for educators is in no way the beginning of a new cycle.

"The programme of occupational differentiation cannot be interrupted."



TEACHERS believe they are to get increases ranging from 20 to 25 percent following the announcement from the Minister of Internal Affairs, Mr F.W. de Klerk, of new pay and working conditions to be implemented from December 1.

Speculation is that salaries are to go up retrogressively from 20 percent for the highest brackets — around R500 a month more — to 25 percent for the lowest — up to R200 a month more.

These increases are generally in line with teachers' demands that their salaries be brought up to the levels in the rest of the civil service. Parity was reached in 1981, but teachers' pay has slipped behind badly since then.

However, some teachers said their profession was on average 30 percent behind, and that latest indications were the gap was being narrowed but not closed.

#### Parity

Others noted that parity between the sexes had still not been reached for ordinary classroom teachers, most of whom are women.

Mr Patrick Samuels, president of the Teachers' Association of South Africa (Tasa), said Tasa was encouraged by the fact that Mr de Klerk's statement was issued jointly on behalf of departments controlling education for all race groups.

This indicated the Cabinet's leaning toward the principle of pay equality.

Mr Samuels also welcomed the fact that pay parity between the sexes had been extended to Levels 2 and 3, including all heads of departments, deputy headmasters and principals of small schools.

He said Tasa, which represents teachers at all Indian schools, was disappointed that sexual parity had still not been reached at Level 1, made up of ordinary classroom teachers, most of whom are women.

Mr Herbert Hirsch, leader of the Opposition in the Cape Provincial Council, said Mr de Klerk's statement was encouraging, but added that no final judgment could be made until more details were forthcoming.

# Teachers' pay may rise by 20 to 25%

AK645 15/6/84  
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Staff Reporter

NATIONAL/INTERNATIONAL

# NPI alarmed over widening SA pay, productivity gap

Argus Correspondent

JOHANNESBURG. — Renewed alarm over the yawning gap between fatter pay packets and shrinking productivity — blamed as a main cause of high inflation — has been revealed in a special study.

The study, prepared by the National Productivity Institute, warns that it has spotted a widening gap that threatens "catastrophic results" in the consumer price index spiral.

It shows that while salaries and wages jumped by an average 14,2 percent in the manufacturing sector in 1983, labour productivity skidded 4,6 percent lower — the worst on record.

The overall labour cost of units coming off factory production lines soared by 19,6 percent — nearly four times faster than five years ago.

## BRAINS TRUST

The NPI plans to invite the chairmen of leading companies in each of the main business sectors — selected from the JSE Top 100 — to form a special panel to work out a strategy on how to reverse the worsening trends.

The first session of the business brains trust is expected to be held early next month during a nationwide Productivity Week in which the gravity of the situation is likely to be spelled out by Mr Dawie de Villiers, Minister of Industries and Commerce.

"South Africa has paid lip service to productivity in recent years, but now it has become crucial that positive action is taken," Dr Jan Visser, executive director of the NPI, said.

"It's no longer a matter of tut-tutting over our dismal performance. We are now talking about virtual economic survival as our overseas trading partners go striding further and further ahead of us and our high production costs threaten to squeeze us out of world markets."

## LIVING STANDARDS

Dr Visser blames the poor productivity record for the way ultimate living standards are being eroded by inflation.

The study shows that output per capita, as compared with South Africa, is now running more than six times higher in Switzerland, five times higher in the United States, four times higher in Japan and three times higher in Britain.

And annual average changes are pushing South Africa further behind. The NPI study notes that Taiwan has taken less than a decade to overtake South Africa in gross domestic product per capita, the first measure of living standards, with annual increases running 10 times faster since 1972.

"It cannot all be blamed on employees, especially in a recession when total production declines because of less demand and there is more capacity standing idle," argues Dr Visser.

"Also to be counted is the inefficiency of the productivity of capital as more and more firms have switched to automation and companies hang on to more workers than actually needed because they don't want to lose scarce skilled labour which will be wanted to spearhead any upswing.

"The chronic high birth rate also needs solution if families hope to attain a better living standard.

"But first and foremost it is management that needs to put on its thinking cap about the catastrophic way things are going."



CAP Times 16/6/84

# No pay rise for public service

By MARTINE BARKER  
Education Reporter

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THE Minister of Internal Affairs, Mr F.W. de Klerk, has warned that the improved pay deal planned for teachers should not lead the rest of the public service to expect similar increases.

Mr De Klerk said this in a statement which followed yesterday's announcement that the government had approved an increase for teachers.

This has been interpreted as an attempt to avoid a cycle of demands for increases from the rest of the public service, which has already benefited under the government's occupational differentiation programme.

The programme was announced in February 1982 as an attempt to make the civil service more competitive with the private sector and to halt the drain of skilled civil servants.

Mr De Klerk said it was not policy to man the public sector at the cost of the private sector, "but only to ensure that the State enjoys a reasonable share of the skilled manpower available".

Mr De Klerk warned that the government was worried about economic problems facing the country, and "that for the foreseeable future a very conservative approach will have to be followed".

● Mr De Klerk announced yesterday that domestic staff employed by the State at educational institutions and hospitals would receive pay increases from December 1.

He did not release any details.

# Afrikaans teachers want pay rises sooner

Staff Reporter

AFRIKAANS teachers in the Cape today identified themselves with the "shock and disappointment" expressed by their English-speaking colleagues at the late implementation of new pay scales for teachers.

After a special meeting, the executive of the Suid-Afrikaanse Onderwysersunie (SAO) pledged to throw all its weight behind efforts of the Federal Council of Teachers' Associations (FCTA) to bring the pay increases forward.

The Minister of National Education, Dr Gerrit Viljoen, said yesterday that although he sympathised with teachers, the Government could not afford to implement the increase — an average of 22 percent — before December.

The SAO said it could not understand how the Government could have ignored the conciliatory stand of the FCTA when it accepted that the increase could not be implemented last April, but gave October 1 as an absolute deadline.

The organisation, which represents 10 000 Cape Afrikaans teachers, said the delay in the pay rise had caused "deep unhappiness and bitterness" among teachers that could have a "direct negative impact" on children's education.

The standing committee of the FCTA was to meet Dr Viljoen today. The pay dispute was not on the agenda, but teaching circles said the FCTA's demand for a meeting with the Prime Minister was a hot potato that could not be avoided.

● Heated debate expected at Cape teachers conference — page 6.●



## Memory

Staged by the UN Special Committee Against Apartheid with the declared intention of stirring American public opinion, the four-day North American Conference on Action Against Apartheid opened with Senator Kennedy attacking present US policies.

Both the senator and Mr Jackson called for economic sanctions — Mr Jackson sought a "strictly enforced timetable" for the withdrawal of all US business from South Africa and Senator Kennedy's list of "real measures" included a ban on new investment in the Republic.

of the major political problems facing the regime".

Commonwealth Secretary-General Mr Shridath Ramphal maintained that South Africa was merely "refining apartheid and deepening its foundation".

Zambia's President Kaunda sent special envoy Mr Daniel Lisulo to call for the "ostracism and isolation" of South Africa.

Opening the conference, the UN Secretary-General, Mr Javier Perez de Cuellar, renewed a 1960s call by the late Mr Dag Hammarskjöld and offered "all appropriate assistance" if South Africa would follow "a new course".

# Lowest-paid teachers 'to get 30pc pay rise'

From MARTINE BARKER

GEORGE. — The president of the Cape Teachers' Professional Association, Mr Franklin Sonn, announced last night that he had been given official confirmation that South Africa's lowest-paid teachers were to receive a 30 per cent salary increase.

Mr Sonn announced this during his presidential address to the

CTPA congress being held here.

It was announced last week that teachers would receive increases that were expected to put them on the same footing as the rest of the public service. No details of the new pay package were released, but it was widely believed the increase would be between 20 and 25 per cent.

Earlier, Mr Sonn had criticized the authorities for not making provision for teachers in the lowest categories in their initial announcement.

Last night he said teachers would receive increases on a sliding scale that would guarantee all teachers with four or more years' post-matric training a 20 per cent increase.

Salaries between category C (three years' training after matric) and the lowest category, A3 (Std 6 and three years' training) would be increased on a sliding scale from 20 per cent to 30 per cent.

He pointed out that the 12 per cent allowance granted civil servants in January this year would be calculated for teachers on the basis of their new salaries when the increases came into effect.

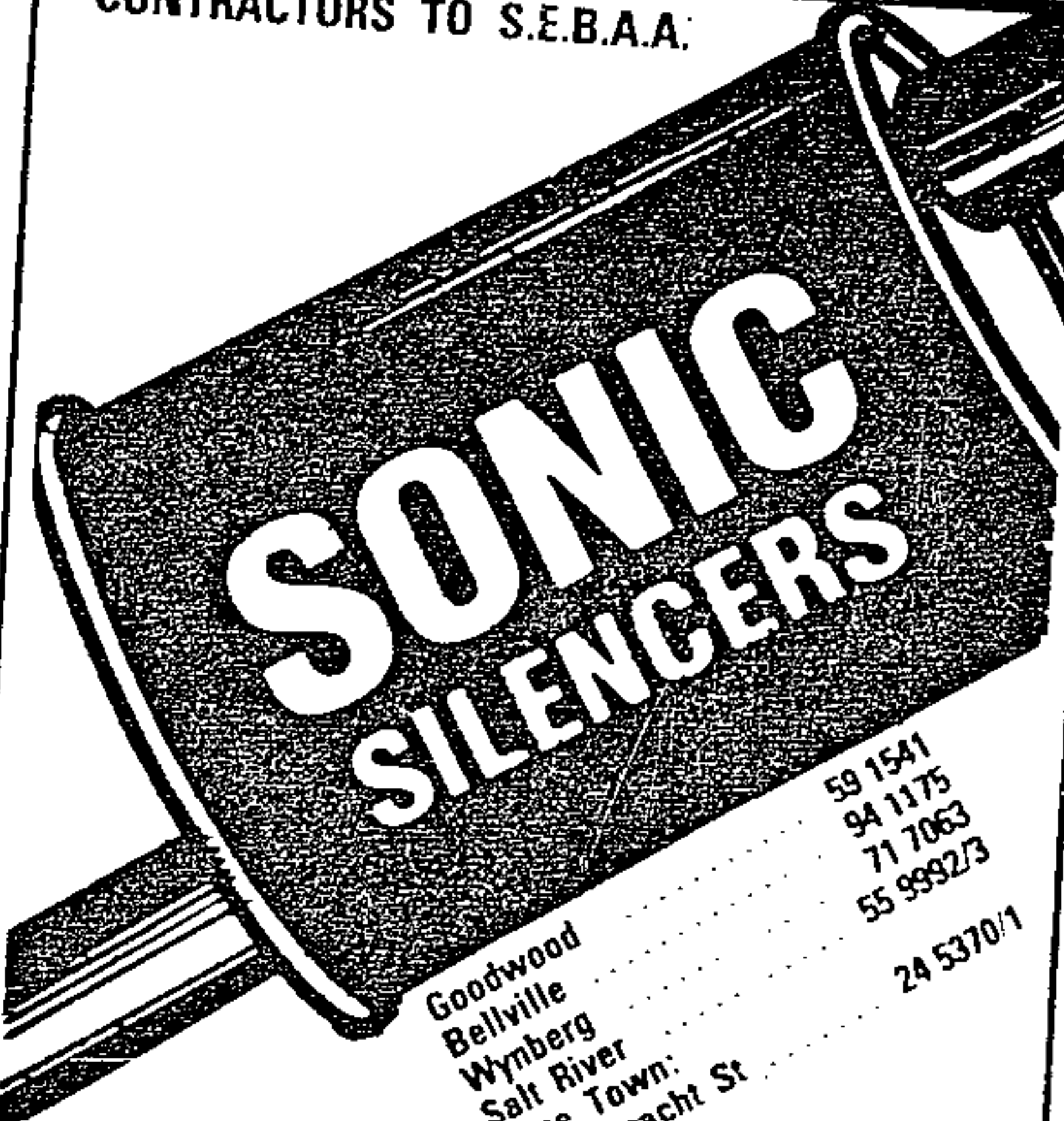
Officials had reiterated that the date for implementing the new package would be December 1. Many teacher organizations have warned that teachers were extremely dissatisfied with this aspect of the package.

## Opinions

Teachers in South Africa should promote the democratization of the education system, Mr Randall Petani, president of the Joint Council of Teacher Associations of South Africa (Jocasa), said at the conference last night.

Mr Petani said it was necessary that children in high school be free to express opinions, thus allowing greater understanding of student grievances.

CONTRACTORS TO S.E.B.A.A.



SNAPPY SERVICE

TOWBARS NOW FITTED AT SALT RIVER



LOOKING FOR A JOB?

## 'Trea lenie'

SOUTH advised Charles following President about what done to expression of rest in the Mr Pik Botter of Fort said in Ca, night.

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Too late for



TYRE PRICE RISE  
S TAX INCREASE...  
JULY 1st!

★ Tyres 8% More  
GST 3% More  
From July 1

treads existing



# BMW workers now best paid in industry

Star 19/6/84  
Labour Reporter

Automobile workers at the BMW factory in Pretoria are to receive wage increases averaging 13 percent as from July 1.

The announcement was made yesterday after an agreement was concluded between BMW and the National Automobile and Allied Workers' Union.

The increases, pushing the minimum hourly wage at the plant up to

R2,73, will mean that the BMW workers will be the highest paid in the motor industry.

Also negotiated in the agreement is an attendance allowance ranging from 5c an hour to 12c an hour depending on length of service, and a guaranteed bonus ranging from four percent to 8,33 percent also depending on service.



# Pay rise for council staff, but controls will tighten

355 21/6/84

By Colleen Ryan,  
Municipal Reporter

Johannesburg's 21 000 municipal employees will receive a salary or wage increase of five percent from July 1.

This was announced by the chairman of the city council's management committee, Mr Francois Oberholzer, at yesterday's budget meeting.

Council staff will receive a further five percent increase in April next year.

The total salary and wage package will cost the council R267,1 million for the 1984/5 financial year — an increase of 17,6 percent over one year.

Strict measures would be used to control staff costs, Mr Oberholzer warned, and vacant posts would be filled only when absolutely necessary.

Overtime would be reduced to a minimum and pay for extra work would be made only in exceptional circumstances.

The city would probably raise a loan on the local capital market later this year to finance certain projects.

In a reply speech the leader of the Progressive Federal Party in the council, Mr Sam Moss, said the management committee should investigate the problems facing industries in Johan-

nesburg.

The Government was retarding industrial development in the central Witwatersrand area by restricting the zoning of industrial land. "The committee does not comprehend the danger and loss of confidence in the business community."

Mr Moss also called on the council to hire professionals to advise the Johannesburg Municipal Pension Fund. In a proposed amendment to the budget recommendations, he asked the management committee to investigate the possibility of employing investment managers.

When the budget was presented yesterday it was announced that householders will have to pay an average R5,68 a month more for assessment rates, refuse, electricity and gas from July. The rises work out at about R1,68 more for rates (10 percent), 38c for refuse (6 to 7 percent), R2,39 for electricity (6 percent), and R1,23 (7 percent) for gas.

Bus fares will increase by 9 to 23,5 percent. Adult cash fares rise by 7 to 14 percent, and coupons by 9 to 21 percent.

Charges for short-term parking at most parking garages and grounds will increase.

● See Page 2.

## **'Bitter' employee refuses award**

CAPE TOWN 21/6/84  
Staff Reporter 355

A DARKROOM assistant at Somerset Hospital in Green Point on Tuesday refused to accept a plaque at a long-service awards lunch at the hospital because she protested at receiving only about R300 a month after 27 years' service.

"I cannot put on a happy face at this occasion because I find it an insult to give me a plaque while refusing to give me an increase in salary," Mrs Louise Reuben said.

She said she wanted the plaque to be given to Mr Solly Rodwell, head of the X-ray department where she was employed, to impress on him how bitter she felt about receiving only about R300 a month.

The acting hospital secretary, Mr D Eversen, said Mrs Reuben had recently been offered two other posts, either as a housekeeper or as a technical assistant, which would have meant an increase in salary but that she had refused both.



By Zenaide Vendeiro

The trade union for aviation technicians, the South African Airways Engineers' Association, whose members have been agitating for more pay, refuses to reveal present salary structures.

The association and its parent body, the Artisan Staff Association, as well as SAA management, say it is "unethical" and "not policy" to divulge what aviation technicians earn.

But the technicians, who threatened a work-to-rule if a salary increase of about 25 percent was not announced before July 1, are more forthcoming.

Several have telephoned The Star to complain about their "pathetic pay".

A technician with more than 10 years experience, who refused to be named, said he had a take-home pay of about R800 a month.

He said apprentices in their first year earned R4 560 a year, R4 880 the second year, R5 580 in the third year and R6 300 in the fourth year when they quali-

**Airways** ~~Staff~~  
**pay is** (355)  
**'pathetic'** (470)

fied as technicians.

A qualified technician started on a salary of about R1 160 a month and received R1 220 a month after three years, he said. Only men working in certain sections could earn overtime. Technicians were paid bonuses for full attendance and for getting aircraft ready on time.

"There are very few people in this country qualified to do this work and this is what we get paid," he said.

Technicians, like other workers in the South African Transport Services, can fly free once a year inside South Africa and overseas once every five years.

"This is of no use because we don't have the money to spend when we go overseas."

# Putco workers settle for 15,5 pc pay rise

By Carolyn Dempster,  
Labour Reporter

More than 8 000 Putco bus workers are to get 15,5 percent pay rises after a year-long dispute with the company.

The award, made by an arbitrator in Johannes-

burg yesterday has been hailed as a major victory by the two unions which declared the dispute: the Transport and General Workers' Union and the Transport and Allied Workers' Union.

A crowd of about 350 Putco drivers gathered

outside Amaleng House to hear the outcome of the three-month arbitration hearing, chaired by University of South Africa labour consultant Mr P K le Roux.

As the transport service is considered an essential service, by law

the workers have not been able to resort to legal strike action in support of their demands.

Mr le Roux made the increases retrospective for six months, which means that all Putco workers will receive an across-the-board rise of

15,5 percent back-dated to January in addition to the interest on the retro-active lump sum.

In terms of the judgment, Putco drivers will now receive a minimum increase of R16 and other transport workers a minimum rise of R9 or R10.



# 'Academics need a 50 percent rise'

By Jean Hey,  
Education Reporter

Academics need a 50 per cent salary increase to bring them in line with the salaries of comparable jobs, contends Professor D J J Botha, head of the department of economics at the University of the Witwatersrand.

In a paper entitled "The image of the academic in South Africa" published this month by the Wits department of economics, Professor Botha argues that although policy-makers talk endlessly of the importance of education and training, the Government and the country have lost their respect for learning.

As a result academics must make do with poor salaries and are forced to live in reduced circumstances.

## IDEALISM

This has led to about half the senior lecturers in all but two of South Africa's universities being underqualified for the positions they hold.

"We have been unable to attract sufficiently well qualified people because the remuneration which we offer has been so eroded by inflation that we have become completely uncompetitive with the private sector.

"When the difference



Professor Botha

becomes as unrealistically wide as it is now, non-pecuniary benefits and idealism are no longer sufficient inducements to persuade a young man to follow an academic career," writes Professor Botha.

He contends that a professional engineer with only four years' experience earns more than someone who reaches a professorship about 15 years after school.

A junior lecturer with a four-year degree starts at R9 542, while the average salary of telephone operators with three years' experience is R9 651.

Some of the best academics have left the public sector for more lucrative jobs so the quality of education has deteriorated.

In real terms the salaries of academics have worsened dramatically since 1970. Those of pro-

fessors have dropped 24 percent in the intervening 13 years, he says. Though a professor earned about R7 500 in 1970, inflation has now eroded his salary to R5 670.

The private sector has entered the battle to keep good academics at universities and supplements some of their salaries but this is far from satisfactory.

## THE ARTS

"Private subsidy of a specific subject or discipline means that outsiders see this area as being more important. This is an untenable view. No one can say that engineering is more important than philosophy, or mathematics than literature."

Professor Botha predicts that the supplementing of academic salaries could endanger the arts because their lecturers are unlikely to benefit.

According to Professor Botha, South Africa needs a "new deal" in education. He suggests we should follow the example of Australia where the salary structure for academics was substantially increased in the 1950s.

As a result, says Professor Botha, Australian universities now attract scholars from all over the world.

# SAOU reject pay deal date

From JOHN VAN DER LINDEN

VREDENDAL. — The Suid-Afrikaanse Onderwys Unie (SAOU) congress here unanimously accepted a motion supporting the executive committee's refusal to accept December 1 as the date for the new salary deal.

The motion was adopted soon after a call by the chairman of the SAOU, Mr H E Franzsen, not to agitate further on the salary issue but to allow the Federal Council of Teachers' Association to follow the accepted channels.

He said the Federal Council would have talks with the Prime Minister on July 4.

A motion calling on the Federal Council to give urgent attention to the implications of the proposed fringe-benefits law was also passed.

## House loan subsidy

Miss J Du Toit, the representative from Riversdal, called on the Department of Education to subsidize house loans for teachers living in boarding houses and official residences.

She said the increasing cost of housing resulted in many hostel personnel leaving to buy their own homes. The shortage of live-in teachers had become a problem, she said.

The same applied to those required to live in official homes. When they retired they had no homes of their own, unlike their colleagues who had bought subsidized homes.

● The Prime Minister, Mr P W Botha, is to be made an honourable citizen of Vredendal on September 28.

By receiving this award, which is part of the town's 21st celebrations, Mr Botha becomes the first person to be honoured in such a way.



# Sigma's pay-for-productivity

By Malcolm Fothergill

Sigma is heading for a crash with its pay-for-productivity plan announced recently, predicts mining industry consultant Mr Tom Grant.

There's nothing wrong with paying for productivity, he says, but unless the plan is put together with great care it can backfire, encouraging an increase in absenteeism and sending productivity figures plummeting.

"To pay a guy is only a pleasure, provided he produces," says Mr Grant.

"The danger is that you could end up paying people for doing nothing."

He quotes the experience of the Chamber of Mines in the mid-1970s, when it decided to introduce attendance bonuses.

Full attendance for a month rated a cash bonus; one shift missed cut that bonus; two shifts missed cut it even more.

"The net result was that ab-

senteism went up. The mines were paying for people to stay away from work.

"What you want is for people to come to work all the time, over extended periods."

Mr Grant believes a system he devised and patented 14 years ago has the answer.

Its objective is simple — to get people to come to work every day and to encourage them to work safely once they are there.

At its lowest level, that of the team leader — the first line of management on a mine — the system involves each team leader in placing a white washer on a board every day before he goes underground.

This, it is explained to him, is not only to record his attendance, it is also his pledge to work safely for that shift.

Each month he works without missing a shift and without an accident entitles him to a cash bonus, which is given to him, along with a handshake from a senior official, separately from his pay packet.

As the number of shifts worked without any absenteeism goes up, the team leader moves through a series of premium levels, each marked by a different colour of washer on the board, until he reaches gold after 80 shifts.

Once on gold he stays there until he misses a shift.

After a year he gets a special prize — a watch, perhaps, or a radio.

For bonus purposes, Mr Grant's system recognises no varieties of absenteeism — if a man is not at work, for whatever reason, he is registered as ab-

# Sigma's pay-for-productivity won't pay

First the miner fills in one block to register his pledge to work safely for the shift; then, at the end of the shift, his shift boss fills in an adjacent block in a different colour to register that he worked an accident-free shift.

Although Mr Grant's system is used only on mines at the moment — not always with his approval, he says, which is why he has spent R60 000 so far this year on legal fees, fighting people he alleges have broken his patent — he believes it could be applied with equal success in other fields.

One of his first successes was his daughter. He put up a board to record her attendance at school and whether she believed she had learnt anything each day... and created so much enthusiasm for studying that she is now a final-year law student.

sent and has to start climbing the premium ladder again.

"The system works because it has a simple objective — getting people to work, and getting them to work safely," he says.

"It's precise, practical, personal, participative, profitable and people-oriented."

"It encourages enthusiasm because each team leader keeps his own record and because the rewards become greater with time."

"The amount paid for each premium level means nothing. What does the trick is putting the washer there."

The system works in a similar way for the second tier of mine management — shift bosses and mine captains — except that instead of putting washers on a board they fill in blocks on a piece of paper.

Star 30/6/84  
Industrial Relations

# Smiles all the way for bank staff

WHILE the rest labour under recession and sub-inflation-rate salary increases, employees at financial institutions are smiling all the way to their staff accounts.

On average, insurance company employees enjoyed a 15,6% salary increase in the past year, and building society officials received rises of nearly 14%.

Although the bank staff may feel hard done by with an average increase of only 8%, they still earn about R200 a month more on average than their building society compatriots.

They can also console themselves with their fat housing subsidies.

## Computers

The number of bank employees overall rose by more than 6% in the past year, and labour-saving computerisation was installed at the fastest rate ever, so bankers are certainly less overworked now than in the past.

These figures on earnings and employment by financial institutions were released by the Central Statistical Services this week.

They tie in with Reserve Bank figures which show that in spite of two years of a shrinking economy, the services sector has yet to experience three successive months of decline.

Banks, insurance companies and building societies have to meet a salary bill of

By Alec Hogg

R1 900-million this year — 17% higher than in 1983.

Part of the reason for this increase is increased staff levels. At the end of March, 155 000 people were employed by financial institutions — 5,2% more than the 147 000 of a year ago.

## Biggest

Banks were the biggest drawers of new staff. Their staff complements are up 6,2%, and building societies have 4,1% more employees. Insurance companies experienced a 3,8% growth in staff numbers.

Other features in the figures are that Asians earn on average much more than other non-white population groups and that insurance companies pay them better than other financial institutions do.

Asians working for insurance companies earn an average of R980 a month compared with R615 for

coloureds and R545 for blacks. Whites are still well ahead with an average salary of R1 430 a month.

Asians in banks are paid an average of R840 compared with R680 for coloureds and R500 for blacks. The average salary for a white employed by a bank is R1 120.

## Well behind

Salaries paid by building societies still lag well behind the other financial institutions. The white official receives an average monthly remuneration of R955 compared with R740 for Asians, R580 for coloureds and R365 for blacks.

The only sector to make significant progress in closing the wage gap over the past year was the banks. The average salary of a white bank employee rose 6,8% compared with 10,9% for blacks, 14,6% for Asians and 16% for coloureds.



MONDAY, 2 JULY 1984

†Indicates translated version.

For written reply: *Hansard* 2/7/84  
 Farm schools  
 Q-601.1865  
 1093. Mr S S VAN DER MERWE asked the Minister of Internal Affairs:

(1) (a) How many farm schools falling under the control of his Department were there in the Republic as at the latest specified date for which figures are available and (b) how many (i) pupils were enrolled and (ii) teachers were employed at these schools as at that date;

(2) whether any of these schools have any facilities other than classroom and toilet facilities; if so, what specified facilities in respect of each school?

The MINISTER OF INTERNAL AFFAIRS:

(1) (a) 989 as at 31 March 1984.

(b) (i) 87 574.

(ii) 3 765.

(2) Yes. Taking into account the considerable number of schools involved, the information is not readily available.

TUESDAY, 3 JULY 1984

†Indicates translated version.  
*Hansard* 3/7/84  
 For written reply: *Q-601.1865*  
 Doctors/paramedical personnel  
 1060. Dr M S BARNARD asked the Minister of Internal Affairs:

What are the present salary scales for (a) doctors and (b) paramedical personnel of each race group employed in provincial hospitals?

The MINISTER OF INTERNAL AFFAIRS:

(a) and (b) *Explanatory notes*

(1) The salary scales indicated are Public Service scales which, as far as is known, are also applied by the Provincial Administrations.

(2) Salary scales for the different population groups are specified up to the point where posts exist.

(3) List of abbreviations/symbols used hereafter:

PA — Pensionable Allowance  
 NPPA — Non-pensionable Professional Allowance  
 (W) — White  
 (C) — Coloured  
 (I) — Indian  
 (B) — Black

(a) *Salary Scales: Medical Staff*  
*(All population groups)*

*Intern (Medical)*  
 R12 030 + 12% PA.

*Registrar*  
 R18 288 × 849 — 25 080 + 12%  
 PA + R11 037 NPPA.

*Medical Officer*

*Dentist*  
 R18 288 × 849 — 25 080/24 231 —  
 25 080 × 1 035 — 27 150 + 12% PA  
 plus NPPA of R11 037 (first leg of scale) and NPPA of R12 420 (second leg of scale).

*Deputy Director (Head- and Regional Office Personnel)*

Medical Superintendent Senior Medical Officer Senior Dentist R31 290 x 1 320 - 33 930 + 12% PA + R7 710 NPPA.	(C) (I) R3 135 x 249 - 4 131 + 12% PA. (B) (Male) R2 301 x 195 - 2 886 - 3 135 + 12% PA. (B) (Female) R2 106 x 195 - 2 886 + 12% PA.
Senior Medical Superintendent R33 930 x 1 320 - 35 250 + 12% PA + R7 425 NPPA.	Occupational Therapist Physiotherapist Speech Therapist and Audiologist Radiographer (W) (C) (I) R7 470 x 312 - 8 406 x 414 - 10 890 x 570 - 12 600/11 460 x 570 - 16 020 + 12% PA.
Medical and Dentistry Specialists R33 930 x 1 320 - 35 250 + 12% PA + NPPA of R8 745 payable at the notch R33 930 and NPPA of R9 495 payable at the notch R35 250.	(B) R6 846 x 312 - 8 406 x 414 - 10 890 - 11 460/10 476 - 10 890 x 570 - 14 880 + 12% PA.
Director (Head- and Regional Office Personnel)	Chief Occupational Therapist Chief Physiotherapist Chief Speech Therapist and Audio- logist Chief Radiographer (W) (C) (I) (B) R16 020 - 16 590 x 849 - 19 137 + 12% PA.
Chief Medical Superintendent R39 630 (fixed) + 12% PA + R4 080 NPPA.	Control Occupational Therapist Control Physiotherapist Control Speech Therapist and Audio- logist Control Radiographer (W) (C) (I) (B) R21 684 x 849 - 23 382 + 12% PA.
Principal Family Practitioner Principal Clinical Pharmacologist Principal Stomatologist Senior Specialist R39 630 (fixed) + 12% PA + R9 255 NPPA.	Occupational Class Chiroprapist (W) (C) (I) (B) R16 020 - 16 590 x 849 - 19 137 + 12% PA.
Chief Director (Head- and Regional Office Personnel) R44 850 (fixed) + 12% PA.	Occupational Class Medical Orthotist and Prosthetist: Pupil Medical Orthotist and Prosthet- ist (W) R4 380 x 249 - 4 878 x 276 - 6 534 - 6 846 + 12% PA. (C) (I) R3 882 x 249 - 4 878 x 276 - 6 258 + 12% PA.
Chief Family Practitioner/Professor Chief Clinical Pharmacologist/Profes- sor Chief Stomatologist/Professor Chief Specialist/Professor R44 850 (fixed) + 12% PA + R8 475 NPPA.	(b) Salary Scales: Paramedical Staff Occupational Classes Occupational Therapist, Physiotherapist, Speech Therapist and Audiologist, Radiogra- pher: Student Occupational Therapist Student Physiotherapist Student Speech Therapist and Audio- logist Student Radiographer (W) R3 633 x 249 - 4 629 + 12% PA.

(B) R2 886 x 249 - 4 878 - 5 154 + 12% PA.	Control Medical Technologist (W) R24 231 - 25 080 x 1 035 - 27 150 + 12% PA.
Medical Orthotist and Prosthetist (W) (C) (I) R9 648 x 414 - 10 890 x 570 - 14 880/16 020 - 16 590 x 849 - 19 137 + 12% PA.	Occupational Class Oral Hygienist: Student Oral Hygienist (B) (Male) R2 301 x 195 - 2 886 - 3 135 + 12% PA. (B) (Female) R2 106 x 195 - 2 886 + 12% PA.
(B) R8 820 x 414 - 10 890 x 570 - 13 740/14 880 x 570 - 16 590 x 849 - 17 439 + 12% PA.	Oral Hygienist (W) (C) (I) R7 470 x 312 - 8 406 x 414 - 10 890 x 570 - 12 600/11 460 x 570 - 16 020 + 12% PA. (B) R6 846 x 312 - 8 406 x 414 - 10 890 - 11 460/10 476 - 10 890 x 570 - 14 880 + 12% PA.
Senior Medical Orthotist and Prosthetist (W) (C) (I) (B) R18 288 x 849 - 21 684 + 12% PA.	Chief Oral Hygienist (W) (C) (I) R16 020 - 16 590 x 849 - 19 137 + 12% PA. (B) R14 880 x 570 - 16 590 - 17 439 + 12% PA.
Chief Medical Orthotist and Prosthet- ist (W) (C) (I) (B) R21 684 x 849 - 25 080 + 12% PA.	Control Oral Hygienist (W) (C) (I) (B) R21 684 x 849 - 23 382 + 12% PA.
Occupational Class Medical Technol- ogist: Pupil Medical Technologist (W) R4 878 - 5 430 - 5 982 - 6 258 + 12% PA. (C) (I) R4 131 - 4 629 - 5 154 - 5 706 + 12% PA. (B) R3 135 - 3 633 - 4 131 - 4 629 + 12% PA.	Occupational Class Optometrist: Optometrist (W) (C) (I) (B) R16 020 - 16 590 x 849 - 19 137 + 12% PA.
Medical Technologist (W) (C) (I) R9 648 x 414 - 10 890 x 570 - 12 600/13 740 x 570 - 16 020 + 12% PA. (B) R8 820 x 414 - 10 890 - 11 460/12 600 x 570 - 14 880 + 12% PA.	Occupational Class Dental Therapist: Student Dental Therapist (B) (Female) R2 106 x 195 - 2 886 + 12% PA. (B) (Male) R2 301 x 195 - 2 886 - 3 135 + 12% PA.
Senior Medical Technologist (W) (C) (I) (B) R16 020 - 16 590 x 849 - 19 137 + 12% PA.	Dental Therapist (C) (I) R7 470 x 312 - 8 406 x
Chief Medical Technologist (W) (C) (I) (B) R19 137 x 849 - 25 080 + 12% PA.	



414 - 10 890 x 570 -  
12 600/11 460 x 570 -  
16 020 x 12% PA.  
(B) R6 846 x 312 - 8 406 x  
414 - 10 890 -  
11 460/10 476 - 10 890 x  
570 - 14 880 + 12% PA.

Chief Dental Therapist

(C) (I) (B) R16 020 - 16 590 x  
849 - 19 137 + 12%  
PA.

Hansard Q. 61. 1871  
Nursing staff 3/7/84

1061. Dr M S BARNARD asked the Minister of Internal Affairs:

(1) What are the salary scales payable to (a) male and (b) female persons of each race group employed in provincial hospitals as (i) student nurses, (ii) staff nurses, (iii) professional nurses, (iv) senior professional nurses, (v) chief professional nurses and (vi) chief nursing service managers;

(2) (a) what is the estimated annual cost of raising the salary scales applicable to African, Coloured and Asian nurses to those applicable to White nurses and (b) when is it envisaged that parity will be achieved in respect of these salary scales?

The MINISTER OF INTERNAL AFFAIRS:

(1) Explanatory notes

(i) The salary scales indicated are Public Service scales which, as far as is known, are also applied by the Provincial Administrations.

(ii) Salary scales for the different population groups are specified up to the point where posts exist.

(iii) The salary scales of male and female employees in the Public Service are the same.

(iv) No rank or salary scale exists for a student nurse. Such nurses are employed against posts of Nursing Assistant and Senior Nursing Assistant. Student nurses on the salary scale of Nursing Assistant can progress to that of Senior Nursing Assistant by means of promotion after completion of the required period of time. After obtaining the required qualification a student nurse is appointed as a Professional Nurse.

(v) List of abbreviations/symbols used hereafter:

PA Pensionable Allowance  
(W) White  
(C) Coloureds  
(I) Indian  
(B) Black

Salary Scales: Nursing Staff

Nursing Assistant  
(W) R2 691 - 2 886 x 249 - 4 878 x 276 - 6 258 + 12% PA.

(C) (I) R2 496 x 195 - 2 886 x 249 - 4 878 x 276 - 5 982 + 12% PA.

(B) R1 674 x 144 - 2 106 x 195 - 2 886 x 249 - 4 629 + 12% PA.

Senior Nursing Assistants

(W) R4 629 - 4 878 x 276 - 6 534 x 312 - 7 782 + 12% PA.

(K) (I) R4 131 x 249 - 4 878 x 276 - 6 534 x 312 - 7 158 + 12% PA.

(B) R3 135 x 249 - 4 878 x 276 - 5 982 + 12% PA.

Staff Nurse

(W) (C) (I) R5 982 x 276 - 6 534 x 312 - 8 406 x 414 - 9 234 + 12% PA.

(B) R4 878 x 276 - 6 534 x 312 - 7 782 + 12% PA.

Senior Staff Nurse  
(W) (C) (I) R7 470 x 312 - 8 406 x 414 - 10 890 x 570 - 12 600 + 12% PA.

(B) R6 258 - 6 534 x 312 - 8 406 x 414 - 10 476 + 12% PA.

Professional Nurse  
(W) (C) (I) R7 470 x 312 - 8 406 x 414 - 10 890 x 570 - 12 600 + 12% PA.

(B) R6 846 x 312 - 8 406 x 414 - 10 890 - 11 460 + 12% PA.

Senior Professional Nurse  
(W) (C) (I) R10 890 x 570 - 16 020 + 12% PA.

(B) R10 062 x 414 - 10 890 x 570 - 14 880 + 12% PA.

Chief Professional Nurse  
(W) (C) (I) (B) R16 020 - 16 590 x 849 - 19 137 + 12% PA.

Nursing Service Manager  
(W) (C) (I) (B) R18 288 - 849 - 21 684 + 12% PA.

Senior Nursing Service Manager  
(W) (C) (I) (B) R21 684 x 849 - 23 382 + 12% PA.

Chief Nursing Service Manager  
(W) R24 231 - 25 080 - 26 115 + 12% PA.

(2) (a) The estimated annual cost to adjust the salary scales applicable.

to Black, Coloured and Asian Nursing Staff to that applicable to White Nursing Staff, is R56.7 million.

(b) The implementation of a further phase of the programme to eliminate the salary gap will be considered in the light of available funds when occupational specific market related investigations are undertaken according to needs and/or general salary adjustments can be effected.

Blue Train

1065. Mr D J N MALCOMMESS asked the Minister of Transport Affairs:

What are the (a) procedures and (b) regulations laid down by the South African Transport Services for travel agents making bookings for the Blue Train?

The MINISTER OF TRANSPORT AFFAIRS:

(a) and (b) Travel agents may contract for all the accommodation on the Blue Train 18 months prior to the date of departure; make block bookings of 10 or more seats 15 months prior to the date of departure; or book up to nine seats 11 months prior to the date of departure, ie, when public bookings open.

Before 15 March 1984 the only condition was that payment for groups of 10 and more had to be made not later than one month before departure, and payment for smaller groups or individuals not later than 48 hours before departure.

As no cancellation fees were raised, the system led to abuse and conditions which include cancellation fees, as well as the furnishing of certain bank guarantees, were introduced with effect from 15 March 1984, after discussions with the organised travel trade.

It soon became clear that certain of the conditions would have an adverse effect on our overseas business in particular. Because of this problem we had extensive discussions with the organised travel trade as well as numerous private individuals.



We subsequently compiled a new set of conditions which will be made retroactive from 15 March 1984. There is no difference in principle between the two sets of conditions but the magnitude of the cancellation fees, and the times at which they become due, have been altered.

*Handwritten:* 355, Teaching staff/hospital staff, 3/7/84, 1875. Mr H H SCHWARZ asked the Minister of Internal Affairs:

- (a) (i) Education profession (including top structure gradings) .....
- (ii) Administrative staff involved with the education profession .....
- (b) Household staff .....

Administrative staff attached to educational institutions were not included in the investigation into the education profession. They have already received an occupational specific dispensation separately from the education profession.

It is assumed that by "hospital staff" household staff is meant. Hospital staff as such include several occupational classes which have already received occupation specific dispensations separately from household staff.

#### Cape fur seal

1105. Mr E K MOORCROFT asked the Minister of Environment Affairs, and Fisheries:

- (1) (a) How many breeding colonies of the Cape fur seal occur off the South African coast and (b) what is the total estimated population of these colonies;
- (2) (a) how many of these colonies are subject to culling and (b) what was the total pup quota awarded in respect of the latest specified period of 12 months for which figures are available?

What will be the total cost of the proposed salary increase for (a) the (i) teaching profession and (ii) administrative staff involved in this profession and (b) hospital staff in respect of the current financial year and a full financial year, respectively?

The MINISTER OF INTERNAL AFFAIRS:

Total cost of proposed salary improvements:

Present Financial Year (R million)	Full Financial Year (R million)
260,7	710
None	None
3,3	10

The MINISTER OF ENVIRONMENT AFFAIRS AND FISHERIES:

- (1) (a) 9.
- (b) 380 000.
- (2) (a) 1.
- (b) 4 500 for the period 1 January to 31 December 1983.

#### Afforestation

1106. Mr R W HARDINGHAM asked the Minister of Environment Affairs and Fisheries:

How many applications for permits in respect of afforestation were (a) received and (b) refused in each of the latest specified three years for which figures are available?

The MINISTER OF ENVIRONMENT AFFAIRS AND FISHERIES:

	(a)	(b)
1 April 1981 to 31 March 1982 ..	139	14
1 April 1982 to 31 March 1983 ..	81	25
1 April 1983 to 31 March 1984 ..	108	3

WEDNESDAY, 4 JULY 1984

the Atomic Energy Corporation). These offers were declined.

- (3) and (4) It is not the policy of the South African Government to allow the storage of radio-active waste from abroad in either the Republic of South Africa or South West Africa.

Ministers:

Rosettenville post office

\*1. Mr H M J VAN RENSBURG (Rosettenville) asked the Minister of Posts and Telecommunications:

- (1) Whether the facilities in the present Rosettenville post office building (a) comply with the standards of his Department and (b) meet the requirements of the public; if not, why not;
- (2) whether any alternative rented accommodation is available in the immediate vicinity of this post office; if so,

- (3) whether his Department is considering making use of this rented accommodation; if not,

- (4) whether his Department intends to erect a new post office building for Rosettenville; if so, (a) what site will be used for this purpose, (b) how far will it be situated from the present post office building, (c) what is the total estimated cost of the land and the building, (d) when is the building expected to be completed and (e) what facilities are envisaged in respect of (i) the public, (ii) business undertakings and (iii) parking; if not, why not;

- (5) whether it is being or will be considered to use the present site for this purpose; if not, why not;

- (6) whether any agreement has been entered into in respect of the post offices in Rosettenville and Townsview; if so, what is the nature of the agreement;

*Handwritten:* Hauswand, 4/3/84, 1877. Prime Minister: O. 6.1.1877

South West Africa: dump for nuclear waste

\*1. Mr B B GOODALL asked the Prime Minister:

- (1) Whether any person and/or body attached to the (a) South African Government and/or (b) Administration of South West Africa has received any requests, offers or representations concerning a dump for nuclear waste in South West Africa; if so, (i) when, (ii) what was the nature of these requests, offers or representations, (iii) to whom were they made and (iv) (aa) from whom and (bb) in respect of which countries were they received;

- (2) whether these requests, offers or representations have been considered; if so, (a) by whom, (b) when and (c) with what result;

- (3) whether a decision has been reached on the matter; if not, when is it anticipated that a decision will be reached; if so, what is the decision;

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

The PRIME MINISTER:

- (1) Since 1979 a number of enquiries were received from certain bodies and individuals, originating from a number of European countries, regarding the possibility to establish a depository in South West Africa for radio-active waste.

- (2) When these offers were received they were referred to and considered by the then Atomic Energy Board (now



## Post Focus

# Salary agreement Prof Botha

By STEPHANIE VENTER  
in Johannesburg

THE new salary agreement for university staff has opened a door to discrimination, favouritism and even corruption, a Johannesburg academic has warned.

Professor D J J Botha, head of the Economics Department of the University of the Witwatersrand, was commenting on the fact that details of the 22% increase in university staff salaries scheduled at this stage for December will not be made public.

The Department of National Education (DNE) announced last month that staff of schools, colleges, technikons and universities will get salary increases from December 1. This does not include the 12% they were given from January this year.

A delegation of the Federal Council of teachers met the Prime Minister this week to appeal for the new salary deal to be implemented sooner.

But already there have been indications of discrimination in favour of senior staff.

"The Minister (of

National Education) has indicated," said Professor D M Joubert, Principal of the University of Pretoria, "that professors may have their increases backdated to January 1".

Prof Joubert confirmed that the "white" universities would also be given more autonomy to decide who should get an increase in salary and who should not. This would be carefully decided by the university senate, including the deans and the university council.

This autonomy and secrecy, Prof Botha said, could cause discrimination between the sexes, races and against politically unpopular people.

"How can a person say there won't be nepotism or discrimination? It is humanly impossible not to discriminate," Prof Botha said.

"How can one justify secrecy in the application of public money? The taxpayer has the right to know

how his money is being spent."

Prof Botha warned that the salary details would not remain secret.

"The attempt to keep these salaries a secret will be farcical because the facts will be divulged," he said.

Certain academics have been told that they could receive their increases only from December 1 because the Government did not have enough money.

This year's budget for education was increased by 23% to R4 200 million.

"It is unfair. They should not complain that they have no money because this increase was promised to us a long time ago," Prof Botha said.

Backing up Prof Botha's claims of potential corruption and discrimination, an academic who did not wish to be named said: "Select committees in all universities like some people more than they like others. It is purely personal. If you

have opposed the chairman of a select committee you can be sure that when the time comes to consider increases, he will be against you."

Prof Botha said: "They should rather stop doing these so-called scientific investigations which come up with half-baked systems and rather spend their energy on paying us more."

"The administration of public finances leads one to think that they did not budget for this increase."

Late this month the committee of university principals will meet to negotiate an agreement about possible "poaching" of staff, which may occur as a result of their autonomy.

Prof Joubert said he had "not decided" on the issue of back pay.

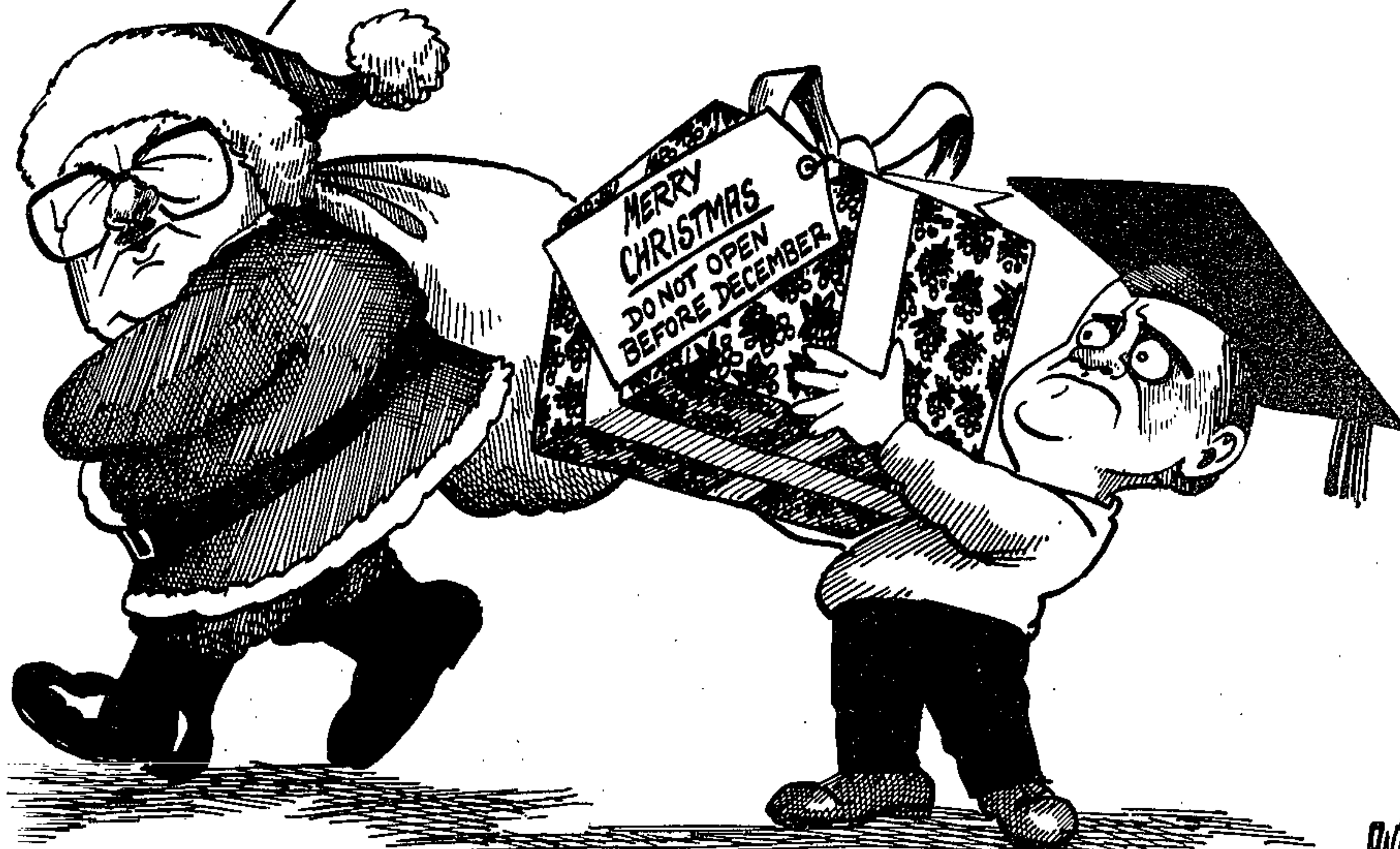
He said his staff was "grateful" about the new deal.

"It is not a question of my people being up in arms," he said. "There is a bit of disappointment that everybody cannot be accommodated. But we must be realistic if there is no more money."

355 WIE POST 7/7/84

# ent slammed by

HO HO HO!



ANDY



# Workers get increases against wishes

By RIAAN DE VILLIERS  
Labour Reporter

CAPE TOWN City Council yesterday declared it was giving all its workers pay increases because it believed it would have been "discriminatory" to pay increases to members of a white trade union only.

This came after the Cape Town Municipal Workers' Association yesterday asked the Industrial Court to adjourn instead of hearing an urgent application for an order restraining the council from paying wage increases to its members today.

The association has been trying to prevent the council from paying any increases to its members before their wage dispute is settled.

It asked the court to adjourn yesterday because the Minister of Manpower has not yet declared a formal dispute in terms of the Labour Relations Act.

On Tuesday night, more than 3 200 union members met in the City Hall and condemned the council's plans to pay them increases against their wishes this week as

encouraging industrial unrest.

In its first statement on the dispute, the council said yesterday it had taken a "sincere decision" to pay all its employees a new wage or salary in the conviction that the money was needed now because of inflation.

It also believed it must treat all its employees equally because it had always adopted the principle of equal pay for equal work. "To pay only the employees of the white trade union, some in some cases doing the same work, would in the council's view have been discriminatory."

It added the council wished to make it clear that employees who accepted the increased wages would not "in any way lose or prejudice any of their rights in respect of their demands made to the council for improvement of their conditions of service".

Mr John Ernstzen, secretary of the association, confirmed it had "very regrettably" been forced to ask the court to adjourn, but would pursue the matter further as soon as a dispute was declared.

# Só lyk onderwysers se skale

15/7/84

Rapport

Van ZELDA JONG-  
BLOED: Port Elizabeth

DAAR is landwyd onder-  
onderwysers van alle be-  
volkingsgroepe die groot-  
ste afwagting en opge-  
wondenheid oor die ko-  
mende salarisverhogings  
van tussen 20 en 30 per-  
sent - die eerste werklike  
verhogings sedert 1982.

Onderwysers het wel  
aan die begin van die jaar  
'n inflasie-toelae van 12  
persent gekry. Die toelae  
het egter aan vasgestelde  
salarisskale geen verskil  
gemaak nie.  
Oor presies hoe die  
nuwe salarisskale daar  
gaan uitsien, is daar nog  
geen sekerheid nie.

RAPPORT het egter  
tóg syfers bekom wat 'n  
aanduiding gee van hoe  
nuwe salarisse moontlik  
daar gaan uitsien.

Die syfers is, na ver-  
neem word, reeds deur die  
Navorsingskomitee vir On-  
derwysstrukture (NA-  
KOS) aan die Regering  
voorgelê.

Hoër persentasie

Hoewel dit moeilik is  
om nou reeds te voorspel  
dat die syfers, soos voor-  
gestel deur die Regering,  
geïmplementeer gaan  
word is daar aanduidings  
dat die Regering dit wel  
so sal aanvaar.  
Volgens die Regerings-

aankondiging oor die  
nuwe salarisse, sal onder-  
wysers in die laer katego-  
rieë 'n hoër persentasie  
verhoging as diegene in  
die hoër kategorieë kry.

Oor presies hoe die ska-  
le van die laer gekwalifi-  
seerde onderwysers (kate-  
gorieë A en AA) daar  
gaan uitsien, is daar nog  
glad geen aanduiding nie.

Gelykheid

Na verneem word, gaan  
die vasstelling van dié  
skale moontlik aan afson-  
derlike onderwysdeparte-  
mente oorgelaat word om  
uit te werk.

Die grootste ontevre-  
denheid oor bestaande sa-

larisse is juis in hierdie  
laer kategorieë. Meer as  
60 persent van alle bruin  
onderwysers val nog in  
hierdie kategorieë wat  
geen vergelykbare blanke  
kategorieë het nie.

Die beginsel van gelyk-  
heid tussen die rasse word  
reeds toegepas.

Volgens die syfers wat  
RAPPORT bekom het,  
sal 'n onderwys-assistent  
wat tans staan op 'n jaar-  
likse kerf van R7 833 (dit  
is R653,57 per maand)  
onder die hersiene skaal  
'n jaarlikse salaris van  
R9 709 (dis R809 per  
maand) verdien.

Dit verteenwoordig 'n  
persentasie-verhouding

van 23,9 persent. Met die  
inflasietoelae van 12 per-  
sent wat daar bykom, sal  
die onderwyser in hierdie  
kategorie van 1 Oktober  
R10 873,96 (R906,08 per  
maand) verdien, 'n verbe-  
tering van R253,33 op sy  
bestaande salaris.

Ander besonderhede  
(by benadering) van on-  
derwys-assistente se ver-  
hoging is onder meer:

Bestaande	Hersiene	% verhoging
R8 454	R10 458	23,7
R9 075	R11 208	23,5
R9 696	R11 958	23,3
R10 317	R12 708	23,2
R11 097	R13 611	22,7
R11 877	R14 514	22,2

In al die bogenoemde  
gevalle moet die 12 per-  
sent-toelae nog bygevoeg  
word.

'n Assistent-onderwyser  
met byvoorbeeld 5 jaar  
ondervinding wat tans  
R12 657 (R1 054,75 per  
maand) verdien, kry van  
af 1 Oktober R15 417  
(R1 284,75 per maand)  
wat 'n verhoging van 21,8  
persent is. Met die 12 per-  
sent-toelae verdien hy uit-  
eindelik R17 267  
(R1 438,92 per maand),  
'n verbetering van  
R384,17 op sy bestaande  
salaris.

'n Adjunk-hoof wat  
tans 'n jaarlikse salaris  
van R20 301 (R1 691,75  
per maand) verdien se  
hersen-skaal sal R24 684  
(R2 057 per maand) wees,

• Lees verder op bladsy 5 •



# Skale

## lyk

Rapport

## SO

15/11/84

• Vervolg van bladsy 1 •

'n verbetering van 21,6 persent. Met die 12 persent-toelae staan sy uiteindelijke salaris van 1 Oktober op R27 646 (R2 303 per maand), 'n verbetering van R612).

### Skoolhoof

'n Skoolhoof wat tans jaarliks R24 045 (R2 003,75 per maand) verdien, se nuwe skaal is R29 253 (R2 437,75 per maand), 'n verhoging van 21,7 persent. Met sy toelae van 12 persent skuif dit op na R32 763,63 (R2 730,28 per maand), 'n verhoging van R726,53.

'n Skoolhoof op 'n huidige maksimum-skaal van R30 255 (R2 521,25 per maand), se nuwe skaal is R36 573 (R3 047,75 per maand), 'n verhoging van 20,9 persent. As sy toelae bykom, skuif sy jaarlikse salaris op tot R40 961,76.

355 (157) (289) (347)  
**Boarding house  
owner in court**  
D. Wright 18/7/84

EAST LONDON — A Quigney boarding house owner appeared in the regional court here yesterday on charges relating to employment practices.

Mr H. W. W. Stuart, of Belvedere Lodging House, has pleaded not guilty to charges of underpaying his staff, not giving the required notice before terminating their employment, not giving them leave pay, not giving them the prescribed amount of leave a year, failing to register the boarding house, failing to provide the Department of Manpower with wage records, not complying with the Unemployment Insurance Act, not providing the department with an attendance register and not registering with the Workman's Compensation.

Mr Stuart told the court he was confused about what wage determination was applicable to his business.

Mr M. J. Swartz, senior industrial inspector for the Department of Manpower, said Mr Stuart's business fell under the determination for room letting and flats, and that he had been informed of this.

In reply Mr Stuart said he found all determinations to be inapplicable.

The department was very careful in classifying businesses and did so after thorough investigation, Mr Swartz said. "An employer is in no position to classify himself and oppose our decisions and years of experience."

He said that under the applicable determination Mr Stuart had underpaid his employees.

He told the court that Mr Stuart had been unco-operative and made little effort in dealing with the problem.

The hearing was postponed until today.

The magistrate was Mrs H. C. Niemand, Mrs A. du Plessis prosecuted. Mr Stuart was not represented.



Official statistics ignore the perks

# Pay figures tell only half the tale

*S. Times* 22/7/84 ~~128~~ 352

GOVERNMENT statistics on the average earnings of many of South Africa's work force are meaningless in some cases.

Central Statistical Services excludes payments in kind from its calculations and reaches its conclusions through simply dividing salaries and wages by the number of employees.

With 77 394 whites in the employ of mining houses, 115 000 working for banks, building societies and insurance companies, and more than 300 000 in the public service payment in kind cannot be excluded.

## Sectors

The department says that 1 410 773 whites earned R1 300 on average in March compared with under R700 in March 1980.

Asians earned an average of R630 in March this year, coloureds R440 and blacks R330. The figure for Asians rose from about R300 in 1980, the coloured average from R220, and blacks earned R230 more than in March 1980.

Sectors covered by the de-

By Angus Macmillan

partment include mining, manufacturing, electricity, construction, wholesale and retail, motor and transport, catering, posts and telecommunications, financial institutions, central government and provincial administrations, governments of national states and universities.

## Subsidies

Employment in these sectors was 4 994 561 in March — only 4 151 up on the average for 1981.

The highest-paid whites in the sectors covered were in mining and quarrying with an average of R1 757 a month. The generous housing subsidies and other fringe benefits they received from employers like Anglo American, Gold Fields and Rand Mines are not mentioned in the statistics.

Manufacturing employees were next in line at R1 556 a month, followed by those in the construction industry. Average white earnings in financial institutions were R1 182 in March, but bonds at

under 5% and loans at a fraction of market rates would have boosted average income considerably above the figures quoted.

Average white earnings in the public service and quasi-government organisations were R1 209 in March, according to Central Statistical Services.

But public servants are cushioned from the mortgage rate, and their real average income would have been much higher.

The best-paid black workers in the sectors covered earned R494 a month at financial institutions. At the other end of the scale were workers in the wholesale and retail trade who averaged R241 in March.

Blacks working on mines and in quarries averaged R308 a month, but the free board and lodging miners received — valued at R100 a month by the Chamber of Mines — was not taken into account.

Financial institutions paid the highest salaries to coloureds (R641), Asians

(R870) and blacks — but were second only to the wholesale and retail trade as the worst payers of whites.

The R1 182 average salary paid by banks and building societies to whites, however, is not the full story. The real average income is believed to be closer to R2 000 a month.

## Redundancies

There were more whites, coloureds and Asians employed in the surveyed sectors in March this year than in 1980, but the number of blacks in jobs was down by 50 000.

The figure shows how badly the recession has hit black employment with redundancies more common than job creation.

Central Statistics included part-time, casual and seasonal workers in its employment figures. Thus many workers listed as employed might have been taking home only token pay.

But part-time workers are not necessarily unemployed. The Government defines an unemployed person as someone who wishes to work, but worked fewer than five hours in the week previous to his registering for a job.

# Perk up

By Michael Chester

Hundreds of companies have launched brainstorming sessions to find how to cushion the impact of income tax on the pay packets of employees.

The puzzle is how to thread a way through new legislation on taxation on fringe benefits — originally intended for introduction on September 1 but now postponed until the start of a new full tax year on March 1 next year.

Tax experts have discovered that the new rules, instead of threatening new burdens on work incentives, as widely feared, may well usher in a revolution that promises treats for most salaried staffers.

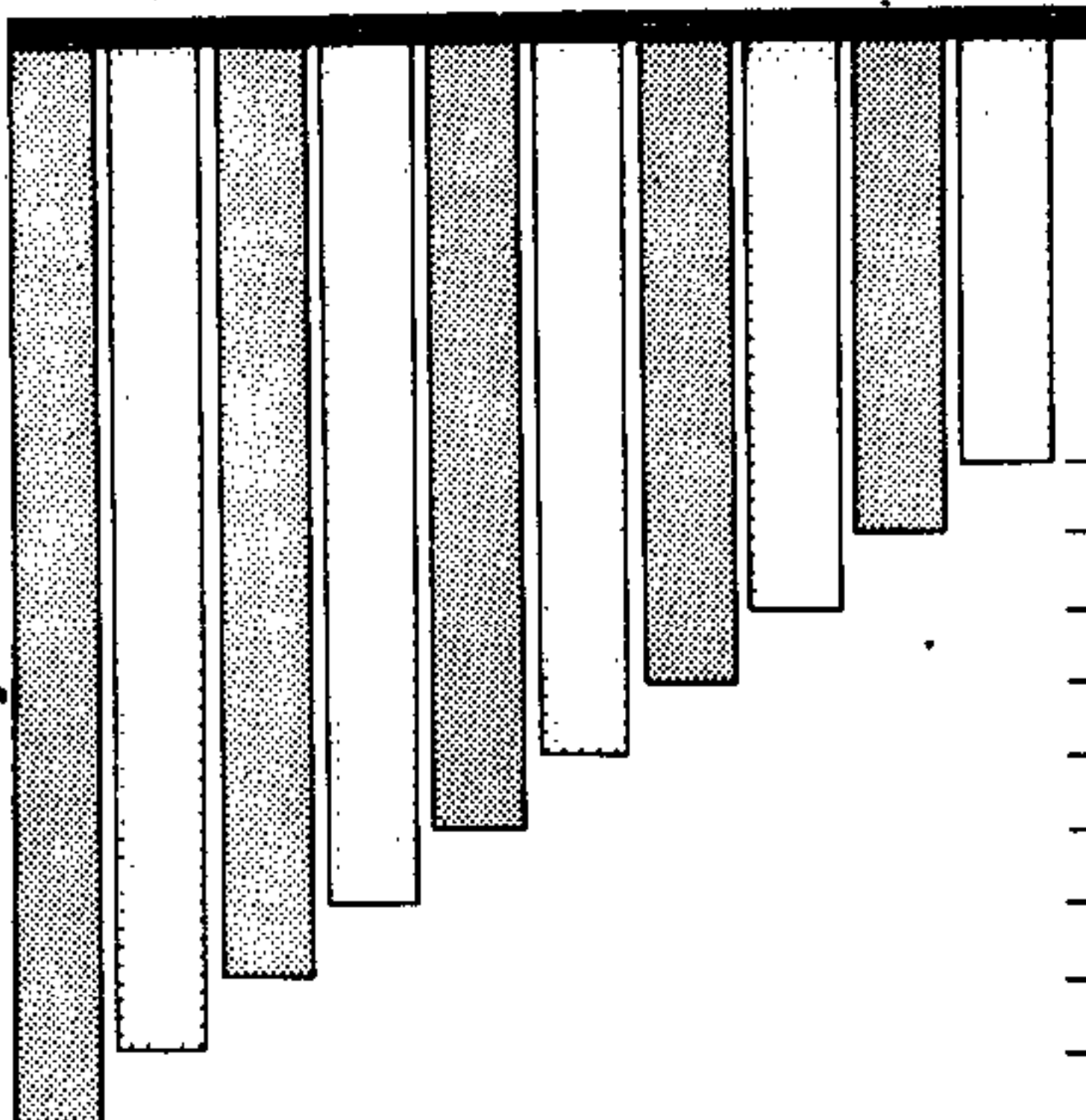
The intensity of the search for solutions to the perks tax puzzle is shown in the interest in special ventures begun by tax consultants to explain it all.

Among the current bestsellers is a guide published by P-E Corporate Services — with a price tag as high as R875 a copy but already with a long waiting list as demand outpaces production.

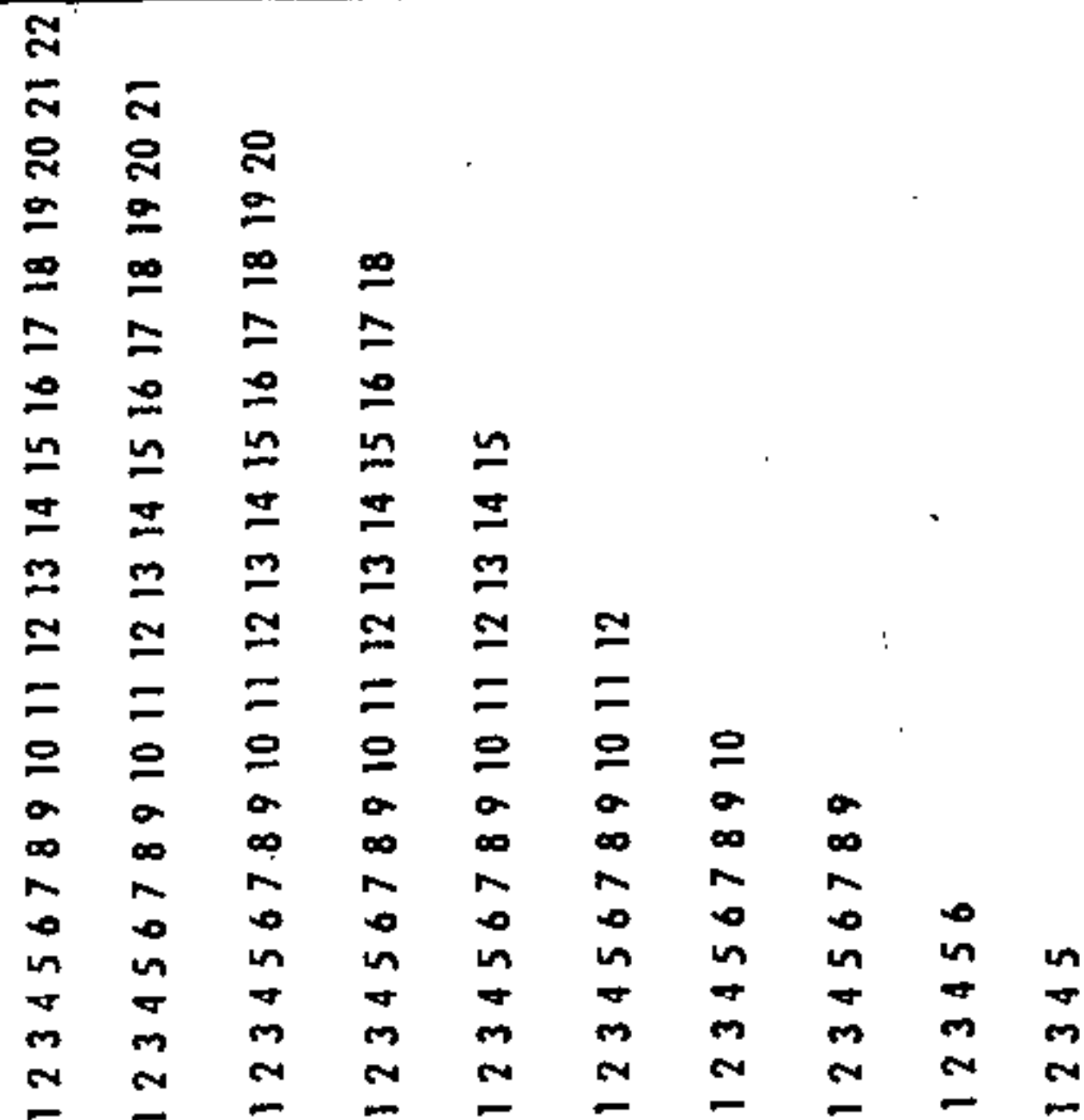
The management consultancy has been obliged to run at least two courses daily — and often four a day — to cope with the demand.

## BEYOND THE FRINGE

**The salary** R000s a year



**The perks**



**The key**

- 1 — Pension fund;
- 2 — Benefit fund;
- 3 — Medical aid;
- 4 — Recreation facilities;
- 5 — Company products;
- 6 — Company car;
- 7 — Suit leasing;
- 8 — Entertainment allowance;
- 9 — Educational help;
- 10 — Home loan help;
- 11 — Home security;
- 12 — Company holiday;
- 13 — Flexible leave system;
- 14 — Profit sharing plan;
- 15 — Unsecured loan;
- 16 — Share participation;
- 17 — Deferred compensation;
- 18 — Overseas travel;
- 19 — Long leave option;
- 20 — Chauffeur;
- 21 — Company housing;
- 22 — Holiday cottage

Business Seminars Promotions has hurriedly planned a whole string of special seminars to give the main guidelines — and reports that within weeks it has been overbooked and has had to plan repeat talks.

The opportunity to negotiate perks was once regarded as the reserve of the boardroom and executive suite. Now even

secretaries and artisans have a chance to work out new deals.

One tax firm took as an example a secretary-typist married to a man on an annual taxable income above R40 000, meaning that the taxman, because of marginal rate ladders, has been waiting to snatch 50c in every rand she tries to add to the kitty.

At the moment, out of a salary of R15 000 a year, the secretary has only R7 500 in take-home pay.

Under the new tax rules, however, she may be able to negotiate a clothing allowance of perhaps R3 000 a year — and deduct the amount from her cash salary. It does not all escape the tax net — but, aside

from providing a new wardrobe every year, the deal also increases her take-home pay to R9 000.

If the company tried to match the after-tax total it would need to boost her cash salary to an annual R18 000.

In another example, the consultant took an employee earning R27 000 a year. He is advised how to pick a pack-

age agreeing to see the cash salary slashed to R12 000 — clipping R5 000 off tax bills and ending with R4 500 more cash in his pocket, plus a cornucopia of perks.

Higher up the pecking order, employees have the chance to negotiate perks packs that start at housing subsidies and company cars all the way to buying new suits and hiring a chauffeur.

"It is possible and legitimate to reduce your tax liabilities by as much as 50 percent," says Miss Jane Ashburner, manager of the remuneration division at the P-E group.

"There are tremendous possibilities for employees to cash in on perks now that there is clarity at last. So far, it has been a murky zone and often reserved for the top hierarchy.

"Benefits to the employers are twofold. Firstly, with official recognition, perks can now be offered down the pecking order.

"Secondly, and most important, benefits can be offered at no additional cost to the company if on the basis that they are trimmed off cash salaries exposed to full tax rates.

"The Receiver of Inland Revenue has been in no way as heavy-handed as everyone has expected in the prolonged row about fringe benefits."



**Tax legislation may prove a blessing in disguise**

# Thousands to gain from perks deals

355  
By Michael Chester  
of the 24 Hours team

Star  
6/8/84

Tens of thousands of employees stand to gain from radical new perks-plus-cash deals being worked out by companies to cushion the tax blow after possible increases in wages and salaries in annual pay reviews.

The new deals are likely to inspire a full-scale revolution in attitudes towards a different shape of pay package stemming from proposals to introduce legislation for taxes on fringe benefits from next March.

New mixtures of cash and perks are likely to be offered by most companies to a far longer list of salaried staffers.

"Perks have usually been seen as confined to the executive suite," said Miss Jane Ashburner, manager of the remuneration division of P-E Consulting Services. "Now they are moving deeper and deeper down the pecking order and even secretaries and artisans can often join in the benefits."

"Business firms have been sweating for several years about the impact of taxation on fringe benefits. But now that legislation has been approved we can see superb opportunities for offering higher living standards to workers."

"We are going to see nothing short of a revolution in the way existing and prospective employees pick and choose between cash and perks to suit their own specific living styles," said Miss Ashburner.

"There's a bonanza in store for employers and employees alike if they find their way around the labyrinth of new legislation — virtually all salaried staff can share benefits."

## More perks

"The only possible obstacle to perks filtering to the very bottom of the pecking order are strict wage packages insisted upon by trade unions in various sectors."

But the vast majority of companies will find that unless they offer more perks down the pecking order in their staffs they will lose out to job-hoppers looking for better deals elsewhere.

Tax expert Mr Costa Divaris says: "The vagueness of tax rules has had a strait-jacket on perks. Now the new legislation has been approved companies know precisely how far they can go — legitimately. It's going to benefit everyone if they don't push their luck too far."

The primary aim is to safeguard key staff from being pushed faster and higher up the marginal tax ladder that ultimately leads to an income tax rate as heavy as 50c in the rand on pay packets that go over R40 000 a year.

● See Page 7, World section.

*P. Dispatch*  
**Pay rise  
for ~~355~~ ~~426~~  
Mdantsane  
workers 7/8/84**

**EAST LONDON —** Weekly paid Mdantsane Special Organisation employees are to get a five per cent increase from September 3 this year, the city council decided last night.

The wage increases will cost the municipality approximately R79 000 more for the rest of this financial year ending on March 31 next year.

The chairman of the council's action committee, Mr Joe Yazbek, said last night that the increases had been allowed for in the municipal estimates.

He said that as a result of increases in the maize price, general sales tax and interest rates, employees were buying less for more money spent.

"The basic wages earned by the employees of the Mdantsane Special Organisation are approximately 20 per cent less than the employees of the East London municipality, the main reason being that the employees of the East London municipality have to commute daily between East London and Mdantsane." — DDR



# 35 000 post office workers in line for salary boost

By Sue Leeman,  
Pretoria Bureau

About 35 000 post office workers are to receive salary increases of between 10 and 14 percent in the latest phase of the Government's scheme for occupationally differentiated salary adjustments.

This boosts the post office's wage bill for its 94 000 employees to a total of R664 million for 1984/85.

The Postmaster General, Mr Henry Bester, has revealed that those who will benefit from the latest adjustments include postmen, telephone exchange personnel, clerical and administrative officials and a number of technical assistants.

Their salary increases will be backdated from January 1.

Technicians and professional engineers have already received similar increases.

Mr Bester said the

evaluation of posts within the post office had been started in January with the aim of bringing post office salaries in line with those for similar positions in the private sector.

It is understood the latest adjustments represent the final stages of the salary adjustment programme in the post office.

## ADJUSTING

Only a small number of specialist groups, including statisticians and press liason staff, still need attention.

The Government's scheme for adjusting public service salaries according to occupation groups has been in full swing for over 18 months.

Other groups which have benefitted this year include police and military personnel, who received generous increases in January, and teachers, who are set to receive an estimated 22 percent extra from October.

# Probe into salaries of township board staff

355 C-Times 2/8/84

Own Correspondent

JOHANNESBURG. — The government has revealed that 77 part-time members of the 13 boards set up recently to direct the development of black townships are paid a total of nearly R700 000 a year.

The PFP MP for Johannesburg North, Mr Peter Soal, said the payment of such high salaries to part-time board members was "intolerable", particularly because the money came from funds meant for the upgrading of black townships.

Details of payments to board members were recently given to Mr Soal by the Minister of Co-operation and Development, Dr Piet Koornhof, in a written reply

to a question in Parliament by Mr Soal.

The only full-time member of a board is Mr John Knoetze, chairman of the West Rand Development Board. He is paid R50 232 a year.

The part-time chairmen of the other 12 boards throughout the country are paid R18 000 a year, the deputy chairmen receive R13 000 and the four ordinary members of each board are paid R6 000 a year.

The boards were established in terms of the Black Communities Development Act and replaced the administration boards.

In his reply, Dr Koornhof also

said: "All members of development boards are further entitled to a subsistence allowance of R53 per day... when they are of necessity away from home on board business."

In terms of the Act, salaries and allowances are paid from the board's funds and the amounts are determined by the Minister of Co-operation and Development.

Mr Soal also questioned the exclusion of blacks and said surely there were blacks more qualified to know their development needs.

"It would be interesting to know what these people do to earn their money."



WIE POST 11/8/84

355

## Post Focus

# Experts wage ea

**Average cost of living for a household of five.**  
(According to the Department of Statistics.)

	1975	1984
FOOD	R169.17	R467.70
DRINKS	R15.09	R44.05
TOBACCO	R10.01	R29.23
CLOTHING	R44.84	R130.92
FOOTWEAR	R8.67	R25.31
HOUSING	R159.68	R466.27
FUEL/POWER	R15.68	R45.78
FURNITURE	R44.80	R130.83
MAINTENANCE	R15.74	R45.97
SERVANTS	R29.36	R85.74
MEDICAL	R33.28	R97.16
TRANSPORT	R122.80	R358.67
RECREATION	R41.90	R122.35
BOOKS etc	R7.77	R22.68
EDUCATION	R17.76	R51.84
PERSONAL	R21.47	R62.70
BARBERS/FOOD	R12.15	R35.49
HOLIDAYS	R25.77	R75.26
PHONE/POST	R9.92	R28.96
EXTRA'S	R30.37	R88.69
<b>TOTAL</b>	<b>R827.23</b>	<b>R2 415.60</b>

**BUDGETS of six breadwinners (married with three children), not taking into account insurance, entertainment, holidays, drink, tobacco, restaurants, bars, reading matter, licences, miscellaneous.**

\* Port Elizabeth salary figures from local employment agencies.

Post Office Clerk		Bank Teller	
Salary:	R650.00	Salary:	R800.00
- Pension @ 6%	R39.00	- Pension @ 6%	R48.00
- Tax	R4.12	- Tax (PAYE)	R21.63
- Medical aid	R40.00	- Medical aid	R60.00
Take home pay	R566.88	Take home pay	R670.64
Subsidised bond/rent	R100.00	Subsidised bond/rent	R150.00
Food/housekeeping	R300.00	Food/housekeeping	R300.00
Transport	R100.00	Petrol/car	R150.00
Lights/water	R40.00	Lights and water	R40.00
HP repayments	R50.00	Phone	R10.00
Education	R30.00	HP repayments	R80.00
Clothes	R30.00	Education	R30.00
Domestic worker	R30.00	Clothes	R50.00
Amount owing	R113.12	Domestic worker	R60.00
		Amount owing	R179.36

IS

# have little for earners' comfort

ECONOMISTS analysing the current financial crisis have concluded white South Africans are living way beyond their means.

But is this surprising when their means fall so far short of the cost of living?

Further plums of logic from the economists are that the way out of this crisis for the individual is to "stop spending", "avoid credit", "save and build up cash", "work harder".

But in this kind of recession, where is the extra work to be found? And who among us has anything left to save?

If there is one thing this economic crisis has shown, it is the poverty of helpful advice coming from the economists.

A Weekend Post survey of six salaried breadwinners showed the struggle these people are having to make ends meet, let alone worry about saving. In each case, only a wife's earnings were keeping the larders stocked.

Taking into account all their outgoings — with such fixed commitments as bonds, rates, clothing and transport — it was really only on food that these people could make any economies.

To actually bridge the gap between income and commitments, these men have to rely on their wife's salaries, take on extra work or work overtime to make ends meet.

According to the Department of Statistics, the average white South African family of five had an expenditure of R827.23 a month in 1975, an amount which totals R2 415.60 in 1984.

The cost of living has rocketed along with inflation and the public is suffering from what economists call "fiscal drag".

Annual increases are usually in line with inflation and

By GERDA KENYON

are meant to ensure that workers can maintain their standard of living.

But, in effect, increases put people into higher tax brackets and they are left poorer each year.

Statistics show a post office clerk who earns R650 a month cannot support a family of five on his salary alone and has to supplement his income with his wife's salary to survive.

Excluding recreation, holidays, insurances, reading matter, drink and tobacco, he will have a monthly deficit and no possibility of saving a cent.

A bank teller who earns R800 a month should be a lot better off than the post office clerk, but because he is in a higher tax bracket, he comes away with little more than the clerk and again no chance of saving.

A sales representative who 10 years ago could have made healthy savings of at least R100 a month, now has to battle to survive and has to send his wife to work to supplement the family income.

A toolroom miller who earns R1 500 a month and a garage mechanic earning R1 400 would have managed very comfortably 10 years ago to save as well as splash out on occasional luxuries but now have to work overtime and have no chance of saving even if their wives earn similar incomes.

A civil engineer who earned R2 000 a month is left with only two-thirds of his income after deductions and he, too, has to rely on alternative forms of income to make ends meet.

## Sales Representative

Salary:	R1 200.00
-Pension @ 6%	R72.00
-Tax	R93.17
-Medical aid	R60.00
Take home pay	R974.83
Rent	R300.00
Food/housekeeping	R350.00
Petrol/car	R250.00
Lights and water	R40.00
Phone	R20.00
HP repayments	R100.00
Education	R45.00
Domestic worker	R80.00
Clothes	R80.00
Amount owing	R290.17-

## Garage Mechanic

Salary:	R1 400.00
-Pension @ 6%	R84.00
-Tax	R139.23
-Medical aid	R80.00
Take home pay	R1 096.77
Bond/rent	R470.00
Food/housekeeping	R467.70
Petrol/car	R150.00
Lights and water	R45.78
Phone	R28.96
Rates	R30.00
HP repayments	R100.00
Education	R51.84
Domestic worker	R85.74
Clothes	R130.92
Amount owing	R464.17-

## Toolroom Miller

Salary:	R1 500.00
-Pension @ 6%	R90.00
-Tax	R168.17
-Medical aid	R85.00
Take home pay	R1 156.83
Bond/rent	R480.00
Food/housekeeping	R500.00
Petrol/car	R150.00
Lights and water	R48.00
Phone	R30.00
Rates	R40.00
HP repayments	R150.00
Education	R60.00
Domestic worker	R90.00
Clothes	R140.00
Amount owing	R511.17-

## Civil Engineer

Salary:	R2 000.00
-Pension @ 6%	R120.00
-Tax	R316.57
-Medical aid	R90.00
Take home pay	R1 473.00
Bond/rent	R500.00
Food/housekeeping	R500.00
Petrol/car	R350.00
Lights and water	R50.00
Phone	R30.00
Rates	R35.00
HP repayments	R180.00
Education	R65.00
Domestic worker	R100.00
Clothes	R160.00
Amount owing	R497.00



# Shocks wait for perks tax hand-out seekers

THOUSANDS of employees are seeking perks as a result of clarification of how fringe benefits will be taxed. But they could be in for a shock.

Tax experts warn that the proposed law is designed to raise money — not make hand-outs to taxpayers.

They say that to make the most of the perks tax, employers would have to lay out substantial amounts in cash, an unlikely happening in SA's economic crisis.

The Commissioner for Inland Revenue, Carl Schwepenhauser, says perks tax is certain to be instituted on March 1, 1985.

## Grey areas

Experts say the proposed tax merely clarifies formerly grey areas. The only way employees will reap advantages is by restructuring their remuneration packages. The emphasis will move from salary to remuneration.

Employees of financial institutions, public service and mining houses have received fringe benefits for a long time, but their tax will increase under the new law.

An example is an employee recruited by a bank three months ago. His salary is R1 000 a month, relatively low for his qualifications —

By Barry Sergeant

but now he has a car which costs him R50 a month, including free petrol.

Banks have followed the low-salary high-perks tax strategy for some time. The intention is to keep salaries as low as possible as income tax is calculated on salary and excludes perks.

The changes will draw everybody into the tax net.

## Onus shifts

Analysts say a welcome change is that the onus of declaring a perk is placed on the employer. Before nobody was obliged to disclose a perk. Penalties for non-disclosure will be severe.

Although perks have always been taxable in law, Inland Revenue has not collected the money.

One bank has told its staff that its housing scheme has been approved by the authorities and will not be affected by the perks tax.

Loans or bonds given to employees below the "official" rate will fall into the fringe benefits tax net. The official rate is now 12%. If the employee pays less than 12%, the difference between his payment and a 12% payment is added to his salary and taxed as salary.

As a result of interest-rate increases, it is expected that the official rate will increase to 15% — drawing more employees into the tax net.

## Concern

The hesitancy of Inland Revenue to issue guidelines on housing perks tax is causing concern in the private sector and proving a headache for the tax collectors.

Prompted by the announcement that perks tax would come into operation on August 1, 1984, many financial institutions offered employers without housing schemes attractive packages, structured to the proposed perks tax.

With the lack of official guidelines, it seems that especially the banks have been caught out. Experts say the major concern is how Inland Revenue will treat new schemes.

## Clothing

The perks tax may not be the bonus it appears. Many employees have perks which will be taxed. Tax experts say:

- Pensions, medical aid, flexible leave and profit-sharing plans are unaffected.
- Suit leasing and clothing allowances will not be available to latecomers under the proposed perks tax. Inland Revenue is against these al-

lowances and can come down on abuses by invoking the Income Tax Act.

- If an overseas trip consists of a mix of business and pleasure, apart from the cost of the air ticket, all expenses paid by the company will be classified as a fringe benefit.

- Entertainment allowances will be available on the same terms as before. Inland Revenue reviews the allowance in terms of the employee's status in the company.

## Sacrifices

- Interest-free loans for education, exempt from perks tax, require substantial cash. The employee would probably have to sacrifice salary, which would save income tax.

- Home security costs will probably only be allowed if the businessman can establish he is often away from home on business.

- Company holidays are not as attractive as has been reported. Each person on holiday will add R25 a day to the taxpayer's gross salary. With a family of four, this would be R700 a week before travel, food and other costs.

- Low-interest loans are not as attractive as before. Inland Revenue's practice of not taxing the interest on these loans differs sharply from the proposed official 12% rate.

# Forecast for <sup>375</sup> job prospects <sup>5 Jan</sup> in SA is grim <sup>13/3/84</sup>

By the turn of the century one out of every four adults of working age in South Africa will be unemployed or under-employed — and this will have the potential for generating significant social unrest.

This is the projection made by Professor Jill Nattrass of the University of Natal's development studies unit in *Energos* magazine.

Looking at the year 2000 and the state of SA's economy, Professor Nattrass emphasises that the extent to which economic growth will succeed in reducing poverty and reducing inequalities in living standards between blacks and whites will largely depend on events in the labour market.

Historically, the economy has shown itself to be extremely sensitive to social unrest. "A period of 16 years of growing social conflict, perhaps even civil war, will generate a very different economic scenario from the product of 16 years of social progress," she states.

Under the current patterns of development and even with optimum conditions — social stability, population and employment growth — the forecast for employment looks grim.

Professor Nattrass estimates that of an projected total workforce of 17,5 million in the year 2000, almost 5 million will be unemployed or under-employed — working at very low rates of return in the subsistence or informal sector.

Of those working outside of agriculture, one in every four will be working in the service sector, and will probably be civil servants, she maintains.

"Because it is likely that South African whites will retain their preferential access to the modern sector job market, the growing burden of joblessness is almost certain to be borne largely by blacks."

The new century will herald another important divide in this society — between those who have access to the economy and those who are unable to obtain work.

Professor Nattrass estimates that at least half of the modern workforce between 1984 and 2000 will move to the cities, bringing the black urban population to 44 percent of the total black population.

The growing numbers of unemployed living or working in poverty could be sufficient to generate significant social unrest, she warns.



# Teachers will soon hear new pay details

355  
Sta  
20/8/84

By Sue Leeman,  
Pretoria Bureau

Some teachers will receive almost 25 percent more in their pay packets from December, when long-awaited new pay structures for the profession come into effect.

And better promotion opportunities could mean an extra 5 percent on top of that, bringing teachers' salaries into direct competition with the private sector for the first time in years.

Teachers should be told of the new deal within the next week.

The general secretary of the Transvaal Teachers' Association, Mr Jack Ballard, confirmed today that basic pay increases would vary between 21,9 percent for the upper grades, and 24,9 percent for the lower grades.

All salary increases will be backdated to October, though back pay for October and November will be paid out only next April.

Mr Ballard said that, in addition, almost 3 000 new promotion posts had been created in the Transvaal alone, and 1 000 in each of the other provinces.

He said most new posts had been created at Post Level 2, creating more promotion chances for the average teacher.

The new posts would be advertised. No-one would be able to just walk into a new position, he added.

"Qualifications will be very important," he said.

Other features of the new promotion structure include:

- The upgrading of some schools, giving headmasters and some senior staff further pay rises.

- Some principals will qualify for Post Level 6, which is reserved for the heads of larger schools.

It is understood that teachers in this category will in future have a basic salary of R36 000, plus allowances.

- Women who qualify as heads of department will receive the same salary as men.

- There will be a significant number of new senior assistant posts at most schools.

- New teachers are expected to receive R175 a month more than at present.

# SA's top men not as well off

355  
C. Times  
21/8/84

By GORDON KLING

SOUTH African executives, whose salary and perks packages were once the subject of world envy, are now losing out to their counterparts overseas at an accelerating pace.

A survey of pay at the top by a major business consultancy has found that senior company men have slipped badly in the rankings of take-home pay and what it will buy.

And the manager of the remuneration division at P E Corporate Services — which released the annual survey results yesterday — Mrs Jane Ashburner, agreed with economists and businessmen who believe the current business slump could prove worse than the great depression of the 1930s.

Not only were the findings worrying, but prospects for next year were worse, with executive pay expected to go up by about 10 percent while inflation flourished at 15.

On an index of purchasing power over the past year, local executives are on a par with those in the Netherlands at 100 and come behind France at 114, the UK at 122, and the US at 133, but ahead of Belgium and Germany at 97.

When this purchasing power is related to take-home pay the comparison becomes more dramatic.

In the case of the MD of a large manufacturing concern (turnover of R50 million, profit of R2.5 m, assets of R25 m and staff of 2 500) a South African holding the position with an index figure of 270 would come ahead of the same MD in the UK at 160, Belgium at 170 and the Netherlands at 210, but far behind a US counterpart at 800, France at 380, and West Germany 440.

South Africans fared poorer this year than last.

**The outlook:** A substantial increase in bonus payments, together with low inflation and a strong US dollar, would leave the US executive further ahead of senior businessmen in SA, and those in Europe slowly catching up.

Inflation rates used in the survey are a story in themselves, with prices rising over the year to July in the US at 4.2 percent; Belgium, 6.8; France 7.6; UK 5.1; the Netherlands 3.6; West Germany 2.8; and South Africa 11.8 and rising.

Executives in specialised functions are expected to suffer most.



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# No basic wage law for Ciskei

22/8/84

EAST LONDON — Workers in Ciskei are not protected by a minimum wage law and the new labour laws would not provide for basic wages, a government spokesman confirmed yesterday.

The Basic Conditions of Employment Act, which is to determine maximum working hours, annual leave, overtime and other benefits in the interests of workers, has been passed by the Ciskei Parliament but has to be signed by the President before it passes into law.

Mr D. J. Migcau, Director-General of the Department of Manpower Utilisation, said that the Act would "hopefully" become effective from September 1.

"Once the legislation is enforced, we will have labour inspectors but

there will be no basic wage," he said.

"Forcing demands for basic wages down investors' throats will be counterproductive to a developing country like Ciskei as investors would take their money somewhere else," Mr Wessels van Wyk, of the Ciskei People's Development Bank (CPDB) said.

He said that the CPDB's policy was to encourage all investors in Ciskei and explained that legislation enforcing a basic wage would directly contradict Ciskei's free enterprise policies.

"Supply and demand is the bottom line of free enterprise. The alternative is a socialist system, the only system where one really finds legislation for a basic wage," he said.

Mr Van Wyk said that it was "unfortunate that Ciskeians are living badly and being deprived but that is why the CPDB is here — to improve their lot.

"As far as possible, we encourage industry to pay reasonable wages and ensure social security for workers. With our huge backlog of unemployed people, our first priority is to provide jobs and training," he said.

"We do get occasional situations of labour exploitation brought to our attention and we try to convince the employers not to exploit their workers," he said.

Mr Van Wyk said that no checks were conducted into working conditions because there was no legislation governing these conditions.

— DDR

# Black SA workers better off than Soviets — study

By John D'Oliveira,  
The Star Bureau

**LONDON** — The average black industrial worker in South Africa is considerably better off than his Moscow counterpart — although he lags far behind white workers in South Africa and workers in Europe and the United States.

A European study on South Africa's relationship with the West reveals that a black plant operator in Johannesburg would have to work for 363 hours to earn a colour television set, 570 minutes for a man's shirt, 26 minutes for 20 cigarettes, 12 minutes for a kilogramme of rice and 18 minutes for a litre of milk.

In Moscow an industrial worker would have to toil for 701 hours, 615 minutes, 14 minutes, 54 minutes and 22 minutes

respectively.

But a white bricklayer in Johannesburg would only have to work 125 hours for a television set, 196 minutes for a shirt, nine minutes for 20 cigarettes, four minutes for the rice and six minutes for a litre of milk.

For most of the articles and commodities listed, the white bricklayer would have to do the least work.

The survey is printed in a study published by the Institute for European Economic Studies in conjunction with organisations in France and Germany.

## ARNT SPANDAU

It was written by Professor Arnt Spandau, who lived in South Africa from 1966 to 1979. He lectured at Rhodes University and worked as professor of Business Economics at the University of the Witwatersrand.

He now lives in Germany

where he works for the Fachhochschule Fur Technik und Wirtschaft.

The survey concluded that the white bricklayer in Johannesburg had a standard of living similar to Washington DC levels and that he was better off than workers in Munich, Moscow, Paris and London.

When it came to the purchase of durable goods, white South Africans were slightly worse off than Americans.

Compared with the average Russian worker, the black South African plant operator earned a higher real income.

For food items like rice, sugar, margarine, cooking oil, eggs and pork, he worked for only a fraction of the time worked by the average Russian.

With regard to durable consumer goods, his welfare "considerably" exceeded that of the Russian worker.

and minutes) for Washing.



# Conditions and pay are poor for women working in kwaZulu

Mrs Mahlangu pays a high price for being employed in Isithebe, kwaZulu, writes Carolyn Dempster.

At the multinational textile company where she works, the starting wage is R15 a week and the working conditions are "too appalling".

Across the "border" in South Africa, the same company operates another factory.

Here, the starting wage is R45 a week and working conditions fall under the watchful eye of the unions and the Industrial Council for the textile industry.

Mrs Mahlangu (not her real name) has little option where she would like to work.

## NO PROTECTION

She is locked into the homeland through South Africa's influx control laws. The factories in Isithebe are the only places she is likely to obtain a living, now and in the immediate future.

Union protection, for improvements in wages and working conditions, is also a distant hope.

Mr M "Prof" Sineke, an organiser with the National Union of Textile Workers (NUTW) which is gathering membership in this growth area, was hesitant in naming the companies

involved in this kind of exploitation.

"They all feel they are doing the people a favour by providing work opportunities in these areas.

"The impression they give is that if pushed, they are prepared to close down and move the factories elsewhere."

In fact, much of the incentive to the employers in starting up industries in the homeland was the lure of lower wages, he commented.

For Mrs Mahlangu, the working hours may be the same as in the sister factory in Durban, but the workload is far greater.

## MASS DISMISSALS

And, Mr Sineke says, the working conditions are pathetic and bear no comparison to the Durban factory. The NUTW's attempts to enlist the aid of the kwaZulu Government in the past in disputes with the Bata Shoe Company, owner of the KwaZulu Shoe Company, have proved fruitless.

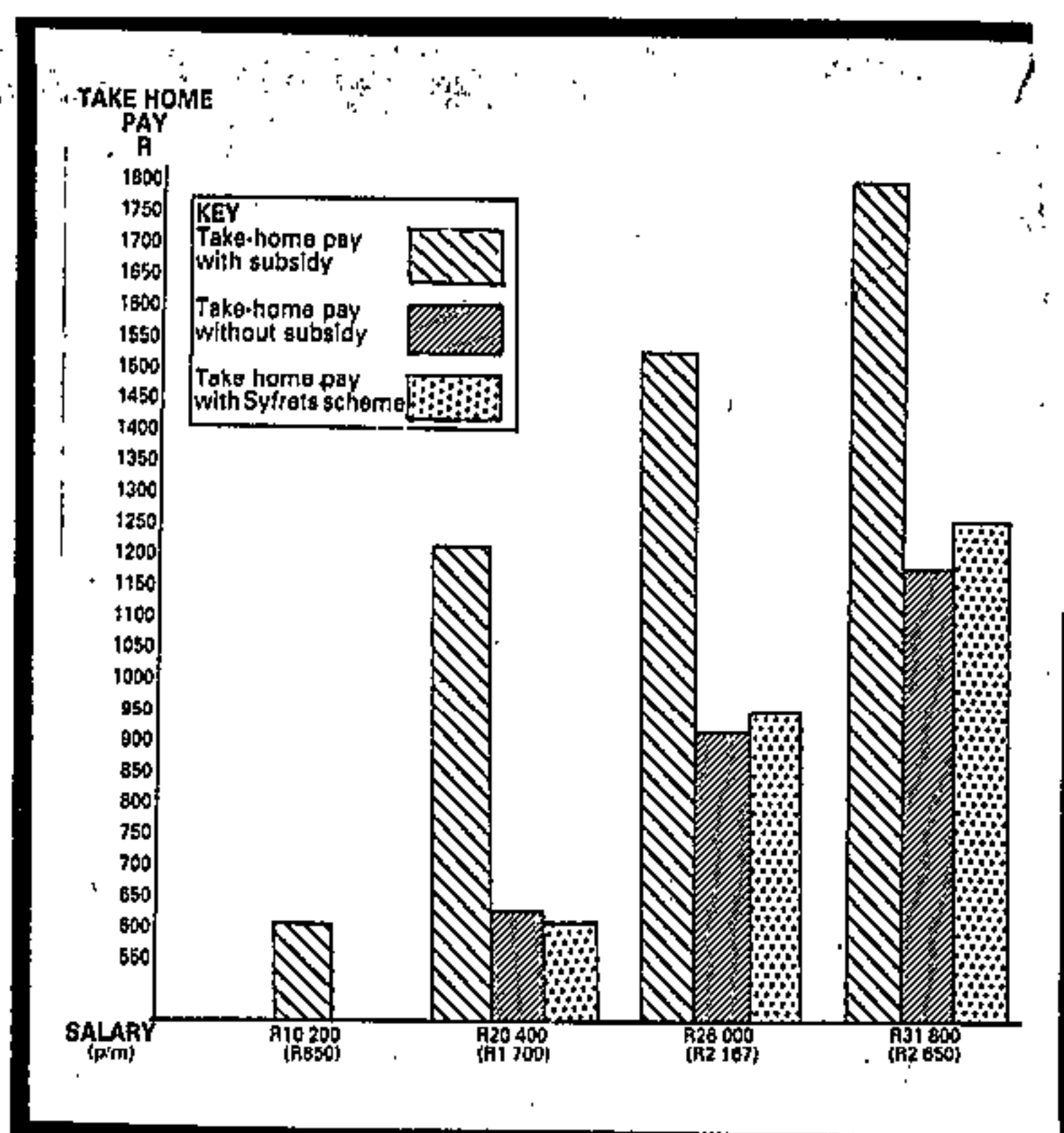
The disputes led to mass dismissals, selective rehiring and recruitment of non-unionised labour.

Mr Sineke believes there is no reason why future disputes, once they become volatile, should not follow the same route, with the kwaZulu Government ranged on the side of employers.





Mr Brian Button,  
MD of Syfrets Bank



The gap in take-home pay caused by a typical subsidy on a typical bond is enormous.

# The perks gap gets w-i-d-e-r

Handwritten notes: 355, C-7, 1/9/84

By GORDON KLING  
ROCKETING interest rates in South Africa have drastically widened the perks gap created by subsidized mortgage bonds for workers in the public sector, banks and insurance groups, while playing havoc with other businesses.

The tremendous gearing effect of bond subsidies on the tax system has now reached the point where take-home pay of staff in the most lowly-paid subsidized sections of the public service is comparable to unsubsidized middle management level salaries offered by private sector companies.

## So great

Major private firms, in conjunction with the banks, are now working on schemes which are being presented to the authorities in Pretoria in an effort to bridge the gap, but in the short-term, at least, the disparity is becoming so great that major firms fear considerable staff defections unless the recession prompts nervous employees to stay put.

"If you have a son, let alone a good employee, you have to advise him to work for the government if he wants a house," said one disgruntled computer department manager in the City who said his firm was continually losing highly-trained personnel to perk providers, particularly the insurance giants.

## Key figures

Key figures to consider in a comparison of benefits available to employees of banks, building societies, insurance companies and the State, comprising about 70 to 80 percent of bond payers, of which about 50 percent are State employees, are:

- Interest rates of 2,5 to 4 percent on bonds that would otherwise now attract interest charges of about 20 percent.

- An average new bond amount of R45 100, according to building society figures, for the month of January.

## Disparity

The following disparity results in the case of the average R45 000 bond at 20 percent, repayable over 20 years, assuming for the sake of simplicity that no rebates or abatements pertain and taking interest payments only into account. This would leave the public sector a subsidized bond at 4 percent (although the interest rate is 3 percent for those earning less than R18 288 a year) costing R150 and the unsubsidized bond at 20 percent through a building society costing R750 a

month. The Syfrets scheme includes a cost of R10 a month on amortization of bond registration costs incurred in transferring to the scheme.

The figures in the graph show that it can take twice the salary in the private sector to generate the same take-home pay of a public servant with a 4 percent mortgage bond.

## Implications

But the practical implications are even worse.

None of the private sector employees cited in the table would be permitted to take out a building society bond in the first place because of the stipulation imposed by the societies that repayments must not exceed 25 to 30 percent of monthly income.

Estate agents agree that the huge and widespread bond subsidies are a major factor behind the leap in property prices over the past ten years which has now priced housing out of the reach of most prospective first-time owners in the private sector.

## Distorted

Even the figures relating to bond amounts themselves have been greatly distorted by the subsidies. For example, the average new bond in January was for R45 100, but a married man in the private sector with two children would have to earn a far greater salary than the average, about R52 000, to even qualify for this average bond, particularly when capital repayments are taken into account.

Senior executives in the City maintain that a public service salary of R850 for a holder with a R45 000 mortgage bond would probably be held by a very junior person with relatively few qualifications.

## Same take-home pay

An employee earning R21 400 in the private sector who would end up with the same take-home pay after meeting the monthly unsubsidized bond instalment would probably be a fairly skilled and experienced person in the 30 to 40 age group with a wife and family.

Likewise a person earning R31 800 could be a senior executive of a company selling motor cars or agricultural implements, but take-home pay would be comparable with that of a clerk in the Department of Information with a subsidized bond.

Other objections focus on the irrationality of effectively penalizing some 30 percent of homeowners who do not benefit from subsidies because of where they work.

There is also considerable scepticism on the final form the fringe benefits tax proposals will take when they are incorporated into the Income Tax Bill.

## Phased in

The government is currently proposing to tax subsidized bonds on the basis of the difference between the rate the employee is paying and 12 percent, with the burden being phased-in over a period of seven years for schemes approved prior to March 1st this year.

Mr Neville Berkowitz, editor of the Property Economist, maintains the subsidies also impair productivity in the economy by encouraging people to go for job security in the public service as opposed to other avenues.

## R8-billion

He estimates that close to R8-billion worth of investment capital is sitting in bond subsidies, costing the country about R800-million a year — or about 80 000 new jobs.

The managing director of Syfrets Bank, Mr Brian Button, says its scheme does not offer tax or interest benefits to people earning below about R22 000, but it does make cash available without the constraints of having to find back-to-back finance often required by the building societies, and it also allows for a more flexible repayment pattern to suit the individual's cash flow.

## Prime rate

The actual rate of interest charged by Syfrets to the company for which it is adapting a scheme is related to the prime rate. Its scheme provides improved benefits over a building society bond when repayment of capital and interest, interest only, or a combination of both, are provided. Additional benefits flow from optional link-up with deferred compensation or endowment policies.

Tight money policies introduced by the minister of finance on August 2nd, resulting in a horrific prime rate of 25 percent, have hit the immediate attractions of the Syfrets scheme, but it will look better when prime falls, or conversely, when building society mortgage bond rates rise, which must happen if prime doesn't fall.

## Small firms

Syfrets scheme should also permit employer subsidies in terms of the new legislation, and several large businesses are known to be considering it specifically for this reason.

Left out in the very harsh cold, however, are the self-employed and those in small firms with fewer than four eligible employees.



# Working women in PE earn less money

~~255A~~  
~~355~~  
E. Post  
1/9/84

By GERDA KENYON

WOMEN who work to bolster the housekeeping are better off in Johannesburg than in Port Elizabeth, statistics prove.

That's because working women in the Friendly City earn less than those in other major centres, but have to pay as much for their shopping.

This emerges clearly from details supplied by the Central Statistics Services and a major personnel group.

In some cases Port Elizabeth salaries are as much as 32% lower than those paid in Johannesburg.

An executive secretary who earns R900 in Port Elizabeth could earn R1 327 in Johannesburg (32,2% more) and R1 016 in Cape Town (11,4% more).

A Johannesburg receptionist earns R274 (32,3%) more each month than a receptionist in Port Elizabeth who has the same responsibilities and job description.

Receptionists in Durban and Cape Town earn marginally more than their Port Elizabeth counterparts.

A Johannesburg secretary earns 24% more (R252) — than a Port Elizabeth secretary.

But Port Elizabeth secretaries earn slightly more than their equivalents in Cape Town and Durban — 1,5% and 1,75% respectively.

Bookkeepers in Johannesburg earn 31% more than bookkeepers in Port Elizabeth.

Copy typists in Port Elizabeth earn 29,8% less than copy typists in Johannesburg.

An accounts clerk in Johannesburg earns 18,7% more than an accounts clerk in Port Elizabeth.

Although these incomes vary considerably, a Johannesburg shopper pays R1,97 less for a sample shopping basket of food.

The sample includes flour, oats, milk, bread, rump steak, chuck with bone, wors, a leg of lamb, potatoes, tomatoes, beans, squash, butter and eggs. Prices were based on the Department of Statistics table for June this year.

Port Elizabeth prices were second highest after Cape Town. A Cape Town shopper would pay an extra 30c for the basket of food.

5/9/84 (11/8) (355) (47) D. Desfontaines

## Minimum bakery wage levels extended to 3 Border towns

EAST LONDON — The minimum wage levels for the bread and confectionery industry are to be introduced to three more Border towns.

This move was announced by the Department of Manpower here and will be

effective from September 17.

Originally the minimum limit applied only to East London, King William's Town and Queenstown. The new towns included in the scheme are Aliwal North, Fort Beaufort and Stutterheim.

The minimum wages for the industry will go up from R36,50 a week to R41,50 for general workers in East London and from R32,50 to R33 for King William's Town and Queenstown. The limit for the three other towns will be R30 a week. — DDR.



Department of Agriculture re-  
the following prices in cents re-  
in bulk transactions for produce  
on the Johannesburg Produce  
let yesterday

Vegetables — (Pockets) N Tvl. Class 1  
280 to 350, medium 280 to 350,  
180 to 230. OPS Class 1 large 300  
330, medium 300 to 320, small 160 to  
Class 2 large 250 to 300, medium  
to 280, small 130 to 150

Vegetables — Green Beans (Pock-  
400 to 1 000. (Boxes) 200 to 300  
(crates) 500 to 1 800. (Pock-  
100 to 300. Cabbages (crates) 600 to  
(Bags) 60 to 300. Carrots (crates)  
to 2 000. (Pockets) 60 to 300. Cu-  
(pockets) 100 to 200 (Cartons)  
to 1 800. Cauliflower (Crates). Good  
800 to 1 400. (1/2 crates) 400 to  
Gem Squash (pockets) 100 to 250.  
Squash (sugar bags). Under  
demand good. 800 to 1 700.  
(crates) 400 to 600. Onions  
(bags) Over supplied. Class 2 large  
to 200, medium 300 to 370, small  
to 120. Lowest class 50 to 300, pick-  
100 to 200. Pumpkins (sugar bags)  
to 1 000 (Bags) 1 200 to 1 500. Sweet  
(sugar bags) 500 to 850. To-  
(boxes) Grade 1 ripe 500 to 600,  
500 to 800, green 500 to 650.  
2 ripe 450 to 600, halfripe 400 to  
green 250 to 450. Grade 3 200 to

Fruit — Apples (cartons). Starking  
1. 900 to 1 750, class 2. 700 to  
Golden Delicious class 1. 2 000 to  
Class 2 900 to 1 500. Granny  
class 1. 800 to 1 450, class 2. 700  
1 100 Avocados (trays). Good de-  
Class 1. 500 to 850, class 2. 220  
500. Grape Fruit. Under supplied.  
(bags) 600 to 650. Grapes (double  
Poor demand. (Israel) class 3.  
to 2 500. Lemons (cartons). Under  
demand good. 500. Nartjies  
(layers) 120 to 700. (Single  
150 to 250. Oranges (pockets)  
to 300. Papaws (boxes). Good de-  
250 to 700. Pineapples Queens  
(boxes) 250 to 600. Pears (cartons).  
demand. Large class 1. 1 500 to  
small class 2. 600 to 1 000. Bana-  
(boxes) 1 020 to 1 040. Strawberries  
(boxes) 80 to 180

**the Solution**



**The Star**

Classified 633-2600

# Whale census will go ahead

CAPE TOWN — Scientists and conservationists have overcome a threat to the annual census of the endangered Southern Right whale.

The census, part of the Sea Fisheries Research Institute's whale research programme, will go ahead this year despite a Government decision to halt research on whales.

The institute's decision to end the programme in April this year endangered the census project and all South African whale research, which provides information vital to international research on the sea mammals.

Branches of the Wildlife Society of Southern Africa have raised R1 600 to aid the census as funds from the Sea Fisheries Research Institute are no longer available.

The scrapping of the whale research programme was criticised as "bad science" and a blow to marine nature conservation that would damage South Africa's international conservation image.

## AIRCRAFT TO BE USED

Dr Peter Best, who has gained international respect for his research on whales, was made redundant when the programme was stopped.

He has now been employed by the University of Pretoria's Mammal Research Institute and will carry out the census.

It will start later this month and continue in October, using an aircraft and helicopter, and is being paid for largely by the South African Scientific Committee on Antarctic Research.

The latest edition of African Wildlife says the Wildlife Society, which strongly condemned the scrapping of the research project, decided that the conservation-oriented exercise deserved support from the private sector.

Part of the R1 600 the society collected will go towards the publication of a catalogue of Southern Right whales, individually identified by their markings. — Sapa.

Pay rise  
for Govt  
lawyers

Pretoria Correspondent  
Public service staff with legal qualifications are to get salary increases ranging from about 10 percent to 21 percent.

The Public Servants' Association (PSA) is expected to promise to fight to keep public service salaries competitive.

A spokesman for the Commission for Administration, which handles public service salary matters, today declined to confirm the extent of the salary adjustments but other sources said the increases will be effective from June.

Public service salaries are expected to be among the major topics when the PSA meets for its annual congress next week in the Kruger National Park.

Delegates will call on the Government to keep salaries in line with private sector payments and the cost of living.

Another important discussion at the conference is expected to cover the employment of officials from black groups.

There are signs that the PSA is demanding that the Government spell out its intentions.

the skin of his back.  
Speaking from his hos-  
pital bed George said  
had decided to take  
short cut home through  
the open veld when he  
turning from a walk  
Saturday evening.  
"While I was walk-  
along a path in the veld  
spotted a man coming  
wards me. When he  
about 10 m away  
stopped and produced  
long object which re-  
bled a piece of metal  
ing."  
As the man made  
attempt to confront  
speak to George,  
thought nothing of  
matter and carried  
walking.  
As he approached,  
man suddenly raised  
object and pointed it  
him.  
"I heard a shot and  
immediately felt a burn-  
sensation in the left  
of my chest. I collapsed

Building offenders will be 'ticked'

The chief magistrate of  
Roo-depoort has approved  
the new fines. Some of  
these are:  
● Fines of R100 for the  
following offences: ruin-  
ous and dangerous build-  
ings or excavations, un-  
safe swimming pool,  
building without ap-  
proved plan or revised  
The council has pushed  
By Terry Friend,  
West Rand Bureau

Lashing report to be probed

CAPE TOWN — Allega-  
tions in court this week  
that a Sea Point girl had  
been lashed and subject-  
ed to solitary confine-  
ment at youth reforma-  
tories in the Peninsula  
will be investigated im-  
mediately.

nation in South Africa  
closely, said Mr M Molo-  
ka, the NUM's assistant  
general secretary.  
He said the union had  
also received messages  
of support from the Brit-  
ish National Union of  
Mineworkers, headed by  
Mr Arthur Scargill, and  
from the Liberty Young  
Socialists.

But, according to  
sources close to the  
chamber, a meeting of its  
executive on Monday  
might resolved not to  
budge.  
The NUM has been  
holding a ballot on the  
eight gold mines, where  
the union has agreements  
with the chamber. Seven  
of them are owned by

D. Dispatch 13/9/84  
~~197~~ ~~157~~ ~~155~~ 355

## Wage rise for textile workers

EAST LONDON — The National Industrial Council has agreed to an average increase in minimum wage levels in the textile manufacturing industry of over 16 per cent for urban and over 15 per cent for decentralised areas.

The average increase is applicable to the period between September 1984 to January 1986.

The decision was the conclusion to negotiations between the Employers' Organisation Party, the National Textile Manufacturers' Association, the Textile Workers' Industrial Union and the Textile Workers' Union. The joint managing director of the Frame Group, Mr Selwyn Lurie, said yesterday.

Provision is made for six grades of work classifications in the agreement, specifically defined so that the same minimum levels are applicable to all workers in the same grade irrespective of race or sex.

Mr Norman Daniels, general secretary of the Textile Workers' Industrial Union, said the outcome of the negotiations was satisfactory as far as the worker was concerned, particularly in the light of the prevailing recessionary conditions in the labour intensive heavy textile industry.

He said: "This will greatly assist in stabilising the industry." —  
DDR



# University lecturers pay blues

355 C. T. King  
14/9/84

BY MARTINE BARKER  
Education Reporter

UNIVERSITY lecturers are increasingly anxious over the possibility that they are to receive increases in December that will put them on a lower salary scale than their counterparts at technikons and training colleges — and that they will land up earning less than some school teachers.

While no-one has been able to confirm the matter officially, several sources have indicated that universities will raise lecturers' salaries by only 11,3 percent.

For everyone else in the teaching profession, increases starting at 20 percent are in the pipeline.

Such a situation would mean that lecturers at technikons and colleges and senior teachers in some schools, who are currently on the same pay scale as lecturers at universities, would overtake their university colleagues when the new pay deal takes effect.

In terms of announcements made earlier this year by the three cabinet ministers responsible for education, all educators are to receive increases on December 1.

Increases will in fact be paid out for October and November as well, but because of a shortage of money in the budget for the current financial year, educators will see the money for these two months only in April and May next year.

## Committee of University Principals

A spokesman for the Commission for Administration said yesterday that percentage increases had been laid down for all educators excluding those at universities, where the institutions themselves had "a degree of autonomy" in deciding on staff pay increases.

Universities were given a lump sum. They could deviate from guidelines for its distribution, he said. He could not comment on the increases being considered by universities.

At all other institutions, including technikons, the lowest increase to be paid out will be 20 percent. The average increase will be 22 percent.

Spokesmen for the universities in the Western Cape have said no decisions have been reached yet on the matter.

Rumours have persisted, however, that the matter was raised at the last meeting of the Committee of University Principals. The CUP has given its members guidelines which, it has been claimed, contain the proposal that lecturers should receive only 11,3 percent.

Junior lecturers, senior lecturers and professors are due to receive increases of between 21 and 23 percent, it is claimed.

# Schoolchildren coin a cool R7m as casuals

By Don Robertson

**SCHOOLCHILDREN** earn over R7-million a year doing casual work in supermarkets, cinemas and small suburban shops.

What started out years ago as a fun way of earning extra pocket money, has now developed into big business.

But because this means of earning additional cash is attracting more children to the working ranks, it has left itself open to abuse. A personnel manager from one of the larger groups told Business Times that because of the flood of applicants, "the lowest wages possible can be paid".

Others, such as Edgars, take the matter more seriously and offer comprehensive training in the various working categories.

Exact numbers of working children are difficult to establish as most of the major supermarkets do so on an individual basis at each store and do not have national figures.

However, groups such as Edgars employ between 2 000 and 3 000 schoolchildren and students over high trading weekends, a figure which rises to between 5 000 and 7 000 during the Christmas holidays. Checkers employs about 2 300 casual workers at weekends, while the

Ster/Kinekor group makes use of about 730 children as ushers.

Thousands more are employed by other major groups such as the OK, Pick n Pay and Woolworths where up to 200 children work at weekends at the various stores around the country. Dion's prefers to use university students on a casual basis and employs only a few schoolchildren.

Allied Publishing employs a large number of children for the distribution of newspapers.

In all, it is estimated that about 50 000 children are employed by the various companies during the week and on weekends, with each scholar putting in about 8 hours at an average salary of R2 an hour.

On this basis, schoolchildren earn about R800 000 a week or R7,2-million a year for that bicycle or tape recorder.

Many companies are reluctant to discuss their use of casual labour.

And Emma Mashanini, general secretary of the Commercial Catering and Allied Workers' Union, is very much against the use of child labour.

She points out that schoolchildren often take jobs which could have been given to fulltime workers and feels that the additional work involved also hinders the children's advancement at school.

The minimum legal wage payable to casual labourers in stores is R1,43 an hour in the main centres and R1,23 in the smaller centres and no worker may be employed for more than 25 hours a week or more than three days a week.

Ster/Kinekor pays a minimum wage to ushers of 83c an hour, but must pay this for three hours' work, even if a shift does not last this long. It also provides transport home after a film.

Most companies, however, pay more than the minimum and an average wage of about R2 an hour is more usual. At Edgars, many children have been employed on a casual basis from standard eight or the age of 16 through to completion of their university studies. These "qualified" workers earn considerably more than the minimum.

Legally, casual labour must be paid one-and-a-third the hourly wage paid to fulltime workers, but many employers do not stick to this requirement. By law, the hourly wage paid to cashiers should be R2,97, based on the minimum rate of R436 paid to fulltime cashiers.

The most common jobs held by schoolchildren are as cashiers, which command a higher wage, as well as packers behind a till or loading shelves and serving behind specialised counters in supermarkets.



# Motor men win 22 pc rise

Labour Reporter

## LABOUR BRIEFS

Motor components workers at Dunair Pty Ltd in Brits have won a 22 percent wage increase after negotiations between the National Automobile and Allied Workers' Union (Naawu) and management.

The new minimum wage at the company is R1,70 an hour, 59c more than the minimum set by the Industrial Council agreement for the motor industry.

Naawu members received a 17 percent rise in January. The latest increase brings the total increase for the year to 39 percent.

"While the new minimum falls far short of the union's R3,50 living wage demand, it represents a major improvement in the living conditions of our members," said a Naawu spokesman.

● "Emerging unions in the Western Cape" is the title of a seminar to be held in Cape Town on October 4 by Andrew Levy and Associates.

Areas which will be addressed by a panel of labour consultants, lawyers and unionists include the closed shop and inter-union rivalry.

Speakers at the seminar will include prominent labour lawyers Mr Halton Cheadle and Mr John Brand, and Mr John Copelyn of the National Union of Textile Workers.

● As married women play an increasingly active role in economic life, the trend is towards smaller families.

This is the finding of a study by the International Labour Organisation into the relationship between fertility and female employment levels.

In Eastern European countries, where over 70 percent of women of child-bearing age have full-time jobs, the fertility rate averages 2,2 births a woman.

The researchers found that although there was a large measure of equality in the workplace, the sexual division of labour at home remained unchanged.

Women returned home from a full day's work to face more work, but men rarely did.

The fertility rate remained low in spite of State family allowances for children, six months' paid maternity leave for working mothers and unbroken accumulation of social benefits such as pension funds.

When new programmes were announced, there was always a marked increase in birth rate, the researchers found.

# Public Servant defends housing subsidies

Staff Reporter

AN EDITORIAL in the latest issue of the Public Servant, official magazine of the 50 000-strong Association of Public Servants, hits out at the "increasing number of voices raised against housing subsidies, particularly those of public servants".

It was apparent that public servants' subsidies were not the cause of high house prices, it said. Several facts were quoted to back this up.

Only eight percent of state employees — reported by the Burger to number 840 000 — received housing subsidies.

The value of these subsidies formed "only about three percent" of the state's total remuneration of its employees. The proportion of bondholders who were public servants was only five percent last year, and this figure had been declining over the years.

## Subsidies

House prices along the coast from Durban to Cape Town had risen even more than had those in metropolitan areas. There was little or no difference between house prices in Pretoria and Johannesburg, yet far more public servants lived in Pretoria.

Subsidies were limited to only the first R50 000 of a mortgage bond, and the average price of bare plots in the metropolitan areas "about R50 000". Public servants could only get a subsidy if they lived in a completed home.

High material, labour and service costs, as well as the scarcity of plots, were the cause of rising house prices, the editorial said. "It will be a sad day if employers are forced to stop helping their employees to become homeowners, thus ensuring that they have a roof over their heads in their old

Home ownership, the only security the salary- and wage-earner had in an inflationary world, would in the long term save the treasury millions in institutional care, it said.



Quarter's salaries top R2 bn

# Public service wage bill soaring

By Sue Leeman,  
Pretoria Bureau

Salaries for the nearly 900 000 public servants in central government as well as provincial and local authorities topped the R2 billion mark for the second quarter of this year alone, according to figures compiled by Central Statistical Services.

And figures released yesterday show that the public service has been growing steadily since last June, when its establishment was closer to 870 000 and the salary bill a more moderate R1,6 million.

The Government has been systematically increasing public service salaries according to occupation group in an attempt to halt the drift of public servants to the private sector.

## Grown by 50 percent

But, in spite of ups and downs, the size of the civil service is estimated to have grown by almost 50 percent over the past six or seven years.

According to CSS figures, central government now employs more than 394 000 people, 153 000 of whom are white and earned a total of R576 million in the second quarter of this year.

Black employees of central government number about 152 000 but they earned only R196 million in the same period.

Provincial administrations employ about 264 000 people with the Transvaal employing most — 116 000.

A total of 235 000 people is employed by local authorities.

In addition, more than 30 000 people are employed by various statutory bodies including the CSIR, the Hotel Board, regional Performing Arts Councils and the State Library.

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slow

2/10/84

7/10/84 (355) ~~2003~~ BY ~~18~~ HENRY LUDSKI B.S. Times

**THE Government's new teacher salary structure came under heavy fire from many principals this week when it was discovered that only certain of them would receive increases backpaid to January.**

Others would receive this would mean, in effect, that post-level-five, D-category principals, with matric and four years training, and those teaching at schools with more than 600 pupils during the past six months, would receive pay packets totalling several hundred rand more.

This has angered many principals, as they feel they are being discriminated against, several saying this week they felt they were doing the same work and should receive the same backpay at the same time.

Other principals have also attacked the back-pay scheme as discriminating against up-country schools, which generally have less than 600 pupils. "I think it is very unfair," said one disgruntled up-country principal.

## Anger

This is a further source of unhappiness as the other categories of teachers and principals would receive their backpay only in April.

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Human Sciences researcher's study reveals:

# Doctors, lawyers and accountants earn most

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8/10/84  
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By Andrew Beattie,  
Pretoria Bureau

The occupations of medical specialist, chartered accountant, lawyer and attorney are the most remunerative, reveals a study by Mr D Ebersohn, of the Human Sciences Research Council.

Mr Ebersohn conducted a study on these four professions, as well as the occupations of doctor, quantity surveyor, town and regional planner, dentist and veterinary surgeon.

All these occupations are accessible to men

and women from all population groups, but are mainly practised by white men.

Women account for one out of every 20 in seven of these occupations, whereas one out of every 10 veterinary surgeons and one out of every six doctors is a woman.

There are about the same number of Afrikaans-speaking and English-speaking attorneys and advocates, dentists and veterinary surgeons, but more English-speaking doctors (59 percent), chartered accountants (75 percent) and quantity

surveyors (six percent).

Sixty-two percent of the town and regional planners are Afrikaans, said Mr Ebersohn.

The opportunity to start one's own practice appeared to be good, Mr Ebersohn found, seeing that half of the doctors, quantity surveyors and veterinary surgeons had their own practices.

Furthermore, 87 percent of the attorneys, 80 percent of the lawyers, 73 percent of the chartered accountants, 67 percent of the medical specialists and 76 percent of the dentists were in pri-

vate practice.

Mr Ebersohn also found that except for town and regional planners and dentists, the salary level of each of the occupations studied was higher than that of other graduates.

Occupational guidance was given for all these careers, and there was only a slight loss of people in these occupations to other occupations.

In addition, manpower surveys had shown that personnel shortages existed at present in all nine of these occupations.

Human Sciences researcher's study reveals:

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355  
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# Accounts staff salaries up — survey

By ROBERT GREIG

SALARIES of accounts office staff rose more than other categories of office staff, says a third quarter survey of starting salaries conducted by Kelly Personnel.

The survey comments that recession has made no impact on the demand for skilled office staff.

"Two categories that have shown significant increases over the last quarter are bookkeepers and accounts clerks.

"Overall, bookkeepers' salaries have increased by 3,1 percent and accounts clerks' by 5,1 percent over the last quarter.

"This rise may well be attributed to the increased demand for skilled accounting staff by companies who are intent on tightening their financial control to ensure that they weather any recession."

Largest increases for

bookkeepers were on the East Rand (8,5 percent) and the West Rand (12,5 percent).

Above-average salary increases for accounts clerks were noted in Pretoria (9,3 percent), Cape Town (7,8 percent) and the West Rand (7,4 percent).

The Kelly survey also says that salaries for executive secretaries have continued to rise, reflecting an apparent shortage.

In addition, for the first time East Rand salaries are on the same level as Johannesburg starting salaries.

● Average salaries for office workers in Cape Town are significantly lower than the equivalents in Johannesburg, the Rand, and Pretoria and marginally higher than those in Durban, though switchboard operators' average salaries are higher in Durban than Cape Town.

## EXECUTIVE SECRETARY/PA

Works for top management.

AREA	AVERAGE SALARY
Jhb	R1 283
E Rand	R1 285
W Rand	R1 057
Pretoria	R1 020
Cape Town	R1 050
Durban	R 938

## SECRETARY

AREA	AVERAGE SALARY
Jhb	R1 009
E Rand	R 975
W Rand	R 851
Pretoria	R 850
Cape Town	R 814
Durban	R 811

## COPY TYPIST

AREA	AVERAGE SALARY
Jhb	R 813
E Rand	R 786
W Rand	R 716
Pretoria	R 770
Cape Town	R 706
Durban	R 600

## GIRL FRIDAY

AREA	AVERAGE SALARY
Jhb	R 810
E Rand	R 771
W Rand	R 753
Pretoria	R 736
Cape Town	R 701
Durban	R 670

## RECEPTIONIST/ SWITCHBOARD OPERATOR

AREA	AVERAGE SALARY
Jhb	R 776
E Rand	R 763
W Rand	R 666
Pretoria	R 737
Cape Town	R 605
Durban	R 627

## BOOKKEEPER TO TRIAL BALANCE

Writes up books and accounts. May be in charge of clerks.

AREA	AVERAGE SALARY
Jhb	R1 217
E Rand	R1 201
W Rand	R1 106
Pretoria	R 972
Cape Town	R 883
Durban	R 852

## ACCOUNTS CLERK

Includes debtors, creditors and bank reconciliation clerks.

AREA	AVERAGE SALARY
Jhb	R 908
E Rand	R 856
W Rand	R 724
Pretoria	R 738
Cape Town	R 720
Durban	R 653



# Fringe-benefits packages, not just salary increases, will be the norm in future

## Financial Staff

Individualised, flexible fringe-benefits packages, rather than salary increases, will become the norm in future, across a far broader base.

In the process, management will have to become more professional in approaching remuneration packages to ensure maximum benefits for employee and employer.

So predicts Ben Milner, tax expert and MD of a new specialist tax and remuneration firm, Paul Tingley Tax and Remuneration Services, within the Paul Tingley Selection group.

Badly structured fringe benefit packages

could lead to a later, more costly re-assessment of the overall remuneration programme.

Milner, who this year published a layman's income tax guide sponsored by the Liberty Life, has just completed a reconnaissance of the US remuneration market and is convinced SA lags in its thinking.

"The flexible benefit approach to remuneration is highly sophisticated in the States.

"Employees talk in terms of individual packages, tailored to suit their specific needs and to minimise tax liability," says Milner.

"They look at things

from a tax-effective and corporate cost effective viewpoint."

Employees focus on security benefits such as contributions to medical aid, pensions, retirement funds and disability insurance. Executives tend to contribute to such benefits far beyond SA counterparts.

"Unlike South Africans, they can choose their package from benefits consisting of cash and statutory non-taxable benefits."

Housing loans are less common in America because housing interest payments are tax deductible. But overall the US system is far more flexible and broadly based.

In SA the problem of fiscal drag places a married earner in the maximum marginal tax rate of 50 percent at R40 000 a year. In the US the maximum marginal rate is also 50 percent but applies only at R109 400 — if the salary earner chooses to file jointly with his wife's earnings.

## DOWNTURN

"Not long ago R40 000 was good. Today it's not unheard of for lower echelon executives or artisans to be earning such money.

"It is precisely these lower echelons, in the service sector generally and among institutions in particular, where across-the-board shortages of some 20 percent are still being experienced notwithstanding the business downturn."

Recently PTS advertised nationally for a R3 000 pm vacancy with car for an unqualified accountant. Response was very poor.

The shortage of people in recession solving skills is acute.

Anybody with income generating or cost control experience is in high demand, for instance marketing and sales personnel, accountants, data processors, finance and administration people.

There is also a shortage of specific industry-related knowhow, such as insurance risk management and engineering insurance.



# Threat to F jobs mars clothing pay deal

By ROBERT GREIG

**CHRISTMAS** spending in the Western Cape is likely to rise after a new wage agreement in the clothing and knitting industry, but jobs are in danger.

The agreement, effective from December 13, will put R10-million, including holiday pay, in the pockets of 62 000 workers up to July 1985.

But industry spokesmen warn that reduced consumer demand and rising costs could mean that smaller employers might have to lay off staff.

In terms of the agreement, announced yesterday by the Industrial Council for the Clothing Industry (Cape), minimum wages of qualified machinists will rise to R64 a week from December 13 — a 12,5 percent increase. Qualified machinists form the bulk of the industry's work force.

In 1985, their wages will rise to R72 and on July 1, 1986, to R77 a week.

In the two years to December 1986, machinists will receive a cumulative increase of 32,7 percent, of which 15,5 percent will be in 1985.

The agreement includes higher termination pay and increased Sick Fund and Provident Fund contributions.

Signatories are the Cape Clothing Manufac-

turers' Association, the Cape Knitting Industry Association and the Garment Workers' Union.

"All these increases will inject tens of millions of extra spending power into the economy of the Western Cape over the next two years," said the chairman of the council, Mr A M Rosenberg.

"Holiday pay will be calculated at the new wage rates, and the thousands of workers in the industry earning wages in excess of the minimum rates will benefit, as the wages negotiated tend to ripple through the industry, affecting all wage-earners."

Employers and employees alike welcomed the agreement. They also warned that the coming year would see increased unemployment, especially among smaller firms less able to absorb higher costs.

The general secretary of the Garment Workers' Union, Mr L Petersen, said it was "a very good agreement". But he added that widespread unemployment was expected next year.

The chairman of Sear-

del Investment Corporation, Mr Aaron Searll, said the terms of the agreement were justified. Searll employs 10 000 workers in the Western Cape.

He said employers had a responsibility to lift the level of wages. However, he warned that the time had come when the industry could no longer absorb increases unless productivity improved.

Mr Searll said the increase was "double-edged" in that it would probably affect the fortunes of smaller firms.

Mr R Malcolm, managing director of Bonwit, which employs 2 200 workers, said the agreement was fair. He said it was company policy not to lay off staff.

A spokesman for Asso-com, Mr Vincent Brett, said from Durban that though he was not fully acquainted with the industry, "it would appear that employers and employees are forcing themselves out of existence".

"Such an increase, with the downturn in the economy, is likely to exacerbate unemployment," he said.

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# Big pay rise for builders

By PAUL DOLD  
Financial Editor

THE Western Cape building industry has awarded major pay increases to its 36 000-man labour force which is part of a new deal to upgrade the industry's productivity.

The increased pay for 10 000 artisans and 26 000 labourers will be a significant boost to the Western Cape economy ahead of the Christmas season.

The chairman of the Industrial Council for the Building Industry, Mr Harry McCarthy, announced yesterday that agreement had been reached with the unions for the minimum wage of artisans to be increased by 22.4 percent and unskilled workers by 24 percent effective from mid-November.

Mr McCarthy emphasized that the increases did not mean a similar jump in building costs. Many workers are being paid far above the minimum wage. The increases include substantial travel and inclement weather allowances which have not been increased for a number of years.

Negotiations with the Building Workers' Union, the SA Woodworkers Union, the Amalgamated Society of Woodworkers, the Amalgamated Union of Building Trade Workers and the South African Operative Masons' Society began nine months ago.

The minimum hourly wage for artisans (the industry works a 40-hour week) is R4,30 an hour while labourers receive R1,75, with fringe benefits.

The increases are linked to a restructuring of labour within the national industry, providing for 3 levels — artisan, craftsman and master craftsman.

In future skilled workers will only be recognized once they have completed either a three-year apprenticeship or a four-year term of learnership at the new Building Industry Training College at Belhar.

# Hard times as pay increases trimmed

PAY increases will fall behind inflation again next year.



Jane Ashburner ... not many will be happy

By Angus Macmillan

Few pay-packets will be boosted by more than 10% and inflation is likely to exceed 14%.

Most employers are pessimistic about their financial fortunes for at least the first half of next year and their gloom will be reflected in January pay cheques.

Those interviewed by Business Times declined to disclose the increases they will award in January.

## Cautious

Remuneration consultants say most pay rises will be lower than they were this year, but they dismiss rumours that many employers will not increase salaries by a solitary cent.

FSA management consultant's remuneration director, Olaf van Schalkwijk, says pay policies can change quickly if corporate fortunes alter.

"Some employers will be cautious in January, but may award increases later if their

returns look better in the middle of the year.

"But if the economy doesn't improve in 1985, salaried workers will be worse off than they were this year."

## Generous

Using P-E Corporate Services' scale of average increases over the past four years, anyone earning R16 000 in 1980 and now receiving R30 000 has kept ahead of inflation, thanks to generous increments in 1980 and 1981.

This middle-manager's salary has almost doubled from R16 000 in 1980, but in the past two years inflation has caught up and looks set to overtake his increases in 1985.

Pay increases across the board averaged 16% in 1980.

At the beginning of this year, most paymasters were adding about 12% to pay-packets. Between 12% and 15% was generous, and under 10% was mean.

P-E's Jane Ashburner says anything over 10% will be generous next January and expects most increases to be in the 7% to 9% bracket.

"Certain skills aside, not many employees will be happy with their January pay-slips."

More bad news is that actual increments usually lag behind the forecasts. Most salary survey questionnaires ask for predictions based on the consumer price index staying within a certain band and no significant change in employment prospects.

## Spending

If inflation burgeons and companies continue to lay workers off, predictions made in July could be well off the mark by the end of the year.

Barclays economist Johan Cloete says inflation will soon be back to the 14,5% of two years ago unless the rand continues its fightback and Government spending is arrested.

Some companies employing workers on short contracts are laying them off before Christmas to avoid paying bonuses.





GWU's Lewis fighting layoffs  
 FM 16/11/84 375

legal strike since November 2. The plant has been brought to a standstill as workers who are members of two other unions — the SA Boilermakers' Society and the Electrical Industrial Workers' Union (EWIU) — are also out.

Tensions at the plant have been building up for some time. Mawu originally declared a dispute some months ago because of Wispeco's refusal to negotiate substantive issues with the union at plant level. The company states that it is not prepared to support plant-level bargaining on issues that are covered in the main agreement of the giant National Industrial Council for the Iron, Steel, Engineering and Metallurgical Industry.

Wispeco subsequently retrenched 95 workers from all three unions, including a senior Mawu shop steward, and refused to negotiate on severance pay with Mawu outside the industrial council. This brought matters to a head, and Mawu members, who had qualified to go on a legal strike because of the council's failure to settle the dispute, downed tools.

Says Mawu's Geoff Schreiner: "The position adopted by Wispeco is totally naive and unworkable ... collective bargaining has to take place at a whole range of different levels, depending on the issues to be negotiated. This is the pattern that has developed internationally, and even Seifsa has suggested that matters such as severance pay could be negotiated at plant level. The workers are caught in a situation in which Seifsa is saying one thing and the company another."

Schreiner drew a parallel between this dispute and a legal strike which occurred some months ago at another Durban metal

company, Hart, in which the issue was also plant level versus industrial council bargaining. The Hart dispute was resolved when management agreed to negotiate a long-service allowance for workers at plant level.

A Wispeco spokesman countered that agreement had been reached with the boilermakers and the EWIU that retrenched workers would receive payment for 10 shifts in lieu of notice. "Management cannot agree to demands that would result in employees with a different union affiliation receiving different benefits," he said.

At Dorbyl Marine, between 250 and 300 members of the General Workers' Union (GWU) have been on strike for the past month over the retrenchment of 15 employees, among them the plant's senior shop steward, Winnett Dlamini. GWU's Dave Lewis has accused the company of victimising Dlamini. The union has lodged the dispute with the metal industrial council and has applied to the Industrial Court to have the workers reinstated.

The union claims it has warned the company's board of directors in the past that Dorbyl's retrenchment policies would lead to conflict. Lewis says the conflict is caused by three provisions of Dorbyl's retrenchment procedures:

- ☐ The company gives as little notice as possible of retrenchments. This prevents full discussion on alternatives to retrenchment. In this case, the possibilities of voluntary early retirement by some employees and the relocation of others were not considered;
- ☐ It does not follow the system of last-in, first-out (lifo) properly. Many of the 16 who were laid off, including Dlamini, were long-serving employees. They were retrenched because they had only recently been transferred to new departments and were regarded by management as first in; and
- ☐ Retrenched workers do not receive severance pay and are normally given only one shift's notice.

Dorbyl says the retrenchments were carried out in terms of a procedure agreed to between the company and the union. The required two weeks' notice was given to the union and alternatives were discussed "at length." Management has also denied that the lifo system was being instituted unfairly.

In a statement, Dorbyl said: "Since the dismissals, many employees have indicated that they wish to return to work, but fear intimidation." The company states that a number of violent incidents have occurred.

## LABOUR DISPUTES

### Retrenchment ripple

Layoffs in the metal industry have become a major point of contention between trade unions and employers, as two current strikes in Durban vividly illustrate.

At window-frame manufacturer Wispeco, which is a member of the Steel and Engineering Industries Federation of SA (Seifsa), 300 members of the Metal and Allied Workers' Union (Mawu) have been on a



# Two issues behind official salaries

CAPE TOWN 17/11/84 (353)

By  
**MICHAEL ACOTT**

THERE are two important issues behind the current row over large gratuities paid to President P W Botha and other former cabinet ministers.

□ The sort of salaries and benefits which should be paid to the people who run the country.

□ Who should be the final arbiter of what is fair and just.

It is these related questions which should be under examination, not the amounts which have made headlines over the past few weeks.

They are far more important than the party-political squabble which has broken out simply because Dr Andries Treurnicht's Conservative Party is trying to pick up some Nationalist votes in this month's by-elections.

## Service

Taxpayers should look beyond CP smear tactics and innuendoes of ministerial self-enrichment to the real issues. When the by-election campaigns are over, the whole matter can be looked at more coolly.

The CP has done some service in raising the issue, but deservedly discovered that when it tried to point fingers it found fingers pointed back at them. When it comes to parliamentary pay and benefits it, like the Progressive Party and now the members of the coloured and Indian chambers as well, are involved too.

The CP has forced a public debate on ministerial and parliamentary pay packets, which the government had hitherto regarded as personal.

Both Mr Botha and his



President  
P W Botha



Dr Andries  
Treurnicht



Dr Ferdi  
Hartzenberg

predecessor, Mr John Vorster, took issue with journalists who published the prime minister's salary. Now the salaries of the State President, cabinet ministers, deputy ministers and MPs have been publicized by the government in an attempt to refute the CP attack.

This is as it should be, because they are paid from public funds and taxpayers are entitled to know what they earn.

The facts, as released by the government, are that Mr Botha was paid a gratuity of R303 000 on stepping down as Prime Minister from September 3 and September 9, when he was Acting President without salary because none had been determined, he was paid a pension at the rate of a prime minister's R78 000 a year salary.

This pension ceased when he became State President on September 9, with a salary and allowances totalling R114 000 annually.

All these payments took place in terms of the Members of Parliament and Political Office-bearers Pension Scheme Act passed earlier this year.

This stated quite clearly that a former Prime Minister would be paid a pension equal to his pen-

sionable salary and a gratuity equal to three times his pensionable salary.

It also provided that someone becoming State President would be entitled to gratuities and benefits for former parliamentary service, but not a pension. Gratuities and benefits were originally excluded as well, but this was deleted during the legislation's passage through Parliament.

## Unhappiness

The CP, which started the row about "huge" amounts paid to Mr Botha, appreciated the benefits payable to members of the Assembly but opposed the whole Bill on principle because it was applicable to a "multiracial" Parliament. During the clause-by-clause committee stage debate, however, they raised no objection to either of the provisions they knew would affect Mr Botha personally.

It has since emerged that Dr Treurnicht and his CP deputy leader, Dr Ferdi Hartzenberg, both received large gratuities as former cabinet ministers in terms of the same legislation. Dr Hartzenberg has said his payment was R57 000, but Dr Treurnicht refuses to disclose his gratuity.

If, at a time of financial stringency, there is any

public unhappiness at the scale of these payments, it applies to the CP as well.

Public opinion is the key to fair payments and benefits for politicians. This requires a deliberate government effort to inform the public through regular statements when pay scales are increased.

By international standards, our MPs and cabinet ministers are not overpaid. MPs often have abandoned promising and lucrative private careers for a position with no job security. The average term of an MP since Union in 1910 has been just over seven years.

Cabinet ministers running huge government departments earn less than top industrialists and few senior businessmen would take on the hours, the worry and the responsibility of Mr Botha's job for R114 000 a year.

If people do not think particular ministers are worth their money, the answer is to press for different ministers not different salaries.

But, instead of the public being told the pay scales, there are announcements of "adjustments" without any detail. Ministerial salaries are published in the budget estimates, but the government discourages

both press coverage and parliamentary debate on these figures.

Salaries for ordinary MPs and President's Councillors are not officially disclosed at all, being hidden in total amounts.

The current debate, however, is more about pensions and gratuities than salaries. The public is entitled to know more about politicians receiving both a State pension and a State salary.

Dr Treurnicht and Dr Hartzenberg received gratuities for their cabinet service while still being paid for their present positions. Mr Botha was President-elect and had apparently protested against his gratuity but was overruled by the cabinet.

MPs, some of them with long service, moved to the President's Council and received both a parliamentary pension and a President's Council salary equal to an MP's pay or, in the case of committee chairmen, equal to a cabinet salary.

There may be good reasons for this. On the other hand, the public may feel that politicians should be entitled to pensions and gratuities only when they have retired completely.

The important principle is that the public must be the judge. This requires openness and a willingness to submit the payments to public debate.

If the public is made the judge, politicians might be surprised at the degree of public endorsement of their pay scales.

The lesson of the past few weeks is that scandal-mongering is possible only when payments are kept secret, when accusations can be made that those involved are afraid of public opinion.



P W Botha's gratuity 'seems remarkable'

# Slabbert wants new look at MPs' pay

By Peter Sullivan

STAR 14/11/84 354 350

The Leader of the Opposition, Dr Van Zyl Slabbert, has called for an apolitical team of businessmen and judges to decide politicians' salaries in the wake of the furore over the R303 000 gratuity paid to former Prime Minister Mr P W Botha.

"I don't believe it is appropriate for parliamentarians to decide on their own conditions of employment and their own gratuities," Dr Slabbert said.

Last night the leader of the National Party in the Transvaal, Mr F W de Klerk, released details of the payment made to Mr Botha when he relinquished the office of prime minister and became State President. He confirmed the figure calculated by the *Sunday Star* but attacked the newspaper for claiming that it was "secret".

Dr Slabbert, who returned yesterday from a two-week visit to Europe, was asked why his party had supported the move to pay Mr Botha the controversial gratuity when the matter was raised in Parliament earlier this year.

## Extraordinary agreement

Dr Slabbert said he could not recall the circumstances but it seemed an extraordinary agreement for them to have made.

"I believe you can have an independent committee or commission of reputable people — judges, top civil servants and businessmen — who can, on a comparative basis, work out a salary scale and conditions of employment for parliamentarians that would be comparable to the remuneration for a similar job in the private sector."

He said the matter of politicians' remuneration became a "hardy annual" coupled with accusations that they were enriching themselves at taxpayers' expense.

"We must remove this from our ambit, especially during economic austerity when everyone is having a difficult time. It is inevitable that this sort of thing will generate a great deal of unhappiness and resentment."

Dr Slabbert said the amount of the gratuity paid to Mr Botha seemed "remarkable".

Asked about criticism of the Progressive Federal Party for supporting the move, he said: "Quite frankly, I'm not sure of the specific circumstances under which this agreement took place. I would have to go back to the records."

"But, it seems to me an extraordinary agreement for us to have made. I don't deny the State President or any other such figure compensation or a gratuity but this one would seem quite remarkable."

● See Page 3, World Section.

# Press berated for 'attack on Botha'

By David Braun,  
Political Correspondent

STAR 14/11/84

The Government last night released full details of all remuneration payable to public representatives, including that of the State President, Cabinet Ministers and members of Parliament.

At a Press conference in Pretoria, Minister of Home Affairs Mr F W de Klerk and Acting Minister of Health and Welfare Dr Lapa Munnik said that all the facts were available in public documents.

Their conference was called after what the Government had described as an unprecedented attack on the integrity of the South African head of state in the wake of Conservative Party allegations that President Botha received huge cash payments when he changed his job from Prime Minister to his present role.

Other former Ministers, including Chairman of the President's Council Dr Piet Koornhof and President's Councillor Mr Pen Kotze, were also said to have benefited from handsome payments.

Mr de Klerk and Dr Munnik railed at the Press for publishing speculation and insinuations about salaries and gratuities payable to Mr Botha and other political office-bearers.

The contents of newspaper reports, they said, ranged from the ill-informed to malicious, and in

the process statements had been made which were totally devoid of truth.

It was against this background that the Government "considered it necessary to eliminate all uncertainty about the facts, and to expose the flagrantly incorrect reports", they said.

The Star and its sister newspaper the Sunday Tribune were singled out by the Ministers for particular criticism, while they questioned the integrity of newspapers generally.

There were two elements in the remuneration of public representatives, they said — salaries and allowances, and pensions and gratuities.

Salaries and allowances were reflected in the budgets of the Ministers of Finance, Transport and Communication, and Parliament approved them.

## PENSIONS AND GRATUITIES

Pensions and gratuities were provided for in terms of the Act on the Pension Scheme for Members of Parliament and Political Office-bearers (112 of 1984).

Dr Munnik said it was surprising that journalists had not been able to look up these items, and their failure to do so pointed to a low standard of journalism in South Africa.

Suggestions that the president awarded himself a gratuity or salary increases were untrue, the Ministers said. Mr Botha had in fact always resisted any proposal with regard to salary and gratuity due to him which could have been interpreted as self-aggrandisement.

An example of this was his refusal to accept an increase in the salary of State President, in spite of the increased workload the office assumed in its executive role.

The State President also flatly rejected a proposal that the law should be modified for him to receive compensation for the greater workload by means of a pension for his premiership.

Mr Botha furthermore strongly resisted the payment of any gratuity legally due to him when he vacated the office of Prime Minister, but Cabinet colleagues prevailed upon him "not to personalise his decision in respect of gratuities". The reason for this was that a State President at the time of vacating office did not qualify for any further gratuity, they said.

The Ministers said that the newspapers and individuals who had attacked Mr Botha on a personal basis and cast suspicion on his integrity owed him an apology.

(Report by David Braun, 47 Sauer Street, Johannesburg.)



# Who is paid what in the SA Parliament

By David Braun,  
Political Correspondent

The State President, Mr P W Botha, is paid a total of R109 000 a year from public funds, according to figures released officially last night.

This is exactly the same amount paid to the former largely ceremonial State President, in spite of the incorporation of the post of Prime Minister into that of head of state under the new Constitution.

The amount includes R84 000 salary plus R25 000 allowance.

Corresponding figures for Cabinet Ministers are R59 000 salary, R19 000 allowance; Deputy Ministers — R45 000 salary, R19 000 allowance; members of Parliament — R27 000 salary, R16 000 allowance.

Parliamentary office-bearers such as the Speaker, chairmen of Houses and Whips get vary-

ing amounts, depending on status and responsibilities.

When Mr Botha was Prime Minister he received R114 200 a year in salary and allowances. This was made up of R78 000 salary, R23 000 expense allowance and R13 200 household allowance.

When he vacated the office of Prime Minister he received a gratuity of R303 000, which in terms of the law was fixed at three times his pensionable salary.

As State President, Mr Botha is not entitled to a pension from his premiership, and has received no pension since becoming head of state. He drew a pension only from September 5 to September 13, between his resignation as a member of Parliament and his inauguration as president. He did not receive a salary during that period.

(Report by David Braun, 47 Sauer Street, Johannesburg)

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# Gratuity: Minister discloses full sum

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CARE TIMES 14/11/84

Own Correspondent

**JOHANNESBURG.** — The government last night disclosed that the State President, Mr P W Botha received a cash gratuity of R303 000 when he stepped down as Prime Minister this year, and lashed out at press reports on the row over pensions and gratuities for public representatives.

It was also disclosed that Mr Botha was not entitled to a Prime Minister's pension, although reports had claimed he had turned it down.

At a special press conference in Pretoria last night, the leader of the National Party in the Transvaal and Minister of Home Affairs, Mr F W de Klerk, said he had been misquoted in newspapers which had reported him as saying Mr Botha's gratuity was only "slightly higher" than a figure of R241 000 quoted by the Conservative Party to attack the NP in the Primrose by-election.

#### 'No secrecy'

He said the same reports had incorrectly given the impression that he had said Mr Botha was entitled to a Prime Minister's pension but had turned it down.

At last night's briefing, called in an attempt to defuse what has become a major issue, Mr De Klerk also:

- Castigated sections of the English press for the manner in which they had reported and commented on the controversy.

- Denied that there was anything secret about payments to public representatives.

- Challenged all opposition parties to "have

the courage" to accept joint responsibility for the legislation which makes provision for financial benefits to public representatives.

- Detailed the salaries and allowances of the State President, Ministers, Deputy Ministers and MPs.

Much of the briefing was devoted to attacking sections of the press for reports, which Mr De Klerk said "ranged from the ill-informed to the malicious".

The government had therefore decided to "eliminate all uncertainty about the facts and to expose the flagrantly incorrect reports", he said.

Denying any secrecy, Mr De Klerk said decisions on financial benefits were taken after public debate and were detailed in legislation.

"This means that the media should at all times be aware of the relevant information which is readily available to them," he said.

Mr De Klerk said the "media attack" was led by newspapers supportive of the Progressive Federal Party "against the official and quite correct point of view taken by the main PFP spokesman on finance, Mr Harry Schwarz".

He added that when the legislation affecting this issue had been dis-

cussed in Parliament earlier this year, there had been "no significant negative press comment".

"Equally interesting is the fact that Hansard (the official parliamentary record) shows beyond doubt that not a single opposition party objected to the contents of any incumbent's remuneration package."

A cabinet proposal that the relevant law be amended to make it possible for Mr Botha, as State President, to receive a Prime Minister's pension, to compensate him for the "greater workload" of his new office, had been rejected by Mr Botha.

He had also resisted the payment of a gratuity to himself but had been persuaded by his cabinet colleagues to take the money, Mr De Klerk said.

Asked to comment on the acceptance by Mr Botha of a gratuity in the present economic climate, he said Mr Botha was obliged by law to accept it and was entitled to the money as much as any person retiring at this time.

He added that the savings in one year on the post of Prime Minister, which had been scrapped, was more or less equal to the gratuity paid to Mr Botha.



# Details given of salaries and allowances

Own Correspondent  
JOHANNESBURG. — Details of salaries and allowances paid to the State President, Cabinet Ministers, Deputy Ministers and MPs were disclosed last night at a press briefing in Pretoria by the Transvaal National Party leader and Minister of Home Affairs and National Education, Mr F W de Klerk.

In a bid to counter the serious controversy that has developed on the issue of pension and gratuity payments to the State President, Mr P W Botha, Mr De Klerk released information which showed:

- The State President earns an annual salary of R84 000 and allowances of R25 000.

- Ministers receive salaries of R59 000 and

allowances of R19 000.

- Deputy Minister receive salaries of R45 000 and allowances of R19 000.

- MPs receive salaries of R27 000 and allowances of R16 000.

Mr De Klerk said all salaries and allowances were reflected in the budgets of the ministers of finance, transport and telecommunications.

Pensions and gratuities were determined in terms of the Pension Scheme for Members of Parliament and Political Office Bearers' Act of 1984.

Last night's briefing was also attended by the acting Minister of Health and Welfare, Dr L A P A Munnik, and the newly appointed Deputy Minister of Home Affairs, Mr Ron Miller.

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# Pay freeze for civil servants

CAPE Times 6/12/84

Own Correspondent

PRETORIA. — The cabinet has imposed a salary freeze in the public sector.

The Minister of Home Affairs, Mr F W de Klerk, announced here yesterday that there would be no general increases for officials "in the broad government sector" during the 1985/86 financial year.

However, the minister said selective moderate adjustments to make "occupation-specific dispensations" more market-related would be continued.

The cabinet had also approved a purposeful programme to increase productivity in the service. It would be launched early in 1985 by the Commission for Administration.

Economists and private-sector leaders welcomed the minister's announcement.

They said the big increases granted to government workers during the past 18 months had substantially raised government spending — a major reason for the country's economic difficulties and high inflation rate.

Commenting on the freeze, the Progressive Federal Party spokesman on the public service, Major Rueben Sive, said the government had at long last shown an awareness of the need to put a "brake" on its own overspending.

Major Sive said the

present salaries of public servants, who had substantial side benefits, were extremely favourable compared with the private sector.

Recent Central Statistical Services figures show that pay to the public sector will soar to nearly R10 000-million this financial year.

The figures apply to the 1 007 544 workers employed by the central government, the provincial administration, local authorities, para-State bodies, governments of national states and the universities.

The number of workers in these sectors increased by 31 789 between the second quarter of 1983 and the second quarter of this year.

The total payout to these workers in the second quarter of 1984 increased by nearly R500-million to R2 412 985 000, compared with the April/June period last year.

The president of the Public Servants' Association, Dr Colin Cameron, said: "We will monitor the situation closely and if we find we are falling behind private-sector salary levels, we will make the necessary approach to the government."

## BUSINESS BRIEF

Gold (close)	\$330,75
Rand (close)	\$0,5445/55
FT index (close)	914,9
RDM 100	963,2
Dow Jones	1171,49



# Public servants 'not surprised' at pay freeze

250 355 Slaw  
4/12/84

By Sue Leeman, Pretoria Bureau

Public servants have accepted the news of a salary freeze philosophically, saying it was to be expected during a time of recession.

The Minister of Home Affairs, Mr FW de Klerk, announced

last night that there will be no across-the-board increases next year for public servants in central Government although there will be moderate increases for selected occupation groups.

It does not appear that the annual promotion system — whereby public servants move up a notch at the end of the year and receive a moderate salary increase — will be affected by the freeze.

Chairman of the Public Servants' Association, Dr Colin Cameron, said this morning it was the PSA's policy that salaries in the public service should keep pace with those within the private sector.

As salaries elsewhere were stabilising, it was expected that public service salaries did the same.

"We have not negotiated for a general salary increase for next year and this announcement has therefore come as no particular surprise."

"There is no urgent need for a general increase at this time."

However, he warned that if salaries in the private sector took off again, the PSA would raise the issue of general increases with the Government.

# R3 an hour for motor workers

CAPE TIMES 14/12/84 35

Own Correspondent

JOHANNESBURG. — An historic wage agreement signed yesterday at the Toyota motor company's Durban plant is the first in the country to bring workers' minimum pay up to R3 an hour.

The agreement was reached in negotiations between Toyota and the National Automobile and Allied Workers' Union (Naawu), an affiliate of the Federation of South African Trade Unions.

It covers the 3 500 workers at the Durban plant and will raise minimum pay to R3 an hour by July next year.

A joint statement by Toyota and Naawu pointed out that the minimum rate in the agreement was the highest negotiated minimum wage in the country.

The union yesterday

hailed the agreement as "historic". It noted that it had been the first union in the country to negotiate a R2 an hour minimum wage for workers — with Eastern Cape motor employers in 1981.

"Naawu has now become the first union to break the R3 barrier," a union spokesman said.

The union made history in 1980 when its members struck at the Volkswagen plant in Uitenhage demanding a "living wage" of R2 an hour.

Yesterday's agreement provides for an 18c an hour increase in January and a further 17c in July. As the present minimum is R2,65, this will bring the minimum to R3 by the middle of next year.

In a joint statement, both Naawu and Toyota expressed "satisfaction" at the outcome of the talks.



Mercury 20/12/84

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# Wage bills in S A to rise by 1 percent

Finance Editor

WAGE bills round the country are to rise by one percent — at least R540m — as a result of the government's plans to levy new taxes for regional development.

But the rise will not come the way of workers — it is to be paid to the new regional development councils which are aimed mainly at developing black areas.

The R1,3 billion proposal, announced by Minister of Constitutional Development Mr Chris Heunis earlier this week, has been criticised by commerce and industry which says it is inflationary and comes at a bad time.

Mr Heunis said the taxes would not be passed on to consumers 'directly' but most organisations faced with this extra cost, plus extra income tax and the effects of fringe benefit tax, will have to recover it somehow.

## Floor area

The two taxes — one based on wage and salary bills the other on sales subject to general sales tax or based on the floor areas of companies — will probably be paid like GST every month.

This means companies will have to find the cash every month and at slack times in the year may have to finance this at penal overdraft rates.

Mr Heunis said a one percent wage tax would raise about R600m — an average of about R90 a year for each worker — and the 'turnover' tax of one percent another R700m.

Companies would no longer pay transport levies, which in Durban are R3 per black person a month, and business licences fees would fall away — which would mean a loss of almost R4m to Durban's municipi-

pal coffers, an average of R229 per organisation in 1983.

Durban Corporation's wage bill in 1983 was R131m, which means it would pay R1,3m in the new regional levy but because it does not 'sell' anything would be levied on the floor space and could match the wage levy.

A one percent national levy based on GST will bring in at least R580m with the Minister of Finance expecting to collect R5 800m this year from GST.

Mr J R Wilson, president of the Federated Chamber of Industries, said that while the FCI recognised that a formula must be found for the financing of black community councils, it nevertheless viewed with great concern Mr Heunis' announcement 'of yet another body blow to an already hard-pressed economy.'

'It is regretted that again the authorities have moved ahead of the Margo Commission into the country's tax structures. It is feared that higher payroll costs in the present poor economic climate could add to the level of unemployment.'

Assocom (the Associated Chambers of Commerce) said it was deeply concerned about the nature of the levies and would have preferred the whole question of local

taxation to have been referred to the Margo Commission which was examining the tax structure.

If necessary, bridging financial measures could have been introduced, pending the outcome of the commission's investigations.

Mr Michael Weir, the president, said: 'Although Assocom fully supports the principle of devolution of power and decision-making authority to local and regional government, and recognises that funds are required to finance urgently-needed improvements to infrastructure, local services and urban transportation, the association considers the imposition of additional tax burdens on the private sector to be inopportune and ill-timed in the light of the current economic recession.'

Any additional forms of taxation should be offset by corresponding reductions in other sources of public sector revenue so as to obviate an overall increase in the tax burden on the community.

'The new taxes will inevitably lead to increased costs and higher prices as the business community cannot be expected to fully absorb the levies against already hard-pressed profit margins,' said Mr Weir.

Mr Roland Freakes, executive director of the Natal Chamber of Industries, said the levies

would result in economic distortion and inflation.

He said the introduction of the levies represented the final form of three highly controversial taxes proposed by the Croeser working group.

'The one which has been dropped is the investment levy and this is about the only welcome aspect of the announcement by the minister,' he said.

Mr Freakes said the minister's statement of the taxes being deductible as business expenses and not being passed on to the consumer, was not necessarily so. 'The industry concerned will have to bear 47,5 percent of the amount, although it will derive some benefit from the elimination of transport levies,' he said.

## Transport

Durban's Chamber of Commerce said through general manager, Mr Ken Hobson, that it was totally opposed to the new taxes but welcomed the scrapping of transport levies and trading licences and the fact that the levies would be considered as business expenses and be deductible from tax.

It points out that the levies will cost commerce and industry a lot to collect and administer and it would have been preferable to have raised general sales tax on a regional basis.

WAGES

1985

10 - LIGHT COTTON TEXTILE MANUFACTURING INDUSTRY, CERTAIN AREAS.

AREA A: Harrismith, Mool River, East London, King William's Town, Klip River, and Bronkhorstspuit.

AREA B: Standerfont and Umzimto.

AREA C: Durban, Pinetown, Pietermaritzburg, Camperdown, Inanda, Benoni, Johannesburg, Randfontein, Pretoria, Port Elizabeth, and Uitenhage.

AREA D: The Cape and Goodwood.



# Call for freeze on prices and wages

46645 8/1/85

355

By BRUCE CAMERON, Political Staff

A NEGOTIATED but voluntary price and wage freeze was urged today to help boost the economy.

Mr Harry Schwarz, Progressive Federal Party finance spokesman, was commenting on the latest dive in the level of the rand against other currencies. He lashed out at the Government for not doing enough to rectify the situation.

Mr Schwarz said the Government should take steps to introduce voluntary wage and price controls in negotiation with commerce, industry and trade unions.

But he warned that no one would co-operate unless the Government did its share in controlling wages and prices.

## Exports

He was not in favour of forced price and wage control and doubted whether it would gain any support from the private sector.

Mr Schwarz called for greater attention to be given to exports to make up for the decline in the gold price.

He said exporters had become complacent because the exchange rate was favourable for them.

Mr Schwarz opposed calls for the reintroduction of exchange control on non-residents.

He said: "This would be a tremendous blow to any confidence in the South African economy."

## "Inertia"

Mr Schwarz said there were a number of reasons for the current state of affairs, "some of which are not our fault but some of which are".

He was particularly concerned about the "inertia of the Government" which was "giving the impression, rightly or wrongly, that it can do nothing to get to grips with the situation".

The Government had to take a lead and one of the first things it should do "is put its own house in order".

The inflation rate was not being tackled properly by the Government.

Mr Schwarz said the Government was not doing enough to keep down administered prices or control the money supply and figures would show that it was still not doing enough to control its own spending.

# Perks galore for bosses

By Kerry Clarke  
**SOUTH** Africa's managers were given more fringe benefits in 1984 than in 1983, according to a survey conducted among 100 large companies.

A Drake salary survey shows that companies are giving executives such fringe benefits as overseas trips, clothing allowances, telephone accounts, sports club fees and shared profit schemes, along with the common car and housing benefits.

The number of companies providing staff with cars jumped from 32% in August 1983 to 92% in December 1984.

Of the companies in the survey, 100% have medical-aid schemes and pension funds, 92% provide an annual bonus, 90% provide some form of educational study assistance, and 50% give housing loans.

## Petrol costs

A total of 91% of companies pay all petrol costs other than when an employee is on leave, 71% give free parking, 87% give free group life assurance, 89% hand out group accident/disability coverage, 75% give a monthly entertainment allowance, 60% pay professional society fees, and 28% award overseas trips, which sometimes include spouses.

Black workers also received more benefits in 1984 than in 1983. A total of 21% of surveyed companies sponsored school fees for the children of staff in 1984, a benefit which was not identified in 1983.

Nearly half the firms pay some or all medical-aid contributions for black employees. Only 19% of the firms provide their black staff with housing loans, and 3% of firms exclude blacks from their medical-aid schemes.

Salary increases in 1984 ranged from 6% to 24%, with the largest group — 13% — paying a 10% increase, and the smallest number — 8% — paying 18% or more.



(344) (355) D. R. Spatch  
**Artisan wage hike**

18/1/85  
EAST LONDON — Building industry artisans in East London will receive a 24c an hour wage hike from May 1, bringing their hourly earnings up to R3,93.

In November last year artisans' wages were increased from R3,49 an hour to R3,69, while building assistants (labourers) were granted an increase of 12c an hour to push their earnings up to R1,20 an hour.

The secretary of the Industrial Council for the Building Industry, East London, Mr G. Reed, said yesterday the May increase had been negotiated for artisans only.

Agreement was also reached for increases to the pension fund, holiday fund and payment in respect of annual leave and public holidays. —  
DDR

col 11/85 C. Press

# WATCHMEN AT BOTTOM OF WAGE LADDER

343 355

**NIGHTWATCHMEN**  
work the longest shifts — up to 72 hours a week — and are the lowest paid workers in South Africa.

These shock findings were revealed in a survey by Cape Town University's Southern Africa Labour and Development Research Unit.

The dramatic increase in wages for unskilled workers in the past 10 years is partly due to the militancy of black workers and their unions, say authors Devan Pillay, Debbie Budlender and Gordon Young.

However, despite these increases, minimum wages are still "pitifully low" and far below the poverty line.

The average minimum wages for labourers increased by more than 25 percent in the last 10 years, while artisan wage levels dropped by almost the same amount.

"Increased organisation and militancy of black workers haven't played a small part in wage increases."



# Dwasa meeting to discuss higher wages

By BESSIE BOUWER

A MEETING to discuss higher wages for domestic workers in Port Elizabeth has been arranged by the Domestic Workers Association of South Africa (Dwasa).

Mrs Pat Maquina, general secretary of the association, said the increasing cost of living and price increases in fuel and food-stuffs had made it impossible for domestic workers to support their families on their present salaries.

She said it was important for residents employing domestic workers to attend this meeting in order to assess the situation and to review the present recommended wage structure.

The meeting will be held on February 20 at 7.30pm at St John's Methodist Church in Havelock Street.

All employers and

employer organisations are invited to attend the meeting.

Recommended wages for domestic workers were last reviewed in 1982 and had remained unchanged despite increased costs, she said.

Wages recommended by the association in 1982 were:

- R110 a month for full-time live-in or live-out domestic workers.

- R10 a day for temporary chars

- R5 a half day for temporary chars.

These recommendations excluded bus fares to and from the city, said Mrs Maquina.

Reviewed wages to be recommended by the association are R130 a month for a fulltime domestic worker, R12 a day for a temporary char and R6 a

half day for a temporary char, excluding the cost of transport.

The exploitation of domestic workers, especially during the present recession, will also be discussed at the meeting.

In some cases domestic workers were being offered fulltime jobs for as little as R30 a month, said Mrs Maquina.

Surveys had shown that a family of four required a minimum amount of R353 to live on each month, said Mrs Maquina. This included food, clothing and other expenses.

The survey also showed that it cost parents a minimum of R57,20 a month to keep a small child, R117,73 for a child aged between 11 and 14 years and an adult needed at least R177,70 to live each month.



## PERKS TAX

# Some concessions, some equity

Perks tax, the most controversial taxation issue since Finance Minister Barend du Plessis' dramatic press conference on December 6 1984, is being toned down. As the FM went to press, Du Plessis was due to make an announcement in Parliament which would give effect to an interim report of the Margo Commission on tax.

It won't be known if Du Plessis announces the commission's advice *verbatim* or whether the advice will be tempered by a Wednesday morning Cabinet meeting to approve the recommendations.

However, the early indications are that housing perks tax will be changed from the present proposals. Virtual certainty was that new entrants to approved housing schemes (those operating before March 28 1984) would be given the seven-year phasing-in allowance.

Subsidy schemes set up after March 28 1984 are to be taxed in full, according to present proposals whereas loan schemes would only be taxed on the difference between the "official rate" and the employees' actual rate. It was thought that the difference between the two would be removed, so that the official rate applies to subsidy schemes as well.

The most important recommendation, whether or not housing schemes set up after March 28 1984 would be given the phasing-in allowance, was still unclear as the FM went to press. But given that Du

Plessis has consistently voiced fear over the huge loss of revenues that would arise if the date is removed and there is a rush to set up these schemes, it seems set to stay in place.

Company cars, dealt the severest blow last year, were due to be given a five-year phasing-in allowance instead of the proposed two-year period of grace. This is tantamount to reducing the values placed on company cars. But eventually it will give effect to the Minister's intention to make the choice merely academic between cash and perks when the provisions are fully on steam in five years.

Also, to accord the add-on values of company cars their wasting asset characteristic, a likely depreciation allowance of 15% a year is expected.

There are more changes expected relating to specific technical aspects of other perks. It is thought, for example, that the official rate may be reduced from its present level of 18% to about 15%. The official rate is a powerful and simple revenue tool which affects perks ranging from housing to share purchase schemes and soft loans.

Although the tax will take effect from March 1, employers will be granted an extension of time to implement the necessary changes for the deduction of PAYE from payrolls. Hopefully, the announcement will give finality to a tax that was first men-

tioned in SA tax law in 1927, and the subject of a commission 15 years ago.

But taxpayers should remember these words from Du Plessis: "What's coming up in the Budget is not necessarily final, as the Margo Commission's terms of reference leaves it with the responsibility of monitoring it (perks tax) after the Budget has been presented." So while steps towards more certainty are being taken, arrival remains some way off. And that is hardly a satisfactory situation.

## SA ECONOMY

## Wages the key

355

Average salaries and wages increased by some 15% in 1984, a real increase of 3.3%. It was for this reason, according to the latest Barclays' *Business Brief*, that private and government expenditure was able to increase by 5%, and real gross domestic product by some 3.6%.

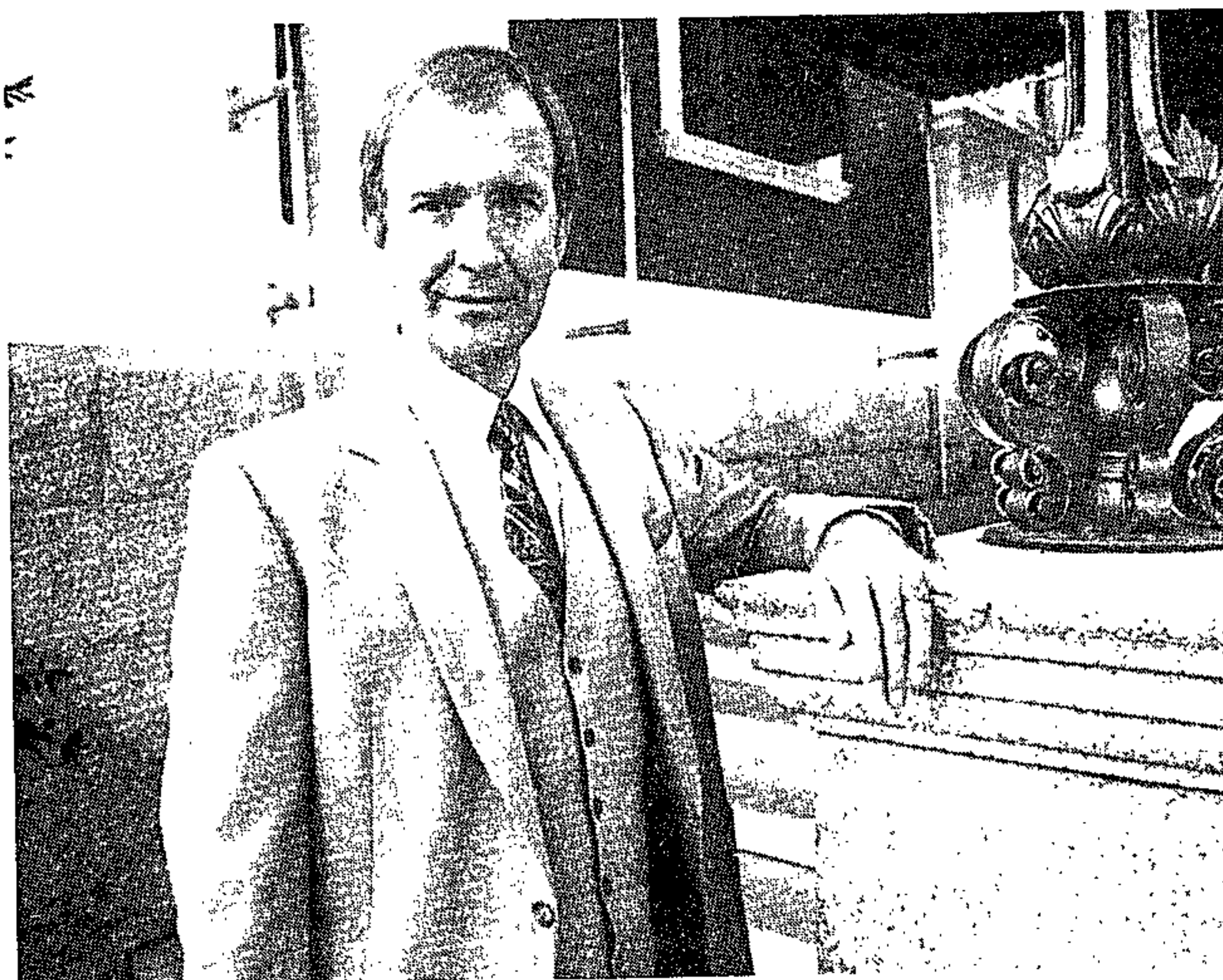
Indeed, the bank sees wages as being "perhaps the most important determinant, not only of changes in the general level of economic activity but also of increases in the money supply and in the level of prices."

Of course, inflation and wages have a direct relationship. As wages rise, so do manufacturing and production costs. In turn this pushes up the prices of goods, facilitated to some extent by the fact that manufacturers are fairly sure consumers have more income, and are prepared to purchase the products at higher prices. Expectations also play a part in acceptance of higher prices without resistance (but see story on consumer spending).

The process of inflation, as described above, is defined as a "continuous price increase" and explains why a rise in the price of petrol, for example, not only pushes up prices generally, but also results in a continuous increase in prices. The bank asserts that both excessive increases in the money supply and in the inflation rate originate in the annual salary and wage contracts negotiated between employers and employees in the economy.

Barclays believes there are two options open to SA in overcoming inflation. Either, employers and employees must exercise self-discipline when negotiating wage increases or, alternatively, the Reserve Bank must enforce a policy of refusing to finance the excessive monetary wage and price claims created, but at the risk of causing unemployment and loss of production.

These costs could be avoided if employ-



Du Plessis ... perks tax announcements not necessarily final



By KHULUSIBIYA

355

C. Pers

**LABOURERS at a Bethal potato farm earn a slave wage of R5 a month — and go to bed with porridge and potatoes for supper.**

3/2/85

If they object, they get the wrath of former police constable Jan Lewis, who beats them up and threatens to lock them in jail.

# BETHAL

Mr Lewis is a foreman at Sandhurst Estates, a potato farm in Bethal owned by Norman Hirschowitz.

Mr Lewis lost his job with the South Africa police after a newspaper published a picture of him allegedly beating up a black man.

Workers on the farm are also:

- Guarded day and night to stop them from running away.
- Called by numbers and not names.
- Forced to surrender their reference books.
- Fed one meal a day after work, and
- Forced to work hard or get beaten up.

The farm's workforce consists of recruits — mostly from the Transkei, nearby village residents and convicts brought from the Bethal prison.

At the end of the day — except for the prisoners — the workers are all crammed up in one dingy room where they sleep after eating their daily potatoes and porridge.

City Press spoke to the workers, the recruiting agents Theron and Company based in Johannesburg, the farm clerk and Mr Lewis.

We discovered that the recruits are promised R2 a day.

They never get this — they get only R5 a month.

Once on the farm, they are told that they will get the rest of the money at the end of the six months contracts.

This, too, never happens.

Mr Lewis confirmed this, adding that the farm workers did not need all that money.

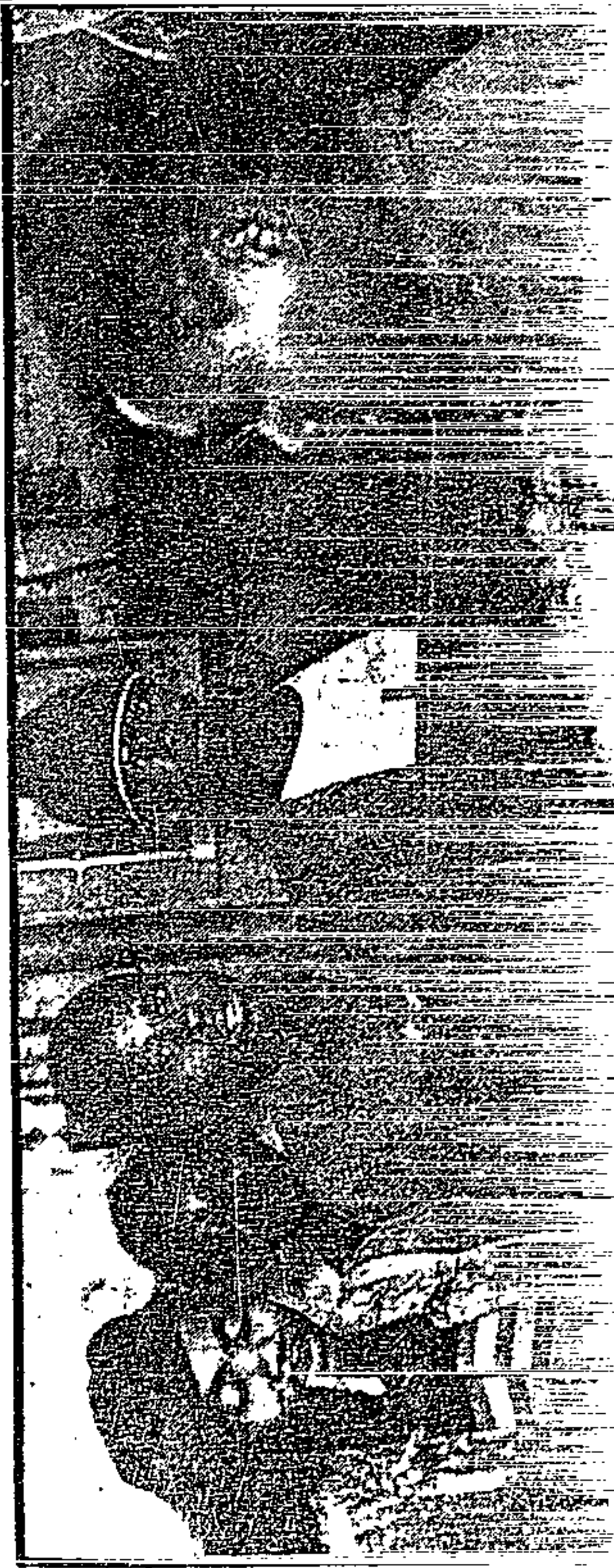
"I do everything for them and now this is what they do to me in return," he said, apparently suspecting that the workers had betrayed him and called City Press to the farm.

Most workers are between 16 and 22 years.

Twenty-one-year-old Ntselele Skhoza of Engobo, who had completed his contract at the farm, said he was paid R5 a month and a R52 pay-off.

He said: "We were made to work like slaves. When I complained about my money

Slave wages, brutal assaults . . . that's the new Bethal potato scandal, 30 years on





lock them in jail.

# MONTH

lave wages, brutal assaults . . . that's the new  
ethal potato scandal, 30 years on

C. Press  
3/2/85

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"I do everything for them and now this is what they do to me in return," he said, apparently suspecting that the workers had betrayed him and called City Press to the farm.

Most workers are between 16 and 22 years. Twenty-one-year-old Ntiskelelo Skhoza of Engobo, who had completed his contract at the farm, said he was paid R5 a month and a R52 pay-off.

He said: "We were made to work like slaves. When I complained about my money I was threatened with violence."

"I was told that my money was short because they bought me overalls, shoes and cigarettes."

Mr Lewis confirmed that Mr Skhoza and six other workers were paid R52 "because they did not complete their contract."

"In fact, I'm still bitter about that," he said.

"Yes, when we recruit these people, we promise them R2 a day. But we only give them R5 a month because they don't need all that money."

"We give them food and clothes here. Even the R5 is a lot," he said.

A clerk at Theron and Company, A Mnisi, said his company only recruits people to work at the farms and on the mines.

"We don't know what happens afterwards," he said.

"Yes, we do get complaints from some of the workers about working conditions and their money, but there is little we can do about it."

Mr Lewis said workers should not complain because his company was providing work for them.

"Some of them sleep in pit-holes in their own areas. At least they get a blanket and a sleeping place here. We also give them free food," said Mr Lewis.

He confirmed that he sometimes beat them up "in order to get results."

"I wake them up before sunrise and I see to it that they don't leave their work until sunset," he said.

"That is how every farm works."

Meanwhile, more and more workers are still being recruited to work for R5 a month.



these youngsters don't

sort the potatoes fast enough, they are beaten by the supervisors.



youngster has had no break all day. Pix: PETER SETUKE



Youngsters work non-stop from 6am to 6pm.



# State's wage bill up 26 percent in '84

Financial Editor

ARGUS 4/2/85

355

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THE cost of running South Africa last year rose by more than 26 percent — or almost twice the inflation rate, an analysis of earnings figures issued by Central Statistical Services shows.

Altogether, the five main administrative divisions — central Government, national states, provincial administrations, local authorities and "sundry statutory bodies" — paid a total of R2,3-billion in salaries and wages in the September quarter, up 26,9 percent on the R1,8-billion paid out a year earlier.

However, in the same period the number of people employed by these divisions increased by only 3,2 percent from 1 005 697 to 1 038 794.

The central Government's wage bill in the September quarter was R947,0-million, a 29,6 percent increase on a year ago, while the average wage paid was 23 percent higher than a year ago.

## PERFORMING ARTS COUNCILS

The cost of running the national states in the September quarter was R131,3-million, an increase of 16,5 percent on the year ago figure.

The provincial administrations paid out R627,6-million in salaries and wages in the September quarter, up 27,7 percent from a year earlier, while the average pay of a provincial administration worker was 26,7 percent more.

The wage bill of local authorities in the September quarter was R513,3-million — up 22,6 percent on a year ago although the number of people employed in this division dropped by 0,3 percent.

However, it was the "sundry statutory bodies" which had the biggest wage bill increase. This category, which includes the Hotel Board, the CSIR, the regional performing arts councils and State Library, had a wage bill in the September quarter of R102,3-million, a 35,3 percent increase on a year earlier, while the average pay packet in the September quarter was 29,1 percent higher.

The wage bill for communications (the Post Office) in September was 32,6 percent higher at R87,9-million while the average pay packet increase was 27,3 percent.

In marked contrast, Escom's wage bill increased by only 4,6 percent in the 12 months to September and individual remuneration rose by an average of only 1,6 percent. In August the year on year increase was 4,4 percent.

The increase in pay bills and pay packets in the private sector was generally much smaller. Manufacturing industry paid only R974,9-million in September — 7,5 percent more than a year ago, while the average pay packet was up 7,3 percent.

# Indian teachers told no job cuts are contemplated

Mercury 7/2/85  
355  
Mercury Reporter

NOT a single Indian teacher on permanent or temporary staffs would be dismissed this year, Mr J S M Zwegelaar, executive director of education and culture in the House of Delegates, said yesterday.

Speaking from Cape Town, Mr Zwegelaar said he had been told by the deputy director, Mr A K Singh, that teachers were worried by rumours that many of them would be retrenched this year.

'It is devoid of any truth because the Minister of Education in the House of

Delegates, Mr Kessi Ramduth, and I have not discussed retrenchments or contemplate doing so,' he said, adding that all temporary staff re-employed this year would be retained until the end of 1985.

Mr Zwegelaar said the services of 248 temporary teachers were terminated at the end of 1984 and that 101 of them had been re-employed last month until the end of the year.

The temporary teachers can rest assured that their jobs were secure until they were terminated in December, Mr Zwegelaar said.





The queue for UIF payouts in PE this week.

*12/11/85* *UK* *C. P. R. 10/2/85*  
**all your friends are probably there already**

IT HAS become a privilege and not an obligation to have a job in Port Elizabeth, say thousands of people presently unemployed in the area.

And the view expressed by economists — that unemployment in Port Elizabeth will rise sharply in the first six months of this year as the economic climate gets worse — is no consolation for the unemployed.

This gloomy forecast is also supported by official statistics from the Unemployment Insurance Commissioner's office. They say the black unemployment figure in December — 500 000 or eight per cent will rise to more than 10 per cent.

The need to create jobs for this country's growing population has been pinpointed as one of the most crucial challenges facing the Government.

In Port Elizabeth Uitenhage — where industrial growth is

By **MONO BADELA**

hampered by many factors — that holds true even more than in other centres.

Unemployment in the area is really rife. The long queues at the labour bureau and at Unemployment Insurance Fund offices are only the tip of the iceberg.

Official figures from Port Elizabeth unemployment inspector JC Greyling are placed at just more than 13 000 but taking into account the thousands who do not register



Yet another UIF registration . . .

at the labour bureau, the figure is said to be around 50 000.

Jobless workers interviewed at Centenary Great Hall, New Brighton, last Friday — where thousands patiently waited for their UIF benefits — said it was becoming a privilege rather than an obligation to have a job.

The prospects of finding work are bleak.

Desperation is written all over their

faces. Many have survived repeated lay-offs and retrenchments.

Many queued for the money — not knowing when they were going to get it.

"This is unforgivable and inhuman," they said.

They complained that the way the benefits were paid out, defeated the whole object of Unemployment Insurance — this embittered those without work.

"We put our own earnings into the

fund, but when we need the money back urgently, it is not forthcoming."

Many have been signing the register since the first week of November — since then, they've been going home without money.

Signs of "Sorry, no jobs" are written at many factory entrances, but the jobless continue to look for work in their thousands.

In November last year, 35 000 claims we made to the UIF.



355

C. press

10/2/85





## Women's World

# Salaries of women in PE much lower than on the Rand

355 ~~355~~ E. Post  
20/2/85

By CATHY SCHNELL

WOMEN bookkeepers in Port Elizabeth earn on average R340 less a month than their Johannesburg counterparts.

And many other women in a variety of fields also lose out as a result of structured wage scales.

An employment agency's quarterly salary survey reveals startling wage discrepancies as a result of regionalisation and notes that the gap between Reef salaries and coastal salaries is increasing.

Starting salaries on the Reef increased by 3,45% more than at the coast.

The survey conducted by a personnel company, deals with women's salaries in the seven most popular jobs in the main cities in South Africa between October and December last year.

These jobs included executive secretaries, secretaries, copy typists, "girl-Fridays", receptionists, bookkeepers and accounts clerks.

The survey showed Johannesburg women received far and away the highest salaries, followed by the East Rand, West Rand, Pretoria, Vaal Triangle, Cape Town and Durban.

Port Elizabeth was not even given a mention in the list of South Africa's top cities.

According to a spokesman from Kelly Personnel, Port Elizabeth women were on about the same scale as their Durban counterparts.

Starting salaries in general office staff categories had increased on average at a higher rate than the inflation rate last year, the spokesman said.

Regionalisation in salary scales has for a long time been a bone of contention among women falling in the "smaller city" category.

"The cost of living may be a little higher in Johannesburg, but to pay someone R300 more a month than a coastal person doing exactly the same job is ridiculous," a local secretary with five children said.

Chamber of Commerce director Mr Tony Gilson said the situation was determined by market forces — the manifestation of the ability of the employers to pay and the willingness of the people to work for the salaries.

"Some people opt for the coast — despite lower pay — for the quality of life offered," he said!

- (b) Concourse for Whites—approximately 42 000 per day.  
Concourse for non-Whites—approximately 182 000 per day.

- (3) Yes, except in respect of train reservation facilities for non-Whites.

- (4) Yes.

- (a) and (b) Work on the improvements has already commenced and is expected to be completed by July 1985.

- (c) R74 000.

#### Blue Train

155. Mr D J N MALCOMESS asked the Minister of Transport Affairs:

- (1) How many passengers travelled on the Blue Train in 1984;
- (2) whether all such passengers paid the full fare; if not, how many paid the full fare in that year?

The MINISTER OF TRANSPORT AFFAIRS:

- (1) 18 480.

- (2) No. 18 380.

203. Mr S S VAN DER MERWE asked the Minister of Home Affairs:

- (1) In what categories has full parity been achieved in the salaries paid to officers of different race groups in the Public Service;

- (2) what is the total number of non-White officers in the Public Service who enjoy full parity in salaries;

- (3) in what categories has full parity not been achieved in the salaries paid to officers of different race groups in the Public Service;

market related investigations are undertaken according to needs and/or general salary adjustments can be effected.

#### Blue Train

207. Mr B W B PAGE asked the Minister of Transport Affairs:

- (1) What total number of passengers travelled on each trip undertaken by the Blue Train which departed from (a) Cape Town and (b) Pretoria/Johannesburg on each specified date during the period 1 December 1984 to 31 January 1985;

- (2) what total number of passengers can be accommodated on the Blue Train?

The MINISTER OF TRANSPORT AFFAIRS:

- (1) (a)
- |            |    |            |     |
|------------|----|------------|-----|
| 1984-12-02 | 47 | 1985-01-01 | 47  |
| 1984-12-04 | 44 | 1985-01-03 | 91  |
| 1984-12-06 | 56 | 1985-01-05 | 77  |
| 1984-12-08 | 21 | 1985-01-07 | 79  |
| 1984-12-10 | 33 | 1985-01-09 | 74  |
| 1984-12-12 | 28 | 1985-01-11 | 56  |
| 1984-12-14 | 20 | 1985-01-13 | 46  |
| 1984-12-16 | 37 | 1985-01-15 | 50  |
| 1984-12-18 | 31 | 1985-01-17 | 51  |
| 1984-12-20 | 35 | 1985-01-19 | 49  |
| 1984-12-22 | 39 | 1985-01-21 | 104 |
| 1984-12-24 | 9  | 1985-01-23 | 63  |
| 1984-12-26 | 44 | 1985-01-25 | 34  |
| 1984-12-28 | 77 | 1985-01-27 | 46  |
| 1984-12-30 | 49 | 1985-01-29 | 41  |
|            |    | 1985-01-31 | 44  |

- (b)
- |            |    |            |    |
|------------|----|------------|----|
| 1984-12-02 | 39 | 1985-01-01 | 67 |
| 1984-12-04 | 36 | 1985-01-03 | 52 |
| 1984-12-06 | 88 | 1985-01-05 | 56 |
| 1984-12-08 | 59 | 1985-01-07 | 45 |
| 1984-12-10 | 76 | 1985-01-09 | 48 |
| 1984-12-12 | 45 | 1985-01-11 | 67 |
| 1984-12-14 | 88 | 1985-01-13 | 75 |
| 1984-12-16 | 59 | 1985-01-15 | 57 |
| 1984-12-18 | 67 | 1985-01-17 | 66 |
| 1984-12-20 | 58 | 1985-01-19 | 39 |
| 1984-12-22 | 84 | 1985-01-21 | 46 |
| 1984-12-24 | 89 | 1985-01-23 | 55 |
| 1984-12-26 | 82 | 1985-01-25 | 70 |

1984-12-28: 79 1985-01-27: 69  
1984-12-30: 63 1985-01-29: 55  
1985-01-31: 90

- (2) 92. Provision is also made for 15 additional sleeping berths for children accompanying adults.

Infant mortality rate  
21/2/85

224. Dr M S BARNARD asked the Minister of Constitutional Development and Planning:

- What was the infant mortality rate for (a) Blacks, (b) Coloureds, (c) Indians and (d) Whites in the Republic in (i) 1983 and (ii) 1984 or the latest specified 12-month period for which figures are available?

The MINISTER OF CONSTITUTIONAL DEVELOPMENT AND PLANNING:

- (i) 1983.

- (a) 80.0 (Estimated-registration of births and deaths incomplete).

- (b) 58.8.

- (c) 18.3.

- (d) 14.0.

- (ii) 1984. Not yet available.

#### White South African citizens

231. Mr H H SCHWARZ asked the Minister of Constitutional Development and Planning:

- (1) What was the total number of White South African citizens resident in the Republic as at 31 December 1984;

- (2) (a) how many persons resident in the Republic as at that date had not taken out South African citizenship and (b)(i) what were their countries of origin and (ii) how many of them came from each such country?



(b) Concourse for Whites—approximately 42 000 per day.  
Concourse for non-Whites—approximately 182 000 per day.

(3) Yes, except in respect of train reservation facilities for non-Whites.

(4) Yes.

(a) and (b) Work on the improvements has already commenced and is expected to be completed by July 1985.

(c) R74 000.

#### Blue Train

155. Mr D J N MALCOMESS asked the Minister of Transport Affairs:

(1) How many passengers travelled on the Blue Train in 1984;

(2) whether all such passengers paid the full fare; if not, how many paid the full fare in that year?

The MINISTER OF TRANSPORT AFFAIRS:

(1) 18 480.

(2) No. 18 380.

*Handwritten: 355*  
*Handwritten: 21/2/85*  
Public Service: parity in salaries  
203. Mr S S VAN DER MERWE asked the Minister of Home Affairs:

(1) In what categories has full parity been achieved in the salaries paid to officers of different race groups in the Public Service;

(2) what is the total number of non-White officers in the Public Service who enjoy full parity in salaries;

(3) in what categories has full parity not been achieved in the salaries paid to officers of different race groups in the Public Service;

(4) what is the total number of non-White Officers in the Public Service who do not enjoy full parity in salaries;

(5) (a) what steps are being taken to eliminate the existing disparities and (b) when is it estimated that such disparities will be eliminated?

The MINISTER OF HOME AFFAIRS:

(1) Salaries in the Public Service have been categorized in 21 standard salary levels. The highest standard salary level is 21 and the lowest is salary level 1. Full parity has already been implemented as follows in the salaries of the various population groups employed by the State:

#### Coloureds and Indians

Officials on standard salary levels 8 tot 21 and 1 to 5.

#### Blacks

Officials on standard salary levels 11 to 21 and 1 to 5.

(2) Data is regard to the total number of non-white officials in the public service who enjoy full salary parity in the different categories is not maintained at a central point. Such data cannot be obtained from the individual institutions within the foreseeable future.

(3) Coloureds/Indians: Standard salary levels 6 to 7.  
Blacks: Standard salary levels 6 to 40.

(4) With regard to the reply in (2), no specific data can be made available at this stage.

(5) The system of equal remuneration for equal work, qualifications and productivity is applicable to those levels where the salary gap has already been eliminated. The implementation of a further phase of the programme will be considered in the light of available funds when occupational specific

market related investigations are undertaken according to needs and/or general salary adjustments can be effected.

#### Blue Train

207. Mr B W B PAGE asked the Minister of Transport Affairs:

(1) What total number of passengers travelled on each trip undertaken by the Blue Train which departed from (a) Cape Town and (b) Pretoria/Johannesburg on each specified date during the period 1 December 1984 to 31 January 1985;

(2) what total number of passengers can be accommodated on the Blue Train?

The MINISTER OF TRANSPORT AFFAIRS:

(1) (a) 1984-12-02: 47 1985-01-01: 47

1984-12-04: 44 1985-01-03: 91

1984-12-06: 56 1985-01-05: 77

1984-12-08: 21 1985-01-07: 79

1984-12-10: 33 1985-01-09: 74

1984-12-12: 28 1985-01-11: 56

1984-12-14: 20 1985-01-13: 46

1984-12-16: 37 1985-01-15: 50

1984-12-18: 31 1985-01-17: 51

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1984-12-22: 39 1985-01-21: 104

1984-12-24: 9 1985-01-23: 63

1984-12-26: 44 1985-01-25: 34

1984-12-28: 77 1985-01-27: 46

1984-12-30: 49 1985-01-29: 41

1985-01-31: 44

(b) 1984-12-02: 39 1985-01-01: 67

1984-12-04: 36 1985-01-03: 52

1984-12-06: 88 1985-01-05: 56

1984-12-08: 59 1985-01-07: 45

1984-12-10: 76 1985-01-09: 48

1984-12-12: 45 1985-01-11: 67

1984-12-14: 88 1985-01-13: 75

1984-12-16: 59 1985-01-15: 57

1984-12-18: 67 1985-01-17: 66

1984-12-20: 58 1985-01-19: 39

1984-12-22: 84 1985-01-21: 46

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1985-01-31

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(i) 1983.

(a) 80.0 (Estimated-registration births and deaths incomplete)

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(2) (a) how many persons resident in the Republic as at that date had not taken out South African citizenship and (b)(i) what were their countries of origin and (ii) how many of them came from each such country?



(1) How many applications for employment were received by his Department from qualified White teachers in each specified region in respect of each year from 1980 up to and including 1984;

(2) how many of these applications were successful in each of these regions in each such year?

#### The MINISTER OF EDUCATION AND CULTURE:

(1) and (2) Applications are submitted directly to the various educational institu-

Number of Students	Land of Origin	University
2.....	Transkei	Port Elizabeth
6.....	Ciskei	Port Elizabeth
32.....	Transkei	Natal
1.....	Ciskei	Natal
2.....	Bophuthatswana	Natal
6.....	Venda	Natal
2.....	S.W.A.	Natal
1.....	Lesotho	Natal
2.....	Swaziland	Natal
1.....	Other African Countries	Natal
1.....	Countries in Europe	Natal
1 189.....	Transkei	Natal
1 000.....	Bophuthatswana	South Africa
433.....	Venda	South Africa
344.....	Ciskei	South Africa
238.....	S.W.A.	South Africa
439.....	Zimbabwe	South Africa
56.....	Lesotho	South Africa
43.....	Botswana	South Africa
75.....	Swaziland	South Africa
11.....	Zambia	South Africa
65.....	Other African Countries	South Africa
13.....	Countries in Europe	South Africa
3.....	Countries in Asia	South Africa
2.....	Countries in North America	South Africa
1.....	Countries in South America	South Africa
2.....	Countries in Australasia and Oceania	South Africa
11.....	Transkei	Witwatersrand
1.....	Bophuthatswana	Witwatersrand
2.....	Venda	Witwatersrand
2.....	S.W.A.	Witwatersrand
5.....	Lesotho	Witwatersrand
4.....	Swaziland	Witwatersrand
1.....	Other African Countries	Witwatersrand

tions and the Department has no record of the number of applications.

*Hans and Q. 601.332*  
Foreign Black students  
26/2/85  
21. Mr P R C ROGERS asked the Minister of Education and Culture:—

(a) How many foreign Black Students were enrolled at universities for Whites in the Republic as at the latest specified date for which figures are available, (b) what was the country of origin of each such student and (c) at which university was each enrolled?

#### The MINISTER OF EDUCATION AND CULTURE:

1.....	Malawi	Pretoria
12.....	Transkei	Rhodes
1.....	Lesotho	Rhodes
1.....	Botswana	Rhodes
16.....	Transkei	Cape Town
2.....	Bophuthatswana	Cape Town
2.....	Venda	Cape Town
1.....	S.W.A.	Cape Town
6.....	Lesotho	Cape Town
2.....	Botswana	Cape Town
1.....	Angola	Cape Town
1.....	Countries in Europe	Cape Town
1.....	Zimbabwe	Potchefstroom
1.....	Transkei	Stellenbosch
1.....	Bophuthatswana	Stellenbosch
2.....	Ciskei	Stellenbosch
2.....	S.W.A.	O.F.S.
4.....	Transkei	O.F.S.
2.....	Bophuthatswana	O.F.S.
4.....	Ciskei	O.F.S.
2.....	Other African Countries	O.F.S.

The information is in respect of 1983.

*355 Hans and*  
*Q. 601.333 26/2/85*  
Social workers  
24. Dr M S FARNARD asked the Minister of Health Services and Welfare:

(1) What are the present subsidies paid by his Department to private welfare organizations for the different post levels of White social workers;

(2) what percentage of the scale average for social welfare positions is paid by his Department to private welfare organizations;

(3) whether this percentage is to be increased; if not, why not; if so, (a) when and (b) by what amount?

#### The MINISTER OF HEALTH SERVICES AND WELFARE:

1. (a) Fieldworker: R11616 per year

(b) Supervisor:	R15910 per year
(b) Control Post:	R17321 per year
(d) Chief Control Post:	R18089 per year
(e) Super Control Post:	R21162 per year

Apart from this a subsidy of R9 085 per year is paid in respect of every post for the administrative expenditure related thereto.

2. 75 per cent.

3. No. The rendering of social work services in the RSA is the joint responsibility of the State and private welfare organizations and consequently it is expected from the last-mentioned to contribute at least 25 per cent of the costs related to the services for which they are responsible.



(1) How many applications for employment were received by his Department from qualified White teachers in each specified region in respect of each year from 1980 up to and including 1984;

(2) how many of these applications were successful in each of these regions in each such year?

#### The MINISTER OF EDUCATION AND CULTURE:

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6	Venda	Natal
2	S.W.A.	Natal
1	Lesotho	Natal
2	Swaziland	Natal
1	Other African Countries	Natal
1	Countries in Europe	Natal
1 189	Transkei	South Africa
1 000	Bophuthatswana	South Africa
433	Venda	South Africa
344	Ciskei	South Africa
238	S.W.A.	South Africa
439	Zimbabwe	South Africa
56	Lesotho	South Africa
43	Botswana	South Africa
75	Swaziland	South Africa
11	Zambia	South Africa
65	Other African Countries	South Africa
13	Countries in Europe	South Africa
3	Countries in Asia	South Africa
2	Countries in North America	South Africa
1	Countries in South America	South Africa
2	Countries in Australasia and Oceania	South Africa
11	Transkei	Witwatersrand
1	Bophuthatswana	Witwatersrand
2	Venda	Witwatersrand
2	S.W.A.	Witwatersrand
5	Lesotho	Witwatersrand
4	Swaziland	Witwatersrand
1	Other African Countries	Witwatersrand

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*Hansard 26/2/85*  
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2	Bophuthatswana	Cape Town
2	Venda	Cape Town
1	S.W.A.	Cape Town
6	Lesotho	Cape Town
2	Botswana	Cape Town
1	Angola	Cape Town
1	Countries in Europe	Cape Town
1	Zimbabwe	Potchefstroom
1	Transkei	Stellenbosch
1	Bophuthatswana	Stellenbosch
2	Ciskei	Stellenbosch
2	S.W.A.	Stellenbosch
4	Transkei	O.F.S.
2	Bophuthatswana	O.F.S.
4	Ciskei	O.F.S.
2	Other African Countries	O.F.S.

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*353 Hansard*  
*6.01.333 26/2/85*  
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# Abolish the minimum wage, says De Beer

355 210 Star  
28/2/85

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 people into 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.



# President, Ministers, MPs take 3 percent salary cut

176/15 4/3/85 353  
Political Staff

THE basic salaries of the President, Ministers and MPs are to be cut by three percent to help reduce State expenditure.

President P W Botha announced this at a joint session of the three houses of Parliament today.

He also announced the appointment of an independent committee of inquiry to do an evaluation of the remuneration and conditions of service structures of the President, Parliamentarians and members of the President's Council.

Mr A L Schlebusch, former vice State President, will be chairman.

## JUDGE

Other members are Sir De Villiers Graaff, a former leader of the Opposition, a judge, Mr V G Hiemstra, two prominent businessmen, Dr Frans Cronje and Dr Fred du Plessis.

The chief whip of Parliament, Mr A van Breda, will be one of the committee's technical advisers.

The salary cuts mean that the President's basic salary will be reduced by R210 a month, the salaries for Ministers by R147,50 a month and those of MPs by R67,50.

MP's allowances of R16 000 a year, Ministers allowances of R19 000 and the President's allowance of R36 200 are not affected.

## DEMANDS

Mr Botha said the present economic situation would put exceptional demands on the coming Budget.

The State had to deal very circumspectly with the financial resources of the country, including State expenditure and the way it is financed.

Cuts in State expenditure therefore had to be aimed largely at running expenditure.

In many instances the State's largest expenditure was on salaries and savings had to be brought about here.

## PROVINCIAL

There had also been discussions with provincial authorities and the Governments of the national states.

Mr Botha said he wanted to emphasise that the cut in salaries must be seen as a positive gesture and an honest effort with a view to a balanced Budget in the present difficult circumstances. Later in the week there would be an announcement on the increase of productivity and savings on personnel expenditure in the public service.

He called on the private sector to follow the example in order to make a contribution to the lowering of the inflation rate.

Referring to the inquiry into remuneration and conditions of service structures of Parliamentarians Mr Botha said conditions had changed in the new constitutional system.

## OBJECTIVE

With the system of standing committees MPs would throughout the year be busy with Parliamentary work and would often be absent from their constituencies.

The proposed committee would have to evaluate responsibilities, duties and tasks.

In order to have an objective evaluation it had been decided to have a committee composed of people who were all outside politics.

Mr Botha said: "The appointment of respected ex-politicians as members of the committee was done specifically because of their knowledge of the circumstances of Members of Parliament and the activities of Parliament. They can therefore make a meaningful contribution towards the investigation of the committee."

"I trust that this investigation will do justice to all concerned and that it will have the support and co-operation of the three Chambers and also of the various political parties in Parliament," Mr Botha said.

By TOS WENTZEL, Political Correspondent  
PUBLIC servants seem set to have their bonus pay cut by a third, but basic salaries will not be affected by measures to increase productivity and reduce personnel expenditure. This was indicated today by Government sources.

The Government hopes to save about R720-million a year with various schemes to cut costs and raise productivity. It is expected the cut will apply only to people who earn more than R6 000 a year.

The Cabinet discussed the package savings for the public service after an investigation by the Commission for Administration.

President Botha is to make a statement later today.

When President Botha announced the 3 percent cut in parliamentarians' salaries yesterday, he said the Government was considering more measures affecting the Budget and that he would make an announcement on increased productivity and savings on personnel expenditure in the public sector.

### **"Premature"**

The Minister of Home Affairs, Mr F.W. de Klerk, under whose department the Public Service falls, and the Minister of Transport Affairs, Mr Hendrik Schoeman, have had discussions with staff associations. The two Ministers declined to comment today on details of the savings package.

Mr Schoeman said protests from Sats staff associations against a proposed cut in bonus pay were "premature". An announcement would be made later in the week.

Mr de Klerk said it was known that an inquiry into increased productivity and savings was under way and that an announcement would be made soon.

Other Government sources, however, confirmed there would be a one-third cut in public servants' annual thirteenth (bonus) cheques but not in basic salary.

### **Longer hours**

As part of an increased productivity deal, civil servants would be required to work longer hours.

This does not necessarily mean that public servants will work a longer day as one of the possibilities being considered is shorter lunch and tea breaks.

The retirement age in the public service may be brought forward from 65 to 60 and some public servants may be asked to take early retirement.

The Opposition has agreed to the cut in parliamentarians' salaries but Dr F van Zyl Slabbert said today the Government needed to act urgently to restore confidence in the economy and in future political stability.

This meant fiscal and monetary discipline, re-evaluating priorities for State expenditure and above all cutting back on wasteful ideological expenditure.

### **Call for freeze**

The Opposition's chief spokesman on financial matters, Mr Harry Schwarz, called on the Government to negotiate a national voluntary price and wage freeze as a means to arrest the deteriorating economic situation.

Mr Schwarz warned the Government it could not apply one set of principles to wages and salaries and another set to prices.

The Government was trying to cut salaries in the public sector and was trying to get the private sector to do the same, yet yesterday's Post Office budget was only the latest example of how prices were treated differently.

Public Service bonuses may be cut 33 per cent

HR 641 5/3/85 400 355 400



## MPCs to take 3% cut in their allowances

Provincial Reporter

The Administrator, Mr Gene Louw, and all provincial councillors are taking a three per cent cut in their taxable allowances as an economy measure.

The leader of the provincial council and MPC for local government, Mr Piet Loubser, said all three parties in the council, the National Party, Progressive Federal Party and New Republic Party, had decided at caucus meetings to take a three percent cut in taxable allowances.

He said: "The Administrator, Mr Gene Louw, has also indicated that he will take a similar cut."

### CITY COUNCILLORS

No directive has been issued to town and city councillors to take similar allowance cuts but Mr Loubser said if a request were made to senior officials in local authorities, "I would appeal to them to consider it favourably."

● In Johannesburg, the MPC for Randburg, Mrs Pat van Rensburg, has called on her fellow councillors to accept a three percent cut in salary, Sapa reports.

Mrs van Rensburg added that the Progressive Federal Party caucus in the Randburg town council was willing to accept a three percent cut in salary.

## Anger at austerity measures

Argus Correspondent

PRETORIA. — Anger is mounting among the country's 450 000 State employees over austerity measures and at least one trade union has openly rejected the Government's latest economy moves.

More than 1 000 angry railway workers gathered in Pretoria yesterday to protest against proposed pay cuts. They called on the Government to reconsider cutting 13th cheques by a third.

Employees of the Federation of SA Transport Workers overwhelmingly supported a resolution which called on President P W Botha and the Cabinet to reconsider the economy moves.

Workers were clearly upset by the measures and their protests are likely to be echoed by public servants around the country.

Yesterday Mr Botha announced that all MPs and Cabinet ministers would take a three percent cut in basic pay.

Railways workers warned that the Government's measures would lead to "widespread labour unrest and dissatisfaction".

This week the SA Airways Engineers' Association will hold a similar protest meeting

(Turn to Page 3, col 3)

Argus  
5/7/85

335

# Anger mounts among public servants over cuts

46645 5/3/35  
Cont from Page 1

and representatives have said "there will be fireworks".

A spokesman for the airways workers said yesterday that members were furious about the proposed cuts and that they refused to accept them without a fight.

The president of the Post

and Telegraphs Association of South Africa, Mr Frikkie Smith, said no one was happy about the move.

He said the association's central executive committee was likely to discuss the measures at a meeting tomorrow night.

Transport union officials met the Government last week

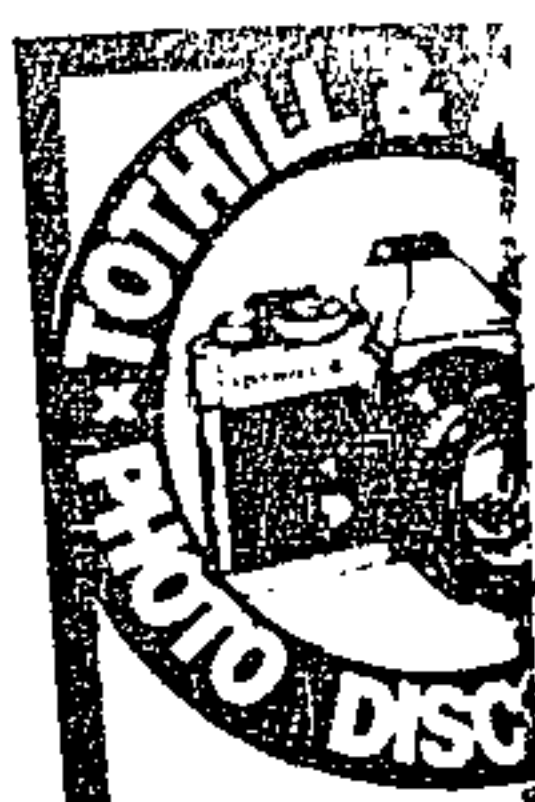
to discuss the cuts and they voiced their strong disapproval, the president of the federation, Mr Jimmy Zurich, told the railway workers' meeting yesterday.

Mr Zurich said Sats workers had made many sacrifices in recent years and had improved productivity, so the Govern-

ment's steps were a "great injustice".

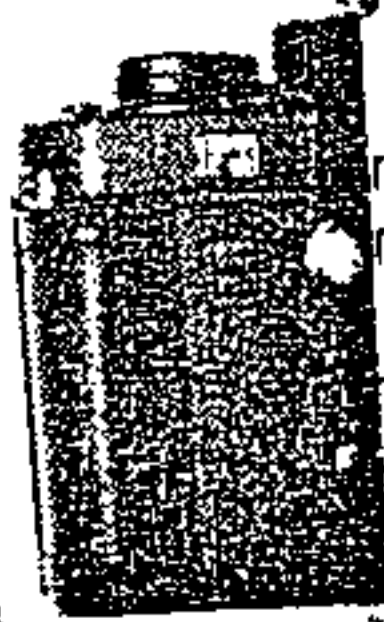
A prominent labour spokesman, Mr Willem van der Merwe, who is vice-chairman of the federation and second vice-president of the Trade Union Council of SA, said railwaymen were facing their biggest crisis since pay cuts in 1925.





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# SATS staff slam big cut in bonus

Own Correspondent

PRETORIA. — The country's 235 000 railway workers are up in arms at the arbitrary 33½ cut in their annual thirteenth (bonus) cheque.

Protest meetings have been called throughout the country.

Last night, at the first of the meetings at Koedoespoort in Pretoria, nearly 2 000 angry members of the Artisans Staff Association expressed "shock and dismay" at the big cut in their bonuses.

A similar protest meeting was also held in Cape Town last night.

At last night's meeting in Pretoria, addressed by the president of the ASA, Mr Jimmy Zurich, there were repeated angry shouts of "strike, strike".

The meeting resolved to appeal to the State President. Mr Zurich told the meeting he had been summoned to Cape Town last week to be told by the Minister of Transport Affairs, Mr Hendrik Schoeman, that the bonuses were to be cut.

He had warned the minister of the angry reaction the announcement would trigger off among his workers.

Mr Zurich told the rowdy meeting: "We have made sacrifices over the years. We have voluntarily accepted cuts in overtime and Sunday time and we have kept the railways running in spite of a 43 000 staff reduction in the past two years.

"And this is the thanks we get — the cut in our bonuses is the biggest blow suffered by railway workers since our salaries were reduced in 1922."

# Now comes anger over the pay-and-perk cuts

Public servants are understandably angry at the Government's announcement of pay cuts, but personnel analysts are less sympathetic to their plight.

"The Government is doing something it should have done years ago," said Mr John Cole, a remuneration expert for a leading consultancy.

Government measures announced yesterday include:

- A cut in the 13th cheque of civil servants.
- A reduction in merit award increases.
- The scrapping of free transport.
- The abolition of 50 percent

By Colleen Ryan, Pretoria Bureau

of all vacant Government posts.

"I do not feel any pain about cuts in 13th cheques," said Mr Cole.

"In the private sector a 13th cheque if paid at all is dependent on company profits."

Dr Colin Cameron, president of the Public Servants Association, said the Government should scrap the measures as soon as the economy improves.

Should the public service be the target of cutbacks or are the latest cuts unfair?

Civil servants' associations generally feel their members

are worse off than the private sector, but figures from the Progressive Federal Party last year seem to contradict this.

Although salaries in the public service are slightly lower than in the private sector, Government employees receive profitable perks such as low-interest housing loans, gratuities and generous pension fund deals.

Major Reuben Sive, Progressive Federal Party spokesman on the public service, gave figures on civil service remuneration packages in Parliament last year:

"An employee earning R800 a month or R9 600 a year would actually cost the State R22 146

when all perks were counted. "Perks were worth 130 percent more than basic salary."

A more senior employee earning R1 500 a month came out with a total package of R36 395 a year, which was twice his basic salary.

Dr Ockie Stuart, of the Bureau for Economic Research at Stellenbosch University, said public servants were comfortably off compared to private sector workers.

"It may not be fair to cut their pay packets," he said, "but these are difficult economic times."

"They should not expect any salary increases this year." Another advantage of Gov-

ernment workers was job security.

"They should be prepared to work for a little less because of job security," said Dr Stuart.

Mr Cole said the latest Government pay cuts should be seen against the background of substantial salary increases to the public sector in the last five years.

"Salaries have increased rapidly," he added, "and even last year there was a 12.5 percent increase."

In recent years the private sector had lost many skilled workers to Government departments because of higher pay and good perks, said Mr Cole.



# PFP hits out at 'illogical' pay cut plan

Capé Times  
6/3/85

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By ANTHONY JOHNSON  
Political Correspondent

THE PFP last night slammed the government's latest plan to cut civil servants' pay as an "illogical and unfair" strategy that was unlikely to improve productivity or produce meaningful savings.

## Assocom sees 'determination'

Own Correspondent

JOHANNESBURG. — Assocom has given high but qualified praise to the public service savings package announced by President Botha.

The chief executive of Assocom, Mr Raymond Parsons, welcomed the fact that even before the budget the government had given tangible evidence of its determination to reduce government spending and raise productivity in the public sector.

However, some economists see the three per cent cut in the earnings of parliamentarians announced by the State President this week as an empty symbolic gesture entailing absolutely no

sacrifice.

They pointed out the State President, who earns more than R7 000 a month, will sacrifice only R210 a month. Cabinet ministers who earn more than R6 000 a month will lose R147,50 and Members of Parliament who earn about R3 500 a month, will find R67,50 less in their pay packets.

Others welcomed the package.

Barclays Bank economist Dr Johan Cloete said: "Considerable amounts are involved. They should have done this long ago."

Volkskas economist Mr Adam Jacobs said it was far better that total earnings packages be cut than that staff be laid off.

At a press conference yesterday, President P W Botha staunchly defended his comprehensive plan to slash expenditure of South Africa's 750 000 public servants by almost R500-million in the coming year as "necessary medicine".

Mr Botha said that if the austerity measures succeeded in bringing South Africa single-digit inflation, the sacrifices that workers were being asked to make at present would be worthwhile.

He emphasized that the measures he announced earlier, which included a one-third cut in the Public Service's bonus cheques — should not be seen as "steps originating from a spirit of despair" but rather as a timely bid to alleviate current economic ills.

But the PFP's spokesman on finance, Mr Harry Schwarz, and the party's spokesman on the public service, Major Reuben Sive, said in a joint statement last night that the present steps were "retrogressive".

While the party had advocated the need to cut state expenditure, it was "utterly illogical and unfair" to impose a reduction in wages without doing anything about prices.

The PFP called on the government to sit down with employers and trade unions in the private sector to work out a policy of voluntary price and wage restraints to prevent the economic situation from deteriorating even further.

The Conservative Party's spokesman on Home Affairs, Mr Daan van der Merwe, said last night the announced pay cuts were the result of a spendthrift government being willing to make public servants the "unfortunate victims of its failed financial measures".

### To take effect from April 1

The State President announced the sweeping austerity package for the Civil Service in the House of Assembly yesterday.

The steps, which take effect from April 1 and also apply to provincial administrations and a number of other boards and similar institutions, include:

- Measures for increased productivity which will bring about an average saving of three per cent — about R321-million — on the original allocations of departments' personnel expenditures.

- Cutting bonuses (or 13th cheques) in the coming financial year from 8,3 per cent of the annual salary to 5,5 per cent — a saving in the wage bill of 2,8 per cent.

This cut will not apply to those earning R6 000 a year or less and is expected to save R225-million a year.

- The abolition of on average 50 per cent of existing vacant posts.

- Staff who make regular use of transport between their homes and work will have to pay for this service.

- The immediate freezing of all establishment increases except where ministers and administrators personally approve essential expansions.

- The expenditure on the present achievement awards which provides for a maximum of 25 per cent of officials to be reduced to a maximum of 10 per cent of officials.

This last step would save a further R35-million.

### 'Cutting spending for two years'

Mr Botha said the SA Transport Services and the Post Office had been cutting expenditure for two years already, but bonuses in these two services would also be cut.

Discussions were being held to put the measure into operation in the homelands, semi-state organizations and control boards.

At yesterday's press conference, the Minister of Home Affairs, Mr F W de Klerk, stressed that the bonus cuts should be seen as a temporary measure and would not affect the basic salaries or pensions of public employees.

He said the abolition of 50 per cent of vacancies in state departments would not affect education, police, prisons or labour core (low-level income groups).

- The one-third bonus cut had caused almost unprecedented discontent among the SATS's 235 000 staff members, according to the chairman of the Federation of SATS Trade Unions, Mr Jimmy Zurich.

Railways workers across the country held protest meetings last night and more are planned today. Mr Zurich said the cuts were a "great injustice", because the SATS had made many sacrifices in recent years and had improved productivity.



# Public Service angry over cut in bonus cheque

Argus Correspondent  
PRETORIA. — Public servants, teachers and nurses have reacted with anger and indignation to the Government's announcement of a cut in their bonus cheques.

And the mood of South African Transport Services workers is expected to deteriorate as further protest meetings against the cutting of their 13th cheque are held around the country.

President P W Botha yesterday announced a six-point plan to slash Government staff expenditure by R500-million.

Measures taken include a cut in 13th cheques, the scrapping of free transport, a reduction in merit award increases and abolishing 50 percent of vacant Government posts.

## Fireworks

"I expect that fireworks will erupt in Despatch, when railmen from Port Elizabeth and Uitenhage get together tonight," said Mr Jimmy Zurich, president of the Federation of SA Transport Workers.

He described a similar meeting in Johannesburg last night as being "very ugly".

"The meeting in Pretoria on Monday was calm compared to last night's gathering. In the 25 years I have worked for Sats I have never seen railwaymen react like this.

"The authorities should take note of the situation which is developing and try to defuse it," said Mr Zurich. "I don't feel easy about the situation and there are further meetings to be held in Durban, Kimberley and Bloemfontein.

## "Diabolical"

"These meetings are not being organised by the Federation's headquarters but by the men themselves. We are just being invited to them."

At the protest meeting in Johannesburg last night, the cut in the annual bonus cheques of SA Transport Services employ-

ees was described as "diabolical, immoral and unacceptable.

Workers strongly condemned the Government's decision to cut bonuses by 33 percent. A motion expressing their shock and dissatisfaction was accepted unanimously and will be sent to the President.

"The workers are not responsible for the financial crisis being experienced by the country and the SA Transport Services," the motion said. Their sacrifices had made it possible for Sats to reduce its staff by 43 000 and they deserved a better deal, it continued.

## Strike action

In Durban more than 500 angry, rowdy and militant railway artisans last night called for a vote of no confidence in management and the Government, as well as strike action and work stoppages to force the President to back down on his decision to cut their 13th cheque.

The vast majority rejected the initial resolution put forward by the Artisan Staff Association as being "too soft".

"What good is a resolution? Let's have some action — let's tell them what will happen if they take our money away," people shouted.

However, when the meeting was declared closed and many artisans had left, the union committee again put an amended resolution to them. It was accepted, but it did not reflect the mood of the meeting.

## High inflation

The president of the Public Servants' Association, Dr Colin Cameron, said the measures were a great shock, particularly in the light of the high inflation.

"This is a reflection of the poor economic climate and it means there are difficult times ahead for public servants."

The latest measures, coupled with fringe benefits tax and soaring interest rates, would hit employees hard, said Dr Cameron.

The president of the Post and Telegraph Association, Mr Frikkie Smith, said workers would be disappointed with the cuts. The Government's measures would be discussed at an executive committee meeting.

## Nursing posts

● The indiscriminate scrapping of nurses' service posts will have a negative effect on the quality of patient care which nurses are expected to provide, the SA Nursing Association (Sana) has warned.

The executive director of Sana, Mrs Susan du Preez, said the scrapping of vacant student posts was unacceptable.

"We may have temporary vacancies because of a poor student intake, but we want student posts to be increased to provide for nursing needs in the next 20 years," she said. Nurses supported the Government's efforts to increase productivity but Sana said if

the measures entailed adding to the hours already worked by nurses, then it did not agree because this would not necessarily lead to greater productivity. Nurses at provincial hospitals recently had their working day increased by 30 minutes.

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# Kwazulu rulers take salary cut of 36 percent

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Argus Correspondent

DURBAN. Kwazulu Cabinet members have decided to cut their own salaries by 36 percent following the three percent South African parliamentary salary cuts announced by President P W Botha.

Yesterday's decision in Ulundi means the annual salary of Kwazulu Chief Minister Chief Gatsha Buthelezi will drop from R36 482 to about R23 348 — a cut of R1 094 a month.

The seven other members of the Kwazulu Cabinet will see their salaries cut from R34 255 to R21 923 — or R1 027 a month. The effective saving on all Cabinet salaries is R99 458.

In a statement released today Chief Buthelezi said that for the 1985-86 financial year there would be no funds even for essential new capital projects, including schools, clinics, hospitals, township development, roads and agricultural schemes.

## "DEEPLY DISTRESSED"

- Meanwhile teachers have reacted angrily to the decision to cut civil service bonuses.

The CTPA, which represents about 20 000 Cape teachers, said in a statement that it had taken part in a "laborious, in-depth investigation" to bring teachers' salaries on a par with similar services in the private sector.

The CTPA was "deeply distressed" by the "enormous wastage" caused by under-use of schools and colleges standing "virtually empty" in white areas while those in non-white areas were "bursting at the seams".

- Sapa reports from Pretoria that the umbrella body for white teachers' associations said today it would not support plans to cut bonuses.

Mr J L Stonier, chairman of the Federal Council of Teachers' Associations, said the measures were over-hasty and ad hoc.

- Angry reaction — Page 3.

### No effect

Mr J.A. van Tonder (NP, Prieska) said Mr Everingham had not mentioned his travel allowance of R6 000 a year or his housing allowance to stay in the City — in his own house.

He said the measure would not have any effect on the current economic situation, because nobody was planning to retire.

Mr Loubser said the motion brought the Cape Province into line with others. It was general practice not to debate matters to do with members' remuneration.

Mr Herbert Hirsch (PFP, Sea Point) moved an amendment "that this motion be read this day six months hence", which in parliamentary procedure is the strongest possible opposition measure.

The motion was passed by 32 votes to 9.

## Council votes for gratuity increase

Staff Reporter

THE Provincial Council yesterday voted for increases in members' lump sum retirement gratuities in the face of PFP opposition.

Mr Piet Loubser, MEC (NP, Mossel Bay), introduced the Provincial Council Service Pensions Amendment Ordinance of 1985 "to improve gratuities payable to members". The draft ordinance was declared an urgent matter by the Administrator on Tuesday.

Mr Geoff Everingham (PFP, Pinelands) said the legislation was "the most outrageous I have seen since I was elected to this council".

"It asks us to double the cash gratuity payable on termination of service, assuming a member qualifies through having 7½ years' service. The minimum will now give a gratuity equal to a year's salary and allowances, R17 763, compared with R8 952 previously.

"At the maximum, with 20 years' service or more, the gratuity will be R47 368, or 164 percent more than it was."

Pensions were also paid to members of the Provincial Council who retire, and these were not affected by the ordinance, he said.



# Public sector anger at govt austerity plan

Own Correspondent

PRETORIA. — Anger spread yesterday throughout the public sector as the implication for nearly a million black and white workers of the government's austerity measures became clear.

This anger has been intensified because the bonus cuts have come against a background of a spate of big government-authorized price rises in the past three months and a soaring inflation rate.

Furious railway workers are continuing their meetings nationwide to protest against the cutting of their 13th cheque by a third.

Protest meetings were held at Kempton Park and Dispatch in the Eastern Cape last night and a meeting has been organized in Bloemfontein tomorrow.

Union leaders say there are demands from members for go-slow action to support the protest.

The general secretary of the Artisan Staff Association, Mr Willie van der Merwe, said his office was flooded yesterday with telegrams from many parts of the country demanding action and expressing shock at the bonus cut.

Dissatisfaction is also rife among the 85 000 Post Office workers.

An urgent meeting of the executive of the Posts and Telegraphs Association was held in Johannesburg last night to discuss the issue.

Tomorrow in Durban an emergency meeting of the Federal Council of Teachers' Associations will discuss a "future action programme" unless some of the measures are abolished or watered down.

The council has said there is a threat to education if an attempt is made to abolish posts. One of the measures to be enforced is the abolition of 50 per cent of all vacant posts in the public sector.

The measures have been rejected in toto by the council.

In a hard-hitting statement, the Transvaal Teachers' Association accused the government of resorting to penny-pinching to stop leaks caused by antiquated short-sighted economic planning.

Senior State department workers feared the austerity measures would be counter-productive and demotivate staff. They supported the Public Servants' Association plea for a speedy reversal of the decision to cut bonuses.

# PW seeks patriotic approach to pay cuts

11/6/85

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By TOS WENTZEL, Political Correspondent

PRESIDENT P.W. Botha today called for a reasonable and responsible approach to austerity measures in the Public Service and has appealed for a patriotic response to the country's problems.

He was reacting to the mounting anger and criticism in the Public Service which have followed the savings package, including a cut in bonuses.

Public Service protest meetings are being held in various parts of the country.

In his reaction today Mr Botha said there was probably no one in the country who was not aware of the extent of the present economic circumstances.

In the private sector the consequences were being experienced in terms of smaller profits and greater risks, the dismissal of employees and increasing bankruptcies.

## "Unhappiness"

Alternatives were considered and accepted in the steps to curb State expenditure as a contribution to the recovery effort.

One of these was to cut the so-called 13th cheque of officials by a third.

"I accept that there will be unhappiness. I have great understanding for this.

"I therefore want to repeat my earlier appeal — let us approach this matter in a reasonable and responsible way. Let each of us, as loyal fellow-countrymen, make our contribution.

## "Our anthem"

"It is now the time to do what we sing about in our anthem — 'We for you, South Africa'," Mr Botha said.

● Opposition to the Government's pay-and-jobs clamp-down continues to grow and postal workers have joined the call for the measures to be reconsidered.

● The 36 percent "cut" in salary for the Kwazulu Cabinet will not be taken from the salaries they are now being paid, but comes in the form of not accepting a 36 percent salary increase.

Clarifying the announcement today, Kwazulu Chief Minister Gatsha Buthelezi said the decision to cut their salaries meant in effect that they would continue to be paid the same salaries as they were now receiving.

Chief Buthelezi's present salary is R39 525, while that of the other seven members of the Cabinet is R36 597.

These salaries are about R3 000 higher than those approved in the Kwazulu Legislative Assembly last year.

Chief Buthelezi said his salary was to have been increased to R53 688 and that of the Cabinet members to R49 710.

Chief Buthelezi said the decision had been taken because they represented the poor of the country and was necessary in terms of the vast needs of the people.



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54771/3

## No pay raises for SABC

Own Correspondent

JOHANNESBURG. — The board of the SABC announced yesterday that staffers would get no salary increases this year.

But the board also said its saving drive was already bearing fruit.

Its total salary bill had been cut by 2.2 percent by the end of last month.

Stringent measures already in force are:

- A freeze on all vacancies. Executive permission has to be obtained to fill a vacancy.

- A ban on all overtime payments and a scaling-down of merit and differentiation allowances by at least a third.

- A lengthening of working hours.

- A hard rethink on merit bonuses at the end of the year.

# TODAY

FURNITURE  
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# Bonus cut: All groups up in arms

Own Correspondent

PRETORIA. — The nation-wide protest by public-sector workers against the slashing of their service bonuses by a third intensified further yesterday.

The protest is now representative of all groups in the public sector, except for the services — police, prisons and Defence Force — who are prevented by regulation from mobilizing protest action.

Teachers, railwaymen, state department workers, nurses and post office staff have all through their staff associations opposed the six-point plan to save R800-million on staff shares and benefits.

But according to sources the bitterness against the move is as great in the services as it is among other groups in the public sector. The services have no staff associations. They are expected to give "unquestioning loyalty" to the government.

Yesterday the SA Nursing Association and the Postal and Telegraphs Association joined in the protest.

The central executive of the Postal and Telegraphs Association decided at a meeting last night to seek an immediate interview with the Minister of Communications and Public Works, Dr L A P' A Munnik, to demand that the decision to cut their bonuses not be applied to them.

The general secretary of the association, Mr Frank Gerber, said: "We will tell the minister that post office workers have since 1971 voluntarily worked two additional hours a week without compensation. They have saved the post office hundreds of millions of rands in this period."

Mr Gerber said consumer price increases were constantly eroding living standards and the association deplored the intention to slash the service bonus by a third. This would worsen the plight of many workers.

The SA Nursing Association has also protested and emphasized that if the austerity measures entailed longer working hours for nurses, the association would oppose this.

# Angry PSA bosses hold closed meeting

Argus Correspondent

JOHANNESBURG. — The executive of the Public Servants Association will hold an extraordinary meeting within the next three weeks to decide on a response to the salary and benefits cuts announced in Parliament this week.

Meanwhile no formal representations would be made to the Government, according to a spokesman.

This was decided by a group of about 50 leading public servants representing the various professional branches of the PSA at a two-hour meeting behind closed doors in Pretoria last night.

## Agenda scrapped

The meeting was the latest in a series being held by public servants to mobilise resistance to the Government's decision to cut public servants' 13th cheques, scrap official transport and reduce merit increases, among other things.

After the meeting, PSA vice-president Mr Stan Davis said although the meeting had been a routine one, the normal agenda had been scrapped in favour of a debate on the new measures.

He would not be drawn on the content or tenor of the debate but it is known those present were angry about the cuts.

One representative said afterwards he had been sickened to see some of

his fellow public servants on television on Wednesday night saying they welcomed the moves.

"They remind me of the poet who traditionally attends the Zulu king in his kraal. This man has to praise the king no matter what."

Earlier this week the PSA president, Dr Colin Cameron, said the association was shocked at the cuts, especially in the light of the high inflation rate.

He predicted that the measures, coupled with high interest rates and the looming perks tax, would hammer the public servant.

● University staff will have their 13th cheques trimmed like other public servants, the secretary of the Committee for University Principals, Mr W J du Plessis, said today.

## "Great disappointment"

The Government provided about 75 percent of all university funds and so universities were in the same position as other semi-State organisations, said Mr du Plessis.

The decision to reduce pay came as a "very great disappointment", said a statement released by the University Lecturers Association.

The effect on university personnel was aggravated by the earlier 13 percent cut in State subsidies, said the statement.



# Ciskei wages racket alleged

**EAST LONDON** — Allegations that decentralisation concessions and incentives are being abused in Ciskei are to be raised in Parliament.

The allegations arise from reports in a Port Elizabeth newspaper that two foreign companies operating in Ciskei paid their workers an average R70 a month, but claimed the full tax-free cash incentive of R110 a month per worker.

The reports named the companies as Disa Garments and Engelhardt Manufacturing, which are housed under one roof at Fort Jackson.

Both manufacture clothing.

The reports quote a company document as saying there were 3 190 black workers at the factory on September 21 last year.

The reports add: "In one document it was shown 2 200 Ciskeians were paid an average R71,70.

"Under the concession scheme this means the companies would have been able to reclaim almost R40 a month more than it was paying each of its black workers.

"This could have given it a 'profit' on the black wage bill of more than R100 000 a month or more than R1,2 million a year and enabled it to subsidise the salaries of highly-paid executives."

The reports quote Mr Michael Schneiderman, named as a former production manager at Disa Garments, as saying: "Most workers were not paid more than R80 a month. The average was about R60 a month."

And Mrs Joey Walker, identified as a former canteen manager, responsible for paying 500 of the staff, is quoted as saying: "Most were paid between R48 and R60 a month."

The reports also quote company documents as showing the number of cleaners employed by the two com-

panies increased from 398 on August 31 last year to 520 by September 21.

"Similarly the number of security employees went up from 289 to 326 and the number of gardeners from 77 to 128."

The reports also said a New York-based company, Play Knits, had demanded last year that Disa and Engelhardt increase the number of their black employees.

They quote a confidential telex message from the president of Play Knits, Mr Ralph Tawil, instructing the two companies to "increase employment by 100 people per day as instructed."

Another message reportedly said: "We see that last week you only hired 209 plus 100 equals 309 people. You must hire more people. We want to have 5 000 people employed by 11/14 (November 14 last year)."

Asked to comment on the number of gardeners, cleaners and security guards, the company reportedly replied: "We have created job opportunities for more than 3 000 black Ciskeians, all of whom were unemployed and unskilled, and now fill necessary roles in our company structure."

Responding to allegations that it paid workers less than R110 a month, the company is reported as saying it conducted business within the decentralisation concessions "as presented to us by the Ciskeian authorities."

The PFP MP for Sea Point, Mr Colin Eglin, is to raise the matter in Parliament.

He said yesterday he would continue to probe an apparent waste of taxpayers' money and add:

"The South African taxpayer pays and Ciskei just seems to spend. There appears to be a definite lack of control in the way the money is spent." — DDR

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PRESIDENT SEBE

## Control of two firms' poser

EAST LONDON — Mystery and confusion surrounds the shareholding of Disa Garments and Engelhardt Manufacturing, the two Ciskei-based companies which allegedly have been paying staff well below the R110 a month allowed in terms of Ciskei's decentralisation concessions.

● According to Port Elizabeth reports, Mr Ralph Tawil, president of a New York-based company, Play Knits Inc, sent instructions to Disa and Engelhardt to employ more black workers.

But Disa and Engelhardt are owned by a Hong Kong-based company, Elgin, according to the Port Elizabeth reports.

However, Disa reportedly claims Play Knits has no control or interest in Elgin.

According to the reports, Disa declined to comment on evidence that people were appointed to Disa in writing on Play Knits letterheads by Ralph Tawil.

The report adds: "Moreover, other staff were appointed by Mr Ralph Tawil and Miss Janina Berg, another Play Knits vice-president, in letters written on Disa letterheads."

"And when negotiations over the purchase of equipment for Disa took place with a well-known Cape Town supplier, they were conducted with the Play Knits head office in New York and particularly with Mr Ralph Tawil."

Contacted at the Disa factory, Miss Berg reportedly denied she had anything to do with Disa or that Disa was a subsidiary of Play Knits.

She is quoted as saying she could not recall sending a telex to the Philippines last year from Disa. — DDR

## Eglin hits at concessions abuse in Ciskei

EAST LONDON — The practice of paying workers in Ciskei less than the R110 a month allowed in terms of Ciskei's decentralisation concessions has been sharply criticised by Ciskei's President Lennox Sebe.

The President is on record as saying wage concessions were granted to industrialists so they could pay workers higher wages.

He added: "With few exceptions, workers are being paid below the poverty datum line and the money is being used to raise the salaries of certain executives."

Two foreign companies operating in Ciskei, Disa Garments and Engelhardt Manufacturing, have been identified in Port Elizabeth reports as paying their workers an average R70 a month.

Asked to comment on President Sebe's criticism, the managing director of Disa, Mr Chay Tawil, reportedly said: "We are certainly in full agreement with the President's view."

In a front page report, a Port Elizabeth newspaper quoted a senior Ciskei Government official as saying: "Company documents show black workers at the companies' factory were paid far less than R110 a month."

"Ciskei — and South Africa — would have be-

nefited more if the R110 had been paid direct to the workers."

Emphasising he did not want to respond directly to the allegations against the two firms, the general manager of the Ciskei People's Development Bank, Mr Frans Meisenholl, conceded yesterday Ciskei could do nothing at present to prevent companies exploiting a loophole in the decentralisation concessions.

However, the loophole would be closed from April 1 when measures would be taken to separate wages and salaries, making it impossible to inflate wage bills.

He added: "Companies abusing concessions may not be acting against the letter of the law, but they are certainly acting against the spirit of the concession."

"Industries should pay at least the amount they are paid as a wage subsidy, but we can't force them to do that."

"However, the Ciskei Government expects industrialists to pay wages that will allow a worker and his family to live a respectable life."

"We are totally opposed to any company abusing the concessions."

The PFP MP, Mr Colin Eglin, who is to raise the matter in Parliament, said earlier this week "the present decentralisation handouts avail-

able to entrepreneurs are wide open to abuse at the expense of South African taxpayers."

Commenting on the decentralisation policy as a whole, Mr Eglin said: "The consequence of these policies is that millions of rands of South African taxpayers' money is being used, not to create productive employment for blacks in impoverished rural areas, but to line the pockets of entrepreneurs who have found ways of milking the financial bonanza being provided by this ill-conceived and shockingly administered decentralisation package."

Speaking in Cape Town yesterday, he added that the control and administration of money paid to industrialists as an inducement to establish factories in decentralised areas was lax.

Among questions he will ask in Parliament is: What procedures have been laid down for monitoring and auditing the activities and finances of companies establishing industries in Ciskei?

Last week the Minister of Trade and Industry, Dr Dawie de Villiers, strongly defended the decentralisation policy and emphasised that adequate controls had been exercised in implementing the policy. — DDR



THE TIMES 11/3/85  
**Pay cut:  
Doctors  
warn of  
exodus**

Staff Reporter

A GROUP of full-time hospital doctors have warned of an exodus from teaching hospitals into private practice or overseas if salaries in the civil service are cut.

In a joint letter to the SA Medical Journal, 12 doctors at Groote Schuur Hospital and the University of Cape Town said they were concerned about calls by leading economists for cuts in the civil service payroll.

They said many seemed to be unaware that doctors, medical technologists, teachers, nurses and other paramedical staff were civil servants.

There was also wide agreement that these civil servants were underpaid at present.

They said that if conditions of employment in academic practice deteriorated further there would be a "haemorrhage of doctors into private practice or overseas".

As a first step towards rectifying the situation doctors should, like judges, be removed from the ambit of the Commission for Administration.

● Sapa reports that the Trade Union Council of South Africa issued a statement on Saturday deploring bonus reductions for public servants as a "dictatorial action".

And the government's call on the private sector to follow its lead was an "unwelcome interference" with workers' and managers' freedom to make their own decisions, said Tucsa.

The reason for the nation's economic plight was "the government's maladministration" and not the fault of the workers.

# Sats workers hold pay protest meetings tonight

Argus Correspondent

JOHANNESBURG. — Militant white railway workers remain firmly opposed to Government pay cuts and will hold a new round of protest meetings this week to back their demands.

The Sats Artisans Staff Association (ASA) will hold meetings in Cape Town and Pretoria tonight and in Johannesburg tomorrow.

Yesterday the ASA demanded that the Government agree to repay lost bonus money within two years.

The Sats Salaried Staff Association (Salsstaff) has also taken a hard line and is threatening to take the State President to court unless the bonus cut issue is resolved to their satisfaction.

"The atmosphere is very electric — we will not let this mat-

ter lie," said ASA's chief secretary, Mr Willie van der Merwe.

Meanwhile South Africa's thousands of white teachers are waiting to hear whether Mr P W Botha will heed their call for a meeting to discuss the austerity announcements, writes The Argus Education Reporter.

The Suid-Afrikaanse Onderwysersunie (SAOU) has also rejected the decision to slash teachers' bonus cheques and has thrown its weight behind the call for the meeting.

A statement after an extraordinary meeting of the SAOU's executive committee yesterday said although it understood the country's financial dilemma, the SAOU was deeply unhappy that the Government had found it necessary to cut bonuses at such short notice when the improved salary package for teachers had

been implemented only last October.

The measures were unacceptable and were not a satisfactory solution for the financial difficulties facing the country.

However, the bulk of the public sector appears to have accepted the Government's decision.

The Nursing Association of South Africa and the Post and Telegraph Association have expressed disappointment at the cuts but have accepted them as inevitable.

The executive of the Public Servants' Association meets on March 21 but the vice-president, Mr Stan Davis, has ruled out the possibility of strikes or court action.

The Committee of Technikon Principals has accepted the cuts.



# Cape clothing industry warned over pay levels

Argus 12/3/85

By TOM HOOD

CASH-SQUEEZED employers of Cape clothing workers who underpay their workers or use sick fund and other deductions to finance their business are being threatened with legal action.

The industrial council for the Cape clothing industry has warned it will take offending employers to court.

The 49-year-old council, consisting of 13 employer and 13 worker representatives, fixes wage levels for the 60 000 garment workers in the Cape Town area.

More and more employers are failing to pay the correct minimum wages in terms of the industry's pay agreement, says Mr A M Rosenberg, chairman of the industrial council.

## LAW IS CLEAR

"Employers must ensure that their wage clerks pay the council minimum wages," he says in his annual report.

"In law the employer is responsible for the actions of his employees and if the council takes a firm to court in connection with underpayment of wages, the employer will have to appear in court.

"The law is clear. Employers are expected to know the law and the agreement. The council will act promptly in cases of underpayment."

Mr Rosenberg says certain employers, when engaging workers, take the wage shown on the previous employer's service record card as the wage at which the employee is engaged.

## R64 A WEEK

For example, R58 a week was the minimum rate for a machinist up to December 12 1984, and an employer paid a machinist R59,50.

But in January a new employer engaged her as a machinist but instead of paying R64 a week, the new minimum wage, he engaged her at R59,50 with the result that she was underpaid.

Other cases that came to light are highlighted by Mr Rosenberg:

- Machinists with more than two and a half years' experience were taken on at R61,25 or R62,95 a week, whereas the minimum rate was R64.
- A worker with one year and 20

days' experience was engaged at the rate for a worker with one year's experience instead of the rate for the first six months of her second year.

- The council served a large wage claim on an employer on behalf of a qualified clerk. The employer told her he was not in a position to pay her the qualified rate and offered her the job at R50 a month less than the monthly wage for a qualified clerk.

## VERY UPSET

The employee was taken on at the lowest negotiated salary.

"The employer was very upset when he received the claim from the council and protested that the employee agreed to work for him at the lower wage. The employer did not realise he was committing an offence.

"These examples may or not be deliberate cases of underpayments, but the council cannot tolerate this situation to continue.

"A small number of employers habitually pay their sick fund and other dues to the council only after the due date and fall into arrears for one month or more.

"These employers do not appreciate that the amounts deducted from the wages of employees are trust funds and cannot be used to finance their businesses. The council will not permit employers to fall into arrears with payments to the council and its funds."

## NO DEFENCE

Defaulting employers are to be prosecuted where they ignore requests for payments for arrear levies and contributions.

Some employers when pressed for payment of arrears said: "I have not got the money to pay."

But it is no defence in law to say no funds are available, adds Mr Rosenberg.

"The minority who do not meet their obligations would be well advised to heed the council's warning that they face firm legal action if they default."

- The council is to increase to R1,5-million from R1-million a year the amount it advances in low-interest housing loans to clothing workers from its provident fund.

# SAOU rejects govt measures

Cape Times 12/3/85

Education Reporter

THE Suid-Afrikaanse Onderwysersunie (SAOU) yesterday added its voice to growing protest among the teaching profession at the government's recently announced measures aimed at increasing productivity and generating savings in the public sector.

In a statement released after an extraordinary meeting of the SAOU executive committee yesterday morning, the chairman, Mr J T Kritzinger, said the SAOU found the measures unacceptable. They were not a satisfactory solution to the financial difficulties facing the country.

They also made no allowances for the unique circumstances and needs of the education sector, and in the long run they would be damaging to the education of children in South Africa, he said.

The executive committee understood the financial dilemma facing the government, but was deeply unhappy over the fact that the government found it necessary to make cuts at such short notice, particularly since the improved salary deal for educators was implemented only in October last year.

Referring to a telegram sent by the umbrella organization of the white organized teaching profession, the Federal Council of Teachers' Associations, to the State President, Mr P W Botha, calling for an urgent meeting between the authorities and employee organizations in the public sector, Mr Kritzinger said it was of the utmost importance that such a meeting be agreed to.

Reiterating a view which was expressed by other teacher organizations last week, Mr Kritzinger said it appeared the government had given in to pressure from the private sector.

"It is high time the private sector made the same demands of itself as it does of the State," he said.



# Bonus cuts 'will result in unrest'

Care Times 13/3/85 355

Staff Reporter

**THE government's slashing of SATS workers bonus cheques by one-third would result in nation-wide labour unrest, about 400 angry artisans were told last night.**

Addressing a packed Liesbeek Park Recreation Hall, the vice-president of the South African Artisans Association, Mr Hugo van Dyk, said that South African Transport Service workers and management had responded to 1975 government anti-inflation pleas with 16 percent staff cuts and a 10 percent increase in productivity.

## Profit

"This was something no other department had 'even come close to'.

SATS now had a smaller and better trained staff saving "millions of rands a year". They were also one of the few government departments making a profit.

Two years ago the Minister of Transport, Mr Hendrik Schoeman, had budgeted R635-million to cover losses.

"Last month he closed

his books with a profit," Mr Van Dyk said.

The government move was an arbitrary decision taken without consulting their unions, he charged.

## 'Chaotic'

"We are not responsible for the country's chaotic economic position. If these measures are brought in there will be major unrest amongst the workers," he warned.

The public was under a "grossly wrong" impression that SATS workers were paid out of State coffers. The truth was that salaries came out of the organization's own profits.

Mr Van Dyk described the 13th cheque as a service bonus which formed part of workers' salary package.

A motion calling for the State President to "defuse mounting unrest amongst workers especially while the disinvestment campaign gathers momentum", was unanimously accepted by the meeting.

Only urgent reconsideration of the decision

to cut 13th cheques would avoid widespread labour unrest, Mr Van Dyk said.

● In Johannesburg, an angry meeting of about 1 000 members of the Railways Artisan Staff Association last night passed a motion of no confidence in the government.

They packed out a hall in Koedoespoort, Pretoria, for the second time in 10 days to make a foot-stamping protest at the arbitrary cut in their service bonuses.

The general secretary of the ASA, Mr Willie van der Merwe, emphasized that the vote of no confidence was not a political action — "trade unions politics are bread-and-butter and that is what this protest is all about".

To shouts of approval, Mr Van der Merwe said: "The cabinet is calling for higher productivity. We have increased ours by 10 percent. What about their productivity?"

"We were merely told of the cabinet's decision. The whole matter was handled in an unaccep-

table dictatorial manner."

The service bonus, he said, was entrenched in service conditions, and could not be arbitrarily taken away.

Last year the country's 235 000 railway workers were granted a 12 percent increase.

● More than 45 000 of the country's municipal employees yesterday rejected a government request for a pay cut similar to that imposed on State employees last week, a union spokesman said.

The acting general secretary of the South African Association of Municipal Workers, Mr L. Claassens, said the union refused the suggestion of a one-third cut in holiday bonuses because municipalities had consistently made financial sacrifices in the past.

And although the service load on municipalities had been gradually increased, there had been no accompanying rise in municipal personnel, he said.

## BUSINESS BRIEF

Gold (close) .... \$288,65  
Rand ..... \$0,4995/5005  
FT index (close) 990,40  
RDM 100 ..... 847,70

Public salaries up  
in 1984

PRETORIA. — The salaries bill for public servants for the last quarter of 1984 rose by more than 27 percent over the previous year, to almost R2,2-billion, according to government figures.

Figures quoted by Central Statistical Services (CSS) indicate that 896 103 people were employed by government, provincial and municipal administrations by late 1984 — an increase of 2,8 percent over the end of 1983.

In central government departments alone, according to the CSS, 23 000 more people were employed. A total of R2 164-million was paid out to employees in all the sections.

#### Cut back

The increase occurred despite government pledges to cut back on personnel, the State President's Office said yesterday, but that was due to a greater number of teachers.

In the last months of 1984, earnings in central government rose by over 33 percent, to R967-million, over the same period the previous year, the CSS says. A large part of the increase was due to government's programme of making public-sector jobs more market-related.

The CSS statistics indicated further that the Transvaal was the largest provincial employer, using 44 percent of the total 259 580 provincial employees.

Government employees in the six homelands increased by almost 20 percent since 1982, to now stand at a total of 118 700. Kwazulu, with 47 000 employees, had the largest public service, the CSS said. — Sapa



# Municipal workers join bonus protest

Argus Correspondent

PRETORIA. — White municipal workers have joined the protest against the Government's intended bonus cuts.

The general executive council of the South African Association of Municipal Workers (Saame) met Mr Chris Heunis, Minister of Constitutional Development and Planning, here yesterday to discuss the effect of the bonus cuts on its 42 000 workers.

In a statement issued by Mr JDL Claassens, acting secretary of Saame, the association rejected Mr Heunis's request that municipal workers fall in with the proposed bonus cuts.

Among the reasons were that:

- Over the years municipal workers had made many financial sacrifices in the interest of the country's economic situation;

- The functions of local authorities were being increased by the new constitution and they could not reduce staff; and

- A reduction of existing pay could have a negative effect on the increasing productivity levels being achieved by municipal workers.

The statement also rejected previous announcements by local authorities and other municipal bodies that the country's municipal workers would fall in with the Government's intended bonus cuts, and said this was not the viewpoint of Saame.

A statement from the Federation of Municipal Trade Unions, which represents about 18 000 white municipal workers, is expected soon.

- Angry railway workers last night unanimously rejected Government cuts in their bonus payments.

They passed a motion of no confidence in the Cabinet and

asked the State President to defuse growing unrest among workers.

About 400 members of the Western Cape branch of the Artisans Staff Association heard Mr Hugo van Dyk, vice-president of the association, charge that the move to cut bonuses was an arbitrary decision taken without consultation.

## Chaos

He said the artisans were not responsible for the economic situation and if the proposed measures were implemented there would be chaos.

The workers were not paid out of State coffers. The truth was that salaries came from Sats profits.

The bonus had been worked for in 1984 and was owed to the workers in January, even though it was only due to be paid in April. Provision had been made in the Budget for full payment.

(355) Stan

# Wage compromise not the answer

5/3/85

It was with a mounting sense of disbelief that I read Harvey Tyson's "Undercurrent Affairs" column of March 2, and his call for some sort of compromise between black demands and Government policies.

My incredulity knew no bounds when he suggested that one of the items that blacks should concede was the desirability of a legal minimum wage, and that the repeal of the existing legislation in that area would lead to increased employment opportunities for blacks.

I realise that there may not have been much time to study Dr Zac de Beer's suggestion carefully before writing the column, and that this was a knee-jerk response to homely monetarist clap-trap masquerading as sound economics and genuine compassion for the worse off in our society. The truth is very different.

What Dr de Beer is suggesting, in calling for the removal of the minimum wages requirements, is that the low-paid should be paid less, and that the savings then made by employers will enable them to take on more staff.

There is no empirical or theoretical evidence to support the idea that a lowering of wage and salary levels increases the number of people employed.

In fact, our own direct experience in this country shows us that the opposite is true. Real levels of pay have fallen during the past two years, but the number of jobless people continues to rise.

This has not been quixotic behaviour on the part of our economy, but a world-wide phenomenon endured in Western Europe and North America as they passed through their downturns.

All the theory points to the fact that increasing real levels of pay will lead to mounting numbers of employed. This is because the demand generated will lead employers to take on more staff to produce the goods and services required.

There is a further weakness in Dr de Beer's analysis in that he implies that people are not being offered or taking up jobs at rates below the minimum wage.

The "illegal" inhabitants of the cities are often at the mercy of employers, who take advantage of the fear of internal exile to pay their workers less than the legal minimum.

The huge pool of unemployed,

## READERS' VIEWS

who wait daily for work outside pass offices like Albert Street, are doing precisely what Dr de Beer suggests — taking work at "any wage", and still the numbers of the jobless grow.

The solution to the country's huge economic problems lies not in legalising further the gross exploitation of the poor, but in a radical transformation of the manner in which the wealth of the nation is distributed, and the way that State revenue is raised and allocated.

Trevor Tutu

Johannesburg



*HMS*

30 April .....	19 385
31 May .....	17 409
30 June .....	17 309
31 July .....	17 579
31 August .....	17 122
30 September .....	17 467
31 October .....	16 990
30 November .....	16 406
31 December .....	17 959

**Prisoners: cost**

391. Mrs H SUZMAN asked the Minister of Justice:

What was the unit cost per prisoner per day in 1984?

The MINISTER OF JUSTICE:

As the 1984/85 financial year has not been closed, it is not possible to calculate an exact figure at this stage. At present the estimated unit cost per prisoner per day is R8,65.

**Prisoners: deaths**

392. Mrs H SUZMAN asked the Minister of Justice:

- (1) How many sentenced prisoners died of natural causes during the latest specified period of 12 months for which figures are available;
- (2) how many of these deaths were due to pneumonia?

The MINISTER OF JUSTICE:

Figures for the period 1 January 1984 to 31 December 1984 are as follows:

(1) 181.

(2) 14.

**Commissions/departmental committees**

397. Mr K M ANDREW asked the Minister of Foreign Affairs:

- (1) How many (a) commissions and (b)

departmental 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 commission 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 FOREIGN AFFAIRS:

- (1) (a) A Task group was appointed on 1 December 1984 to investigate the introduction of Subscription television and to submit recommendations to the Government in this regard.

(b) None.

- (2) No. (a) and (b) Fall away.

- (3) No. (a) and (b) Fall away.

- (4) An amount of R5 500 has been budgeted for the present financial year. The Task group is not yet in a position to make a calculation of the estimated costs for the next financial year.

**Commissions/departmental committees**

410. Mr K M ANDREW asked the Minister of National Education:

- (1) How many (a) commissions and (b) departmental 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;

- (ii) staff nurses, (iii) professional nurses, (iv) senior professional nurses, (v) chief professional nurses and (vi) chief nursing service managers;

- (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;

- (2) (a) what is the estimated annual cost of raising the salary scales applicable to African, Coloured and Asian nurses to those applicable to White nurses and (b) when is it envisaged that parity will be achieved in respect of these salary scales?

- (4) what is the total estimated cost relating to each of these commissions and committees?

The MINISTER OF NATIONAL EDUCATION:

- (1) (a) None.

(b) None.

- (2), (3) and (4) Fall away.

**Sporting facilities**

450. Mr M A TARR asked the Minister of National Education:

What was the total amount spent by his Department on the provision of sporting facilities in South Africa in the 1984-85 financial year?

The MINISTER OF NATIONAL EDUCATION:

An amount of R250 000 was allocated for the provision of sports facilities in rural areas. The administration of the project is done by the South African Rugby Board. The needs have been assessed and tenders are awaited before payment can be effected.

*Hansen d Q. 601.697*  
Nurses 18/3/85  
502. Dr M S BARNARD asked the Minister of Home Affairs:

- (1) What are the salary scales applicable to (a) male and (b) female persons of each race group employed in provincial hospitals as (i) student nurses,

The MINISTER OF HOME AFFAIRS:

- (1) (a) and (b) The salary scales indicated are public service scales which, as far as is known, are also applied by the provincial administrations. The salary scales of male and female employees in the public service are the same. Salary scales for the different population groups are specified up to the point where posts exist.

**(i) White**

R2 691-2 886×249-4 878×276-6 258/4 629-4 878×276-6 534×312-7 782 + 12% pensionable allowance.

**Coloured and Indian**

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**Black**

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**(ii) White, Coloured and Indian**

R5 982×276-6 534×312-8 406×414-9 234 + 12% pensionable allowance.

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## (iii) White, Coloured and Indian

R7 470×312-8 406×414-10 890×570-12 600 + 12% pensionable allowance.

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R6 846×312-8 406×414-10 890-11 460 + 12% pensionable allowance.

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R10 890×570-16 020 + 12% pensionable allowance.

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R10 062×414-10 890×570-14 880 + 12% pensionable allowance.

## (v) White, Coloured, Indian and Black

R16 020-16 590×849-19 137 + 12% pensionable allowance.

## (vi) White

R24 231-25 080-26 115 + 12% pensionable allowance.

## (2) (a) R56,7 million.

(b) The implementation of a further phase of the programme to eliminate the salary gap will be considered in the light of available funds when occupational specific market related investigations are undertaken according to needs and/or general salary adjustments can be effected.

*Hansen*

508. Mr D J N MALCOMMESS asked the Minister of Agricultural Economics:

(1) How many milk-powder was (a) produced and (b) sold in the Republic in 1984;

(2) whether milk-powder was imported in this year; if so, (a) by whom, (b) from what country or countries and (c) at what price in each case;

(3) whether any South African individuals or companies acted as agents in any of these transactions; if so, what are their names;

(4) whether milk-powder is being exported at present; if so, at what price;

(5) whether any South African individuals or companies are acting as agents in such transactions at present; if so, what are their names;

(6) whether this milk-powder is being exported as a loss; if so, (a) what is the nature of the loss and (b) how will this loss be recouped?

## The MINISTER OF AGRICULTURAL ECONOMICS:

(1) (a) 34 352 ton.

(b) 28 984 ton.

for the period 1 March 1984 until 28 February 1985.

(2) No lawful imports occurred.

(3) Fall away.

(4) Yes, at approximately 615 Dollar (USA) per ton.

(5) No.

(6) Yes.

(a) Approximately R2,30 per kg.

(b) The loss is recouped from the Stabilisation Fund of the Dairy Board.

## Milk-powder

516. Mr D J N MALCOMMESS asked the Minister of Agricultural Economics:

(1) Whether milk-powder is being exported at a profit; if not,

(2) whether a levy is charged on fresh

milk in order to recover the loss; if so, (a) what amount (i) had been recovered and (ii) remained to be recovered as at the latest specified date for which figures are available and (b) when is it anticipated that this levy will be discontinued?

## The MINISTER OF AGRICULTURAL ECONOMICS:

(1) No.

(2) Yes.

(a) 2 cents per litre on fresh milk and industrial milk.

(i) R36 million was recovered and spent on the disposal of surpluses until 28 February 1985.

(ii) R60 million remains to be recovered during the period 1 March 1985 until approximately 28 February 1987 to dispose of present surpluses and to repay a land Bank loan of R32 million which was utilized during the year ending 29 February 1984 for the disposal of surpluses.

(b) It is anticipated that the levy will be discontinued after approximately two years if no further surpluses are produced.

*Hansen Q. 601-701*  
Apprenticeship contracts  
18/3/85

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

(a) How many Black apprenticeship contracts were in operation in 1984 and (b) how many were registered in respect of each trade?

## The MINISTER OF MANPOWER:

(a) Statistics concerning the contracts in operation are not kept on a population group basis and those in respect of members of the Black Popu-

lation Groups are therefore not kept separately.

(b) Falls away.

## Veterinarians

540. Mr E K MOORCROFT asked the Minister of Agricultural Economics:

(a) How many (i) White, (ii) Black, (iii) Coloured and (iv) Asian veterinarians are registered in the Republic at present and (b) in respect of what date is this information furnished?

## The MINISTER OF AGRICULTURAL ECONOMICS:

(a) There are 1 354 registered veterinarians in the Republic of South Africa. The records of the South African Veterinary Council do not distinguish between (i) White, (ii) Black, (iii) Coloured and (iv) Asian veterinarians.

(b) The information is furnished as on 1 February 1985.

*Hansen Q. 601-702*  
Sheltered employment  
18/3/85

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

(1) (a) How many facilities for sheltered employment are there under the control of his Department and (b) where are they situated in each case;

(2) how many persons were employed in each such facility as at the latest specified date for which figures are available;

(3) whether persons employed in sheltered employment facilities qualify for benefits available to Government employees; if so, for which benefits; if not, why not;

(4) (a) what is the maximum hourly wage paid to such persons and (b) what (i) annual and (ii) sick leave are these persons allowed;



*Hein*

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*Hansard*

Milk-powder

Q-601. 697 18/3/85  
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ed at present; if so, at what price;

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uals or companies are acting as  
agents in such transactions at present;  
if so, what are their names;

(6) whether this milk-powder is being ex-  
ported as a loss; if so, (a) what is the  
nature of the loss and (b) how will  
this loss be recouped?

The MINISTER OF AGRICULTURAL  
ECONOMICS:

(1) (a) 34 352 ton.

(b) 28 984 ton.

for the period 1 March 1984 un-  
til 28 February 1985.

(2) No lawful imports occurred.

(3) Fall away.

(4) Yes, at approximately 615 Dollar  
(USA) per ton.

(5) No.

(6) Yes.

(a) Approximately R2,30 per kg.

(b) The loss is recouped from the  
Stabilisation Fund of the Dairy  
Board.

Milk-powder

516. Mr D J N MALCOMESS asked the  
Minister of Agricultural Economics:

(1) Whether milk-powder is being ex-  
ported at a profit; if not,

(2) whether a levy is charged on fresh

milk in order to recover the loss; if  
so, (a) what amount (i) had been re-  
covered and (ii) remained to be re-  
covered as at the latest specified date  
for which figures are available and  
(b) when is it anticipated that this  
levy will be discontinued?

The MINISTER OF AGRICULTURAL  
ECONOMICS:

(1) No.

(2) Yes.

(a) 2 cents per litre on fresh milk  
and industrial milk.

(i) R36 million was recovered  
and spent on the disposal of  
surpluses until 28 February  
1985.

(ii) R60 million remains to be  
recovered during the period  
1 March 1985 until approxi-  
mately 28 February 1987 to  
dispose of present surpluses  
and to repay a land Bank  
loan of R32 million which  
was utilized during the year  
ending 29 February 1984 for  
the disposal of surpluses.

(b) It is anticipated that the levy will  
be discontinued after approxi-  
mately two years if no further  
surpluses are produced.

*Hansard* Q-601.701  
Apprenticeship contracts  
18/3/85

519. Dr A L BORAINÉ asked the Minis-  
ter of Manpower:

(a) How many Black apprenticeship  
contracts were in operation in 1984 and  
(b) how many were registered in respect  
of each trade?

The MINISTER OF MANPOWER:

(a) Statistics concerning the contracts in  
operation are not kept on a popu-  
lation group basis and those in re-  
spect of members of the Black Popu-

lation Groups are therefore not kept  
separately.

(b) Falls away.

Veterinarians

540. Mr E K MOORCROFT asked the  
Minister of Agricultural Economics:

(a) How many (i) White, (ii) Black, (iii)  
Coloured and (iv) Asian veterinarians are  
registered in the Republic at present and  
(b) in respect of what date is this informa-  
tion furnished?

The MINISTER OF AGRICULTURAL  
ECONOMICS:

(a) There are 1 354 registered veterinar-  
ians in the Republic of South Africa.  
The records of the South African  
Veterinary Council do not distinguish  
between (i) White, (ii) Black, (iii)  
Coloured and (iv) Asian veterinar-  
ians.

(b) The information is furnished as on 1  
February 1985.

*Hansard* Q-601.702  
Sheltered employment  
18/3/85

554. Dr A L BORAINÉ asked the Minis-  
ter of Manpower:

(1) (a) How many facilities for sheltered  
employment are there under the con-  
trol of his Department and (b) where  
are they situated in each case;

(2) how many persons were employed in  
each such facility as at the latest  
specified date for which figures are  
available;

(3) whether persons employed in shel-  
tered employment facilities qualify  
for benefits available to Government  
employees; if so, for which benefits;  
if not, why not;

(4) (a) what is the maximum hourly wage  
paid to such persons and (b) what (i)  
annual and (ii) sick leave are these  
persons allowed;



10% cut  
25/3/87  
in IMC

salaries  
likely

Political Correspondent  
CAPE TOWN — Port Elizabeth's Indian Management Committee (IMC) is to propose a 10% reduction in its salaries this afternoon and will call on the City Council and the Coloured Management Committee (CMC) to do the same.

The IMC's chairman, Mr Raman Bhana, MP for Malabar and chairman of the House of Delegates, told the Evening Post he would suggest this to the IMC at its 2.30pm meeting today, and he was sure it would be unanimously accepted.

"We will take the lead in heeding the guidance of the State President," Mr Bhana said.

President P W Botha recently announced that top public representatives were taking a 3% cut in their salaries.

"In the light of the State President's call and the economic conditions, we feel we can also play a small role," Mr Bhana said.

Botha

# told of angry

## teachers

Education Reporter

REPRESENTATIVES of every recognized teachers' association in the country met the State President, Mr P W Botha, in Cape Town yesterday to convey to him the anger of their members over the government's recently announced austerity measures for the civil service.

After the meeting teacher representatives, as well as representatives of the Public Servants League and the Public Servants Association, indicated they did not expect any reversal of the measures announced last month by Mr Botha.

They said however that Mr Botha and Finance Minister Mr Barend du Plessis had outlined clearly why the measures had been necessary.

"We made it quite clear that in future we expect decisions of this nature not to be taken without consultation with teachers," said Mr Pat Samuels, president of the Indian teachers' body, the Teachers Association of South Africa.

### Bonus cuts

All the teacher associations appeared to be particularly concerned at the government's decision not to fill 75 percent of all vacant teaching posts because of the effect it would have on stability in the profession, the quality of education and the attractiveness of the profession.

Mr H H Dlamlenzi, president of the African Teachers Association of South Africa, said he had told Mr Botha that the cut in bonus pay cheques would affect black teachers hardest since they had not yet reached parity with other race groups.

● Last night Mr Botha said discussions he held yesterday with teachers associations, personnel associations of the civil service and postal service and the SATS had been "open-hearted and constructive".

was



355A Stan 27/3/85

# Madeline can now practise...

In 1912 the highest court in South Africa was asked to decide whether women were persons. It held they were not.

The issue arose when Madeline Wookey attempted to gain admission to the attorneys' profession. The legislation regulating the admission of lawyers to practise stated that "persons" suitably qualified could become attorneys.

In addition, the Interpretation Act provided that "words importing the masculine gender shall include females" — meaning that even "he" should be read to include "she".

But the court was not convinced. Mr Justice Solomon pointed out that "the immemorial practice of centuries" compelled him to conclude that the statute could not be read to allow women to practise as attorneys.

Mr Justice de Villiers, Judge President of the Transvaal, did research to discover what the position was in 17th Century

Holland. He found that not only women but the deaf and blind, Jews, pagans and pronounced heretics were excluded from the profession.

Some of these prohibitions, he conceded, were obsolete — for example those based on race or religion — but he could not say the same of the prohibition based on sex.

Thus he agreed Miss Wookey could not be admitted to practise.

Compared to decisions in other countries, the language of our Appellate Division was restrained. In 1873 a similar matter came before the American Supreme Court. Mr Justice Bradley declared:

## PROTECTOR

"... the civil law, as well as Nature herself, has always recognised a wide difference in the respective spheres and destinies of man and woman."

"Man is, or should be, woman's protector and defender. The natural

Women are discriminated against in our society. CHRISTINA MURRAY of Lawyers for Human Rights looks at their position in the legal field.

and proper timidity and delicacy which belongs to the female sex evidently unfits it for many of the occupations of civil life

"The harmony, not to say identity, of interests and views which belong to the or should belong to the family institution, is repugnant to the idea of a woman adopting a distinct and independent career from her husband."

This type of sentiment was found in South Africa. Writing in the *South African Law Journal* in 1918, Melius de Villiers, who had been a judge in the Orange Free State before Union, stated: "A revolt against nature is involved in any proposal to allow women to enter

## ... but sex bias in SA law jobs is still continuing

into the legal profession. This is incompatible with the idea and duties of Motherhood."

Further on in the article, Mr de Villiers noted with distress the increase in the "native black population" and said there should be no checks on the growth of the "native white population".

## CHECKS

There would be a danger of such checks occurring, he argued, if women were permitted to practise as lawyers. They would then either remain unmarried or marry but remain childless, or, even worse, enter into purely platonic relationships.

This last fear was provoked by Mr de Villiers's collateral questions of

hearing of two cases where medical practitioners did this.

An argument often raised to justify the exclusion of women from the legal profession was that women should not be exposed to the indecencies revealed in the courtroom.

This position was laid down early in Wisconsin: "It would be revolting to all female sense of the innocence and sanctity of their sex, shocking to man's reverence to womanhood ... that women should be permitted to mix professionally in all the nastiness of the world which finds its way into courts of justice; all the unclean issues, all the collateral questions of

sodomy, incest, rape, seduction, fornication, adultery, pregnancy, bastardy, legitimacy, prostitution, lascivious cohabitation, abortion, infanticide, obscene publications, libel and slander of sex, impotence, la chronique scandaleuse of all the vices and all the infirmities of all society, with which the profession has to deal."

(It should be noted that the "unclean issues" to which the judge refers almost all involve women.)

The legislation in South Africa regarding a woman's admission to the legal profession was amended in 1923. Since then an increasing number of women are found in law schools, in attorneys' firms, at the Bar and acting as legal advisers to companies.

## MEN ONLY

However, this does not mean discrimination against women in law has ceased. The employment section of a Sunday newspaper reveals legal

firms and businesses, which remain anonymous by operating through a personnel consultancy, still stipulate that jobs are open to men only.

Well qualified women graduates report greater difficulty in finding jobs than their male counterparts, and senior members of attorneys' firms are heard asserting that their clients prefer dealing with men.

In South Africa discrimination is usually associated with race, but sexual discrimination is a problem too.

Our society is replete with examples of discrimination against women solely on the basis of their sex. Such discrimination may be poorly disguised as a concern for the women or openly based on allegations of a woman's inferior ability.

Whatever reasons are given, discrimination based on sex is as invidious as discrimination based on the colour of a person's skin.

# Big salary 'freeze' no freeze

w/c ARGUS

30/3/85

Political Staff

355

IN a spite of a "freeze" on public servants' salaries the Government's total wage bill will still soar by 12,5 percent this year.

This was revealed by the all-party Parliamentary Standing Committee on Finance in Cape Town yesterday.

In its third report, which deals with this year's Budget, the Committee draws attention to a statement submitted to it by the Treasury which says that the total salary account of the Central Government is to rise this year from R7 844-million to R9 300-million.

"If the savings on personnel-related expenditure of R471,1-million (plus-minus R417-million of that still has to be reflected in the printed Estimates of Expenditure) are taken into account, the figure for 1985 will amount to R8 828,9-million, or an increase of 12,5 percent," the report says.

About seven percent of this ascribed to "carry-over costs of the improvement in the situation of educators", leaving an increase of about 5,5 percent for "increments, promotions and increases in numbers", it adds.

Mr Harry Schwarz, the Progressive Federal party spokesman on finance and deputy chairman of the Standing Committee, said yesterday that the public service was still able to award its staff substantial salary increases by moving people up notches or into different grades.

"From these figures it can be seen that the cost of the public service will expand at a greater rate than the overall increase in Government spending, and that in reality it is wrong to say that all civil service salaries have been frozen" Mr Schwarz said.



Sowetan 1/4/85

# NEW US WAGE DEMAND

355

**THE Sullivan Code now categorically demands that signatories pay wages of at least the minimum living level plus 50 percent, according to the code's Co-ordinator for SA, Mr Lionel Grewan.**

Mr Grewan, who works for Citibank in Johannesburg practices for US companies in SA was one of three introduced in 1977. The EEC produced a code for European companies, and the Urban Foundation (UF) and the South African Employers' Consultative Committee on Labour Affairs (Saeccola) issued a code for local companies.

From what the unionists and the codes' spokesmen said, it appears that:

- The EEC Code is the most influential.
- The Sullivan Code is the only one to maintain an independent monitoring system and is

now taking the lead in lobbying the SA Government.

- The UF-Saeccola Code is the least influential, partly because international pressures which can be marshalled against foreign firms defying the codes do not exist for local companies.

- Where strong unions exist, union-management bargaining makes the codes redundant.

## Code

Replying to the charge that the UF-Saeccola Code was "toothless", Dr Robin Lee, managing director of the UF, said the code was designed to make companies aware of their responsibilities to employees and society.

The UF was not going to toughen the code because it realised that "collective bargaining had come to stay".

But in its defence Professor Blackie Swart of Unisa found in 1980 a "high awareness of the UF-Saeccola Code among South African

companies and that it had an impact on policies.

Lionel Grewan said that although the EEC Code recommended a minimum wage level of the minimum living level plus 50 percent, the EEC Code had no mechanism for checking that firms were complying. The 140 Sullivan-signatory companies were monitored by Arthur D Little Inc of Massachusetts.

Mr Tony Gooch, the British Embassy's labour attache, pointed out that a major difference between the American and EEC codes was that Sullivan was a tightly-organised affair whose terms could be revised every year.

The European companies, however, were not "signatories", had no "co-ordinator", submitted reports to their various national governments, and their code could only be revised by joint decision of the EEC Council of Ministers.

**Don't miss**

SOWETAN SUNDAY  
**MIRROR**  
The paper you can trust

Augus 2/4/85

355

# Demand for living wage

Staff Reporter

CAPE Town City Council's efforts to meet the needs of its workforce, particularly at the lower levels of pay, had fallen short and required revision and up-scaling, the Industrial Court heard today.

Mr Denis Kuny SC was presenting union argument in the arbitration of a wage dispute between the Cape Town Municipal Workers' Association and the council.

Evidence in the six-month hearing ended yesterday.

Mr Kuny said the union had chosen to describe its demand as a demand for a living wage which emphasised that the demand was primarily related to the needs of the workers and their living standards. This was especially for the lowest paid workers who comprised about 5 000 of the union's 11 000 members.

## FIXING WAGES

It regarded wages as payment for services rendered, but also as the means to enable employees to survive.

The union accepted that need did not constitute the sole criterion in fixing wages and that other criteria such as wage comparisons, the ability to pay, productivity, cost of living and minimum budget had to be taken into account.



# Rises below inflation rate

355 E. Post 3/4/85

JOHANNESBURG — South Africans have been dealt a severe blow over the past eight months with salaries rising at 4,4% below the inflation rate.

Figures released yesterday show that the average increase of salaries for staff of all race groups from July 1 last year to the end of February this year was 6,2%. This compares with a consumer price index of 10,6% for the same eight-month period.

The figures are contained in the latest salary survey done by the remuneration division of P-E Corporate Services SA (Pty).

"This dismal picture is made worse by the fact that the inflation rate is predicted to rise at an alarming rate," said Miss Jane Ashburner, manager of the division.

In addition, companies are predicting salary increases for 1985 of only 11,8%, which means that South Africans are going to suffer a further erosion of take-home pay.

Miss Ashburner says that traditionally actual salary increases come in at 2% below predicted increases. This means that this year's increases could be as low as 9% for most staff categories or 11% below the inflation rate — if it does rise to the anticipated 20% this year.

The survey, based on data provided by 689 organisa-

tions employing staff of all race groups, found that whites' salaries reflected the lowest movement at 5,6%. The figures for other races are 7,9% for coloureds, 8% for Asians and 8,9% for blacks.

The staff category to receive the lowest increases was white artisans whose salaries moved a mere 2,9% against the average 6,2%. This is the lowest increase received by artisans in more than five years.

The average movement for artisans of all race groups was 4,8%.

Highest increases were granted to technical and engineering staff in manufacturing who recorded a movement of 7,5%.

Huge cutbacks in production have occurred in many large factories this year and have affected the movement of salaries for operations and management staff in manufacturing. This category received a 4,3%.

Although the overall picture was one of gloom, Miss Ashburner said the figures accurately reflected the state of the economy and companies were now looking at remuneration policies in a more practical manner.

"South Africans are going to take a hard knock and they mustn't expect things to get better overnight. They're going to be on low increases for a long time to come," she said. — Sapa

# Gloomy outlook for salary increases

JOHANNESBURG. — South Africans have been dealt a severe blow over the past eight months with salaries moving 4.4 percent below the inflation rate. Figures released this week show that the average movement of salaries for staff of all race groups from July 1 last year to the end of February this year was 6.2 percent.

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CAPE TOWN 4/4/85 (355)  
The survey, based on data provided by 689 organizations employing staff of all race groups, found that whites' salaries reflected the lowest movement at 5.6 percent.

The figures for other races are 7.9 percent for coloureds, 8.0 percent for Indians and 8.9 percent for blacks.

The staff category to receive the lowest increases was white artisans whose salaries moved a mere 2.9 percent against the average 6.2 percent. This is the lowest increase received by artisans in more than five years.

"White artisans have traditionally received high increases but this year there have been massive cutbacks and retrenchments particularly in the construction industry where a large number of artisans are employed," said Miss Ashburner.

The average movement in salaries for artisans' all race groups was 4.8 percent.

Highest increases were granted to technical and engineering staff in manufacturing who recorded a movement of 7.5 percent.

Huge cutbacks in production have occurred in many large factories this year and the effects of this have come through in the movement of salaries for operations and management staff in manufacturing.

This category received a 4.3 percent.

In the clerical and secretarial category whites again recorded the lowest movement at 6.1 percent. Asians recorded the highest at 9.1 percent followed by blacks at 8.9 percent and coloureds at 8.4 percent.

Although the overall picture was one of gloom, Miss Ashburner said that the figures accurately reflected the state of the economy and that companies were now looking at remuneration policies in a more practical manner.

"In the past, it has been common for employers to grant across-the-board cost of living adjustments and then to add an additional merit increase to this. Increases have thus been determined using the CPI and salary increases and the CPI have correlated very closely," she said.

The position had now been reached where companies could not afford to award these increases without a commensurate increase in profits.

She said that low increases will have to be accepted as a fact of life and that South Africans will just have to drop their standards of living accordingly.

"South Africans are going to take a hard knock and they mustn't expect things to get better overnight. They're going to be on low increases for a long time to come," she said. — Sapa



# Natal wage bill to be cut

355  
D. K. Spatcher  
7/6/85  
4/4/85

DURBAN — The Natal Provincial Administration is to trim R11 million from its wage bill through a 2½ per cent cut in staff this financial year, the Provincial Secretary, Mr Roy Hindle, has disclosed.

He said the overall staff cut would affect some departments more seriously than others.

Although he expected the cut could be achieved without having to retrench any permanent staff, temporary staff would be hit.

He could not disclose exactly how many temporary staff were employed, but said each case would be decided on merit and particular consideration would be given to such sensitive areas as hospitals and education.

Dr Fred Clarke, MEC in charge of hospitals, said the cut, while not as bad as originally thought, would put heavy pressure on departments which urgently needed more money for essentials.

The province's provision of services would be affected and the public would feel the pinch, he warned.

He hoped the situation would be temporary and would be rectified when the economy recovered.

The province, which employs about 40 000 people, placed a freeze on posts two months ago when a staff cut was first mooted by the central government.

The government asked the provinces in February to report on the implications of staff cuts of 2½ per cent, four, six and eight per cent.

Mr Hindle said the government's decision now to ask for a 2½ per cent cut was much more favourable than the original request for an eight per cent cut.

"The consequences of even a four per cent cut would have been drastic," he said. However, the R11 million the government had asked to be cut from their wage bill was still "serious."

He said this wage bill cut was over and above the already decided-on three per cent cut in salaries for provincial staff, effected on their annual bonuses, which will be one third less this year. The savings from the bonus cut were expected to amount to about R8 million. — SAPA

three years and negative publicity regarding the alleged presence of salmonella in certain samples of rooibos tea.

- (b) None, except for higher processing costs.

#### Leaf tobacco

- (a) Favourable climatic conditions.  
(b) Exports at reduced prices.

#### Beef

- (a) Forced marketing mainly as a result of the drought.

- (b) Decrease in the auction prices and possible sales at reduced prices.

#### (3) Wheat

- (a) Surplus stocks are exported at competitive prices.

- (b) Incidental surpluses are mainly due to favourable climatic conditions.

#### Dairy products

- (a) Sales at the best prices that can be realized in the market.

- (b) Surpluses are mainly the result of the adverse effects of drought conditions in the northern crop production areas.

#### Eggs

- (a) and (b) Application of an effective marketing strategy to improve the demand for and the sale of eggs and egg products.

#### Rooibos tea

- (a) and (b) Marketing quotas were introduced last year, foreign markets were exploited and steps are being taken to enhance

the market acceptance of stocks and new production.

#### Leaf tobacco

- (a) and (b) Voluntary limitation of production is applied by the producers.

#### Beef

- (a) and (b) Price- and marketing arrangements to effect an equilibrium between demand and supply as far as possible.

#### Agricultural products: shortage

363. Mr E K MOORCROFT asked the Minister of Agricultural Economics:

- (1) Whether any shortages of agricultural products exist or are expected in 1985; if so, of which products;

- (2) what in each case are the (a) reasons for such shortages and (b) price implications;

- (3) what steps have been taken or are contemplated in each case to (a) counter the effect of such shortages and (b) avoid them in future?

#### The MINISTER OF AGRICULTURAL ECONOMICS:

- (1) Yes, sunflower seed (for pressing purposes to provide in the cooking oil requirements) and cotton.

#### (2) Sunflower Seed

- (a) Mainly unfavourable climatic conditions.

- (b) Not quantifiable owing to variable factors such as variation in supply and demand (locally) and price fluctuations on the world market.

#### Cotton

- (a) Mainly unfavourable climatic conditions.

- (b) None.

#### (3) Sunflower Seed

- (a) and (b) It is customary to supplement shortages of cooking oil by means of imports.

#### Cotton

- (a) and (b) It is customary to supplement shortages by means of imports.

*Handwritten:* Alexandra 10/4/85  
Mr D J DALLING asked the Minister of Co-operation, Development and Education:

- (1) Whether any civil unrest and/or school boycotts occurred in Alexandra in 1984; if so,

- (2) whether any inquiries have been instituted in this regard; if not, why not; if so, who is or was in charge of these inquiries;

- (3) whether these inquiries have been completed; if so, what were the findings; if not, (a) why not and (b) when is it anticipated that they will be completed;

- (4) whether any action has been or is to be taken as a result of the inquiries; if not, why not; if so, what action?

#### The MINISTER OF CO-OPERATION, DEVELOPMENT AND EDUCATION:

- (1) Yes, only a boycott at a school.

- (2) Yes. The governing body of the school instituted inquiries with the chairman of the governing body in charge.

- (3) Yes. The governing body came to the conclusion that the main reason had been the influence which persons and organizations outside the school exercised on the pupils. A further reason for dissatisfaction with the pupils was their demand that money which they

had paid for wood for the construction of woodwork models, be paid back to them, could not be met as the wood had already been used in models which they had not completed.  
(a) and (b) Fall away.

- (4) Yes. A former Inspector of Schools was appointed as acting principal for the beginning of 1985 to restore order.

*Handwritten:* 355  
Doctors/paramedical personnel: salary scales increased 6.1. 1026 10/4/85  
454. Dr M S BARNARD asked the Minister of Home Affairs:

What are the present salary scales for (a) doctors and (b) paramedical personnel of each race group employed in provincial hospitals?

#### The MINISTER OF HOME AFFAIRS:

#### Explanatory notes:

1. The salary scales indicated are Public Service scales which, as far as is known, are also applied by the Provincial Administrations.

2. Salary scales for the different population groups are specified up to the point where posts exist.

3. List of abbreviations/symbols used hereafter:

PA: Pensionable Allowance  
NPPA: Non-pensionable Professional Allowance  
(W): White  
(C): Coloured  
(I): Indian  
(B): Black

#### (A) Salary Scales: Medical Staff

(All population groups)  
Intern (Medical)  
R12 030 + 12% PA  
Registrar  
R18 288 × 849 - 25 080 + 12% PA  
+ R11 037 NPPA



Medical Officer	Student Radiographer
Dentist	(W): R3 633 x 249 - 4 629 + 12% PA
R18 288 x 849 - 25 080/24 231 - 25 080 x 1 035 - 27 150 + 12% PA plus NPPA of R11 037 (first leg of scale) and NPPA of R12 420 (second leg of scale)	(C)(I): R3 135 x 249 - 4 131 + 12% PA
Deputy Director (Head- and Regional Office Personnel)	(B) (Male): R2 301 x 195 - 2 886 - 3 135 + 12% PA
Medical Superintendent	(B) (Female): R2 106 x 195 - 2 886 + 12% PA
Senior Medical Officer	Occupational Therapist
Senior Dentist	Physiotherapist
R31 290 x 1 320 - 33 930 + 12% PA + R7 710 NPPA	Speech Therapist and Audiologist
Senior Medical Superintendent	Radiographer
R33 930 x 1 320 - 35 250 + 12% PA + R7 425 NPPA	(W)(C)(I): R7 470 x 312 - 8 406 x 414 - 10 890 x 570 - 12 600/11 460 x 570 - 16 020 + 12% PA
Medical and Dentistry Specialists	(B): R6 846 x 312 - 8 406 x 414 - 10 890 - 11 460/10 476 - 10 890 x 570 - 14 880 + 12% PA
R33 930 x 1 320 - 35 250 + 12% PA + NPPA of R8 745 payable at the notch R33 930 and NPPA of R9 495 payable at the notch R35 250.	Chief Occupational Therapist
Director (Head- and Regional Office Personnel)	Chief Physiotherapist
Chief Medical Superintendent	Chief Speech Therapist and Audiologist
R39 630 (fixed) + 12% PA + R4 080 NPPA	Chief Radiographer
Principal Family Practitioner	(W)(C)(I)(B): R16 020 - 16 590 x 849 - 19 137 + 12% PA
Principal Clinical Pharmacologist	Control Occupational Therapist
Principal Stomatologist	Control Speech Therapist and Audiologist
Senior Specialist	Control Physiotherapist
R39 630 (fixed) + 12% PA + R9 255 NPPA	Control Radiographer
Chief Director (Head- and Regional Office Personnel)	(W)(C)(I)(B): R21 684 x 849 - 23 382 + 12% PA
R44 850 (fixed) + 12% PA	Occupational Class Chiropodist
Chief Family Practitioner/Professor	Chiropodist
Chief Clinical Pharmacologist/Professor	(W)(C)(I)(B): R16 020 - 16 590 x 840 - 19 137 + 12% PA
Chief Stomatologist/Professor	Occupational Class Medical Orthotist and Prosthetist
Chief Specialist/Professor	Pupil Medical Orthotist and Prosthetist
R44 850 (fixed) + 12% PA + R8 475 NPPA	(W): R4 380 x 249 - 4 878 x 276 - 6 534 - 6 846 + 12% PA
	(C)(I): R3 882 x 249 - 4 878 x 276 - 6 258 + 12% PA
(B) Salary Scales: Paramedical Staff	(B): R2 886 x 249 - 4 878 - 5 154 + 12% PA
Occupational Classes Occupational Therapist, Physiotherapist, Speech Therapist and Audiologist, Radiographer:	Medical Orthotist and Prosthetist
Student Occupational Therapist	(W)(C)(I): R9 648 x 414 - 10 890 x 570 - 14 880/16 020 - 16 590 x 849 - 19 137 + 12% PA
Student Physiotherapist	(B): R8 820 x 414 - 10 890 x 570 - 13 740/14 880 x 570 - 16 590 x 849 - 17 439 + 12% PA
Student Speech Therapist and Audiologist	

Senior Medical Prosthetist	Senior Medical Orthotist and Prosthetist	Control Oral Hygienist
(W)(C)(I): R18 288 x 849 - 21 684 + 12% PA	(W)(C)(I): R18 288 x 849 - 21 684 + 12% PA	(W)(C)(I)(B): R21 684 x 849 - 23 382 + 12% PA
Chief Medical Orthotist and Prosthetist	Chief Medical Orthotist and Prosthetist	Occupational Class Optometrist
(W)(C)(I)(B): R21 684 x 849 - 25 080 + 12% PA	(W)(C)(I)(B): R21 684 x 849 - 25 080 + 12% PA	(W)(C)(I)(B): R16 020 - 16 590 x 840 - 19 137 + 12% PA
Control Medical Orthotist and Prosthetist	Control Medical Orthotist and Prosthetist	Occupational Class Dental Therapist: Student Dental Therapist
(W)(C)(I)(B): R31 290 x 1 320 - 33 930	(W)(C)(I)(B): R31 290 x 1 320 - 33 930	(B) (Male): R2 301 x 195 - 2 886 - 3 135 + 12% PA
Occupational Class Medical Technologist:	Occupational Class Medical Technologist:	(B) (Female): R2 106 x 195 - 2 886 + 12% PA
Pupil Medical Technologist	Pupil Medical Technologist	Dental Therapist
(W): R4 878 - 5 430 - 5 982 - 6 258 + 12% PA	(W): R4 878 - 5 430 - 5 982 - 6 258 + 12% PA	(C)(I): R7 470 x 312 - 8 406 x 414 - 10 890 x 570 - 12 600/11 460 x 570 - 16 020 + 12% PA
(C)(I): R4 131 - 4 629 - 5 154 - 5 706 + 12% PA	(C)(I): R4 131 - 4 629 - 5 154 - 5 706 + 12% PA	(B): R6 846 x 312 - 8 406 x 414 - 10 890 - 11 460/10 476 - 10 890 x 570 - 14 880 + 12% PA
(B): R3 135 - 3 633 - 4 131 - 4 629 + 12% PA	(B): R3 135 - 3 633 - 4 131 - 4 629 + 12% PA	Chief Dental Therapist
Medical Technologist	Medical Technologist	(C)(I)(B): R16 020 - 16 590 x 840 - 19 137 + 12% PA
(W)(C)(I): R9 648 x 414 - 10 890 x 570 - 12 600/13 740 x 570 - 16 020 + 12% PA	(W)(C)(I): R9 648 x 414 - 10 890 x 570 - 12 600/13 740 x 570 - 16 020 + 12% PA	
(B): R8 820 x 414 - 10 890 - 11 460/12 600 x 570 - 14 880 + 12% PA	(B): R8 820 x 414 - 10 890 - 11 460/12 600 x 570 - 14 880 + 12% PA	

## Teachers: number required

570. Mr R M BURROWS asked the Minister of National Education:

(1) Whether his Department has undertaken a study concerning the numbers of teachers required for White, Coloured and Indian schools; if not, why not; if so, how many teachers in each race group will be required to be trained between now and the year 2000 in order to accommodate the natural growth of each community;

(2) whether there is currently a shortage of teachers; if so, how many teachers in each race group will have to be trained during the same period to overcome such shortages as might persist?

The MINISTER OF NATIONAL EDUCATION:

(1) (a) Yes.

(b) Falls away.

(c) The study has not been finalized



three years and negative publicity regarding the alleged presence of salmonella in certain samples of rooibos tea.

- (b) None, except for higher processing costs.

#### Leaf tobacco

- (a) Favourable climatic conditions.

- (b) Exports at reduced prices.

#### Beef

- (a) Forced marketing mainly as a result of the drought.

- (b) Decrease in the auction prices and possible sales at reduced prices.

#### (3) Wheat

- (a) Surplus stocks are exported at competitive prices.

- (b) Incidental surpluses are mainly due to favourable climatic conditions.

#### Dairy products

- (a) Sales at the best prices that can be realized in the market.

- (b) Surpluses are mainly the result of the adverse effects of drought conditions in the northern crop production areas.

#### Eggs

- (a) and (b) Application of an effective marketing strategy to improve the demand for and the sale of eggs and egg products.

#### Rooibos tea

- (a) and (b) Marketing quotas were introduced last year, foreign markets were exploited and steps are being taken to enhance

the market acceptance of stocks and new production.

#### Leaf tobacco

- (a) and (b) Voluntary limitation of production is applied by the producers.

#### Beef

- (a) and (b) Price- and marketing arrangements to effect an equilibrium between demand and supply as far as possible.

#### Agricultural products: shortage

363. Mr E K MOORCROFT asked the Minister of Agricultural Economics:

- (1) Whether any shortages of agricultural products exist or are expected in 1985; if so, of which products;

- (2) what in each case are the (a) reasons for such shortages and (b) price implications;

- (3) what steps have been taken or are contemplated in each case to (a) counter the effect of such shortages and (b) avoid them in future?

#### The MINISTER OF AGRICULTURAL ECONOMICS:

- (1) Yes, sunflower seed (for pressing purposes to provide in the cooking oil requirements) and cotton.

#### (2) Sunflower Seed

- (a) Mainly unfavourable climatic conditions.

- (b) Not quantifiable owing to variable factors such as variation in supply and demand (locally) and price fluctuations on the world market.

#### Cotton

- (a) Mainly unfavourable climatic conditions.

had paid for wood for the construction of woodwork models, be paid back to them, could not be met as the wood had already been used in models which they had not completed.

- (a) and (b) Fall away.

#### Cotton

- (a) and (b) It is customary to supplement shortages of cooking oil by means of imports.

*Handwritten:* X  
Hemund  
Alexandra 10/4/85  
G.C.I. 1025

424. Mr D J DALLING asked the Minister of Co-operation, Development and Education:

- (1) Whether any civil unrest and/or school boycotts occurred in Alexandra in 1984; if so,

- (2) whether any inquiries have been instituted in this regard; if not, why not; if so, who is or was in charge of these inquiries;

- (3) whether these inquiries have been completed; if so, what were the findings; if not, (a) why not and (b) when is it anticipated that they will be completed;

- (4) whether any action has been or is to be taken as a result of the inquiries; if not, why not; if so, what action?

#### The MINISTER OF CO-OPERATION, DEVELOPMENT AND EDUCATION:

- (1) Yes, only a boycott at a school.

- (2) Yes. The governing body of the school instituted inquiries with the chairman of the governing body in charge.

- (3) Yes. The governing body came to the conclusion that the main reasons had been the influence which persons and organizations outside the school exercised on the pupils. A further reason for dissatisfaction with the pupils was their demand that money which they

- (4) Yes. A former Inspector of Schools was appointed as acting principal for the beginning of 1985 to restore order.

*Handwritten:* 355  
Doctors/paramedical personnel: salary scales Hemund G.C.I. 1026 10/4/85  
454. Dr M S BARNARD asked the Minister of Home Affairs:

What are the present salary scales for (a) doctors and (b) paramedical personnel of each race group employed in provincial hospitals?

#### The MINISTER OF HOME AFFAIRS:

##### Explanatory notes:

1. The salary scales indicated are Public Service scales which, as far as is known, are also applied by the Provincial Administrations.

2. Salary scales for the different population groups are specified up to the point where posts exist.

3. List of abbreviations/symbols used hereafter:

PA: Pensionable Allowance  
NPPA: Non-pensionable Professional Allowance  
(W): White  
(C): Coloured  
(I): Indian  
(B): Black

#### (A) Salary Scales: Medical Staff

(All population groups)  
Intern (Medical)  
R12 030 + 12% PA  
Registrar  
R18 288 x 849 - 25 080 + 12% PA  
+ R11 037 NPPA



Medical Officer	Student Radiographer
Dentist	(W): R3 633 x 249 - 4 629 + 12% PA
R18 288 x 849 - 25 080/24 231 - 25 080 x 1 035 - 27 150 + 12% PA	(C)(I): R3 135 x 249 - 4 131 + 12% PA
plus NPPA of R11 037 (first leg of scale) and NPPA of R12 420 (second leg of scale)	(B) (Male): R2 301 x 195 - 2 886 - 3 135 + 12% PA
Deputy Director (Head- and Regional Office Personnel)	(B) (Female): R2 106 x 195 - 2 886 + 12% PA
Medical Superintendent	Occupational Therapist
Senior Medical Officer	Physiotherapist
Senior Dentist	Speech Therapist and Audiologist
R31 290 x 1 320 - 33 930 + 12% PA + R7 710 NPPA	Radiographer
Senior Medical Superintendent	(W)(C)(I): R7 470 x 312 - 8 406 x 414 - 10 890 x 570 - 12 600/11 460 x 570 - 16 020 + 12% PA
R33 930 x 1 320 - 35 250 + 12% PA + R7 425 NPPA	(B): R6 846 x 312 - 8 406 x 414 - 10 890 - 11 460/10 476 - 10 890 x 570 - 14 880 + 12% PA
Medical and Dentistry Specialists	Chief Occupational Therapist
R33 930 x 1 320 - 35 250 + 12% PA + NPPA of R8 745 payable at the notch R33 930 and NPPA of R9 495 payable at the notch R35 250.	Chief Physiotherapist
Director (Head- and Regional Office Personnel)	Chief Speech Therapist and Audiologist
Chief Medical Superintendent	Chief Radiographer
R39 630 (fixed) + 12% PA + R4 080 NPPA	(W)(C)(I)(B): R16 020 - 16 590 x 849 - 19 137 + 12% PA
Principal Family Practitioner	Control Occupational Therapist
Principal Clinical Pharmacologist	Control Speech Therapist and Audiologist
Principal Stomatologist	Control Physiotherapist
Senior Specialist	Control Radiographer
R39 630 (fixed) + 12% PA + R9 255 NPPA	(W)(C)(I)(B): R21 684 x 849 - 23 382 + 12% PA
Chief Director (Head- and Regional Office Personnel)	Occupational Class Chiropodist
R44 850 (fixed) + 12% PA	Chiropodist
Chief Family Practitioner/Professor	(W)(C)(I)(B): R16 020 - 16 590 x 849 - 19 137 + 12% PA
Chief Clinical Pharmacologist/Professor	Occupational Class Medical Orthotist and Prosthetist
Chief Stomatologist/Professor	Pupil Medical Orthotist and Prosthetist
Chief Specialist/Professor	(W): R4 380 x 249 - 4 878 x 276 - 6 534 - 6 846 + 12% PA
R44 850 (fixed) + 12% PA + R8 475 NPPA	(C)(I): R3 882 x 249 - 4 878 x 276 - 6 258 + 12% PA
	(B): R2 886 x 249 - 4 878 - 5 154 + 12% PA
(B) Salary Scales: Paramedical Staff	Medical Orthotist and Prosthetist
Occupational Classes Occupational Therapist, Physiotherapist, Speech Therapist and Audiologist, Radiographer:	(W)(C)(I): R9 648 x 414 - 10 890 x 570 - 14 880/16 020 - 16 590 x 849 - 19 137 + 12% PA
Student Occupational Therapist	(B): R8 820 x 414 - 10 890 x 570 - 13 740/14 880 x 570 - 16 590 x 849 - 17 439 + 12% PA
Student Physiotherapist	
Student Speech Therapist and Audiologist	

Senior Medical and Prosthetist	Control Oral Hygienist
(W)(C)(I): R18 288 x 849 - 21 684 + 12% PA	(W)(C)(I)(B): R21 684 x 849 - 23 382 + 12% PA
Chief Medical Orthotist and Prosthetist	Occupational Class Optometrist: Optometrist
(W)(C)(I)(B): R21 684 x 849 - 25 080 + 12% PA	(W)(C)(I)(B): R16 020 - 16 590 x 849 - 19 137 + 12% PA
Control Medical Orthotist and Prosthetist	Occupational Class Dental Therapist: Student Dental Therapist
(W)(C)(I)(B): R31 290 x 1 320 - 33 930	(B) (Male): R2 301 x 195 - 2 886 - 3 135 + 12% PA
Occupational Class Medical Technologist:	(B) (Female): R2 106 x 195 - 2 886 + 12% PA
Pupil Medical Technologist	Dental Therapist
(W): R4 878 - 5 430 - 5 982 - 6 258 + 12% PA	(C)(I): R7 470 x 312 - 8 406 x 414 - 10 890 x 570 - 12 600/11 460 x 570 - 16 020 + 12% PA
(C)(I): R4 131 - 4 629 - 5 154 - 5 706 + 12% PA	(B): R6 846 x 312 - 8 406 x 414 - 10 890 - 11 460/10 476 - 10 890 x 570 - 14 880 + 12% PA
(B): R3 135 - 3 633 - 4 131 - 4 629 + 12% PA	Chief Dental Therapist
Medical Technologist	(C)(I)(B): R16 020 - 16 590 x 849 - 19 137 + 12% PA
(W)(C)(I): R9 648 x 414 - 10 890 x 570 - 12 600/13 740 x 570 - 16 020 + 12% PA	
(B): R8 820 x 414 - 10 890 - 11 460/12 600 x 570 - 14 880 + 12% PA	

## Teachers: number required

570. Mr R M BURROWS asked the Minister of National Education:

(1) Whether his Department has undertaken a study concerning the numbers of teachers required for White, Coloured and Indian schools; if not, why not; if so, how many teachers in each race group will be required to be trained between now and the year 2000 in order to accommodate the natural growth of each community;

(2) whether there is currently a shortage of teachers; if so, how many teachers in each race group will have to be trained during the same period to overcome such shortages as might persist?

The MINISTER OF NATIONAL EDUCATION:

(1) (a) Yes.

(b) Falls away.

(c) The study has not been finalized

(Sapa-AP)

NM 12/4/85 355

**Daimler-Benz S A unit in  
pay agreement**

EAST LONDON— Car Distributors Assembly (Pty) Ltd) said workers at its assembly plant in East London had accepted a pay deal agreed between management and the National Automobile and Allied Workers' Union which included a 21 percent rise in minimum pay to 2.60 rand per hour.

It said in a statement that work had halted at the plant, which assembles Mercedes Benz cars and trucks and Honda cars, for three days during the pay talks and it was intended to resume operations as soon as possible.

Car distributors is a wholly-owned subsidiary of Mercedes Benz of South Africa (Pty) Ltd) which is a unit of Daimler-Benz Ag. — (Reuter)



Town	Number of Classrooms	and (xiii) Tsakane and (b) any other specified township in the East Rand Development Board area as at the latest specified date for which figures are available?
Cullinan	4	
Katlehong	73	

The MINISTER OF CO-OPERATION, DEVELOPMENT AND EDUCATION:

Yes.

Ekangala	24	(a) (i) Cullinan	2
Tsakana	129	(ii) Tokaza	64
Bronkhorstspuit	36	(iii) Wattville	23
Tokoza	52	(iv) Daveyton	485
Kwa-Thema	30	(v) Vosloorus	182
Vosloorus	28	(vi) KwaThema	170
Wattville	9	(vii) Ratanda	30
		(viii) Katlehong	332
		(ix) Duduza	20
		(x) Tembisa	181
		(xi) Delmas	16
		(xii) Devon	4
		(xiii) Tsakana	74
		(b) Zithobeni (Bronkhorstspuit)	6

(3) Yes.

(a) 670.

(b) and (c) Some schools and classrooms are in the process of erection and will be completed during 1985 while the construction of the rest will commence during the latter part of the 1985/86 financial year. The construction period of some schools extends over more than one financial year.

493. Mr P G SOAL asked the Minister of Co-operation, Development and Education:

Whether he is now in a position to furnish particulars on trading licences in operation in Black townships falling under the East Rand Development Board; if so, how many trading licences were in operation in (a) the Black townships of (i) Cullinan, (ii) Tokom, (iii) Wattville, (iv) Daveyton, (v) Vosloorus (vi) Kwa Thema, (vii) Ratanda, (viii) Katlehong, (xi) Duduza, (x) Tembisa, (xi) Delmas, (xii) Devon

How many Black persons in each Development Board area (a) applied for and (b) were granted permanent residential rights in 1984 in terms of section 10(1)(a) and (b) of the Blacks (Urban Areas) Consolidation Act, No 25 of 1945?

As at 5 March 1985.

559. Mr P R C ROGERS asked the Minister of Co-operation, Development and Education:

How many Black persons in each Development Board area (a) applied for and (b) were granted permanent residential rights in 1984 in terms of section 10(1)(a) and (b) of the Blacks (Urban Areas) Consolidation Act, No 25 of 1945?

The MINISTER OF CO-OPERATION, DEVELOPMENT AND EDUCATION:

Development Board Area	(a)	(b)
Northern Transvaal	182	181
Eastern Transvaal	1 135	642
West Rand	79 946	76 005
East Rand	19 114	17 736
Highveld	10 807	10 137
Central Transvaal	3 232	13 689
Western Transvaal	3 449	3 029
Western Cape	47 465	353
Eastern Cape	507	44 779
Northern Cape		497
Southern Orange Free-state	11 059	8 916
Orange Vaal	4 582	3 257
Natalia	4 764	3 565

\* Not readily available.

571. Mr E K MOORCROFT asked the Minister of Co-operation, Development and Education:

(1) Whether the Black township serving the town of Kanton-on-Sea is to be rebuilt; if so, (a) where and (b) when;

(2) (a) what is the population of the existing Black township and (b)(i) how many water taps serve this township and (ii) where are these taps situated?

The MINISTER OF CO-OPERATION, DEVELOPMENT AND EDUCATION:

(1) No. The existing Black area is only an emergency camp and a new site on which a permanent township can be developed is currently being investigated.

(a) and (b) Fall Away.

(2) (a) 2 001.

(b) (i) 4.

(ii) At a communal water tank

approximately 120 metres outside the camp.

573. Mr S S VAN DER MERWE asked the Minister of Co-operation, Development and Education:

(a) How many Black (i) male and (ii) female persons were (aa) deported and (bb) repatriated from the Republic in 1984 and (b)(i) in terms of what legislation and (ii) to which states were they so (aa) deported and (bb) repatriated?

The MINISTER OF CO-OPERATION, DEVELOPMENT AND EDUCATION:

(a) (i) (aa) None.

(bb) 21 764.

(ii) (aa) None.

(bb) 3 321.

(b) (i) Act 59 of 1972.  
Act 25 of 1945.

(ii) (aa) None.

(bb) Bophuthatswana  
Botswana  
Ciskei  
KaNgwane  
KwaZulu  
Lebowa  
Lesotho  
Malawi  
Mozambique  
Qwaqwa  
South West Africa  
Swaziland  
Transkei  
Venda  
Zambia  
Zimbabwe

596. Dr A L BORAINÉ asked the Minister of Co-operation, Development and Education:

Workers requisitioned from Black states

Town	Number of Classrooms	and (xiii) Tsakane and (b) any other specified township in the East Rand Development Board area as at the latest specified date for which figures are available?
Cullinan	4	
Katlehong	73	

### The MINISTER OF CO-OPERATION, DEVELOPMENT AND EDUCATION:

Yes.

Tembeisa	168	(a) (i) Cullinan	2
Daveyton	117	(ii) Tokaza	64
Ekangala	24	(iii) Wattville	23
Tsakana	129	(iv) Daveyton	485
Bronkhorstspuit	36	(v) Vosloorus	182
Tokoza	52	(vi) KwaThema	170
Kwa-Thema	30	(vii) Ratanda	30
Vosloorus	28	(viii) Katlehong	332
Wattville	9	(ix) Duduza	20
		(x) Tembisa	181
		(xi) Delmas	16
		(xii) Devon	4
		(xiii) Tsakana	74
		(b) Zithobeni (Bronkhorstspuit)	6

(3) Yes.

(a) 670.

(b) and (c) Some schools and classrooms are in the process of erection and will be completed during 1985 while the construction of the rest will commence during the latter part of the 1985/86 financial year. The construction period of some schools extends over more than one financial year.

343 *Hansard* Trading licences 16/4/85  
Q. 61. 1115  
493. Mr P G SOAL asked the Minister of Co-operation, Development and Education:

Whether he is now in a position to furnish particulars on trading licences in operation in Black townships falling under the East Rand Development Board; if so, how many trading licences were in operation in (a) the Black townships of (i) Cullinan, (ii) Tokom, (iii) Wattville, (iv) Daveyton, (v) Vosloorus (vi) Kwa Thema, (vii) Ratanda, (viii) Katlehong, (ix) Duduza, (x) Tembisa, (xi) Delmas, (xii) Devon

As at 5 March 1985.

*Hansard* Permanent residential rights 16/4/85  
Q. 61. 1116  
559. Mr P R C ROGERS asked the Minister of Co-operation, Development and Education:

How many Black persons in each Development Board area (a) applied for and (b) were granted permanent residential rights in 1984 in terms of section 10(1)(a) and (b) of the Blacks (Urban Areas) Consolidation Act, No 25 of 1945?

### The MINISTER OF CO-OPERATION, DEVELOPMENT AND EDUCATION:

approximately 120 metres outside the camp.

*Hansard* Deportations/repatriations Q. 61. 1118 16/4/85  
573. Mr S S VAN DER MERWE asked the Minister of Co-operation, Development and Education:

(a) How many Black (i) male and (ii) female persons were (aa) deported and (bb) repatriated from the Republic in 1984 and (b)(i) in terms of what legislation and (ii) to which states were they so (aa) deported and (bb) repatriated?

The MINISTER OF CO-OPERATION, DEVELOPMENT AND EDUCATION:

(a) (i) (aa) None.

(bb) 21 764.

(ii) (aa) None.

(bb) 3 321.

(b) (i) Act 59 of 1972.  
Act 25 of 1945.

(ii) (aa) None.

(bb) Bophuthatswana

Botswana

Ciskei

KaNgwane

KwaZulu

Lebowa

Lesotho

Malawi

Mozambique

Oswaqwa

South West Africa

Swaziland

Transkei

Venda

Zambia

Zimbabwe

*Hansard* Workers requisitioned from Black states Q. 61. 1118 16/4/85  
596. Dr A L BORRINE asked the Minister of Co-operation, Development and Education:

(a) and (b) Fall Away.

(2) (a) 2 001.

(b) (i) 4.

(ii) At a communal water tank



By MOIRA LEVY

**INDUSTRIAL**  
councils — set up  
to protect work-  
ers' minimum  
wages — have  
lost the battle  
against inflation.

And last year more  
than half the workers  
whose wages were set  
by industrial council  
agreements ended  
the year with less  
buying power than  
they had at the begin-  
ning.

This is the finding of  
a major study released  
this week by Cape  
Town University's  
Southern Africa  
Labour and Develop-  
ment Research Unit.

"These facts call into  
question the effectiveness  
of the industrial council  
system in, at the very  
least, protecting minimum  
wages against inflation,"  
said author Martin Nicol.

Wages for unskilled  
workers are extremely low

# 'WORKERS LOSING THE FIGHT AGAINST INFLATION'

21/4/85 355

— often below the poverty  
line — he said.

"These workers are in  
particular need of real  
wage increases every year  
if they are to be liberated  
from poverty or destitu-  
tion."

Workers in the building  
industry are especially  
hard hit by inflation.

Planned increases in  
minimum wages, which  
were supposed to come  
into effect in October last  
year, have been slashed by  
half. Minimum wages for

builders will increase by  
only three percent.

With the current rate of  
inflation at 16 percent, this  
means workers' real wages  
will drop substantially  
over the year.

An earlier Saldru study  
showed that workers  
whose wages were set by  
wage boards faced an even  
more grim future.

Nearly two thirds of  
labourers' minimum  
wages of set by the Wage  
Board declined in real  
terms during 1984.

April 1985

# Car workers' union drives for a R3,50 minimum

The National Automobile and Allied Workers Union is driving a hard bargain for a R3,50-an-hour minimum wage for members in the current round of strike-torn negotiations with manufacturers.

So far this year Mercedes Benz and Volkswagen have been closed by strikes and nationwide negotiations have only just begun.

On the one hand, the motor manufacturing industry says it is going through the worst recession ever experienced.

Industry sources say sales figures tell the sad story:

● In 1984 sales of new cars totalled 268 751. Projected sales for 1985

are 230 000.

● Last year 117 271 light commercial vehicles were sold. Projected sales for this year are 105 000.

● Last year 19 784 trucks and buses were sold. Projected sales for this year are 17 000.

And, say industry sources, if the first four months of 1985 are anything to go by the projected sales figures are optimistic.

Union demands at a time when the industry is fighting for survival are viewed as unrealistic.

The industry says its absolute wage level is one of the highest in South Africa and

compares favourably with any other manufacturing industry sector.

There is no doubt in employers' minds that at some point there is a trade-off between retrenchment and pay rises.

Industry sources warn that the union may be pricing itself out of the market and that it should take care not to make it attractive for employers to explore automation.

The feelings of employers are that so far they have retrenched as little as possible and across the full range of job categories.

Virtually all plants are working shorter hours to save jobs.

The union tactic of striking first and negotiating later is unpopular.

Union members see things differently. Their purchasing power has been ravaged by increased GST, inflation and a merry-go-round of price hikes.

In the Transvaal the union has declared a dispute with Alfa Romeo (Wynberg, Transvaal) and is still to negotiate with the Brits branch of Alfa.

The minimum hourly wage paid by Alfa, says the union, is R2,20 an hour, which is way below the union demand for a living wage of R3,50.

Talks with Amcar (formerly Sigma) began

in Pretoria this week. BMW, whose base rate is R2,73 an hour, start negotiations with the union soon.

Elsewhere in the country the union has so far achieved a R3-an-hour minimum wage at Toyota in Durban which will become effective on July 1.

Further negotiations with Toyota for a January 1986 increase will begin in October.

During negotiations with Mercedes Benz in East London, 3 000 workers went on strike for three days before being given a 21 percent increase in the minimum wage.

The Eastern Cape is at present a hotbed of dispute.

The Eastern Province Automobile Manufacturers Association, representing Ford, Volkswagen and General Motors, brought negotiations with the union forward this week to discuss wages and a strike by 3 500 workers at Volkswagen.

Workers walked out at Volkswagen in Uitenhage last Friday. A report-back meeting to tell workers what happened at the industrial council session yesterday is scheduled for today.

Part of the dispute centres around a suggestion by management that the union accept an annual pay rise instead of the six-monthly rise which it has obtained for

members during the past two years. Mr Taffy Adler, formerly regional secretary of the union in the Transvaal and now its national education officer, said feelings were running high among union members about deferred rises.

The issue of deferment was likely to crop up in several of the talks. The union has tabled four national demands at each of the negotiations held to date. The demands include:

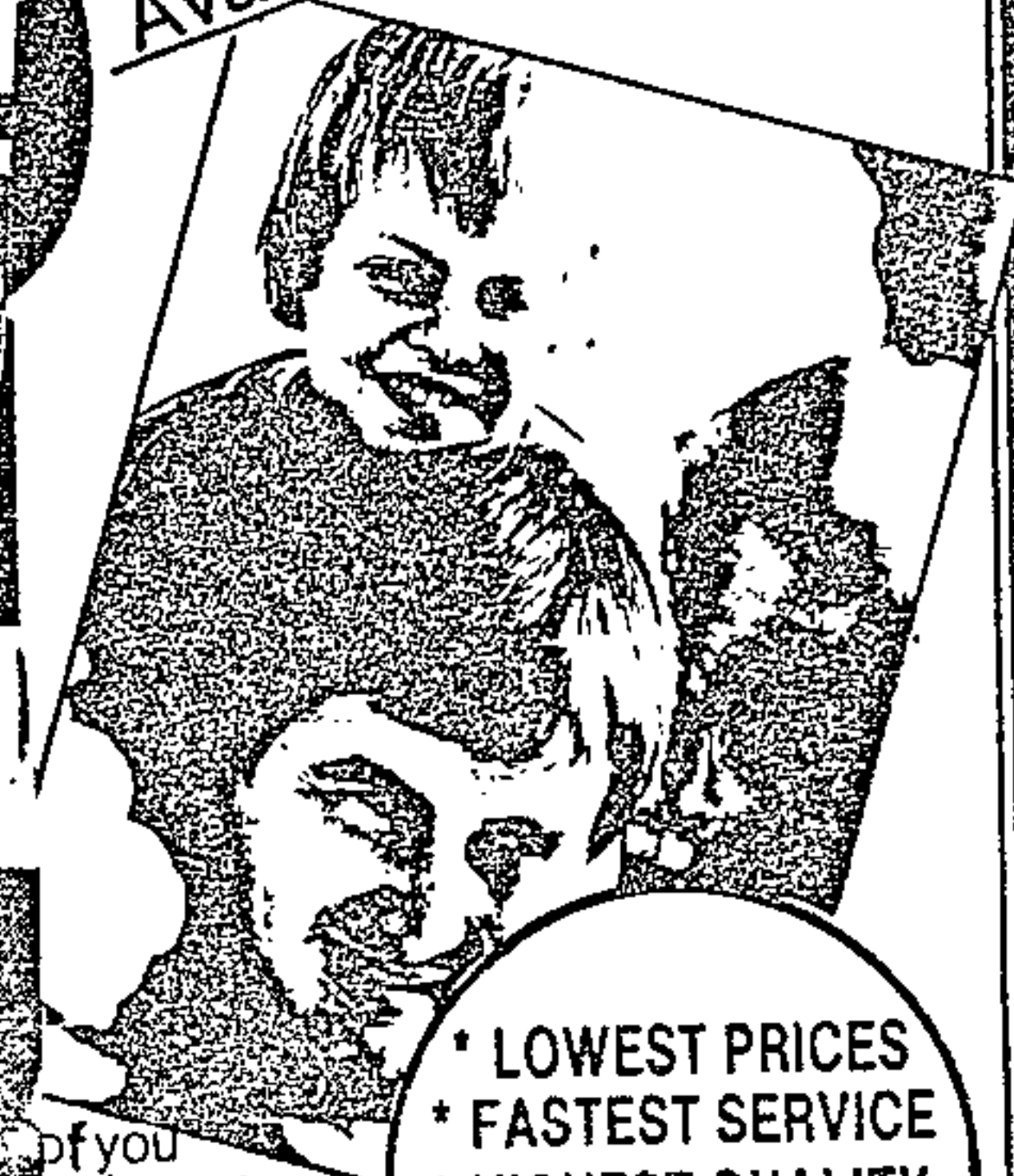
- A minimum wage of R3,50 an hour.
- A 40-hour week.
- A retrenchment procedure which provides for payment of one month's pay for every year's service.
- Paid maternity leave.

... ..



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Pages 22/4/85

## Magazine joins bonus cut outcry

**Labour Reporter**  
THE outcry over the 34 percent cut in public service bonuses has been joined by The Public Servant, official magazine of the Public Servants' Association.

An editorial in the latest edition says the cut has had a disturbing psychological effect of uncertainty and restlessness.

It had always been the association's standpoint that remuneration of public servants was not the proper instrument with which to manipulate the economy, it says.

### SETBACK

"Although the present predicament of the Government is fully appreciated, it must be pointed out that this step spells nothing good for the public service and State administration.

"When this same policy was followed during the late 70s in the organised campaign against inflation, with lip-service only from the private sector, it almost ended in disaster for the public service — a setback from which it has not recovered in full," says the editorial, which also questions whether the cuts will mean real savings.

Public Servants' Association

# Inflation beats pay rises

Financial Reporter

FOR the first time since 1968 overall increases in pay over one year have fallen below the increase in the rate of inflation, reports the Peromnes remuneration survey.

The survey bases its findings on information supplied by more than 200 companies employing more than 1-million people and covering 19 levels of employment.

Mr Mike Zimmerman, director at FSA Remuneration, publishers of the Peromnes survey, said the standards of living of whites were continually falling in real terms.

ROM 23/4/85  
He said black employees who remained in employment were faring relatively better, though on a considerably lower income-base.

"Our survey a year ago revealed that increases in market salaries were still in line with the inflation rate and I believe our next survey in September may show an even worse position in respect of inflation than the current April one."

According to the survey, the pay gap between black males and white females has been reduced, though white males as a whole, are still significantly out in front.



## Investors!



# Doctors (355) take big NM 24/7/85 cut in pay

Mercury Correspondent

CAPE TOWN—Nine doctors working at Woodstock Hospital have voluntarily taken a substantial cut in salary to help reduce health costs.

Dr P J Turner, medical superintendent of the hospital, confirmed the gesture yesterday.

However, he declined to confirm or deny reports that they had taken cuts of 50 percent.

Discussion of hospital salaries, he said, was a delicate matter and not for public comment.

'I will say, though, that I think this is a very fine gesture.'

The doctors are among about 40 who do part-time duty at the hospital while still keeping their own practices.

THE National Union of Mineworkers yesterday declared wage and bonus disputes with 16 gold and uranium mines representing over 20 000 miners in the country.

The union's spokesman said the disputes with Anglo-American Corporation and Gold Fields of South Africa (GFSA) revolved around the unilateral and selective granting of wage increases to certain monthly staff members and bonuses paid to employees on termination of contract.

The mines include: Vaal Reefs, President Steyn and President Brand Gold Mine, Free State Geduld, Western Holdings Faaiplaas, Western Deep Level, Elandsfontein, Kloof, Lebanon, Driefontein Consolidated, Beelkraal

# NUM declares wage war with Anglo

and Dooringfontein Gold Mine.

As a result of the selective and discriminatory granting of increments by the corporation to Vaal Reefs employees, there was a work stoppage early this year.

The workers demanded that the increase of 10 percent granted to certain workers and effected in January be applied to all miners indiscriminately.

Anglo's spokesman said the copies of the papers by NUM asking

for a conciliation board to solve the issue have been handed to the gold and uranium divisions. The company has nothing to say at this stage.

Referring to Gold Fields dispute, the union said workers have raised the issue of cash payment on bonuses paid to black employees on termination of contract of employment, but no response has been received.

Gold Fields' spokesman said they received copies of the dispute and were considering the merits of the matter.

Handwritten notes and signatures in the right margin, including a circled '355' and several scribbles.



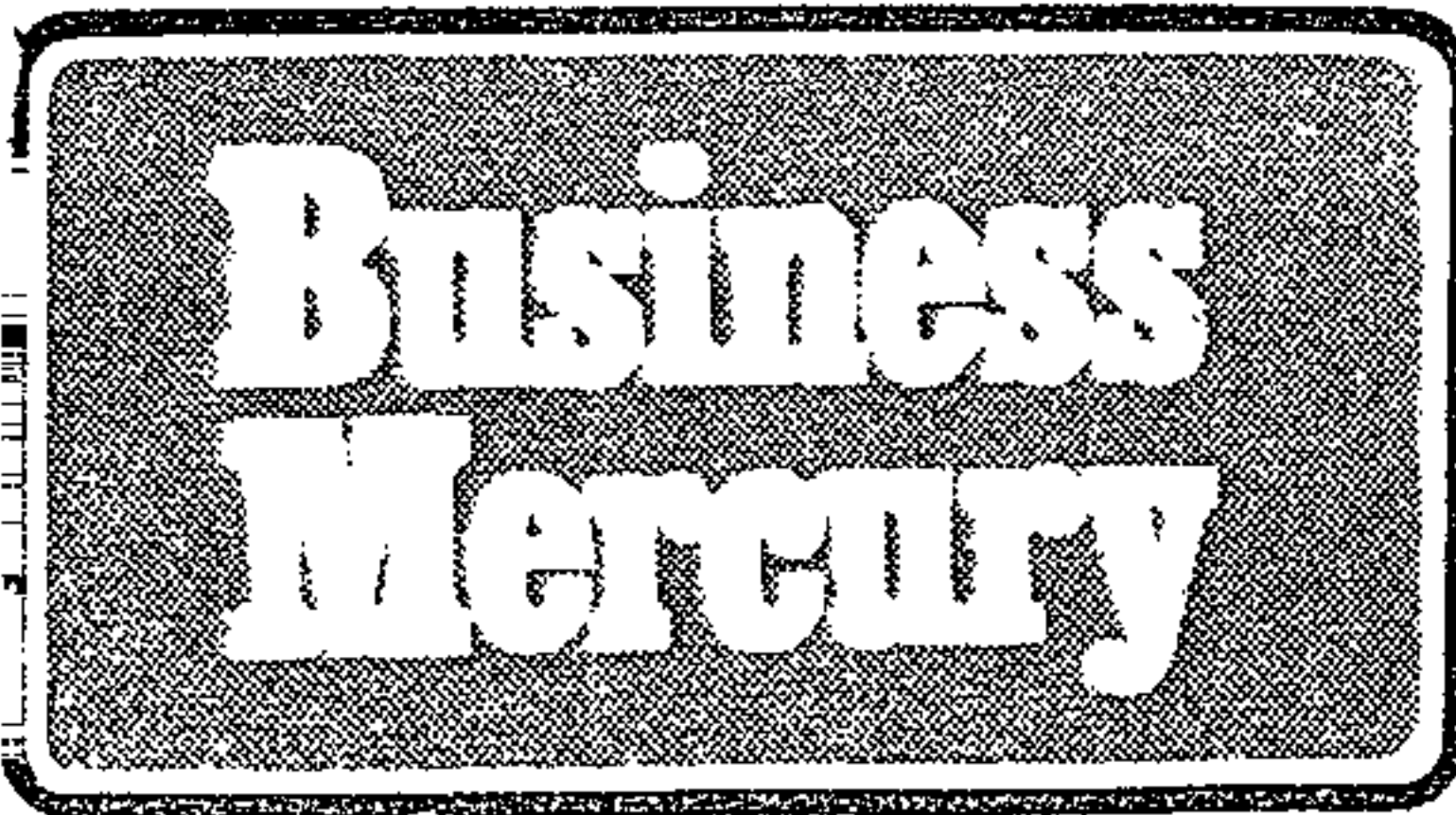
# Wage bill to rise by 12,4pc this year: prime at 18pc

Herald

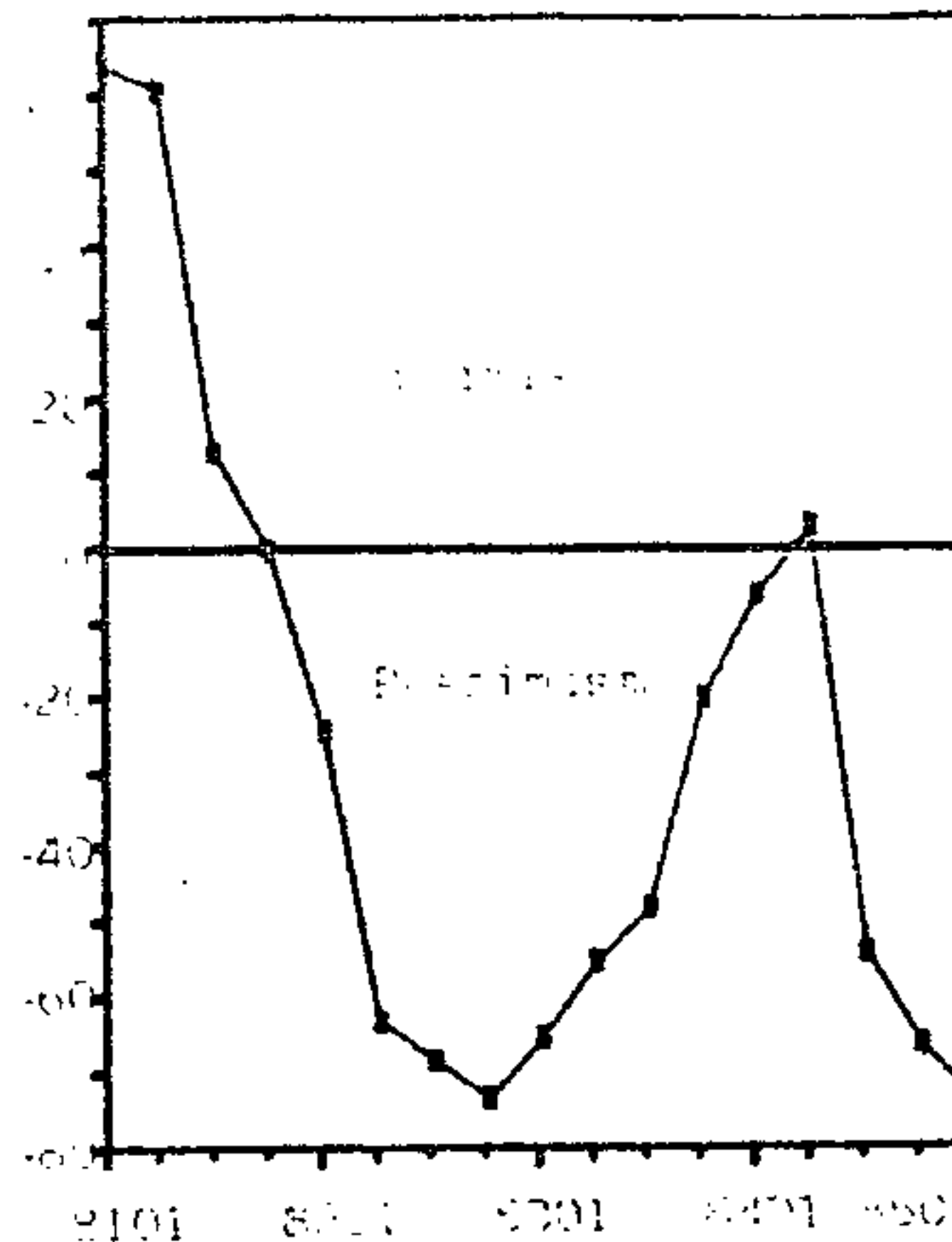
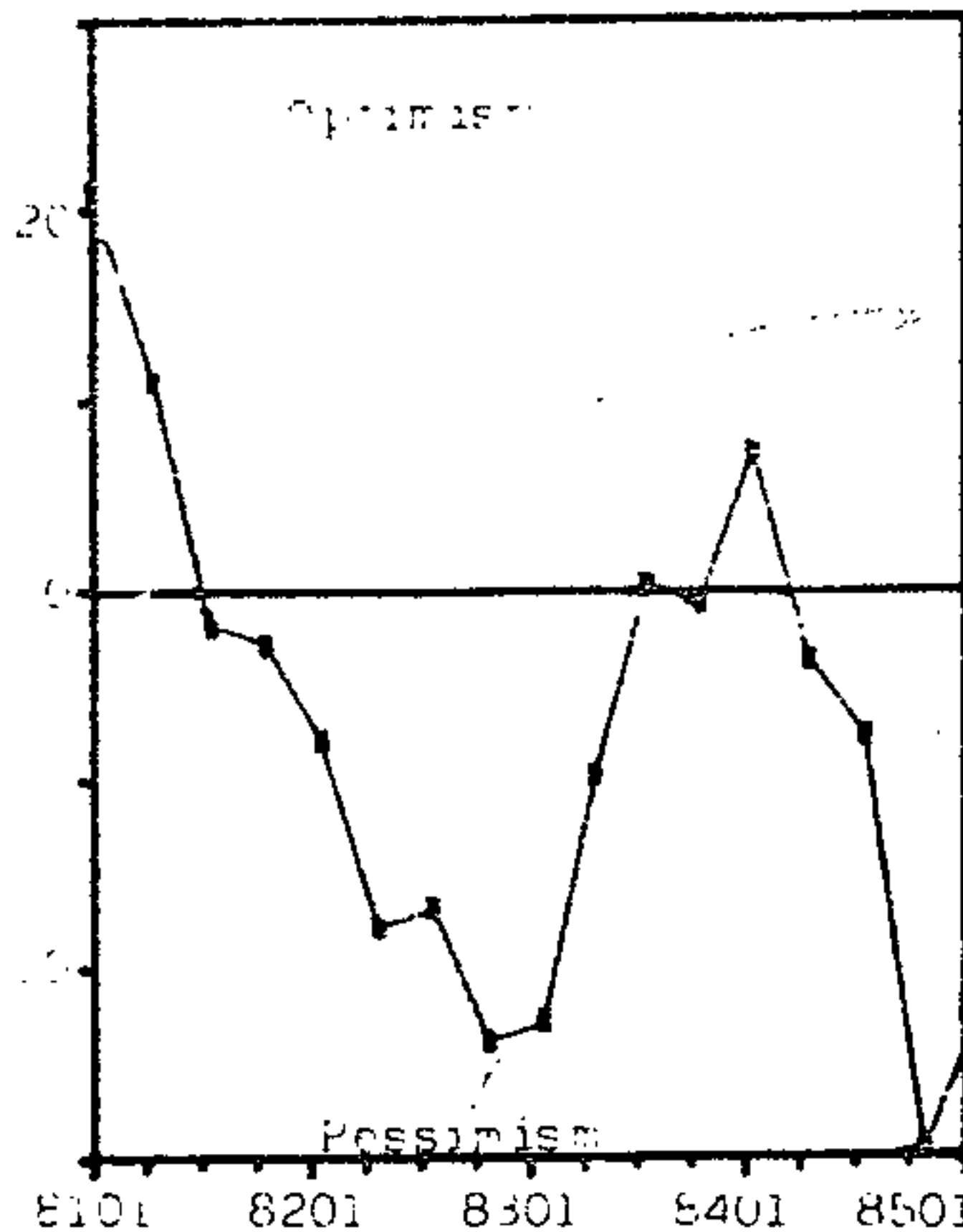
25/4/85

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JOHANNESBURG — The salary and wage bill in South Africa will rise by only 12,4 percent this year, while the real per capita income of individuals will decline by more than 5 percent, says Stellenbosch University's Bureau for Economic Research (BER).



Consumer confidence (left) has ticked upwards in contrast with the business mood which has continued to decline since early 1984 as these graphs from the Bureau for Economic Research show.

It also predicts that short-term interest rates will decline sharply in the second half of the year, with the prime overdraft rate going down to about 18 percent by year-end.

In an updated version of its survey of economic conditions and prospects for 1985, BER says its projected 12,4 percent increase in the nominal salary and wage bill compares with last year's figure of 18 percent.

'As a result of the anticipation that the level of economic activity will remain low for the rest of the year and that unemployment will increase, this alone must have a negative impact on the ability of employees to negotiate relatively high salary and wage increases.

## Bonuses

'The psychological impact of the announced cut in civil servants' bonuses, as well as the pressure on company profits, will harden the attitude of the private sector against demands for salary and wage increases despite continued shortages of skilled workers, as well as demands emanating from the expected high inflation rate.'

In view of the adjustment in personal tax schedules and the phasing in of fringe benefit taxes, some fiscal drag would still be prevalent but not to the extent of the past four years.

'Nevertheless, this will have a retarding effect on the rate of increase in nominal disposable income, with the result that a decline of about 2,5 percent in real disposable income is foreseen for 1985. This implies a decline in the real per capita income of individuals of more than 5 percent,' BER says.

## Inflation

Inflation had accelerated sharply of late, mainly because of the effect of the depreciation of the rand on import prices.

Herald  
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### **Inflation**

Inflation had accelerated sharply of late, mainly because of the effect of the depreciation of the rand on import prices.

'While some hardening in the external value of the rand is expected during the course of 1985 this will not prevent import prices from rising at a high rate.

'The secondary effect of this, plus increases in administered prices and the rise in the unit cost of labour associated with a lower capacity utilisation, will keep inflation at a very high level throughout the year although some deceleration is foreseen during the second half of 1985.'

BER says that assuming the present monetary policy, emphasis on the price of money, rather than on its quantity, will prevail this year and that the overall policy mix will remain restrictive to discourage excessive use of credit, the decline in interest rates would be relatively limited.

### **Rates**

'At the same time the political pressure for a softening in rates is mounting. Given the expected sharp increase in net reserves and the decline in the domestic demand for funds, interest rates should decline during the course of 1985,' it says.

'This would be especially true for short-term rates. Ultimately, it will be the actions of the Reserve Bank that will determine the short-term interest rates movements.

'Although we have assumed that the Reserve Bank will try to keep short-term rates as high as possible for as long a period as possible, we foresee a relatively sharp decline in rates during the second half of 1985 in particular.

'A decline in the prime overdraft rate to about 18 percent at year-end is foreseen' (Sena)



NM 25/4/85

# Corporation workers in wage rise bid

Labour Reporter

THE Durban Integrated Municipal Employees' Society (Dimes) met Durban's Management Committee yesterday to ask for a 25 percent increase in wages for Durban Corporation workers.

No decision was taken and further talks would be held on May 2, Mr S M Govender, secretary of Dimes, said after the two-hour meeting.

Indications yesterday were that the demand would be rejected.

'At this stage, if we get 7 percent we'll consider ourselves lucky,' Mr Govender said.

The society's delegation had put up a strong case, but the Durban City Council representatives would not budge.

'However, the fact that a further meeting is to be held next week gives us a

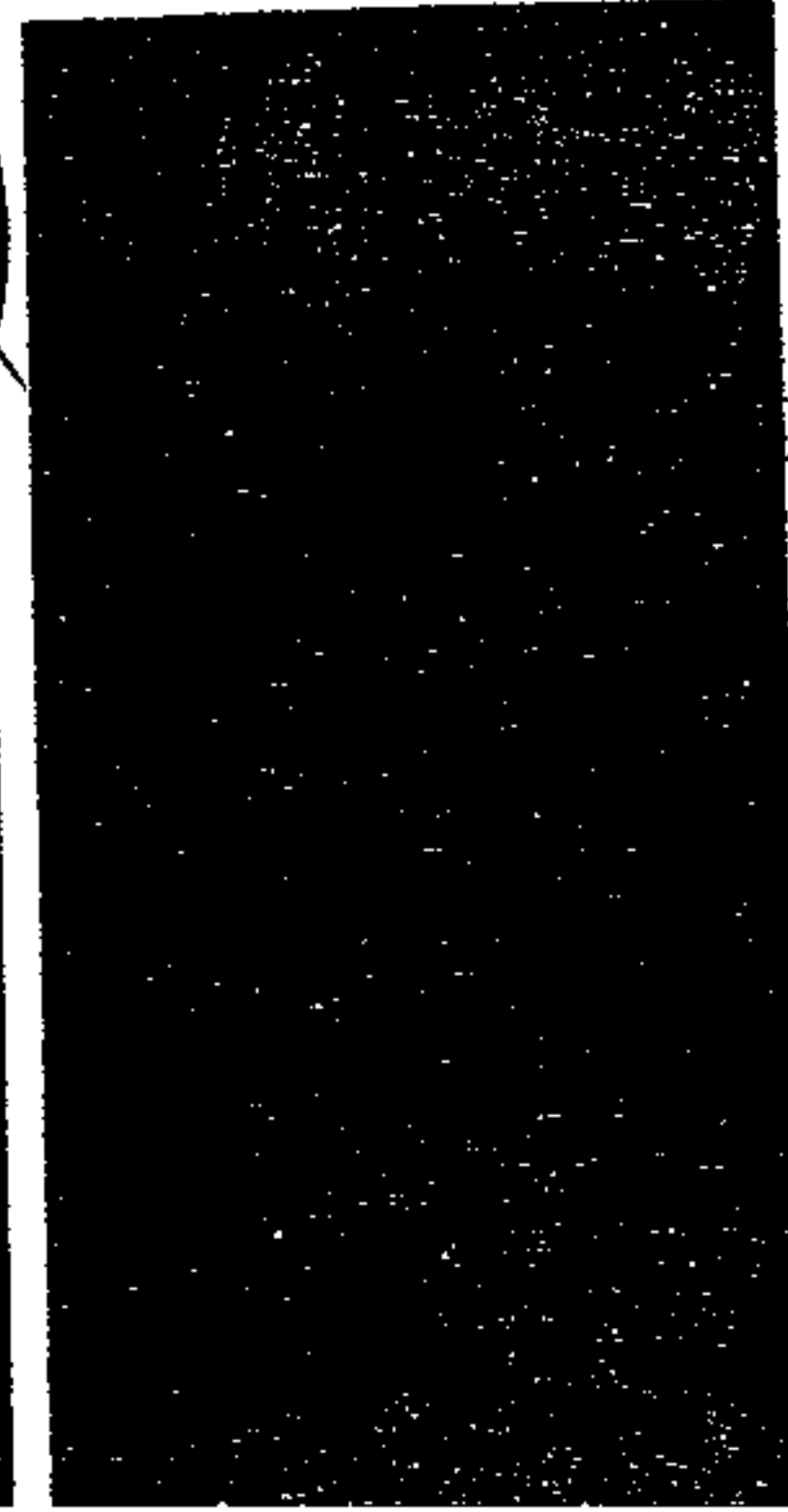
glimmer of hope of getting pay rises for our members.'

Dimes had an agreement with the council for two wage increases a year to come into effect in January and July.

'Last year workers received an 8 percent increase in February and a further 4 percent in July. The society is well aware that the increases were far below the consumer price index, but under the present economic conditions they had no choice but to accept.'

Mr Govender said the society was deeply concerned about the 'meagre wages' paid to labourers and pledged to fight for improvement in their wages 'as soon as the time is more conducive'.

Manco chairman Sybil Hotz could not be reached for comment yesterday.



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"A decline in the prime overdraft rate to about 18 percent at year-end is foreseen."

— Sapa.



SEATS.



## Striking workers arrested

THE worsening recession has culminated in work stoppages over wages and the arrest of striking workers at two factories — one a British multinational — in Brakpan and Meyerton this week.

More than 300 workers at Townsend Brothers in Brakpan yesterday entered their second day of strike over wages after discussions between the Metal and Allied Workers Union (Mawu) and management deadlocked.

The workers are demanding a R3,50 increase in their pay packets and management cannot meet the demand on grounds that they are in a recessionary period, according to the company's managing director, Mr I. Humphrey.

Meanwhile the Building and Construction Workers Union has applied for legal action against Pilkington Tiles, a British multinational near Meyerton, for the reinstatement of sacked workers arrested and charged for trespass on Tuesday.

The workers will appear again in the Meyerton Magistrate's Court on different dates starting from Monday, according to a union spokesman yesterday.

They went on strike over the dismissal of a colleague and shop steward who were organising workers at the plant.

This is the fourth time the company has been hit by a strike within six months. The first strike occurred in November over retrenchments, the second and third in March over wages, trade union recognition and short-time.

Pilkington's managing director Mr D C Currin was not available for comment.

In another labour move, a total of 150 slaughtermen and unskilled workers at the East London abattoir were sacked this week after a strike over pay increase.

The SA Abattoir Corporation's development manager, Mr R Fourie, confirmed the sacking from his Pretoria office.

More than 3 500 workers at Volkswagen in Uitenhage yesterday entered their seventh day of strike over wages. Management hoped they will return, but the National Automobile and Allied Workers Union (Naawu) was still negotiating with the company.

Source: 26/4/85

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# How the labourers' wages dropped in value

More than half the categories of labourers in industrial council agreements suffered a decline in the real value of their minimum wages in 1984, says a Cape Town University research unit report.

It adds that artisans fared even worse than labourers, writes Sheryl Raine.

The report, by the Southern Africa Labour and Development Research Unit, says 57 percent of labourer wage categories ended the year with less buying power than they had at the start of 1984.

About 16 percent of the 166 labourer job categories identified in 102 industrial council and arbi-

tration board settlements showed no change at all in nominal wages during the year.

The high rate of inflation eroded the real value of these wages by 10 to 13 percent.

Of the labourers' minimum rates that were changed in 1984, only 52 percent maintained or improved on their real value during the year.

"These facts call into question the effectiveness of the industrial council system in protecting minimum wages against inflation," says the report.

"The wages set for workers in the unskilled labourer category are extremely low, and, in almost all cases, far below

the accepted poverty datum lines.

"These workers are in particular need of real wage increases every year if they are to be liberated from poverty or destitution."

The highest real percentage increase shown between December 1983 and December 1984 was found in the sugar industry in Durban, where a 70 percent real wage increase was obtained.

The report warns, however, that this figure is misleading as an indicator of prosperity because this was the first change in the agreement since 1981 and gave workers a minimum wage in nominal terms of R77,28 a week.

The most impressive changes in the more recently updated wage agreements occurred in the factory division of the motor industry, with real rises ranging from 19 to 23 percent.

Artisan minimum wage rates covered by industrial council agreements performed slightly worse than those for labourers during 1984.

About 60 percent of the 77 artisan job categories reviewed showed a fall in real wage values in 1984. Ten artisan wage rates did not change at all in nominal terms over the period.

The greatest real wage increase was in the jewellery trade in Cape Town: it amounted to

66 percent.

However, this wage agreement was last changed more than four years ago and the new wage represents a modest 8,8 percent real increase over the 1980 minimum.

Nearly two-thirds of the minimum wages for labourers set by the Wage Board declined in real terms last year.

Of the 239 labourer job categories examined, 83 were given no increases at all during the year.

In almost half the cases in which wage increases were made the increases were too small to protect buying power against inflation.

"In the present inflationary climate," it says,

"a wage that goes even for a year without increase suffers a decline of 10 to 12 percent in its buying power."

Artisan minimum wages determined by the Wage Board fared worse than those for labourers.

In nearly three-quarters of the 137 artisan job categories reviewed, decline was noted in the real value of the minimum wage.

In half these cases, the decline was ascribed to the lack of any wage amendments in 1984.

In the other half the increases given were too small to ensure that the real wage at the end of the year did not have a lower value than at the year's beginning.



Argus 30/4/85

(33/13/85) (35/5/85) (36/1/85) (37/1/85)

# Labour unrest spurred by political impotence

SHERYL RAINE of The Argus bureau in Johannesburg spoke to Anglo American's Bobby Godsell, head of the group's industrial relations department

BOBBY GODSELL is one of those bright young consultant/executives whose job category in the corporate scheme of things didn't feature prominently 10 years ago.

He and other consultants like him have come into their own in the hurly burly of labour relations in South Africa in the 1980s.

His job is to advise and assist the executives of Anglo American on the vital issues of industrial relations.

This year he is talking about the economics of survival as the recession lingers on, the importance of ending job reservation on the mines, the Industrial Court, the role of management in the broader social scene in South Africa and the nature of trade unions.

Times are tough and he insists that the words "economics of survival" are not over-dramatic. Things will get worse before they get better. He would like to see the issue of wage demands versus unemployment higher up on the agenda of labour issues. But he believes there is another side to the recession which could have a positive spin off.

"In 1985, there is so little money in the kitty (for wage increases) that the battle of white skilled workers and black industrial workers is going to be to try to preserve their purchasing power or have it eroded as little as possible," he says.

There are already examples of this greater coincidence of interests — for instance, in the current metal industry wage negotiations where previously incongruous union group-

Although there are obvious areas of conflict between skilled whites and blue collar blacks, he believes

the recession will tend to remind both of their common interests.

ings are striving together to get their members the best deal possible.

There are still hurdles to leap in the black-white labour forum, the most important of which is statutory job reservation on the mines. He is confident that job reservation will go and that a new industrial relations structure for the industry as a whole will be forged — but says the exact time frame of both developments is hard to predict.

His concern about the Industrial Court is shared by others in the field. As an essential and widely-used institution he believes it has had an encouraging start to its life. But the role of the court in relation to the rest of the judiciary and its role in collective bargaining urgently need to be clarified.

"There are three judgments from the Supreme Court which have cast doubt on the Industrial Court. Is it a court or an administrative agency? It should be integrated into the judicial process.

"Clearly you can't expect a new institution to be perfect. On the other hand both unions and management need help from the state now to rectify these two problems."

The broader social conflicts of South African society, trade unions and management's role in the prese-

nt era are things about which he has thought long and hard.

In his opinion trade unions are not revolutionary in nature but reformist. Modern history has failed to reveal a successful revolution where trade unions have played a central role.

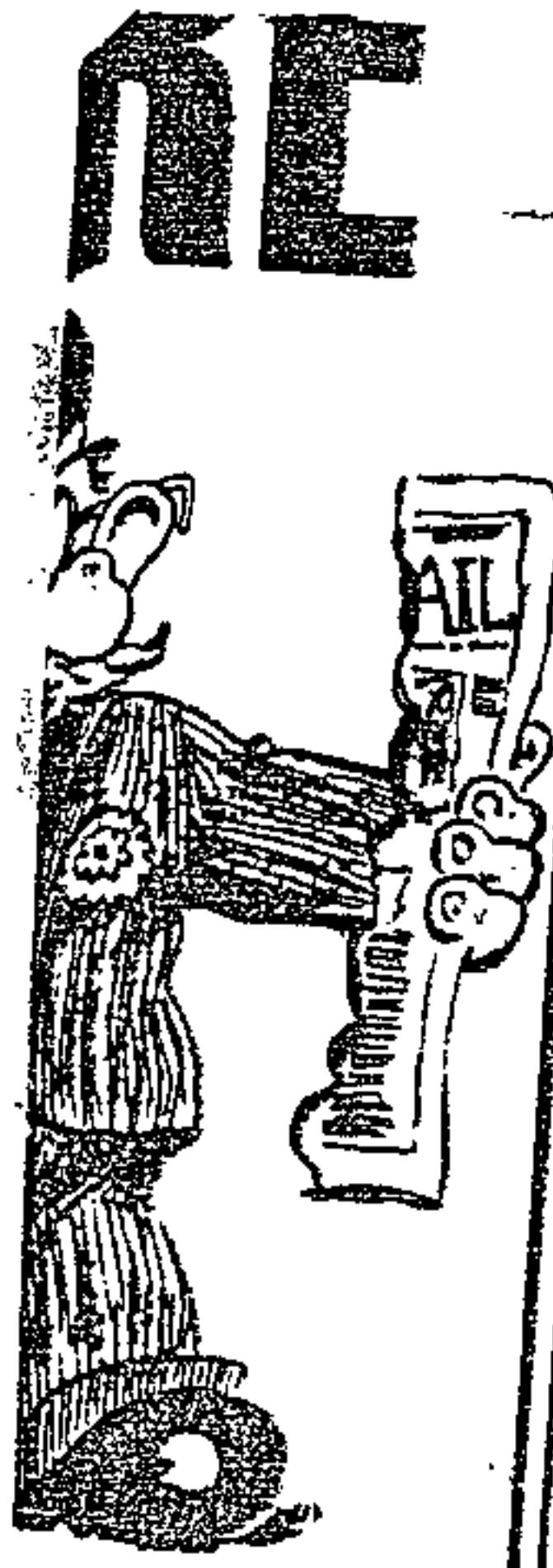
In South Africa the unions have been a major vehicle for leadership emergence in black communities.

So far management has been pulled into a transitional role of mediation not only with workers but with the broader black community involving a range of social issues.

In modern industrial countries private enterprise inevitably becomes involved in public policy debates and contributes expertise to government. This, he believes, is growing in South Africa.

But he says: "There is no way that employers (in South Africa) can act as a substitute for political participation for black people. There is no doubt that the unrest we see in the townships now and other conflicts in society both have their origins in and can only be resolved within the political structures."

He believes that the country's labour dispensation is in advance of the constitutional dispensation for blacks and what industry now desperately needs is successful socio-political reform outside of the factory gate.



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that, to quote Churchill, man to influence public opinion towards a more just

# SAAN union agree on pay

Mail Reporter 355

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 re-

trenchments 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



# Councillors vote no to own pay cut

**Municipal Reporter**

CITY councillors yesterday voted narrowly against a 10 percent cut in their monthly allowances.

In a spirited debate on a motion from Mr Sam Gross, councillors said the gesture would be merely token and a public relations exercise which would not help the community at large.

Mr Clive Keegan said it was the duty of councillors to ensure that public money was spent "prudently and profitably" and that rates were kept as low as possible.

"It is not our duty to make bloody fools of our-

selves by entering into self-indulgent exercises of moral tokenism."

Many of the councillors, who are each granted a R530 monthly allowance to cover what they spend on council business, said there was very seldom anything left over after paying for phone calls, stationery and postage.

Mr Arthur Wienburg said he would rather make a voluntary donation to a charity than have his allowance formally cut.

Mrs Eulalie Stott said the council should acknowledge the current economic recession by not asking for an increase in the allowance, but should not vote for it to be cut.

She said not all councillors were equally well-off and that it was "not reasonable to expect us to make a gesture that not all of us can afford".

The whole of the executive committee, which as one member put it "spends its full life in the council chamber", voted against the cut.

The motion was lost by 14 votes to 12.

Juliet Ruditzky and Sharon Melany and Sharon, passed peacefully on April 30. Funeral Pinelands No 2 at 3pm today (Wednesday)

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Prof H O Maree

# Fedco accepts cut in teachers' bonuses

Education Reporter

THE 58 000-strong Federal Council of Teachers' Associations (Fedco) has accepted that teachers' bonuses will be slashed in the Government's austerity drive.

A statement after the two-day annual meeting of the Fedco council in Cape Town said the issue had been "satisfactorily dealt with".

Fedco, the umbrella body of the organised white teaching profession, initially condemned as "wholly unacceptable" the move to cut

teachers' thirteenth cheques by a third and expressed its reservations to President P W Botha at a meeting in March.

However, the council has emphasised that its decision was based on the following grounds:

- That the bonus cuts be a one-off measure and, according to reassurances given by Mr Botha during the talks, will not be implemented in the future;

- That any measures likely to affect the structure of service benefits and the quality of teaching in the educa-

tion sector in future be discussed with existing statutory advisory bodies on which teachers were represented, and not unilaterally decided;

- That remuneration of teachers in no way be weakened in relation to similar sectors.

Fedco's new chairman elected at the meeting is Professor H O Maree, rector of the Pretoria Teachers' College and chairman of the Transvaal Onderwysersunie, who succeeds Mr John Stonier who stepped down after serving two one-year terms.

Last year's vice-chairman, Mr D C F Heese, did not make himself available for election.

The new vice-chairman is Mr D H Schroeder, principal of Queens College, Queenstown and a former chairman of the SA Teachers' Association which represents white teachers in the Cape.

Other members are Mr J F Steyn (secretary), Professor N T van Loggerenberg, chairman of the Free State Teachers' Association, and Mr K Olivier.



# 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.

# Workers locked in talks as carpet factory strike goes on

## Labour Reporter

THE strike by about 800 workers at a carpet factory in Reunion, near Isipingo, continued yesterday as management and representatives of the workers were locked in negotiations to settle a dispute over pay increases.

Mr Seton Thompson, a spokesman for the Romatex group, yesterday confirmed workers at the carpet Manufacturing company and Crossley Carpets factory complex at Reunion downed tools on Friday.

'The position is un-

changed. Talks are continuing with worker representatives,' he said.

The company had stated policies of one pay increase a year, the most recent of which was scheduled for February, 1985.

He said in August last year the workers had asked whether this increase could not be brought forward and both Crossley Carpets and Carpet Manufacturing company agreed to pay an across-the-board increase in October, 1984, and to give a merit increase in April this year.

'Because of the pay component paid five months ahead of schedule, the benefit to workers is considerably larger than the company had proposed and the cost to the company significantly higher.

'A group of workers claiming to represent the majority of the workforce has stated dissatisfaction with this rate of increase and discussions are taking place. No union is formally involved in the dispute,' he added.

Representatives of the workers could not be reached for comment yesterday.

Meanwhile, a Howick rubber company, BTR Sarmcol, yesterday reported a steady stream of applications for employment following the dismissal of 970 workers who went on strike last week over a union recognition agreement dispute.

Mr R J Sampson, the company's administrative director, said applications were being invited from all interested persons including the workers who were dismissed last Friday. 'The company is confident that normal operations will be resumed shortly,' he added.



# 'Miners will fight job reservation'

**MILITANT** black mine-workers are to resist low wages, job reservation and other forms of exploitation in the mine industry this year.

They will also resist assaults, abuse and become more militant in demanding equal rights, opportunities and trade union rights.

This message was spelt out by the general secretary of the National Union of Mineworkers (NUM), Mr Cyril Ramaphosa, when addressing a mainly white audience at the South African Institute of Race Relations on Monday night.

He warned mine managements that black mineworkers were no longer prepared to become submissive and will use weapons, other than strikes, to fight for their rights in the industry, which is a pillar of South Africa's economy.

## Strikes

Mr Ramaphosa's hardline policy comes in the wake of mass dismissals of miners by one of the country's giant miners, the Anglo American and the Anglo-Vaal following strikes at goldmines.

The workers — about 26 000 in number — were dismissed apparently over their concern for safety. They believed that they were in danger, because of inadequate supervision of blasting operations.

Several mine strikes have occurred this year so far, concerning wages, safety, unfair dismissals and funeral arrangements. These were mainly in the Transvaal and Orange Free State.

In his hard-hitting address, Mr Ramaphosa did not pull his punches

By JOSHUA RABOROKO

when he announced that black miners were angry and will fight to the bitter end for their rights.

In the past, black miners were often referred to as "kaffirs", "pickanin", and often assaulted by white miners. They have since changed their attitudes and retaliate when abused.

"This is so, because they now have union rights, which means protection. The old days are over and mine managements can now expect workers to offer resistance to those who do not want to listen to blacks."

## 'Baas'

Although the Master and Servants Act has been repealed, some white miners still believe in being called "baas" and black miners have resisted this, Mr Ramaphosa alleged.

"We will fight this and other injustices which dehumanise our members, especially underground. We are aware that some head offices do not know of these incidents."

Mr Ramaphosa said there will be further disruptions in the mines if the managements did not defuse the time bomb — the arrogant behaviour of white miners underground.

He announced that the National Union of Mineworkers is due to start its annual negotiations with the Chamber of Mines. This year "we have resolved to bring the issue of job reservations to the round-table."

The Chamber has held talks with white

unions on the issue and have excluded us — the very people whose problem needs to be solved. If the chamber does not meet our demands on this issue then we shall be forced to put pressure on them."

For far too long now, he added, has this issue been on the table and the time is ripe that it be abolished or the Chamber will be forced by the Government to introduce legislation on it. "We cannot wait any longer," he said.

They wanted job reservation to go in the mines and the wage gap to be narrowed. Wages have been the major source of strikes in the mines and that is why the union has been blamed for being "trouble-shooters."

"This we deny as absolute nonsense because black miners are lowly paid. The mine industry is reluctant to negotiate with the union in good faith."

## Opposed

In answering a question, Mr Ramaphosa said his union was opposed to the migratory labour system and it must be done away with. However, this system did not affect the union's membership.

The union has connections with overseas unions and was intending to spread its wings in Lesotho, Botswana, Swaziland. "We have had difficulties in the so-called homelands, but have trained shop stewards in one state."

His union also has an informal relationship with the Black Allied Mining and Construction Workers Union. "We have exchanged ideas on some important aspects but there is no formalisation so far."

# Strike goes on in spite of offer

NM 815185  
Labour Reporter

CARPET factory workers at Reunion, near Isipingo, continued their strike yesterday in spite of an offer by the management of a pay rise in October.

Eight hundred workers at Romatex group's Crossley Carpets and Carpet Manufacturing Company downed tools on Friday in support of a demand for a pay increase.

It was still not clear yesterday what percentage increase was being sought after spokesmen for the workers could not be reached for comment.

Romatex group spokesman Seton Thompson yesterday confirmed that management had made an offer in terms of which employees would be given a pay increase in October, the amount of which was for negotiation between management and worker representatives.

The workers were asked to indicate their acceptance of this offer by 10 a m yesterday, but have asked for further negotiations which are in progress, he added.

## Priority

Meanwhile, the 970 sacked workers at Howick rubber company. BTR Sarmcol. are planning to take legal action against the company contesting their dismissal, according to Mr Geoff Schreiner, branch secretary of the Fosatu-affiliated Metal and Allied Workers' Union.

In a statement yesterday, Mr John Sampson, the company's administrative director, said that manufacturing operations resumed yesterday on a limited scale with priority given to urgent orders.

The company has been pleased and surprised at the large number of applications for employment which have been pouring in throughout the day. The personnel department have been hard pressed to handle them all.

The company continues to remind the workers who were dismissed last week for strike action that they should get their applications in early so that they could be given priority, he said.



# Jobs plan to counter population explosion

South Africa's population explosion and the efforts being made to provide additional jobs were raised in Parliament yesterday.

Preliminary results of the 1985 Census showed there were just over 27-million people of all races in South Africa, including the self-governing national states, Mr Piet Badenhorst, the Deputy Minister of Constitutional Development and Planning, reported.

At the present population growth rate this figure would reach 39,5-million by the end of the century, 64-million by 2020, and 137-million by 2050.

The largest population group in the country was 6,6-million Zulus. At present growth rates they would number 9,9-million by 2000, and 39,7-million by 2050.

## INCENTIVES

Mr Badenhorst said measures aimed at improving the quality of life should reduce the high population growth rate.

The Minister of Trade and Industries, Dr Dawie de Villiers, reported that in spite of the current economic difficulties, the response from industries, both inside South Africa and outside, to the Government's decentralisation incentives had been tremendous.

In the past 33 months, 2 909 applications had been approved, involving a capital investment of R4 572-million.

## RIPPLE EFFECT

When these new, decentralised industries eventually came into being, 194 240 job opportunities would have been created, but this figure could be multiplied by 2,3 to a "formidable" total when one took into account the ripple effect from the workers spending their earnings and providing still more jobs.

Dr De Villiers said more details of this, and the country's industrial and export policy, would be spelt out in a White Paper to be tabled in Parliament, hopefully within the next fortnight.

Meanwhile, the Minister of Manpower, Mr Pietie du Plessis, reported that about 36 000 unemployed people were expected to receive training for specific jobs in the 1985-86 financial year under the Government's training and employment programme.

## ALL RACES

Outlining the scheme, for which R25-million has been set aside, Mr Du Plessis said initial surveys showed that in spite of the recession there was a significant number of posts for which suitable candidates could not be found.

The programme, devised by a special action committee, aimed at training unemployed people of

all races in fields in which there were currently vacancies, or in which posts were expected to be created in the future.

The Department of Manpower had asked that R25-million of the R100-million provided for short-term job creation in the main Budget in March be set aside for the special project, and a supplementary Budget would be presented to Parliament for this purpose.

## SMALLER TOWNS

Mr Du Plessis said the scheme provided for the eight group training centres and their satellites, as well as private employers registered with his department, to conduct training courses on their premises or in smaller towns in various parts of the country.

"For this purpose, it is envisaged that suitable instructors and supervisors be employed from the ranks of unemployed artisans," the Minister said.

The scheme also provided for the payment of maintenance allowances to unemployed people while they received training.

Special attempts would be made during and after the training programmes to place unemployed people in available posts.

Mr Du Plessis said it was envisaged that a special action committee would be established under the chairmanship of the Director General of Manpower to launch and monitor the project.

— Sapa.

# Pay increase ends carpet firm's strike

355

Labour Reporter

NM 9/5/85

unlawful, he said.

THE three-day strike by 800 carpet factory workers at Reunion, near Isipingo, ended yesterday when they decided to accept a company offer of a pay increase in October.

Romatex group spokesman Seton Thompson confirmed yesterday that all the strikers from Crossley Carpets and Carpet Manufacturing Company returned to work at the first shift.

'On Tuesday the management offered to give the workers a pay rise in October on condition that they ended their strike and returned to work. They have obviously given the matter serious thought overnight and were back at work yesterday morning,' he said.

Meanwhile, busloads of sacked workers from the Howick rubber company, BTR Sarmcol, arrived at the factory yesterday morning to collect their outstanding weekly wages.

Mr Geoff Schreiner, branch secretary of the Fosatu-affiliated Metal and Allied Workers' Union, said the union hired buses to transport workers to the factory to collect their pay. Although they collected their wages, they refused to accept their dismissals, which were

The workers reaffirmed their decision at a meeting yesterday to continue striking until the company agreed to their demands for a recognition agreement giving them basic trade union rights.

At a meeting of the Impopomeni community on Tuesday night, about 2 000 local residents adopted resolutions to support the Sarmcol workers and boycott white shops in Howick until steps were taken by the town's mayor and white councillors to pressurise Sarmcol management to extend basic union rights for its workers.

Notices threatening workers living in the hostel with eviction on May 10 have been withdrawn, he said.

In a statement yesterday, Mr John Sampson, the company's administrative director, confirmed there was a 'lengthy payout' of the 970 dismissed workers.

'With his pay each man was given an application form for re-employment and it is hoped that many of the company's dismissed employees will apply.

'At the payout it was disturbing to see shop stewards removing application forms from every worker as he left.'

Last night Mr Schreiner denied the allegations.



## Another victory for Ccauusa

Sowetan  
10/5/85

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THE Commercial Catering and Allied Workers Union has scored another wage victory for its members when it signed a pay package deal with a Kirsch group subsidiary, Metro Cash and Carry, this week.

In terms of the agreement workers will receive an across-the-board increase of R60 as from May and R10 from November 1, according to a spokesman for the parties.

This is the second time Ccauusa wins a wage increase for its members within a month during "hard times" when managements complain about recession and proposing wage cuts, a union spokesman said.

The union concluded a wage package with 3M, a multinational company last month.

The union's spokesman said this was a breakthrough considering that the country was in a recession and

things are on the "tough side" for most employers.

The company's personnel director Mr Joas Kahan confirmed the agreement. He said it will cover 7 000 black and white employees throughout the country.

Meanwhile the union is to finalise another agreement with Spar company concerning the plight of the 143 workers sacked at the plant in Natal.

The workers were dismissed following a strike over the firing of colleagues.

The Natal branch has since started a boycott of all Spar products in an attempt to pressurise management to reinstate the workers. Several meetings have taken place earlier between the parties.

It was expected that another meeting on Monday will finalise the issue, sources said.

**PROVINCIAL** councillors helped themselves to massive golden handshakes only months before the Government announced that the councils would be abolished.

In most cases — in which the councillors have served for longer than seven and a half years — the cash pay-out will be doubled.

All told, the four provinces could pay out between R3-million and R4-million in golden handshakes when the council doors are finally closed next year.

Rough estimates suggest the increases could cost the taxpayer an additional R780 000.

Ironically, provincial calls for belt-tightening came this week from Transvaal Administrator Mr Willem Cruywagen, who told the TPA session on Tuesday that the economic recession would prevent new capital projects for another three years.

MPCs said they did not know the demise of their councils would be announced so soon by Mr Chris Heunis, Minister of Constitutional Development and Planning.

### Phasing-out

They thought the phasing-out period would take longer — at least until 1989.

But some opposition MPCs believe Government members knew the end was imminent — and made sure it would not be too painful.

Early this year all four provincial councils upped their service benefits to keep pace with the handsomely improved packages their parliamentary equivalents had voted themselves.

In February, Transvaal provincial councillors voted to double their retirement gratuities, followed in March by the Cape, then the Orange Free State and, lagging behind, Natal, where the increased gratuities were promulgated this week.

The smallest golden handshake is now equal to a year's salary and allowances of an MPC — R17 763 compared with R8 952 the year before.

At the top end of the scale, golden handshakes were pushed up by 164 per cent.

A councillor with 20 years' service under his belt can expect to walk away with R47 328 in cash.

The country's longest-serving councillor is the Free State's provincial council chairman, Mr Humphrey Simes, elected in 1961.

The newest — and not eligible for pension — is Mr von Ginkel Venter of Newton Park, elected last week.

Provincial administrations are chary of releasing details of the final pay-outs, but rough estimates of the total increase could be as high as R780 000 — and that does not include pensions.

With the Cape's Government subsidy sliced by R100-million, Administrator Mr Gene Louw said last month that the quest for funds had become a nightmare and priorities had to be carefully watched. Natal trimmed 2,5 per cent from its wage bill to save R11-million.

# FEY

### Breakdown

The pension pay-outs represent a significant sum when compared with the MPCs' salary bill in 1983-84 of R2 194 288 — a figure which excludes the higher-paid executive committee members.

The Minister of Constitutional Development and Planning, Mr Chris Heunis, gave the MPC salary breakdown in Parliament this week as R952 436 for the Transvaal, R661 240 for the Cape, R360 612 for the Orange Free State and R220 000 for Natal.

Mr E S "Sakkie" Jacobs, Transvaal's clerk of the council, confirmed that only seven members would qualify for the maximum pension but was unable to give breakdowns.

Natal's provincial accountant, Mr Roy Mullany, said only six councillors were eligible for pensions on the seven-and-a-half-years' service ruling.

He said the retirement gratuity had been upped by Natal by a factor of three.

Mr Ben Calitz, provincial liaison official for the OFS,

□ To Page 2

S. J. J. 12/5/85  
BY BRIAN POTTINGER  
and CAS ST LEGER

# MPCs DOUBT WHETHER

**Axed councillors give themselves a farewell pay-off bonan**



☐ From Page 1

## Shock

While he did not feel that the dismantling of the present second tier structure would be costly, he said of the new regionalisation: "The public is going to pay more for less say."

# pinion probe

**Sunday Times Reporter**

sts to attend trial

The police have launched a drive against illegal taxi operators in Empangeni, Natal, in an effort to put an end to bus boycotting.

The police said illegal taxi operators were using all kinds of vehicles for their purposes, and were exploiting the situation.

The bus companies and the legal taxi operators were suffering as a result.

The police action was encouraged by commuters who, according to a statement, had shown that they were "fed up" with the "intimidatory methods" of the illegal taxi owners. — Sapa

## Six

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Business Day

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# Poor pay for Cape Town secretaries

CAPE TOWN'S female office staff are among South Africa's lowest-paid, says the Kelly Personnel Quarterly Salary Survey.

The survey gives starting salaries of staff placed by Kelly Personnel in January to March in the Johannesburg, East Rand, West Rand, Pretoria, Vaal Triangle, Cape Town and Durban areas.

It says employers in the Cape Town area pay less than in any other major centre to reception-

Own Correspondent

ists/switchboard operators, Girl Fridays, accounts clerks and copy typists.

Switchboard operators are paid an average starting salary of R631 a month.

Accounts clerks start on R689. Copy typists get R638 a month.

Girl Fridays are paid an average starting salary of R702.

Executive secretaries in Cape Town are paid an average starting

salary of R1 060.

This is just above the bottom scale in Durban where they receive R931.

Ordinary secretaries in Cape Town, described by the survey as having good secretarial skills, are paid a relatively high starting salary of R883 — earning more than secretaries in the West Rand, Pretoria and Durban.

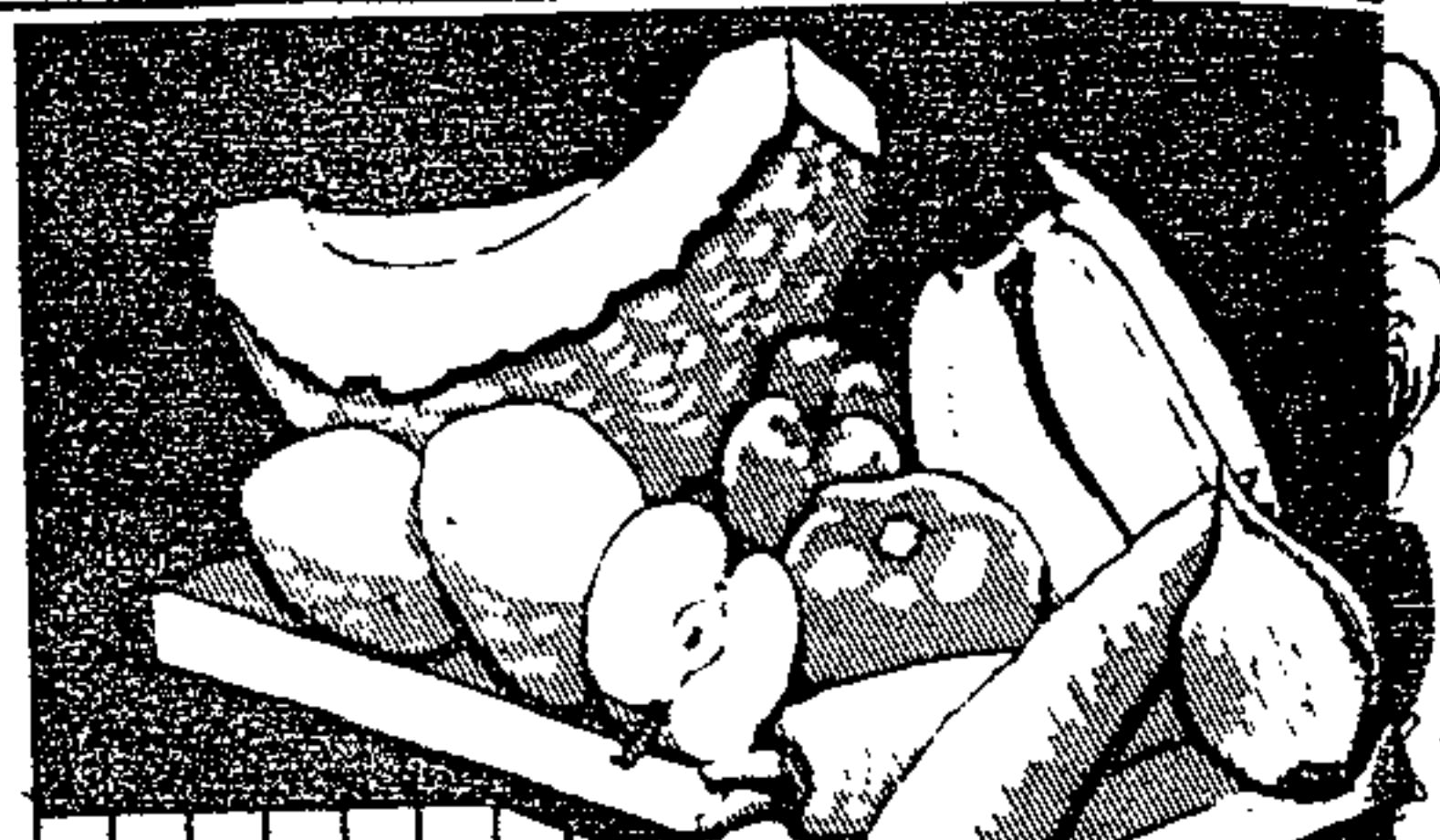
Bookkeepers earn R983 — more than their counterparts in the Vaal Triangle and Durban.

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CAPE TIMES 15/5/85  
**Pay increase for  
clothing workers**

By ROBERT GREIG  
CAPE clothing workers will earn an estimated R13-million more from July to December, despite record layoffs in the industry this year.

The wage increase, effective from July 1, is part of a four-stage increase of 32.7 percent spread over two years negotiated last year.

Individual qualified machinists will earn a minimum of R3 more a week, raising their weekly wage to R67, the secretary of the Industrial Council for the Clothing Industry (Cape), Mr Hardy Nel, said yesterday.

Meanwhile, the president of the National Clothing Federation, Mr Mike Getz, warned yesterday that rising local raw material and wage

costs were making it difficult for the industry to maintain levels of output and employment.

He added that retailers were maintaining their margins while manufacturers' were dropping. Retailers disputed this.

The wage agreement between the Cape Clothing Manufacturers' Association, the Garment Workers' Union and the Cape Knitting Association includes higher termination pay and increased sick and provident fund contributions.

Cape clothing workers, who work a 42-hour week, earn slightly more than those in the Transvaal and much more than their Natal equivalents.

e Increases despite lay-offs

# Cape clothing workers to get R13m more

B. Day 15/5/85

By ROBERT GREIG

CAPE clothing workers will earn an estimated R13m more from July to December despite record layoffs in the industry.

The wage increase, effective from July 1, is part of a four-stage increase of 32,7% spread over two years, which was negotiated and announced last year.

Individual qualified machinists will earn a minimum of R3 more a week, raising their weekly wage to R67, Industrial Council secretary for the Clothing Industry (Cape), Hardy Nel, said yesterday.

Meanwhile, National Clothing Federation president Mike Getz warned yesterday that rising local raw material and wage costs were making it difficult for the industry to maintain levels of output and employment.

He added that retailers were maintaining their margins while those of manufacturers were dropping. Retailers disputed this.

The wage agreement, signed between the Cape Clothing Manufacturers' Association, the Garment Workers' Union and the Cape Knitting Association, includes higher termination pay and increased sick fund and provident fund contributions.

From December 1984 to the end of 1986, the minimum wages of qualified machinists will have risen by 32,7%, of which 15,5% will be in 1985.

The first stage was in December and the fourth and final will be on July 4 next year.

Last year the wage bill for 62 000 workers was about R180m.

Since then the workforce has dropped to 56 000. The Industrial Council for the Clothing Industry (Cape) said figures of those working short-time were not available.

Garment Workers' Union assistant general secretary C Petersen said: "There have been some lay-offs but the percentage is small."

He reported a demand for qualified machinists and knitters but little for unqualified staff, saying lay-offs had mainly taken place in small, cut-make and trim operations.

Cape clothing workers, on a 42-hour week, earn slightly more than clothing employees in the Transvaal and much more than Natal employees.

The minimum weekly wage of a Transvaal machinist, working a 40-hour week, is rising to R63 a week, according to the Industrial Council for the Clothing Industry (Transvaal).

A Natal machinist, working a 42-hour week, will be earning R40,50 a week, the council for Natal said.



# Durban women paid lowest salaries

NM 16/5/85  
Mercury Reporter

SALARIES for women in Durban are much lower than in any other major centre in the country.

And that is in spite of a narrowing in the gap between women's starting salaries in Durban and Johannesburg. Compared with the 25,7 percent difference last year, the figure for 1985 is only 19,98 percent.

This is according to a national salary survey conducted by a major personnel company.

According to the survey, Durban employers pay less than those in any other centre to their executive secretaries, secretaries and bookkeepers (to trial balance).

Other traditionally female administrative jobs such as switchboard operators, accounts clerks and copy typists are paid only a fraction more than their Cape Town counterparts who were second-lowest in the salary survey.

## Same job

The gap between wages paid in Durban compared with Johannesburg or the East Rand is startling.

In Durban an executive secretary with about 10 years' experience including word processing, dictaphone and shorthand skills could earn — at the most — R1 200. In Johannesburg she would earn R1 600 for doing exactly the same job.

A bookkeeper in Durban could hope to earn a maximum of R1 000 while in Johannesburg she would earn R500 more.

The gap in salary between the two regions — on average — is about R300 and companies are becoming more and more particular when looking for women employees.

and Politics

# 'Trek' from rural wages

CAPE TOWN 16/5/85

## Political Staff

SHOCK minimum wage rates in the Transkei and Lesotho encouraged workers to trek to the urban areas, a University of Cape Town study has found.

It found that the official minimum wage levels in Transkei and Lesotho were often less than a third of that earned in the building industry in South Africa and less than half that earned on the mines.

"It is no mystery that so many workers trek from these impoverished rural areas to find jobs in developed South Africa, often defying legal prohibi-

tions and certainly encountering discrimination and forfeiting the comforts of family life.

"Yet those who have jobs in the reserves, though paid perhaps one-third of the poverty datum line, must be counted fortunate against those who have no jobs," the study said.

The study, released yesterday by the Southern Africa Labour and Development Research Unit (Saldru) at UCT, said minimum wage rates in both Transkei and Lesotho were "remarkably low".

It said no South African industrial and wage

agreements applied in the reserves and the minimum wage rates which had been fixed were so low that enforcement was redundant.

In some parts of Transkei, labourers were entitled to as little as R12,70 a week, it said.

Although low wages should in theory attract labour-intensive industries to the rural areas, the failure of the decentralization policy showed that the low-wage factor was a small one in the decision to relocate an industry.

The study found that every wage determination in Transkei "falls far below the Household Subsistence Level".

However, there was no reason why a worker in Umtata should earn less in Umtata while doing the same job as a worker in Cape Town or Durban.

"Low-wage regions represent a constant threat to the standards won by organized urban workers.

"The history of South Africa's wage board and industrial council system shows that without an effective union presence there is unlikely to be effective minimum wage regulation."

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# Rises face clothing industry

CAPE TOWN — The July wage increases come as the president of the National Clothing Federation, Mr Mike Getz, has warned about the 'serious dimension' of cost increases facing the clothing industry.

In a statement he warned that the industry would be 'under extreme pressure' to continue to keep price increases down and claimed that retail margins were being maintained while manufacturers' were dropping.

He said: 'Cost increases now facing the clothing industry are assuming serious dimensions in the face of still declining market trends.'

'Raw materials in particular have moved sharply upwards. Fabrics of locally produced cotton and wool have risen in price by 25 percent and 35 percent, respectively. Prices of polyester/cotton fabrics are increasing at an annual rate of between 15 percent and 25

percent.

'Wage bills nationally will grow by some 16 percent. The industry will be under extreme pressure to maintain its historic performance of keeping its price increases below those of the consumer price index.'

'Additionally the consumer index for clothing, at present increasing at a rate of some 14 percent, is now exceeding the clothing production index in a worrying way.'

'Prices at retail are rising faster than at wholesale,' Mr Getz said.

Spokesmen for leading retailers said that retail margins were under pressure. — (Sapa)

WESS DAY, Friday, May 17 1985

## Business Day

May 17 1985

# Rural poverty and minimum wages

If ever there was a piece of misinformation it is the implied conclusion of the Cape Town University study, reported in *Business Day* yesterday, that higher minimum wages in areas like Transkei and Lesotho would reduce the flow of workers to the cities.

Bitter experience in Zimbabwe, of all places, has shown the exact opposite to be true. The lower minimum wages are held in rural areas, the more jobs are created.

If Transkei and Lesotho wish to keep their workers within their national boundaries, they are quite right to keep down minimum wage determinations. In fact, they should abolish these restrictive practices immediately.

Chances are, however, that they want their workers to seek employment in South African cities. It reduces the burden on their own expenditure and results in a flow of income back to them.

Be that as it may. For many years there has been a worldwide movement of rural workers to the cities. It is a natural consequence of industrialisation. It is also a trend that is likely to accelerate in South Africa in the years ahead, despite the depredations of apartheid. The Verwoerd, Vorster and Botha admin-

strations have all tried to reverse the flow and have all failed.

The movement of a resource, such as labour, to where there is greatest demand for it cannot easily be prevented in a market economy.

Apart from naked legal coercion, the economic methods Nationalist Administrations have employed so unsuccessfully were all based on a similar type of illogical economic premise that is implied in the latest Cape Town study. They are at the heart of the failure of the present decentralisation policy.

No worker should be denied the relative advantages of urbanisation and the entire economy of Southern Africa is poorer because of the measures taken to do so. There are effective means of dealing with the inevitable social consequences, such as squatting, and it is in this area that government and academic energy should be concentrating.

It is not the general level of low wages that has impoverished what the Cape Town study describes as the "reserves", but the relatively high wages earned by the privileged few who enjoy the protection of minimum wage enactments. If these were to be raised to the level of wages in SA's building industry, there would be even more poverty in the "reserves."





**Group income increased**

JOHANNESBURG Trans-Natal Coal Corporation Ltd increased group income before tax for the quarter ended March 31, but the special taxation charge made big in-into profits.

Net income before tax was R33,30 million group income after R14,84 million (R9,05 million). — (Sapa)

**Citibank quits S A gifts trade mar-**

JOHANNESBURG Citibank N.A. Ltd. has withdrawn its trading for commercial reasons and intends developing its local operations by direct at a senior with financial institutions, investment in- ing Group head, Mr. Mitchell, said.

Mr Mitchell said: Citibank remained committed to South Africa and said the change in operations had nothing to do with investment pressures.

The investment in- ing group is an autonomous unit and the corporate bank con- unaffected, he added.

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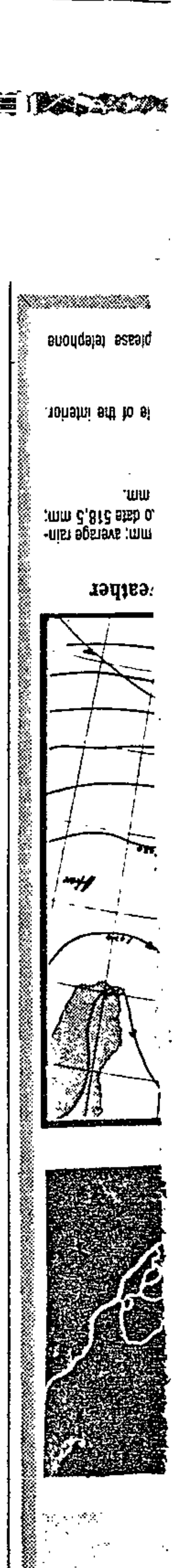
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**965 municipal government and provincial**

**SOUTH AFRICAN TRANSPORT**

**700 workers down tools at brick factories**

NM 2/5/85

Labour Reporter

ABOUT 700 workers at two Corobrik plants in Pietermaritzburg downed tools yesterday in support of their demand for a 31 percent pay increase.

The action comes after a strike ballot by the General Workers' Union at the Corobrik and Corocrete factories last week when the majority of the workers voted in favour of strike action after wage negotiations had reached deadlock.

A spokesman for the union said yesterday that the wages of most Corobrik workers were far below that of workers in other industries.

'By contrast, the company's fortunes increased steadily in the past few years and in the financial year to March 1985 Toncoro — Corobrik's holding company — increased its profits by 220 percent.

'We believe these results are evidence of the company's ability to afford wage increases that would start to close the gap between Corobrik workers and other industrial workers,' he said.

**Negotiations**

Mr Ray Andrews, managing director of Corobrik, Natal, yesterday confirmed that production had stopped at the two plants and said talks were continuing between representatives of the management and the union.

'There were extensive negotiations between the union and the company, but the last meeting of the Conciliation Board on May 15 ended in deadlock.

'We offered workers an increase of 17 percent, with the average increase being 15 percent, but the union refused to accept this and last week held a strike ballot in which a majority of the workers voted in favour of striking.

'The situation is peaceful and lines of communication between the company and the union are still open,' he said.



could I suggest that he consult the files of his department in Johannesburg and refer to File No 21/3/85? He will then see that this community applied for a clinic in their area and that there was no response from the hon the Deputy Minister's department.

#### "Fun Train"

\*12. Mr B B GOODALL asked the Minister of Transport Affairs:

- (1) Whether the South African Transport Services were connected with the so-called "Fun Train", which ran from Johannesburg to Durban and back; if so, (a) when was it started and (b) what was the nature of their involvement;

- (2) whether (a) a certain organization, the name of which has been furnished to the South African Transport Services for the purpose of the Minister's reply, and (b) any other organization was connected with this train; if so, (i) what are the names of the organizations concerned and (ii) what was the nature of their involvement in each case;

- (3) whether any contracts existed between the South African Transport Services and any organizations in regard to this train; if so (a) what were the terms of the contracts and (b) when were they entered into;

- (4) whether this train service has since been discontinued; if so, (a) when, (b) why and (c) who took the decision in this regard;

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

\*The MINISTER OF TRANSPORT AFFAIRS:

- (1), (a), (b), (2), (a) and (b) Yes. Since 9 July 1983 the "Fun Train" was operated by Transport Services and leased to Southern Sun Hotel Corporation (Pty) Ltd. No other organization was involved.

- (6) whether the South African Transport Services are involved in this competition; if so, what is the nature of this involvement;

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

\*The MINISTER OF TRANSPORT AFFAIRS:

- (1), (2), (a) and (b) Yes. Southern Sun Hotel Corporation (Pty) Ltd charters a luxury bus from Transport Services and is responsible for the marketing of the service as well as the selling of tickets. Transport Services only operates the bus.

- (3) Yes.

- (a) For sound business reasons it is not the policy to disclose details of contracts entered into.

- (b) April 1985.

- (4) No.

- (5) No. No action is deemed necessary.

- (a), (i), (ii) and (b) Fall away.

- (6) and (7) No.

355  
Teachers: salary increase  
Q Col. 1541 21/5/85  
\*14. Mr E K MOORCROFT asked the Minister of Co-operation, Development and Education:

- (1) Whether teachers in his Department were eligible for a 12% increment in salary in 1984; if so,

- (2) whether the payment of this increment was deferred until 30 April 1985; if so,

- (3) whether this increment has been paid to all teachers in his Department; if not, (a) why not and (b) when is it anticipated that it will be paid; if so, when?

The MINISTER OF CO-OPERATION, DEVELOPMENT AND EDUCATION:

- (1) Yes. An increment of approximately 23%.

- (2) Yes, the increments in respect of October and November 1984 were deferred as in the case of all education departments.

- (3) No

- (a) Due to programme adjustments to the computer it was not possible to pay the increments together with their salaries.

- (b) At the end of May beginning of June 1985.

Handwritten Q. Col. 1542  
Death of certain person 21/5/85  
\*15. Mrs H SUZMAN asked the Minister of Law and Order:

- (1) Whether an investigation is being held into the death of a certain person, whose name has been furnished to the South African Police for the purpose of the Minister's reply, at the Baragwanath Hospital on or about 6 May 1985; if not, why not; if so, (a) who is in charge of the investigation, (b) what were the circumstances surrounding the death of this person, (c) what was the cause of death and (d) what is the name of this person;

- (2) whether this person was arrested and/or detained by any branch of the South African Police; if so, (a) when, (b) why, (c) in terms of what statutory provision and (d) where was he (i) arrested and/or (ii) detained;

- (3) whether he was released subsequent to being arrested and/or detained; if so, (a) when and (b) where;

- (4) whether any relatives or friends of this person made enquiries about him from any members of the South African Police; if so, (a) on what date and (b) what was the (i) nature of the



could I suggest that he consult the files of his department in Johannesburg and refer to File No 21/3/85? He will then see that this community applied for a clinic in their area and that there was no response from the hon the Deputy Minister's department.

**"Fun Train"**

\*12. Mr B B GOODALL asked the Minister of Transport Affairs:

(1) Whether the South African Transport Services were connected with the so-called "Fun Train", which ran from Johannesburg to Durban and back; if so, (a) when was it started and (b) what was the nature of their involvement;

(2) whether (a) a certain organization, the name of which has been furnished to the South African Transport Services for the purpose of the Minister's reply, and (b) any other organization was connected with this train; if so, (i) what are the names of the organizations concerned and (ii) what was the nature of their involvement in each case;

(3) whether any contracts existed between the South African Transport Services and any organizations in regard to this train; if so (a) what were the terms of the contracts and (b) when were they entered into;

(4) whether this train service has since been discontinued; if so, (a) when, (b) why and (c) who took the decision in this regard;

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

\*The MINISTER OF TRANSPORT AFFAIRS:

(1), (a), (b), (2), (a) and (b) Yes. Since 9 July 1983 the "Fun Train" was operated by Transport Services and leased to Southern Sun Hotel Corporation (Pty) Ltd. No other organization was involved.

(3) (a) Yes. For sound business reasons it is not the policy to disclose details of contracts entered into.

(b) 16 June 1983.

(4) Yes.

(a) With effect from 14 April 1985.

(b) and (c) By mutual agreement.

(5) No.

**"Fun Bus"**

\*13. Mr B B GOODALL asked the Minister of Transport Affairs:

(1) Whether the South African Transport Services are connected with the so-called "Fun Bus"; if so, what is the nature of this involvement;

(2) whether any other organization is involved in this bus service; if so, (a) which organization and (b) what is the nature of this involvement;

(3) whether a contract exists between the South African Transport Services and this organization; if so, (a) what are the terms of the contract and (b) when was it entered into;

(4) whether the South African Transport Services have any similar contracts with any other organizations or bodies; if so, (a) with which organizations or bodies and (b) in respect of what services were these contracts entered into;

(5) whether the South African Transport Services were consulted about a competition in this regard which was advertised on 14 April 1985 in a certain Sunday newspaper, the name of which has been furnished to the South African Transport Services for the purpose of the Minister's reply; if not, what action will be taken in this regard; if so, (a) (i) by whom and (ii) when and (b) what was the purport of this advertisement;

(6) whether the South African Transport Services are involved in this competition; if so, what is the nature of this involvement;

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

\*The MINISTER OF TRANSPORT AFFAIRS:

(1), (2), (a) and (b) Yes. Southern Sun Hotel Corporation (Pty) Ltd charters a luxury bus from Transport Services and is responsible for the marketing of the service as well as the selling of tickets. Transport Services only operates the bus.

(3) Yes.

(a) For sound business reasons it is not the policy to disclose details of contracts entered into.

(b) April 1985.

(4) No.

(5) No. No action is deemed necessary.

(a), (i), (ii) and (b) Fall away.

(6) and (7) No.

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(1) Whether teachers in his Department were eligible for a 12% increment in salary in 1984; if so,

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The MINISTER OF CO-OPERATION, DEVELOPMENT AND EDUCATION

(1) Yes. An increment of approximately 23%.

(2) Yes, the increments in respect of October and November 1984 were deferred as in the case of all education departments.

(3) No

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(b) At the end of May beginning of June 1985.

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(3) whether he was released subsequent to being arrested and/or detained; if so, (a) when and (b) where;

(4) whether any relatives or friends of this person made enquiries about him from any members of the South African Police; if so, (a) on what date and (b) what was the (i) nature of the

Wage restraint urged

# Big pay rises are fuelling inflation,

355 181 182

21/5/85 B. Day

## — Bepa report

A VOLUNTARY restraint on wages and administered prices to combat inflation has been called on by Pretoria University's Bureau of Economic Policy and Analysis (Bepa).

According to the Bepa study of inflation and wages over the past few years, large wage increases for the rest of this year and early 1986 could prolong the inflationary pressures and postpone the recovery in economic activity and employment.

The government-sponsored study calls on employers and wage negotiators to consider marginal wage increases.

At the same time, it calls on government to freeze or marginally increase prices for administered goods.

Bepa's Professor J A Lombard, a major compiler of the study, said in Pretoria yesterday that wage inflation not only retarded cyclical (recession) unemployment, but also produced structural unemployment because it stimulated the substitution of capital for labour.

"The anti-inflation policy may have a high cost in the short-term because of surplus capacity and unemployment. But it is crucial that the public's idea of inflation and what to expect in 1985 and 1986 should be realistic."

The report says inflation must be reduced to 4% or 5% by the end of next year.

Although productivity can be improved substantially to about 3% annually, this alone will not curb inflation. The roots of the problem are on the side of over-expenditure and excessive rises in nominal wages.

By LESLEY LAMBERT

More than 25% of the labour force outside agriculture is employed in the public sector, where nominal wage increases will be minimal this year, the report says.

If the monetary authorities persist in restraining wages in the public sector and high rates of interest in the capital market, the CPI (inflation) growth rate is expected to drop to about 10,3% in 1985 and 1986.

At the same time domestic real output will begin to expand, reaching an annualised real growth rate of 8,2% in the fourth quarter.

Inflation is a political phenomenon in which the pressure of vested interest groups and public opinion prevail, the report says.

In such a political dispensation, even monetary and fiscal policies become subordinate to political pressure.

Lombard said that in the past government had not been prepared to tackle the inflation due to fear of alienating its constituency.

Although CPI (consumer price index) was a reasonable yardstick for wage bargaining, the report said the impact of GST should be removed to avoid an inflationary spiral in which sales tax was endlessly shifted forward.

The worker does not benefit by high nominal wage increases in this situation, because inflation erodes the purchasing power of his wages.



ARGUS 22/5/85 (353)

# Wage, price restraints urged to relieve inflation pressures

PRETORIA. — A voluntary restraint on wages and administered prices to combat inflation has been called for by the University of Pretoria's Bureau of Economic Policy and Analysis (Bepa).

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increases would be minimal this year.

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## VESTED INTERESTS

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The worker did not benefit by high nominal wage increases in this situation, because inflation eroded the purchasing power of his wages. — Sapa.



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# Retrenched battle to pay bills

335 Cape Times

By MARTINE BARKER

"A FRIEND gave me a fish yesterday and on Sunday my mother gave me some vegetables. I don't know what we will have to eat tomorrow. All our money is gone."

Retrenched clothing-industry workers interviewed in the Peninsula yesterday described the misery of unemployment and the fruitlessness of their efforts to find alternative work in the present economic climate.

"We were told that if there is work available in December the company will call on us and give us work. But even if we get work then, how are we to survive for more than six months like this?" asked Mrs Amina Samuels of Valhalla Park.

Although most people employed in the clothing industry are women it is largely a myth that they provide a second income for their families. Many are the sole breadwinners or have become so as a result of retrenchments in other industries.

As a machinist, Mrs Alma Davids of Clarkes Estate was the sole source of income for her family since her husband was retrenched in March.

"Now there is no income at all. My husband goes to look for work every day but mostly there is nothing. Yesterday he got a casual job for the day. He earned R4. We spent R3 on food and there is R1 left."

"We have to ask the neighbours to give us money for bus-

fare so my husband can look for work. There is no work in this area at all."

Mrs Davids faces steep monthly bills — rental for the family's council-owned flat is R73. The electricity has been cut off because they cannot afford it.

Furniture bought on hire purchase costs R10 a week and three children have to be fed and clothed.

"I feel sore and my husband feels the same way."

Unemployment benefits take several weeks to materialize and until then the weekly bills accumulate in arrears.

Mrs Sharifa Baron, of Heideveld, says her severance pay of R100 has been consumed. Already, just two weeks after los-

"There is no money in this house. The skollies broke in and couldn't find anything to steal so they just asked if they could sleep here."

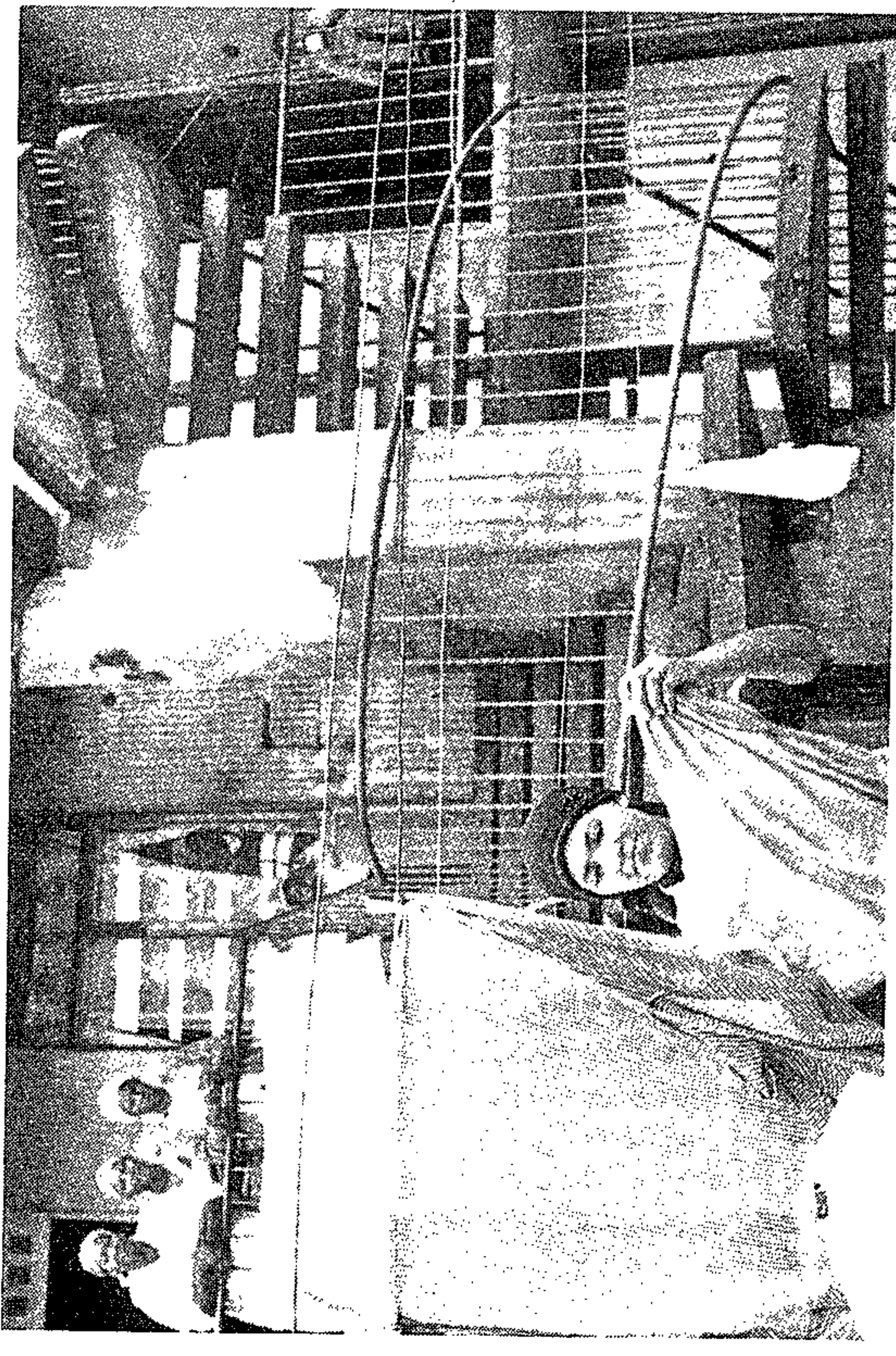
Mrs Samuels, whose husband earns R100 a week working as a painter, says that by Monday each week the money is gone. Hire-purchase commitments on a television set and clothes cost her R30 a week. The rest goes on food, transport to work for her husband, rent, water and electricity.

She opens empty containers to show us what remains of her food store: "There is no money to pay 50c for a bottle of fuel for the paraffin stove so I use electricity and hope I can pay it next month."

The other two adults who share the one-bedroomed flat are Mrs Baron's son who goes on a search for work every day and a friend who was retrenched along with Mrs Baron.



Mrs Amina Samuels: "I don't know what food we will have tomorrow."



Mrs Alma Davids continues her household chores despite the worries of unemployment.



# Cape workers prepare talks

355

THE Cape Town Municipal Workers' Association is to hold a protest meeting on June 4 against the Industrial Court's arbitration award, announced more than a year ago after the union demanded wage increases.

In a statement the association has criticised cumbersome wage-dispute procedure forced on trade unions as "inadequate and farcical." The committee said the award was "most unsatisfactory".

About 4 500 members of the CIMWA will benefit from the award, made retrospective to January. Workers earning from R73,20 to R87,92 a week will receive a one-month notch increase — about R4,50 a week.

The award will also raise the pay of workers earning less than labourers to the level of labourers. This will affect about 100 workers, including domestic and laundry workers.

The union has demanded increases for all employees from a minimum weekly of R116 to a 15 percent raise for

By JOSHUA  
RABOROKO

higher-paid workers.  
"We regard the drawn-

out procedure which the law forced us to follow as totally inadequate," the committee said in a statement.

Cape Times 22/5/85 142 143 355

# Demands altered in brick strike

Staff Reporter

OFFICIALS of the General Workers Union (GWU) yesterday presented revised pay demands to Corobrik management in the Western Cape and in Natal as the strike for wage increases at the company's five plants continued.

The-legal strike by 1 600 workers at four Cape plants and one in Natal started on Monday after a pay dispute deadlocked last week when a conciliation board set up to resolve the dispute failed to do so.

A spokesman for the GWU said union officials who met management in both Cape Town and Martizburg yesterday

would meet them again today to hear management's response to the revised demands.

Mr Graham Bounds, managing director of the Cape plants, said stayaways continued at all plants yesterday but work "was continuing" at each of them.

He declined to confirm that management was due to meet the union and said he did not wish to comment on the steps the company planned to take to end the strike.

The GWU, which represents workers at the five plants, has accused management of hiring casual scab labour but management has denied this.



# 1 000 in legal strike

*Sowetan 22/5/85*  
MORE than 1 000 Corobrick workers at five plants in the Western Cape and Natal yesterday entered their second day on a legal strike, in what has been seen as the biggest industrial action by the General Workers Union.

The strike comes eight weeks after negotiations between management and the union had deadlocked over wages.

GWU's general secretary, Mr David Lewis, said management's offer to increase wages from R1,17c per hour to R1,37 was not satisfactory. It left workers' wages below the minimum living level.

He hoped that management will note the extent of their dissatisfaction and will review its position. The union was prepared to re-open negotiations to arrive at a speedy settlement of the dispute.

He claimed that management has resorted to employing scabs and intimidating workers who were on a legal strike. These practices were unacceptable to the union which was taking a serious view of them.

Corobrick management has confirmed the strike which has affected production in the Western Cape.

In another labour move, about 400 dismissed workers at Pilkington near Meyerton, returned home yesterday after they were promised their jobs back following a strike at the plant. The Building and Construction Workers Union intends holding an urgent meeting with management this week.

Meanwhile, Anglo American has begun re-employing about 14 000 miners dismissed from its Vaal Reefs gold mine last month after striking over claims and work practice dispute.

## Gun drawn during Corobrik wage strike

1965 23/5/85

Labour Reporter

STRIKERS and a Corobrik sub-contractor were involved in a confrontation in which a gun was drawn after a man was allegedly threatened with an axe.

Four Corobrik plants in the Western Cape and one in Natal are affected by the strike over a wage dispute involving 1 600 workers.

Mr David Lewis, general secretary of the General Workers' Union, said today that the union was concerned about the activities of certain sub-contractors at Corobrik plants.

He said that in an incident this week a union member was threatened with a firearm by one of the sub-contractors. The union would hold Corobrik responsible for "the consequences of this provocation".

### "ACTING IN SELF-DEFENCE"

Mr Graham Bounds, managing director of Corobrik Western Cape, said the incident happened when the man was threatened with an axe by a striker.

"As far as he was concerned he was acting purely in self-defence. The man with the axe then went away," said Mr Bounds.

Mr Lewis said the union had yesterday presented revised wage proposals for a R1,50 an hour minimum but management would not move from its offer of R1,37.

Wage talks at the company's Maritzburg plant would continue today.



# Pricing labour out

(355) E. Day 24/5/85  
In April, the UK inflation rate was nearly 7% — the highest figure since September 1982. The key to interpreting these statistics is the rise in manufacturers' wage costs per unit of output — 5.7% in the first quarter of 1985 despite three million unemployed. Clearly strong unions are still gaining wage increases for their members at the expense of the labour force as a whole. This must not be allowed to happen here, despite the pressure on industrialists to grant money wage increments to black work-

ers in excess of increases in productivity. These pressures come partly from union action and partly from overseas, especially America.

But it is essential to realise that there is a heavy price to pay in a developing economy for overpricing the unionised worker. That price, apart from increased inflationary pressures, has other detrimental implications. It will encourage investment in mechanisation which in the short run will inhibit the growth of jobs.



IF THERE is one issue which will be a test of the Thatcher government following the state of nerves into which so many Conservatives apparatchiks have talked themselves after the shire elections, it is what it decides to do on wages councils.

So long as these councils exist, government talk about more flexible labour markets and the relation between pay and jobs will have a hollow ring. For while ministers can only have a very indirect influence on the pricing out of work which emerges from collective bargaining, or from the employers who take the line of least resistance, wages councils are an entirely statutory creation.

Government has provisionally decided to deratify the International Labour Organisation Convention No 26, which requires it to establish minimum wage machinery.

The Department of Employment's consultative paper leaves the options open between "reform" and abolition of these councils. The department has asked for comments.

The department is known to be split on the issue, but the thrust of its consultative paper is that wages councils raise labour costs and thereby reduce job opportunities.

## Sufferers

Two out of three wages council establishments employ less than 10 people; yet they have to comply with orders running to 30 pages in length which, according to the department, "are frequently difficult for both employers and employees to understand", and which, by imposing rigid differentials for categories and grades, make sensible wage structures more difficult to introduce.

There would be sufferers if the wages councils were abolished, and *nothing else happened*. They would not be the unemployed, but some of the 2.75-million workers *already* in jobs covered

# Abolish <sup>255</sup> <sup>24/5/85</sup> not reform, these job-killing bodies

## ECONOMIC VIEWPOINT/Samuel Brittan in London

by the 26 wages councils, primarily in service industries such as retailing, catering and hairdressing, but also in clothing.

About four out of five of these workers are female and two out of three part-time, according to D of E estimates. Minimum fulltime pay rates for adults range from £63 to £72 a week. About one-million workers are now paid only council rates without any premia.

No-one should feel cheerful or self-congratulatory about imposing downward wage pressures on workers in these very low-pay ranges, even though the great majority are unlikely to be principal breadwinners.

The essential argument for abolition is certainly not that the poor should be made poorer. On the contrary, it is the one made by Professor James Meade in his IEA paper, "Wage Fixing Revisited", that the way to improve the distribution of income in favour of the poor is not to force up wages above market-clearing levels at the expense of job losses, but to top up the pay of those on low wages through the tax and social security system.

The aspect of the social security review most relevant here is not the pensioners controversy, but proposals such as the income-related additional child benefit, or the successor to Family Income Supplement, which would supplement the incomes of poorer, working families.

If the Treasury were concerned to be a real Ministry of Political

Economy and not just a Finance Ministry, it would do a deal with the DHSS, whereby it took a generous line on income-related family benefits in return for the support of the DHSS and its sympathisers in Cabinet for the abolition of wages councils.

Meanwhile, the question for a market economist with a conscience is whether to campaign to improve and extend income supplements or whether to use their inadequacies as an excuse to continue the institutionally-enforced destruction of job opportunities for the weakest and most vulnerable.

## Difficulties

A weakening of union monopoly, and of the "wage round mentality" among employers, is the most important precondition for the creation of more jobs at the upper end of the skill and income scale. The difficulties of doing this are not an argument for holding up action at the other end of the labour market, especially as low-paid workers suffer more from unemployment and have greater difficulty in finding jobs once they are on the dole.

The biggest problem facing the abolitionist is that the interest groups, pressure groups and voluntary organisations, as well as agit-prop bodies, sending comments to the Employment Department, will be in favour of keeping wages councils.

The retentionists also include large retailers uneasy about the

impact of small competitors with low labour costs. All these groups, plus fear of souring further relations with the TUC and unfavourable media headlines, will impel the establishment of the D of E against abolition.

Another piece of grit is the report of the Auld Committee, which was asked to inquire into Sunday opening, but took it upon itself to recommend the retention and strengthening of retail wages councils. It only shows that even distinguished economic journalists, such as Frances Cairncross, who was a member, can nod.

Employers sometimes argue that wages councils keep out unions. The general effect must surely be, however, to impose union-type constraints even where employers would otherwise be able to avoid them.

Retentionists occasionally focus on the "small" size of the job effect in standard calculations. If every 1% reduction in the growth of earnings raises employment by half a percentage point, then, if abolition made wages 10% lower than they would otherwise be, about 100 000 to 150 000 new jobs would be created.

These are not good arguments for retention. Short of a head-on attack on the whole wage-fixing system, any one individual job creation measure has a "small" effect.

Three separate budget measures — the National Insurance changes, the Community Pro-

gramme extensions — are between them expected to reduce unemployment over the next few years by 300 000, according to the London Business School.

If the abolition of wages councils added another 100 000, the cumulative effect of all these measures, on top of economic recovery, might just be sufficient to reverse the rising unemployment trend.

Compromise "reforms" are hard to find. If wages councils' controls were merely abolished for young people under 18, only 5% of the wages council workforce would be affected; and the proportion would fall if government induced more people into training.

Abolition for youngsters only would scarcely be worthwhile unless the age for the full adult minimum were raised to, say, 23, as it is in the Netherlands.

## Simplified

Alternatively, council functions could be simplified so that they only prescribed the adult minimum and ceased to lay down, overtime payments, holidays, holiday pay, and so forth (rent de-control of new tenancies might well be the most important single addition to these moves).

Even then, however, government would still be in the embarrassing position of calling on people to price themselves into work while at the same time legally preventing them from doing so. If Tom King, the Employment Secretary, is to be hanged by the presure groups for a lamb, he might as well undergo the same penalty for a wolf.



# Some findings on minimum pay and jobs

PAY REGULATION has been most intensively investigated in the US, which has had minimum wage laws since 1938 with many changes in coverage. Most research shows that jobs are lost when minimum rates are raised and the worst sufferers are teenagers and blacks.

In the UK, quantitative estimates for the whole economy, summarised in a recent Treasury paper, suggest that every 1% of real wages will produce 0.5% to 1% more jobs. These estimates assume government will maintain nominal demand as the Chancellor

undertook in his budget speech.

An official British paper to the NEDC had a section on the relation between relative wages and the employment of young people, suggesting that the adverse effect was even greater than that of excessive real wages in the economy as a whole.

Henry Neuberger, the economic adviser to the leader of the Labour Party, used a version of the Treasury Model in a 1984 Low Pay Unit paper to support wages councils. The soft answer is that "even" Neuberger admits that abolition

would create some jobs, although only 8 000.

The hard answer given by the D of E's employment market research unit (EMRU) Bulletin No 4, April 1985, is that Mr Neuberger's work suffers from "serious anomalies" such as not specifying his assumptions about government economic policy response.

A more interesting study, although based on a very small sample, is by Roger Kaufman in the March 1984 British Journal of Industrial Relations. This was one of the reasons for wage stickiness in

the face of recession in small competitive firms. This was explained partly in terms of encouraging employee motivation and employers' social objections to low wages.

But, in addition, half the firms subject to statutory minima felt that they were prevented from recruiting more workers by the ban on undercutting.

An econometric study has just been published by EMRU itself, "Wage Floors in the Clothing Industry, 1950-81". The workforce in this industry declined from 580 000 to 285 000. The detailed estimates are up to 1979, during which male

employment fell by 40% and female by 30%.

The effects of real minimum wage requirements were sufficient in themselves to have reduced employment by 10% to 20%. Other non-wage labour costs, such as employers' contributions, accounted for a further 20% or more. Employment elasticities ranged from 0.2 to 0.4.

During the period of faster contraction up to 1981, minimum wage requirements "had an even stronger negative influence on jobs", but estimation problems made it more difficult to assess the effect.

B. Day  
24/5/85  
355

# GWU changes demands

REPRESENTATIVES of the General Workers Union (GWU) have revised pay demands to Corobrick management in the Western Cape and in Natal as the strike for wage increases at the company's five plants continued.

The legal strike by about 1 000 workers started on Monday after a pay dispute deadlocked last week when a conciliation board set up to resolve the dispute failed to do so.

A spokesman for the GWU said union offi-

cials who met management in both Cape Town and Pietermaritzburg on Wednesday, met them again yesterday to hear management's response to the revised demands.

A statement from the union said the workers' willingness to revise their demand was indicative of their good faith and desire to arrive at a negotiated settlement of the dispute. *SOWETO*

"We hope management respond in a similar spirit," it said. Mr Graham Bounds,

managing director of the Cape plants said stayaways continued at all plants yesterday but work was "continuing" at each of them.

He declined to confirm management was due to meet the union and said he did not wish to comment on the steps the company planned to take to end the strike.

The GWU, which represents workers at the five plants, has accused the company of hiring casual scab labour to keep the factories in operation but management has denied this.

24/5/85



# Riding roughshod

The South African mining industry is set for a rough ride this year when the National Union of Mine-workers and the Chamber of Mines meet to negotiate pay increases and working conditions in the next few weeks.



LATER this year the National Union of Mineworkers (NUM) and Chamber of Mines meet to review salaries. A major strike was averted last year when agreement was reached at the eleventh hour. SOWETAN labour writer, JOSHUA RABOROKO (left).

have been involved in strikes and work stoppages so far in 1985.

This is also because the NUM is in dispute with Anglo American and Anglo Vaal — owners of giant goldmines — over wages granted earlier this year. This was preceded by strikes.

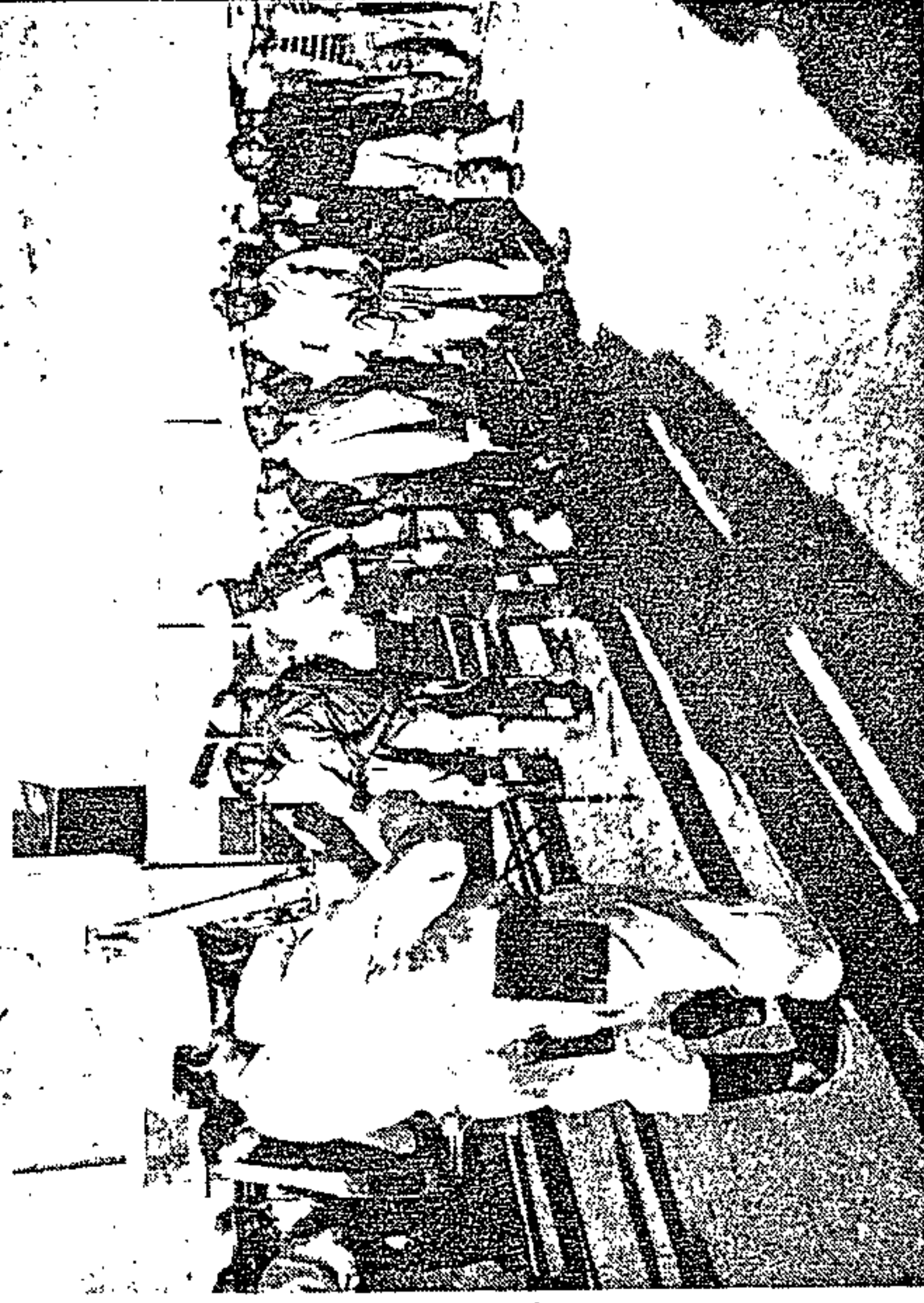
NUM members have also launched numerous boycotts of liquor outlets, concession stores and taxi services on the mines, and mine managements have claimed several incidents of in-

dustrial sabotage perpetrated by workers.

The dust had hardly settled after these reports were made when NUM's general secretary, Mr Cyril Ramaphosa, spelled out a strategy he called "resistance" by black miners, which will include demand for higher wages and the abolition of job reservation in the mines.

Mr Ramaphosa says the union's strategy this year will also include an attempt to change the system in the mine industry.

# in mine negotiations



MINE WORKERS ... facing tough wage negotiations.

agreement with the chamber of mines three years ago, several strikes have erupted and mine houses have blamed the union for instigating them.

The union has also been excluded in talks which focused on the abolition of the last vestiges of apartheid in the industry — job reservation.

Responding to these issues, Mr Ramaphosa



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Sowetan 24/5/85 (355)

# Cluster!

Item	Cash Price	Installment Price (R24)	Installment Price (R48)	Installment Price (R55)
Bedroom Set	R 259	R 24	R 48	R 55
Living Room Set	R 699	R 48	R 55	R 69
Kitchen Unit	R 599	R 40	R 55	R 69

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When there was a riot at Western Areas. However, he adds, this does not mean "we are complacent". This is not a lot in terms of the total number of mines or man-days lost.

The chamber and the NUM have agreed that they should not publish the list of proposals before they were actually discussed at a date still to be set.

He concedes that the union has made proposals to the chamber, but declines to comment on them because "we are still going to meet and consider them."

However, sources close to the parties say the demands include a 40% wage increase, danger pay and the recognition of May Day (May 1) as a paid holiday.

Mr Liebenberg says he was hoping for peace and appeals to the parties to keep their cool and reach an agreement to avoid a showdown.

Since the NUM signed a recognition

ment on their offers and

## NUM leader Mr Ramaphosa.

said these will be discussed at the negotiation table in a month.

Referring to job reservation, Mr Ramaphosa says this time "we are going to fight and if no settlement is reached, we might be forced to resort to industrial action."

However, mining industry leaders are confident that it is only a matter of time before racial discrimination on the mines — the "scheduled person" definition which bars blacks from qualifying for certificates to do various categories of skilled work — is abolished.

The chamber has been negotiating with the likes of Arrie Paulos on the issue for a number of years.

The Minister of Mineral and Energy Affairs, Mr Danie Steyn, has indicated that he would like to see the legislation amended during next year.

On the whole the chamber and the NUM are walking a tightrope in eliminating long standing traditions between workers of different races — and the black miners' material claims are being forcefully put. The road ahead seems to be rough.

Labour consultant, Andrew Levy says:

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**Deadlock** 355  
JOHANNESBURG—Wage  
talks between the Confed-  
eration of Metal and  
Building Unions and the  
Steel and Engineering In-  
dustries Federation of  
South Africa have ended  
in deadlock. (Sapa)  
THERE'S NO...

## 2 000 down tools

MORE than 2 000 workers were yesterday reported to have downed tools at seven factories in the Transvaal, Natal and Cape over wages, dismissal of colleagues and working conditions.

Trade unions, industrial relations consultants and labour lawyers have predicted more labour unrest in the country as the metal and mine industries have deadlocked with management for the same reasons.

About 300 workers at Tedalex Electrical Company in Booysens, Johannesburg, went on strike yesterday after making pay demands and other working conditions.

Tedalex's spokesman Mr Sydney Cowen confirmed the strike was over pay. The company could not, because of the current economic climate, meet the workers' demands. "We had a disastrous year last year and we cannot cope," he said. The company was negotiating with the workers' representatives.


The workforce at Bret company in Benoni, recently sold to Dorbyl by Barlow Rand, yesterday downed tools and travelled in three buses to Barlow's headquarters in Sandton, where they presented their grievances.

The workers' — members of the Metal and Allied Workers' Union (Mawu) — grievances include severance pay, pension fund, working conditions and other benefits. The workers claim since the company was bought by Dorbyl, the situation has changed and they were not happy.

Barlow's public affairs manager Mr R Chambers confirmed the incident. He said the workers had presented their grievances and they were prepared to discuss them with the new management. There were no "bad incidents" and the workers later left the scene in three buses.

More than 1 500 workers have stayed on strike at five plants of Corobrick in the Western Cape and Natal. There have been several incidents of victimisation and intimidation reported at the plants, according to union sources.

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# Brick workers trickle back

Labour Reporter

SOME Corobrik workers in Pietermaritzburg, who have been on strike since last week in support of their demand for a 31 percent increase in pay, started trickling back to work yesterday, Mr Ray Andrews, managing director of Corobrik in Natal, said yesterday.

About 40 people reported for work yesterday morning and the number had increased to 61 later in the day. But 680 workers were still out on strike, he said.

Mr Msokoli Qotole, national organiser of the General Workers' Union, said the strike still had the majority support of workers. 'Only the supervisors have gone back to work,' he said.

The refusal by management to continue negotiating with the union went against assurances given by management that it was prepared to negotiate a settlement, he said.

The union met management on Friday and presented an amended wage demand which was substantially lower than the original demand of 31 percent. 'But the company refused to talk to us,' he added.

Mr Andrews said at the end of last week that management reaffirmed its final offer of a 17 percent pay increase. They had also sent out notices to all employees at the two strike-hit plants that they would not be paid at the next pay day on Thursday unless they returned to work.

'We also undertook for those who returned to work by yesterday morning to make the increase back-dated to March 30 — which is equivalent to a week's pay.'

...to the ... of ...

# Industry faces row with unions

355  
SOUTH Africa's metal industries are faced with industrial action following a deadlock between employers and trade unions over pay increases covering over 370 000 employees.

The unions representing the workers are to meet today to decide what steps to take after their dispute with the

Steel Engineering Industries' Federation of South Africa (Seifsa) — the metal industries' industrial council (IC).

The four International Metalworkers Federation unions in South Africa — the SA Boilermakers' Society, the Metal and Allied Workers' Union, the Engineering Industrial

Workers' Union and the Steel Engineering and Allied Workers' Union — have rejected Seifsa's wage offer.

Seifsa offered a 17c or 8 percent increase on the minimum rates, a guaranteed 24c for arti-

sans and 14c for unskilled workers.

IMF's spokesman Mr Brian Fredericks has charged that there was no way in which the IMF could accept Seifsa's offer which fell well below the standard of living.



May 1985

## No indication of strike settlement

### Labour Reporter

THE Corobrik workers' strike in Pietermaritzburg continued yesterday with still no indication of a settlement in sight.

More than 700 workers at the Corobrik and Corocrete plants in the capital and a further 850 at five Corobrik plants in the Western Cape stopped work on Monday in support of their demand for a 31 percent increase in pay.

A spokesman for the General Workers' Union said lengthy talks were held with the manage-

ment yesterday but no decision was taken.

Mr Ray Andrews, managing director of Corobrik in Natal, said there had been no further developments towards ending the strike yesterday.

'There were lots of discussions again yesterday, but we again pointed out that our final offer of 17 percent which we made at the Conciliation Board meeting still stands,' he said.

The strikers were paid their last week's wages yesterday.

# 1 600 brick workers return as NM 29/5/85 strike ends

Labour Reporter

THE week-long strike over a wage dispute by more than 1 600 Corobrik workers in the Western Cape and Pietermaritzburg factories has ended following a decision by the strikers to return to work today.

Production at the Corobrik factories has been severely disrupted since May 20 when workers at four Western Cape and the two Natal plants downed tools after rejecting a company offer of a 17 percent pay rise. They demanded a 31 percent increase.

Mr David Lewis, general secretary of the General Workers' Union, said yesterday that the workers had decided reluctantly to return to work after it had become apparent that the management was not willing to negotiate in good faith.

'It appears management wants to break the GWU strength in Corobrik factories and to replace it with the company union, established by management, which is materially responsible for the low wage rate.'

Mr Ray Andrews, managing director of Corobrik in Natal, said the dispute had been settled after the union had signed an agreement on the terms which management presented as a final offer after 'considerable negotiation through the normal channels'.

The GWU was the only union involved in the negotiations, he said, adding that full production would be resumed today. There was limited production yesterday.

## Original offer

According to a Sapa report, the managing director of Corobrik in the Western Cape, Mr Graham Bounds, said the situation was resolved at a meeting yesterday morning between the company's management and representatives of the GWU.

He said the union had agreed to accept the company's original offer of R1,37 an hour as the minimum basic wage, which was a 17 percent increase, and a 14 percent increase on all other grades.

Mr Bounds said the night-shift allowances had been increased from 5 percent to 10 percent on the basic wage.



29/05/85

(355)

David Walby did a visit on this to  
yosam. This factory is part of the  
Peters complex near Ezakheni and many  
of the resettlement camps are in this  
valley

## TOPIC

Home hill, waanaka, Ezakheni

# Americans underpay us

What are conditions like in development point industries in or close to South Africa's homelands? To get some idea David Robbins and Mary Boule examined one factory, American-owned Tidwell Housing, at the Ezakheni development point outside Ladysmith.

A FAIR wage, job security and freedom of association — these were the main demands to emerge from interviews with workers employed at Tidwell's recently established mobile home plant at Ezakheni.

The workers, most of whom live in squalid conditions in Ezakheni township, complained that they could not live on the wages paid by the American-owned company which, along with all companies established in Ezakheni, are in line for massive concessions and cash rebates from the South African Government.

A group of workers engaged in the erection of Tidwell houses at the company's swish housing estate, Hacienda Espana, in Ladysmith, said: "If you have been to Ezakheni, you can see how we live. Now you see how the white American staff live."

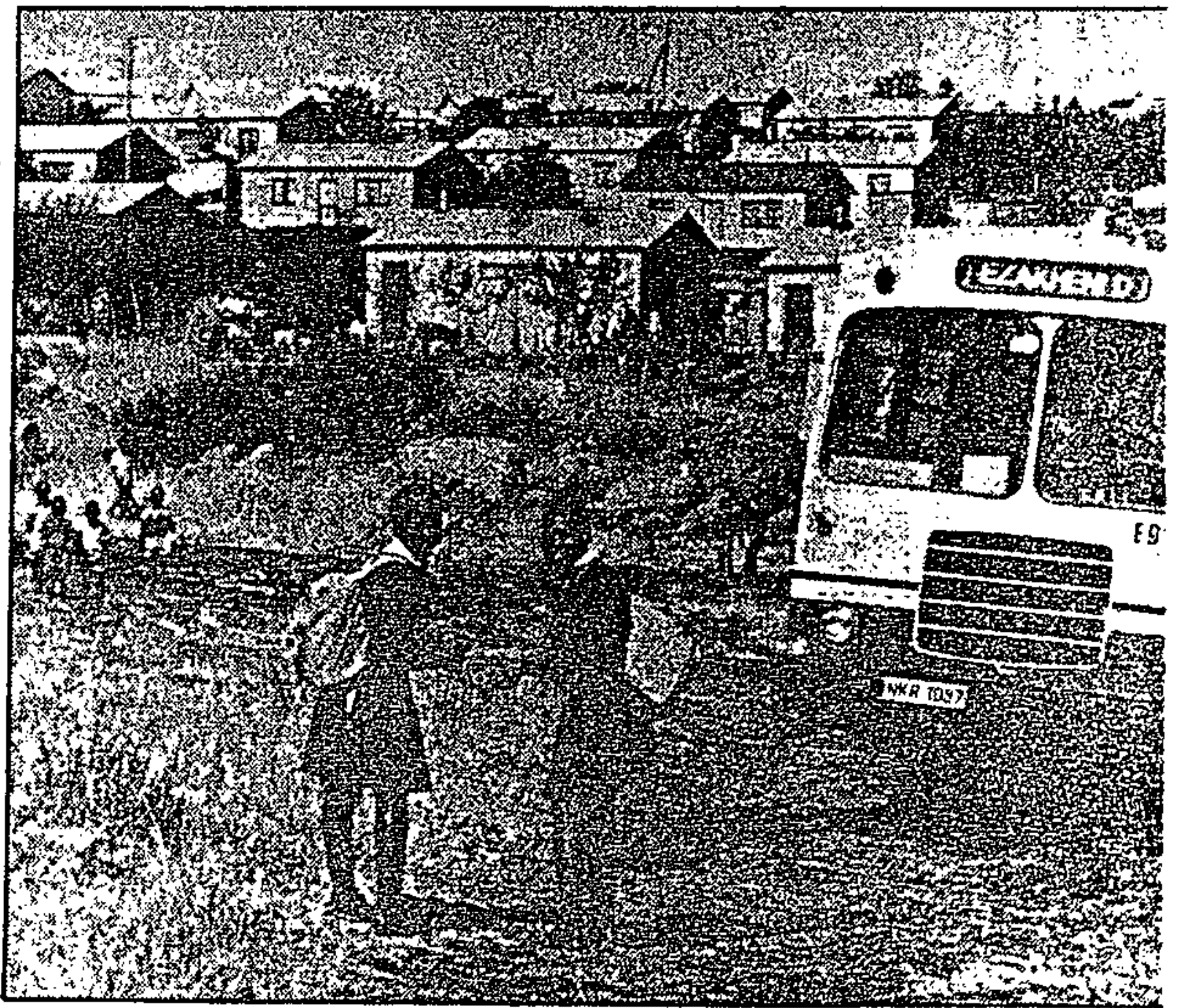
Hacienda Espana will ultimately comprise 50 houses set in rolling parkland. Most of Tidwell's approximately 10 American employees live here with their families; the rest of the show-piece houses will be rented out.

When asked what they would like to say regarding their conditions of employment with Tidwell, the workers' reply was immediate and unanimous.

"We want a fair wage; we want the right to be able to choose whether to join a trade union or not; we want job security." They also said they were well aware that they worked for an American company whose American workers were paid substantially more than they were.

According to managing director Richard Rebone, the minimum starting wage at Tidwell Housing, where productivity is only 30 percent of Tidwell's American factories, is now R25 per week. After a four-month training period, however, this minimum wage increases. "I would say that R37 a week for the lower skilled jobs is a fair average," he said, adding that this was considerably higher than most Ezakheni companies paid.

Tidwell employees received an increase in February this year, and another is in the pipeline for August.



A corner of the sprawling Ezakheni township where most of Tidwell's black workers live.

The February increase was confirmed by a construction worker at Hacienda Espana. "Yes," he said bitterly, "I got R5."

Most of the interviews with Tidwell workers were dominated by insecurity caused by a wave of retrenchments which hit the prefabricated housing factory earlier this month. Mr Rebone confirmed that 35 workers had already been laid off, while several disconsolate employees showed retrenchment letters giving one week's notice but no details of severance pay.

"We are down to a workforce of about 100," Mr Rebone said, "but hopefully we'll be able to begin recalling workers in about a month."

Interviewed in his office at the R6 million plant in Ezakheni, Mr Rebone blamed the current economic recession for the fall-off in orders.

"Workers who are laid off receive no severance pay, but are in line for recall. Workers who prefer to be retrenched receive severance pay at the rate laid down by South Africa's Department of Manpower," Mr Rebone explained.

However, legislation which determines the

rates of severance pay does not apply in Ezakheni, which is under the jurisdiction of the KwaZulu Financing Corporation. African labour legislation was introduced in all so-called homelands, and in a township in Ezakheni destined for incorporation into a homeland, in the early 1970s. This means workers have no employment rights.

Said Mr Geoff Schreiner, a spokesman for the Metal and Allied Workers' Union: "It is untrue that the company pays severance pay according to the criteria of the Department of Manpower, because the department has never set down any rules on the matter. In fact, the norm for pay negotiated between unions and employers inside South Africa is between one and one month's pay for each year of service. This has not been paid by Tidwell."

A Tidwell worker, who asked not to be identified for fear of reprisals, said the firm has no system of sick pay. "I was laid off by falling timber and was badly hurt to the head and neck. I had to go to the hospital and stay at home for a few days. They did not pay me for those days off — in fact I can



353

# us — black workers



ell's black workers live.

pay does not apply in under the jurisdiction of Mining Corporation. South legislation was repealed in lands, and in areas such as for incorporation into a early 1970s. This effectively a no employment rights.

Schreiner, a spokesman for the Mawu Workers' Union (Mawu): "The company pays according to the criteria of the power, because this de- set down any criteria on the norm for severance between unions and employ- Africa is between one week y for each year of service. aid by Tidwell."

er, who asked not to be of reprisals, told us the of sick pay. "I was injured and was badly cut on my ad to go to the doctor and few days. They didn't pay T — in fact I came back to

work early because I couldn't afford to lose any more money — and I never got any workmen's compensation either," he said.

In the Republic, employers are required by law to report accidents and to claim compensation for an injured employee.

Mrs Christine Mabaso, a cleaner at the Tidwell factory, invited us to her home in Ezakheni township. The road was too boulder-strewn to drive on. Her tiny four-roomed house, one of thousands of identical dwellings crammed onto arid hills 20 kilometers from Ladysmith, had no ceilings, electricity or inner doors. Winters in the region can be severe, and the raw cement floors and backyard latrines offer little comfort.

Ezakheni is a "resettlement area", all residents having been removed to it from other parts of the country, many from land which they once owned freehold.

Mrs Mabaso, who is married with five children, originally came from a place called Mbulwane where her family had owned land for several generations. But this land, which was awkwardly placed in the apartheid scheme of things, was expropriated in the 1970s, and the family was left with no alternative but to move to Ezakheni.

The gross pay on Mrs Mabaso's weekly pay slip was R33. Her husband works for another Ezakheni factory and earns roughly the same.

The family's main weekly expenses are: R9.30 for busfares to work; R5.12 for rent; R5.81 for school fees. This leaves the family just over R40 to cope with medical expenses, school uniforms and books, other clothing requirements and food bills.

The few grocery stores in Ezakheni are notoriously expensive, but the busfare to Ladysmith's supermarkets is R1.40 each way. "Why are we forced to live so far away from the factories and the white town?" Mrs Mabaso asked. It was a complaint echoed by all Tidwell workers living in Ezakheni.

Mrs Mabaso took us to see a fellow cleaner from Tidwell, a Mrs Mildred Sithole. She had just received her lay-off notice and had five more working days to go. "They say they're going to give me something extra when I leave, but I don't know how much," she said. She was washing children's clothes in her tiny backyard.

Asked how she was going to live after she stopped work, Mrs Sithole replied simply: "I don't know."

The predicament of these workers, whether they can find employment or not, is directly linked to the huge concessions which industrialists in Ezakheni enjoy. Having dispossessed peasant communities and

smashed peasant economies for purely ideological reasons, the South African government is now spending millions in an attempt to provide job opportunities for economically unviable homeland areas.

"As a foreign company operating in South Africa, we believe we have no right to try to dictate policy here," Mr Rebone said. "Nevertheless, we are the highest paying employer in Ezakheni, and our rates of pay are for a 40-hour week, not for 46 hours as is generally the case. We also offer 10 days paid holiday a year, which is double the average for this area."

Mr Rebone, who has recently become chairman of the Ezakheni Employers' Association, said that "trade unionism hasn't been a problem for us generally", even though Tidwell is currently engaged in legal proceedings with the Metal and Allied Workers' Union over union activists which Tidwell fired last year.

"We have no unions in our United States plants," Mr Rebone pointed out, "not because we discourage it, but because our workers are generally satisfied with working conditions."

But Mawu's Mr Schreiner pointed out that the Amalgamated Clothing, Textile Workers' Union had membership in most of Tidwell's American plants. "I believe it is true to say that Tidwell's U.S. management is as hostile to trade unions as its South African counterpart."

At Tidwell's Ezakheni plant, there is no canteen (although one is currently being built), no pension scheme, no medical aid (although a nurse operates a clinic at the factory — and fills in on the switchboard as well), and no transport or housing subsidy.

"Personally, I am neither pro nor con trade unions," Mr Rebone said. "If the workforce here deems trade unionism necessary, then perhaps we would have to negotiate."

Mr Schreiner: "Mawu is a majority union at the Ezakheni plant, and the company was sent proof of this six months ago. But they are still refusing to recognise or negotiate with us."

"The struggle at Tidwell is primarily for union recognition and rights," Mr Schreiner went on. "With recognition, workers could negotiate to improve their wages and conditions. If the company continues to refuse these basic demands, they should leave South Africa."

Asked if he thought it had been worth Tidwell's while in coming to South Africa, Mr Rebone replied: "In the long term, yes. In the short term, because of the current economic climate the answer has to be no."



W/(-) ARGUS 1/6/85 (355)

# Dismay as OTs quit

By LINDA PIETERSEN  
Weekend Argus Reporter  
OCCUPATIONAL therapists in Cape Town have expressed their dismay at the number of qualified personnel leaving the profession and blame their rock-bottom salaries

## Poor pay cited as many leave profession

CPA employees to work an extra two-and-a-half hours a week has been described as "an extra burden on a situation they are already finding difficult to deal with".

Occupational therapists are already short-staffed and concern was expressed about "the short and long-term consequences of the continual loss of qualified personnel from the profession".

"They are seeking alternative employment because their current remuneration is so poor".

The Director of Hospital Services, Dr N Louw, said he had not received any complaints from occupational therapists, but when he did they would be considered.

At a mass meeting held this week in Conradie Hospital, Pinelands, which was attended by occupational therapists from hospitals and various institutions, it was agreed that an urgent appeal should be made to local employing authorities and the Commission of Administration to reconsider their current salary and scale of remuneration.

"We should be paid according to the level of qualification

and the degree of responsibility required for patient care," a spokesman from the Cape group of the South African Association of Occupational Therapists said.

A four-year degree has to be completed before occupational therapists can practise as professionals, but according to them they are classified as technicians, which limits their earning capacities.

They believe they should be regarded as an independent profession.

A committee has been ap-

pointed by the Cape group to co-ordinate efforts to change the present situation between local occupational therapists and to liaise with their South African Association.

They will "collect information to prove the contribution which the occupational therapists make to the national economy in order to highlight the loss of service which the public will experience if the present trend to leave the profession continues".

The recent call by the Administrator, Mr Gene Louw, for

CAPE TOWN 6/6/85

# City municipal workers angry

Staff Reporter

MEMBERS of the Cape Town Municipal Workers' Association (CTMWA) have rejected the Industrial Court pay award which grants the Cape Town City Council's lowest-paid workers a five percent increase on their wages.

The award, which was made last month, grants the increase to about 4 000 of the association's 11 000 members. The other workers will get no increase.

A meeting held in the City this week resolved to call on the union's executive immediately to prepare fresh wage demands.

The meeting also decided to fight for the scrapping of the provision of the Labour Relations Amendment Act which classifies local authorities as essential services.

This provision prohibits municipal workers from ever taking strike action.

Workers at the meeting held in the City Hall on Tuesday night criticized the council for proposing to spend millions on attracting tourists to Cape Town by creating a pedestrian area in St George's Street while paying the workers who service the City "poverty wages".

Prison at noon on Tues.



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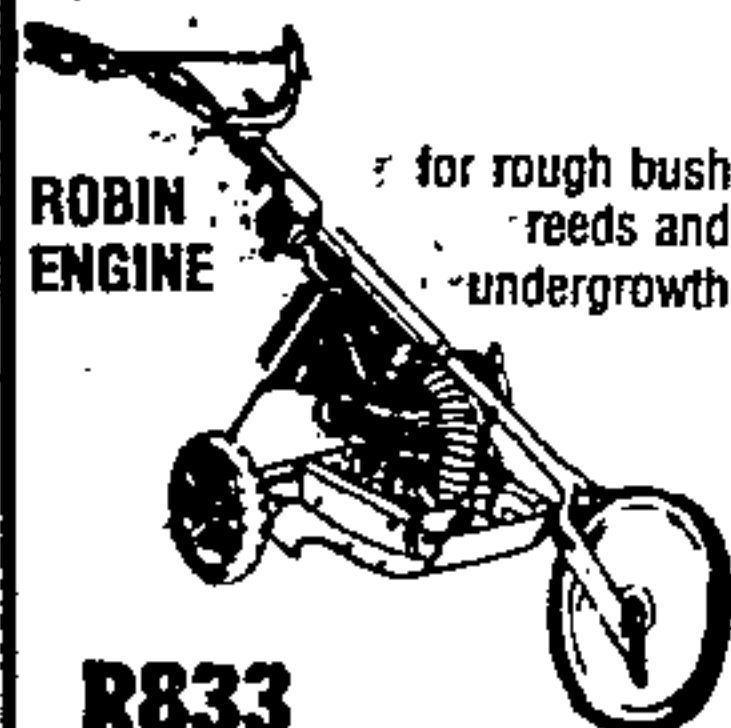
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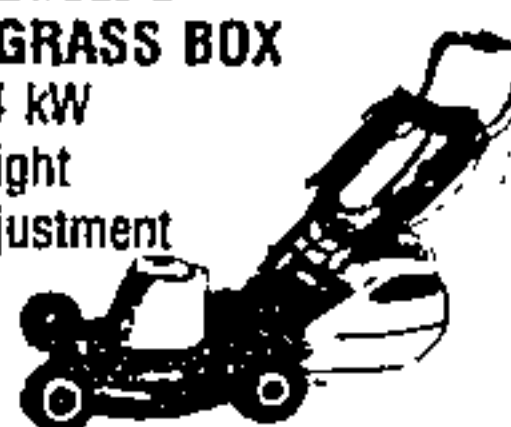
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## Wage dispute declared

Own Correspondent

JOHANNESBURG. — In an unprecedented action, the National Union of Mineworkers (NUM) has declared a dispute with the Chamber of Mines (COM) before the beginning of wage talks for the country's half-a-million black mineworkers.

The NUM declared the dispute yesterday in protest against a six-week delay by the COM in responding to the union's wage demands put forward on April 17.

The delay has been caused by a struggle within the COM to reach an offer acceptable to all six giant mining houses affiliated to the chamber with Anglo American reportedly offering a much higher increase.

# Wages war flares up

THE fight between the Chamber of Mines and the National Union of Mineworkers over wage demands and the scrapping of job reservation in the mining industry has started.

Already the union has declared disputes with four mine houses over wages and conditions of employment and it is likely that the union will declare another dispute with the chamber over the "delay" in responding to their proposals.

The ink was not yet dry in the agreement NUM signed with Namaqualand Mines division of De Beers Consolidated Mines when the

union declared a dispute with the company following a deadlock in wage negotiations. The parties signed a recognition agreement last month.

The NUM is in dispute over 10% increases granted to a small section of Anglo American miners. The dispute affects 50 percent of its workforce. The union is also in a dispute with Gold Fields over holiday pay agreement, affecting about 65 000 miners.

The union has expressed concern about the delay which the chamber of mines has taken to consider their proposals which were

submitted a few months ago, according to union sources.

This concern deepened this week when the chamber and eight unions (mainly white) representing almost 50 000 miners announced an 11 percent pay rise, but it had not considered NUM's proposals.

An NUM spokesman said traditionally black miners wage increases come into effect as from July and already the union was "impatient with the delay" in their proposals being met.

Several hundreds of black miners went on strike over wages at

numerous mine industries in the country last year, and many others also resorted to industrial actions early this year.

The chamber's industrial relations advisor, Mr Johan Liebenberg, said the chamber was still considering the proposals and will meet the union for negotiations within a few weeks. There is no delay.

He said NUM's demands were high and the chamber was hoping that "in a spirit of goodwill and co-operation" they will reach a settlement during negotiations. He declined to give figures of the demands.

2/4

355

Sowetan 6/6/85



FINANCE

ARGUS 7/6/85 (355)

# 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.

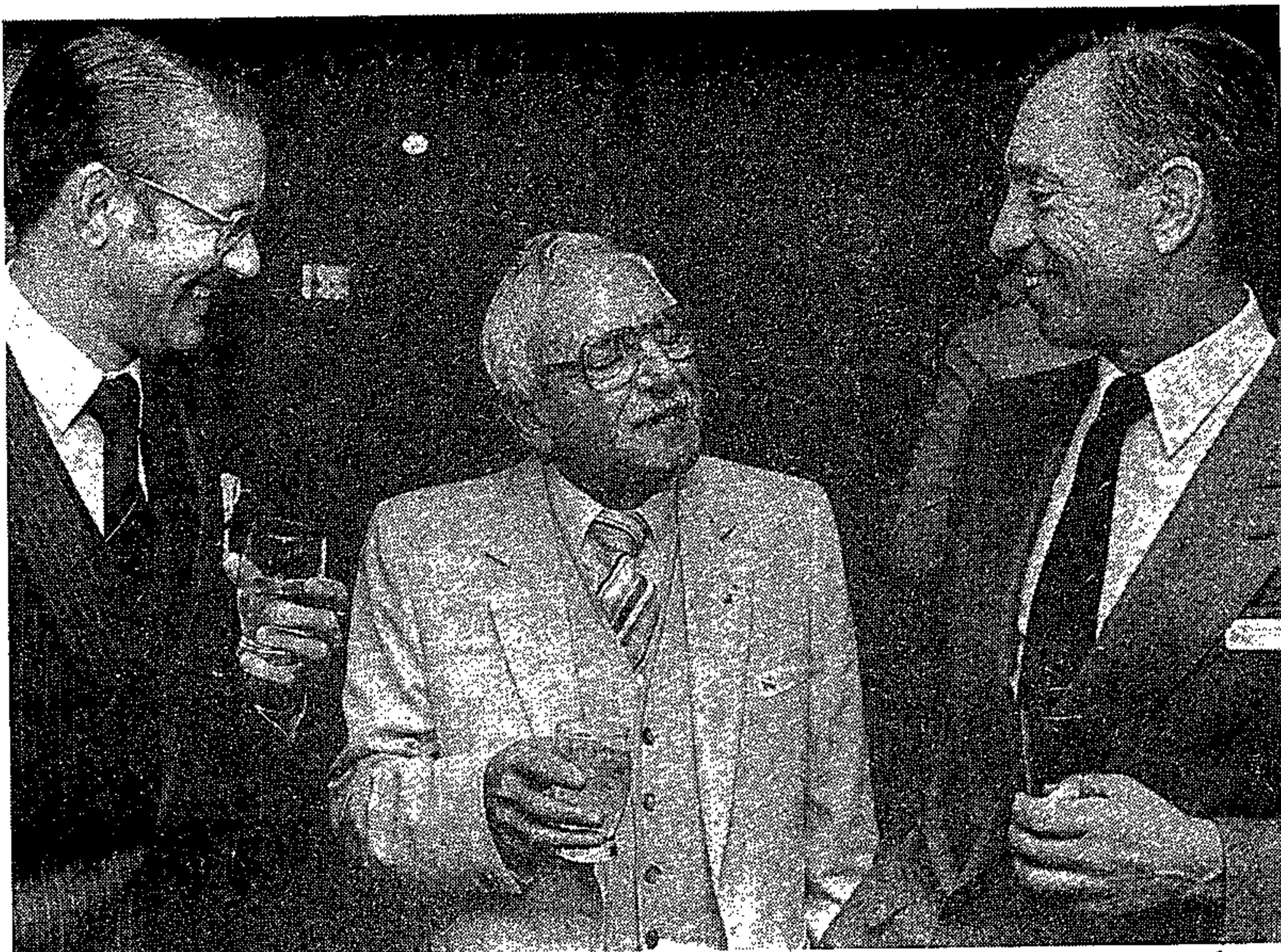
Unemployment could lead to "endemic unrest which, if not controlled, can turn to revolution".

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 disinvestment 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."





The deputy managing director of Nedbank, Mr Anton van der Merwe-Vance (right) met East London businessmen at a luncheon on Friday. With him are the Nedbank manager, Mr Ian Masson (left) and Mr Theo Blumberg.

## Crunch over next six months says senior Nedbank man

By ANDRE JORDAAN  
Business Editor

**EAST LONDON —** While the next six months would bring economic hardship to many people, "everything is in place and things are improving," the deputy managing director of Nedbank, Mr Anton van der Merwe Vance, said here.

In a luncheon address to businessmen, he said the austerity measures introduced by the government last August were having an effect. Consumer spending had dropped and the trading account of the balance of payments was positive, with the likelihood of a further decline in interest rates shortly and a predicted prime interest rate of 18 per cent by the end of the year.

Mr Van der Merwe Vance said it had to be brought across to the government that a general interest rate of 20 per cent was still high and that businesses

were unlikely to borrow money for expansions at that rate.

Money supply had stabilised and this was illustrated by the fact that overdrafts were "stagnant." The apparent anomaly between figures which indicated that the supply of money in the country remained high and Reserve Bank statements that the velocity of money had declined could in part be explained by the phenomenon of "re-intermediation" — borrowing money in South Africa to repay loans raised overseas.

This process had the effect of inflating the money supply figures because the rands required to repay loans in other currencies were raised in South Africa but were not actually put into circulation here.

The Reserve Bank was however satisfied that the velocity of money — basically the rate at which rands are spent in the country — had decreased considerably.

Mr Van der Merwe Vance said he did not expect the rate of ex-

change against the dollar to increase significantly in the next six months. South Africa had borrowed extensively overseas and, in view of current political considerations, overseas and particularly US banks might be reluctant to "roll over" or extend loans, increasing the demand by local institutions for foreign currencies to repay these loans.

"I don't see the rand shooting up in the next few months, but there will be movements and companies will have to assess the situation and decide whether they are in a position to take risks or whether they should obtain forward cover," he said.

If the gold price took off — which he regarded as unlikely — the scenario could change and the rand could appreciate sharply. However it was to be hoped that if this did occur the Reserve Bank would be able to handle the situation and avoid a repetition of the 1980 situation when a strong rand led to a big increase in imports and rising inflation.

Mr Van der Merwe Vance said there was a clamour for the economy to be set free of restrictions to allow market related prices to come into effect as a means of fighting the rising cost of living.

South Africa's major task was to reduce inflation significantly but there was doubt about whether this could be achieved. Although South Africa had created "a little pinnacle of success, a 20th century economy," in Africa there was "a sea of unskilled labour."

The cry was for labour intensive industries but these were not competitive with modern machine-orientated ones. Another complication was the insistence by overseas labour codes on the payment of "living" instead of "economic" wages.

The choice was between employment of the minimum number of people at a wage determined without regard to economic factors or the employment of the maximum number at economic wages.

375  
D. Dufur  
10/2/85



# Bid to break deadlock in wage dispute

Labour Reporter

FURTHER talks between representatives of the management of AECI and the 600 striking workers at the Ballengeich factory at Newcastle are set for today in a new attempt to break the deadlock over a wage dispute.

Workers at the AECI's Chlor-Alkali and Plastics Limited in Newcastle downed tools on Monday last week in support of their demand for higher wages after rejecting a company offer of a 9,5 percent wage increase.

Mr Manene Samela, national organiser of the South African Chemical Workers' Union, speaking from Johannesburg last night, said: 'A crucial meeting between shop

stewards and representatives of the company are to take place today.'

He declined to say whether the strikers would compromise on their demands. He, however, hinted that there was great potential for sympathy strike action at other AECI plants following strike ballots at the factories last week.

Ballots were held after a Rand Supreme Court judge, in an historic ruling, declared the Ballengeich strike and other proposed sympathy strikes legal.

Mr Murray Joubert, a spokesman for AECI in Johannesburg, said yesterday that workers at the Ballengeich factory were still out on strike.

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# State urged to limit wage, price increases

Financial Staff

THE current policies of "economic overkill" could be relaxed if the Government was able to keep public sector wage and price increases to a minimum in 1986, Barclays Bank says in its June economic review.

Barclays says the Government has always had ample power to control the domestic inflation rate through the wages and prices it controls directly.

"Indeed it was largely this control and influence by the Government which kept our average inflation rate at around the 13 percent level in recent years despite increases in bank credit and in the money supply well in excess of this level."

Barclays doubts that further falls in interest rates would significantly boost consumer demand for credit, and so increase inflation.

"It would accordingly be quite appropriate to reduce the considerable degree of 'overkill' in the economy by either relaxing monetary or fiscal policy or both, at least to the extent that the present overkill in the economy will be reversed."

It says the Government must resist pressure to apply an increase of around 15 percent in public servants' salaries and wages next year, and a similar increase in the maize price, or the effects of this year's recession will be negated.



# Mawu to hold strike ballot

Sowetan

June 1985

MEMBERS of the Fosatu-affiliate Metal and Allied Workers Union (Mawu) at four Dorbyl plants on the East Rand are to hold ballots after declaring a dispute with the company over various issues including wages and housing benefits.

Mawu's Transvaal secretary, Mr Moses Mayekise, said after Barlow Rand Limited had sold the company to Dorbyl, workers have made representations to the new company which had employed them as new workers.

The issues revolve around annual wage increases, severance pay, long service pay, housing schemes and other benefits which they enjoyed from their previous employers.

## Demands

The four plants have been the scene of work stoppages and demonstrations conducted by workers in an attempt to pressurise management to meet their demands.

The workers have also stopped work and travelled to the head office of Barlow Rand in Sandton where they demonstrated against the company for not helping them.

However, a spokesman for the company has said that they were busy negotiating with the union on various aspects. Barlow said this matter was discussed by Dorbyl and the union.

At a meeting in Germiston last Tuesday, workers resolved to:

- Take the dispute over long service and severance pay to the Industrial Court.

- Take legal strikes on all Dorbyl plants and ballots be arranged following deadlock in the negotiations.

- Hold an urgent meeting of all Dorbyl shop stewards to discuss solidarity and support of the strike

- Call on shop stewards to approach different managements; and call the union and Fosatu to support this struggle.

Mr Mayekise said:

The union is deeply concerned and committed to the fact that the influx control must be abolished. The only way towards that is that all employees must have proper homes and afford to pay rents.

"The union is also committed to the fact that wages and any remuneration, working conditions must be negotiated at all levels," he said.

# Dispute over mine pay

JOHANNESBURG. — The National Union of Mineworkers (NUM), which claims to represent 110 000 mine-workers on 18 mines, yesterday informed the Chamber of Mines that an official dispute had been declared over discussions about pay and working conditions and it was applying for the appointment of a conciliation board.

The NUM's decision follows two days of informal negotiations with the NUM originally demanding a 40 percent across-the-board wage increase that was rejected by the chamber. — Sapa

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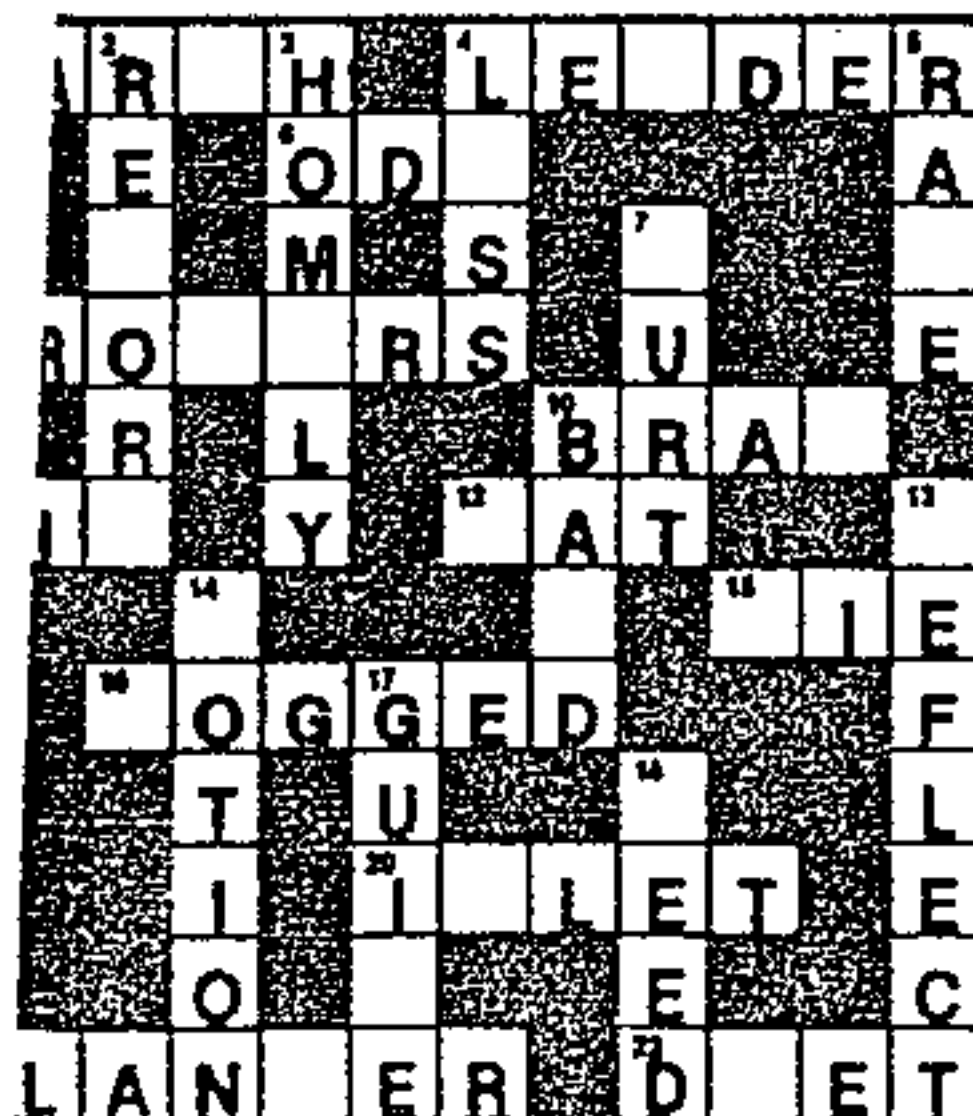
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ee State and Cape north of the Orange River: Fine and cold becoming warmer over the western parts.

atal: Cloudy in the morning over the northern parts with drizzle and fog along the es- carpment otherwise partly cloudy and cold over the interior but mild along the coast.

SWA/Namibia and Botswana: Fine and warm but cool in the south.

### YESTERDAY'S READINGS

	noon	8pm
Barometer	1021,8	1018,6
Humidity	65,0	92,0
Temperature	17,3	10,8

max 18,3 min 6,8

(At D F Malan 24 hours to 8pm)

Hours of sunshine: 8,8

Wind (D F Malan) 8pm: Southerly 5 knots

Tides (Table Bay) today:

High: 0112 1347

Low: 0733 1944

Sun sets 1743 rises 0750

Moon rises 0454 sets 1534

Tides (Table Bay) Sunday:

High: 0149 1422

Low: 0807 2020

Sun sets 1743 rises 0750

Moon rises 0552 sets 1608

### POOL, SEA TEMPERATURES

Mutizenberg: Pool 15, Sea 14

Sea Point: Pool 14, Sea 12

Newlands: 16

Long Street: 24



# 500 axed workers march in protest at lack of payment

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.'

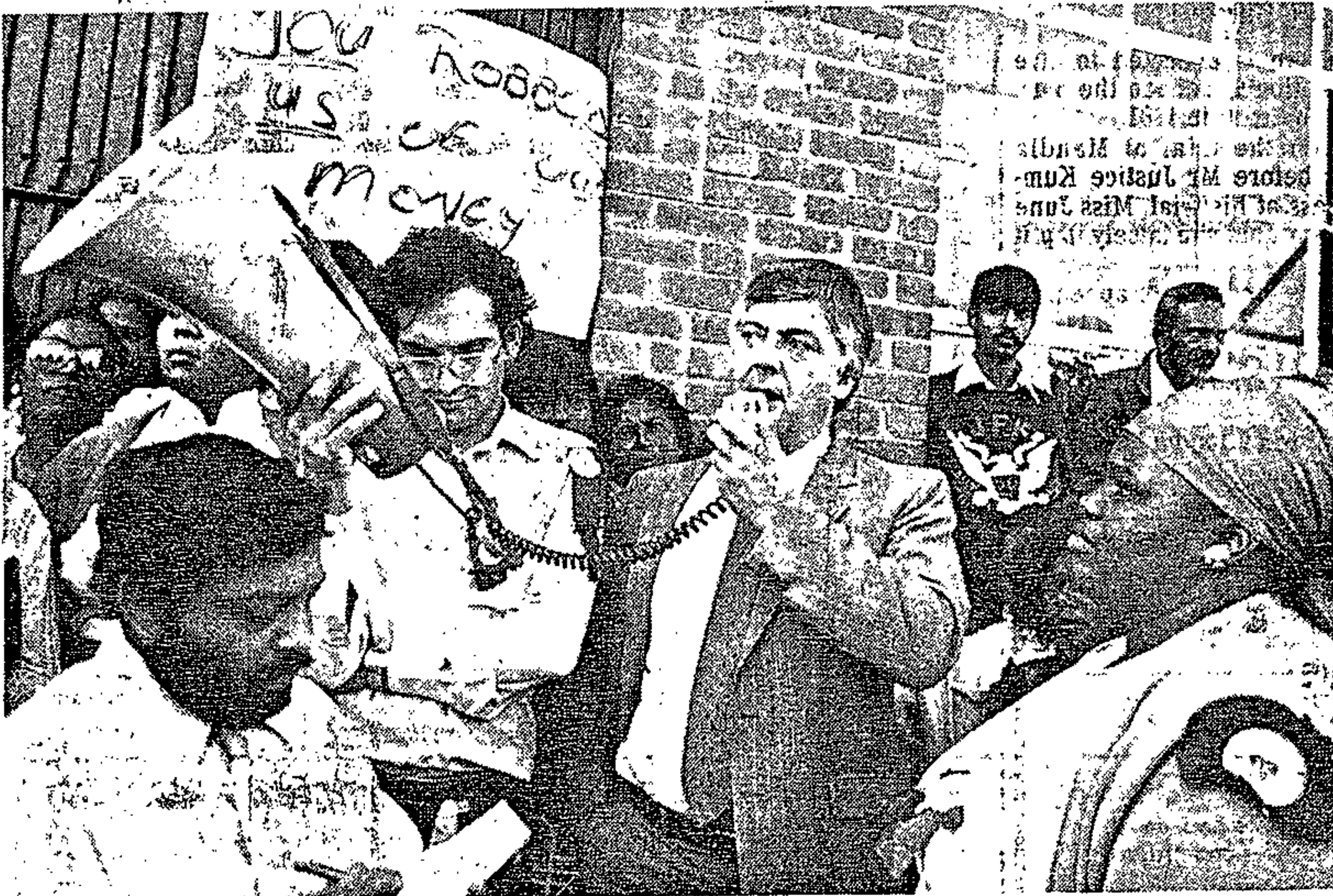
The group assembled outside the locked factory gates and demanded a meeting with management. But after an hour-long wait, Mr I. Whiteford, a spokesman for the firm of liquidators, arrived and addressed them.

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.



## Conciliation Board to solve mines dispute?

THE National Union of Mineworkers and the Chamber of Mines are to meet at a Conciliation Board meeting being set up to deal with a dispute the union has declared over wages and working conditions in the mine industry. They meet next week.

Negotiations between the parties broke down when they failed to reach an agreement on the demands, according to the chamber's industrial relations adviser, Mr John Liebenberg. *Sawyer*

The union has modified its original demand of 40 percent across-the-board increases to roughly 27 percent. Increases would have ranged from R37 in the lowest job category to R142 in the highest.

The chamber has offered increases of between R24 and R69. This is between 14 percent and 17 percent, according to union sources. *19/6/85*

Mr Liebenberg said the union has dropped its demand for the scrapping of job reservation in the mines. The union was now demanding participation in negotiations between the Chamber and white unions concerning the issue.

The Chamber rejected demands from the NUM to be included in talks with white unions, but has said that it was fully prepared to discuss with them how the cancellation of the "scheduled person" definition in the Mines and Works Act would affect their members.

He said other issues on which the union and the chamber failed to reach agreement included working hours, leave, leave allowance, shift allowances, Labour Day and death benefits.

For sometime several unions have been asking employers for a paid public holiday on May 1, Labour Day. The NUM proposed that miners would be prepared to work on public holidays and take May 1 off as a public holiday, but this was rejected by the chamber.



# Need for ceiling on prices and wages — economist

BLOEMFONTEIN. — Even if the gold and foreign exchange reserves are restored to a satisfactory level in 1985, South Africa cannot allow a renewed upswing to take place next year unless the inflation rate is brought below 10 percent.

This was stated yesterday by Dr J Cloete, group economist for Barclays National Bank, when he addressed the Asso-com's Free State regional congress.

Otherwise any deceleration in the inflation rate achieved by the current "overkill" of the economy would soon cease and be transformed again into a renewed acceleration.

Dr Cloete said that whether or not the likely favourable impact of this year's "overkill" of the economy would be

translated into an inflation rate below 10 percent by early next year, would depend on the size of the administered price and wage increases that the government allowed to take place in the early part of next year.

If the severe damage done to the economy this year was not to be in vain, it was essential that the government should set, and should announce in advance, an appropriate ceiling for average increases in administered prices and in public service salaries and wages that it would allow for 1986.

In the prevailing circumstances, the private sector would almost certainly follow the example set by the public sector in this respect.

If the government placed an appropriate

ceiling on administered price and wage increases for 1986, a reduction in the inflation rate to below 10 percent was a real possibility. There would then be scope to allow a recovery to start.

The outcome on the balance of payments would have an important bearing on the general economic outlook.

The recession could be at its deepest in the third quarter of this year when the full impact of the government expenditure cutbacks and the tax increases in the March Budget were likely to come through to the economy.

Given likely trends in imports and exports a substantial current account surplus was likely to be realized for 1985, unless the gold price should fall again.

— Sapa

## Dispute over wages

On the 22/4/68 Own Correspondent (353)

JOHANNESBURG. — The National Union of Mineworkers (NUM) yesterday declared a dispute with the Chamber of Mines over wage increases and conditions of employment for black mineworkers.

The NUM's move came after it had failed to reach agreement with the chamber during eight hours of negotiations on Thursday and yesterday.

In a statement last night, the chamber said negotiations might continue in a conciliation board soon.

"The union initially demanded a 40 percent across-the-board wage increase and improvements in 14 conditions of employment," the chamber said.

During negotiations the union reduced its demands for wage increases and modified some of its proposals on other conditions of employment, it said.



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# Pay rises are curbed as recession bites

Financial Staff

PAY RISES in the first quarter slowed down to 12 percent from 15 percent in the December quarter, reports the Reserve Bank's latest quarterly bulletin today.

The increase in the total salary and wage bill decelerated sharply in such important sectors as manufacturing, construction and trade, largely because of reduced working hours and the retrenchment of labour.

Accelerated increases were, however, paid in the public service, mining, finance, transport and communication, and electricity, gas and water industries.

A higher rate of increase in the gross operating surplus was prominent in the mining sector, reflecting larger export volumes and higher rand export prices, while tariff increases benefited the South African Transport Services and Escom.

On the other hand, a slow-down of the increase in gross operating surplus occurred in manufacturing, construction, trade and finance.

Gross domestic saving showed a recovery, rising in the quarter to maintain its ratio of 25 per cent of nominal gross domestic product.

This rate had plunged to a record low of 20,5 percent in the second quarter of last year compared with an average of almost 29 percent for the six years 1977 to 1983.

The rise in gross domestic saving was due to higher depreciation allowances and personal saving, says the bank.

The increase in personal saving conflicted with an insignificant rise in real personal disposable in-

come and was probably attributable to the net repayment of consumer debt, says SARB

Corporate saving declined in the first quarter because of the lower rate of increase in the gross operating surpluses of dominant sectors such as manufacturing and trade.

Share-buying by foreign investors, a strong institutional investment demand for shares and the moderate recovery in the gold price, reversed the average decline of 6 percent in the prices of all classes of shares in January and February.

The bank says on average share prices rose by 14 percent to reach a level in April that was 7 percent higher than in December.

The average dividend yield on all classes of shares rose from a low of 5,1 percent in March 1984 to 6,3 percent in December of that year and to 7,7 percent in February. But it dropped later to 6,2 percent in April.

# Police called after strike

A BRITISH multi-national operating in South Africa has called police to disperse dismissed black workers who have been on strike over wages — and the action has angered trade unionists.

Workers at Winding Wires in Springs downed tools on Monday after wage negotiations between the Engineering and Allied Workers' Union and management had collapsed.

Police who were called to the plant ordered the workers to leave the premises. Workers left peacefully after being addressed by a police officer.

EAWU's national organiser, Mr Shepstone Sothoane, has accused the company of not adhering to the European Economic Community code of conduct and for refusing to bargain with the union in "good faith".

The company's managing director, Mr S Engelbrecht, said the police were called after workers were repeatedly told to vacate the premises.

Mr Engelbrecht has refuted claims by the union that white workers were given salary increases and that the company was not adhering to the code. He has advised the union that wage talks will only take place at the Industrial Council. He said workers were dismissed because they refused to take instructions.

June 1985  
Sowetan



# Miners reject wage deal, decide on strike ballot

355 Star 28/6/85

The National Union of Mineworkers has rejected the revised offer of the Chamber of Mines to black goldmine workers and last night decided to hold a strike ballot to determine members' support for industrial action.

The ballot will be held next week and if members support a call for strike action, a legal strike could take place.

The NUM's rejection of the Chamber's offer follows its earlier rejection of the Chamber's review of wages and working conditions applicable to black goldmine workers.

A statement by the union said the revised Chamber proposals had been unanimously rejected by the central committee.

The Chamber's final offer for wage increases ranged from R26 for Group 1 surface workers to R74 for underground workers.

## AVERAGE

The NUM is not prepared to accept anything lower than R32 for surface workers and R142 for underground workers.

This represents an average 23 percent increase in wages.

The other revised offers of the Chamber were: Reduction of working hours by two hours a fortnight to a total of 102 hours, 14 days leave and 50 percent leave allowance.

The NUM has come back with demands for 96 hours a fortnight, 21 days leave and 75 percent leave allowance.

It has also asked for workers to be granted a holiday on Labour Day and for participation by the union in negotiations for removal of job reservation.

# Metalmen

accept <sup>355</sup>  
wage offer

The deadlock in the metal industry wage negotiations, which threatened to leave more than 350 000 workers without a pay agreement, came close to breaking today when unions belonging to the International Metalworkers' Federation (IMF) announced their acceptance of employers' final offer.

A letter confirming this was sent to the Industrial Council today. But it is understood one union in the grouping, the Metal and Allied Workers' Union, is unlikely to sign the agreement which will grant hourly pay rises of between 14c and 24c.

The IMF unions had demanded a 50c-an-hour increase.



# Miners get rises despite strike bid

Thousands of mineworkers will get their annual wage increases today despite the breakdown in talks between the Chamber of Mines and the National Union of Mineworkers (NUM). *10/2/74 355*

The increases are given against the backdrop of a possible strike by black miners following the union's rejection of the Chamber's final offer of a rise of between 14,1 and 19,6 percent. *Star 1/7/75*

The NUM has demanded an across-the-board rise of about 23 percent.

A decision to hold industrial action ballots at 18 gold mines and 11 collieries where the NUM is recognised, was taken on Friday after the Chamber had presented the union with its final offer.

An NUM spokesman was confident today that the new wage increments would not change members' attitudes towards going on strike.

He said the increases would not replace members' buying power, which had been eroded by the decline in the economy.

"The increases are far below the 40 percent our members originally asked for," said the spokesman.

A Chamber spokesman said today the Chamber was still willing to talk to the NUM if it showed that it wanted to negotiate "seriously".

He said the Chamber considered the increases to be among the highest granted in South Africa this year. He would not comment on the strike ballot decision.

# 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.



# Gencor in the dark over cause

The climate of general excitement which normally precedes wage increases might have had something to do with the strikes by 27 000 black workers at five Gencor gold mines during the past week — but nobody in the company's management knows whether the increases themselves have played a role in the unrest.

In Johannesburg yesterday, the senior executive of Gencor's gold and uranium division, Mr Bruce Evans, said: "We don't have the faintest clue what really caused the strikes and unrest."

When asked if it was then only coincidence that the unrest followed the implementation of their annual increases, Mr Evans said the atmosphere of excitement might have played a role.

One black mineworker died in the unrest.

According to Mr Evans, the wage announcements were positively received by the majority of the 83 000 mineworkers on Gencor gold mines.

The increases range from 16,9 percent for the lower categories to 12,2 percent for the higher categories. On average, these increases are about 2 percent lower than the final Chamber of Mines' offer.

"We regard the wage increases that are implemented as very fair. Although it goes against the grain, these increases are much higher than productivity improvement," Mr Evans said.

He pointed out that Gencor's new minimum wages for non-staff black employees in pay categories 1 and 8, surface as well as underground, were either the same as or more than those recommended by the Chamber of Mines.

355 Star 5/7/85

nise the international implications of its high tax rates. It says the tax rate should not exceed a limit set by a combination of the political risk facing SA investors; the economy's competitiveness; likely exchange rate trends; and the inflation rate's relative long-term expectations.

For example, SA's nominal and effective tax rates are way out of line with those of Western countries. The *nominal* corporate tax rate has risen from 42% to 50% — with the *effective* rate rising from 26% to an estimated 40% in 1985/86. The equivalent figures for the US are 46% and 19%, and for the UK, 35% and 18%. The difference be-

tween nominal and effective rates reflects the effects of tax allowances and other breaks in the tax system.

A top priority for government, says the FCI, is to fund *less* of the activities demanded by growing urban populations through the tax system. More of these services will have to be supplied through the market mechanism. Unless this principle is recognised, the tax system will grow to levels where other reform objectives will have to be aborted.

Internationally, taxes favoured are those imposed on a value-added basis, a broad-based, regressive indirect tax. Changes in financial and banking systems have made it

more difficult to tax income, profits and dividends, leading to a growing tendency to tax transactions and turnover.

The FCI stresses that the tax system has not been subject to review for one-and-a-half decades, when the Franzsen Commission reported. This has had a serious and immeasurable impact on the economy. There has been, for example, a decline in fixed investment as a percentage of gnp from 5% in 1971 to 3% in 1984.

Pivotal to the FCI submissions is the need for a greater degree of control over government expenditure. Central, provincial and local government spending has risen from a

BASIL MOORE

## Taxing wage inflation

Basil Moore is a visiting Professor of Economics at the University of Stellenbosch

In the Minister of Finance's own words, the 1985-1986 Budget was addressed primarily to the current "unacceptably high rate of inflation." The Minister maintained that total spending had in the past been permitted to rise at an excessive rate, owing to "too lenient" fiscal and monetary policy, with adverse consequences for inflation and the balance of payments. He also declared that the "mix" of monetary and fiscal policy had not been ideal.

His policy prescription was a classic Keynesian demand-management restrictive Budget: little or no attention was given to supply-side factors. The Budget's goal was to reduce the government's deficit to less than 3% of gnp. This is to be accomplished, primarily, by a reduction of R0,5 billion in government expenditures, largely realised by a one-third reduction in public servants' bonuses, and an increase of R1,7 billion in tax increases, of which the largest share (R1,2 billion) is due to an increase of 2% in the gst, which will unquestionably boost inflation in the short run.

In view of the very large past Budget overruns, the chief question appears to be whether government expenditure increases can be held to their targeted 11%.

I would like to suggest that the Minister's diagnosis of the inflation menace threatening SA is based on an incorrect model of inflation. As a result, his budgetary policy is unlikely to attain its stated goals, and may well produce extremely undesirable side-effects.

The Minister's restrictive fiscal and monetary policy, by withdrawing more than R2 billion from aggregate demand for goods and services, combined with current high levels of interest rates, would be entirely appropriate if the country were facing a classic excess-demand inflation — "too much money chasing too few goods."

If prices were being driven up by a general

excess of demand, the government's decision to restrict aggregate demand could be welcomed. It would still be painful medicine, but, in such circumstances, entirely appropriate.

In contrast, the current inflation in SA does not appear to be of this nature. It seems rather a classic case of cost or pressure-group inflation, combined with slump conditions. This is sometimes called stagflation, a term coined to describe the painful situation of simultaneously rising prices and rising unemployment.

The current inflation rate of 16% is not accompanied by shortages, bottlenecks, or excess aggregate demand pressures; quite the opposite. The evidence for this is that layoffs and unsold stocks appear to be rising, and employment and capacity utilisation ratios falling. In addition, bankruptcies have been increasing sharply, owing to the combination of low demand and high, and rising, costs, particularly interest rates.

The appropriate way of dealing with stagflation is to operate directly to reduce the rate of growth of costs. Cost inflation may be very simply explained. Since wages are on average about 75% of total costs, they dominate the behaviour of average unit costs of most commodities. Prices of most goods are set at some stable mark-up over unit costs. If wages are rising at a certain rate, unit costs will therefore tend to rise at the same rate, less the rate of increase in labour productivity. Since productivity increases, historically, have seldom been above 2%-3%, this is the maximum rate at which nominal average wages can rise that is consistent with stable prices.

If, for example, wages are rising on average at about 11% a year — the rate in SA in 1984 — and average labour productivity is increasing at 1%-2%, this means that unit labour costs will rise by about 9%-10%. Since prices are some broadly stable mark-up of unit costs, the average price of domestically produced goods, or the basic inflation rate, will also rise by about 9%-10%.

The government's brutal fiscal policy of pushing SA further into its recession will, in time, serve to depress demand. But the cost in terms of goods and services foregone, bankruptcy, unemployment and human suffering caused is great. Moreover, it is largely unnecessary. Why should the government purposely shoot the economy in the foot?

The Budget's reduction of aggregate demand by more than R2 billion, plus the high interest rate policy pursued by the Reserve Bank, will further depress demand and business output, and raise unemployment. It will thus, in the process, have a powerful but indirect effect on companies' willingness to grant, and labour's ability to demand, the current high rates of wage increases. Unfortunately, the reduction in demand will also lower the rate of improvement in labour productivity to the extent that firms hoard rather than lay off workers as slump conditions spread.

The present strategy clearly appears to be the wrong policy at the wrong time for the wrong inflation. Instead, it is the basic inflation rate that the government should address.

To conquer inflation, wage increases must be brought down to the level of average labour productivity increases, or about 2% a year. This is the essential bottom line as far as inflation is concerned.

How is this to come about in SA? Political parties here do not divide along broadly pro-labour and anti-labour lines. Is it really conceivable that the current government would permit sufficiently high levels of unemployment?

Or would it open up the economy sufficiently to foreign competition, which would produce the crisis conditions necessary to halt the present ever-upward scramble of money wages? If not, must SA then resign itself to the prospect of further stagflation and pressure-group inflation for the foreseeable future?

Consider the following alternative fiscal measure: suppose the government were to



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level of just over 20% in gnp in the early Seventies to an estimated 30% in 1984.

The FCI says government's spending levels are the result of a lack of a targeting approach, or the establishment of guidelines and rules for expenditure growth. Added to this, fiscal and monetary policy simply have not worked to achieve the objects of growth and stability.

The FCI proposals, in essence, indicate support of a fundamental "supply-side" approach to SA's economy. This follows international trends and is marked by a reduction in taxes and a cut in government's share of total consumption. The proven results of al-

lowing the supply side more leeway is greater entrepreneurship and increasing output.

In calling for a simplification of the tax system, the FCI favours the movement to a broadly based flat-rated tax system. This eliminates the numerous tax allowances which complicate SA's tax laws, estimated to cost the fiscus billions of rands a year.

The supply-side approach emphasises the effect on the economy of the tax burden, specifically so on production; savings; investment; and entrepreneurship. By simplifying tax systems and removing special concessions, market distortions introduced by government intervention diminish. ■

IN MY  
OPINION

introduce a special inflation tax on business firms, on all increases in their wage bill per worker in excess of 2%. For administrative reasons, such a tax could be imposed only on firms with more than, say, 10 or 20 employees, which account for the overwhelming share of production.

Note that the 2% refers to a firm's entire wage bill per worker, as an average rate. Combined with the abolition of influx control, such a policy would have a substantial impact in encouraging the incorporation of black workers into the organised sector. By increasing the proportion of lower-salaried, less-skilled workers, firms would thereby reduce their average as well as their unit costs of labour.

As a result, they could pay higher categories in short supply, without incurring any tax surcharge.

Such a tax would be specifically designed to reduce the average rate of wage increase to rates consistent with approximate price stability. Competition would serve to prevent firms from simply passing on such a tax in higher prices, and the tax rate could be adjusted to ensure this outcome. The growth of the public sector wage bill would be subject to the same 2% limitation. It is true the price level, and so the inflation rate, would still fluctuate because of foreign-induced changes in the terms of trade. But there is little the government can, or should, do about this.

The great advantage of such an approach would be that, with the rate of growth of costs — and so prices — under control, the government would then be free to use both monetary and fiscal policy judiciously to achieve its stabilisation and growth goals.

A level rate of growth of aggregate demand consistent with potential output, employment opportunities and improvements in productivity — in both the private and public sectors for black and white workers alike — could then be at last within reach.

It will, of course, be argued that bottlenecks and selective shortages of skilled la-

bour will force firms to offer more than 2% wage increases to attract the necessary manpower.

But that is, in fact, one of the advantages of the above proposal. It is not a wage ceiling; only a tax. If firms believe wage increases above 2% are selectively necessary to attract workers in short supply, it is a free country and they are perfectly at liberty to make them.

The above argument suggests that inflation may be viewed as a kind of negative public good, rather like pollution. Whenever a firm grants wage increases above productivity gains, which force it to raise its prices, it thereby imposes inflation pollution on the rest of us.

Because of its externality dimension, no group of workers or union has any incentive to desist unilaterally.

Quite the opposite: Each will desperately attempt to keep up with inflation and even outpace its rivals.

When everyone stands up at a rugby match, no one sees any better — but no one has any incentive to sit down, so long as all others remain standing. Some co-ordinating agency is required to ensure that everyone disinflates together, so that no group will loose out relatively, but all will share in the benefits of price stability and productivity growth.

The Minister's tough Budget demonstrated, for all to see, his determination to control runaway public spending. The business community has surely been appropriately impressed and assuaged. But he must now face an even more challenging issue: can he control runaway wage growth?

In most other countries, incomes policies have been defeated by the united opposition of business and labour groups, at the expense of the consumer and the economy. But look at the alternatives: continuing and probably increasing stagflation, de-industrialisation, a deliberately engineered, semi-permanent slump, price and wage controls, or some form of incomes policy. ■

## HAMILTON RUSSELL VINEYARDS

In search of  
great wine



### Hemel-en-Aarde Valley *Blanc de Blanc*

This dry white wine has been carefully blended from selected grape varieties which include Gewürztraminer, Chenin Blanc and Colombard. This has resulted in a crisp, fruity wine which has also benefited from three months' maturation in small French oak barrels. The Gewürztraminer, has added a delightful spicy bouquet.

All the grapes are grown in the Walker Bay Wine Ward which is South Africa's coolest viticultural region.

For further information 'phone the Winemaker, Peter Finlayson, at (02831) 23441 or write to Hamilton Russell Vineyards, Hemel-en-Aarde Valley, PO Box 158, Hermanus, 7200.

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54708/3

# Gencor miners resign

From PHILLIP  
VAN NIEKERK

JOHANNESBURG. — The General Mining Union Corporation (Gencor) has paid off 1543 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. Only a few had been discharged.

Mr Evans said they had not yet established the cause of the strikes, which coincided with the annual wage increases for the industry's 550 000 workers.

He said Gencor was implementing increases on average about two percent lower than the Chamber of Mines' final offer, but that the holiday leave allowance the company was implementing added up to another four percent.

## 'Very fair'

The chamber offer has been rejected by the National Union of Mineworkers (NUM) which begins strike balloting on its 18 recognized mines on Monday.

Mr Evans said Gencor regarded the increases as "very fair" and 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 over pay increases yesterday in which three workers died.

Mr Ian Hoffe, Lonrho SA's technical director, said all 4 000 strikers were back at work yesterday barring about 200 who had "disappeared".

Sapa reports that hundreds of Western Platinum miners remained in their dormitories yesterday, refusing to go to work after the violence.

## Average

Workers said trouble flared on Wednesday at 3am after workers assembled in the Wonderkop Hostel to protest against wage increases.

They said the mine had offered to increase wages by an average of R1 a shift from last weekend. Workers are demanding "at least R10" increase a shift.

When the situation got out of control, police were called to the mine and used tearsmoke, rubber bullets and sjamboks to disperse the mineworkers. Police said one death had been reported.

Mr Hoffe said three had died. One was a striker who had been run over by a worker who had hijacked a bus, the second was the driver of the bus who had been attacked by a mob and the third had been run over by a car.



# NUM prepares strike ballot

Sowetan  
8/7/85

THE National Union of Mineworkers (NUM) will hold a ballot among its 100 000 members tomorrow to find out if they will agree to go on strike in support of a demand for a bigger wage increase.

This was confirmed by a spokesman for the NUM, who said that depending on how long it takes to complete the ballot, an announcement on whether or not the NUM will hold a national strike will be made at the weekend.

The Chamber of Mine's Industrial Relations Advisor, Mr Johann Liebenberg, said there had been no further communication between the Chamber and the NUM since last week's deadlock which followed the NUM's rejection of the Chamber's offer of between 14,1 and 19,6 percent wage increase.

The NUM demanded an average increase of 23 percent which the

chamber accepted as too excessive.

On Monday the Chamber implemented the increases it had offered to the NUM, while the NUM threatened to call a strike if the chamber did not alter its position.

Last week the NUM accused the chamber of negotiating in bad faith by implementing increases which had been rejected by the union. The NUM's general secretary, Mr Cyril Ramaphosa, had said that this was irregular because the NUM was recognised by the chamber.

A NUM spokesman said this week that he was confident the call for a national strike would get an overwhelming support from mineworkers.

Mr Liebenberg said on the other hand that the chamber's offer has been well received by the 550 000 mineworkers throughout the country.

# State paid coloured workers 40 pc more

w/ ARGUS 16/3/85 (255) 355

By DEREK TOMMEY  
Financial Editor

SALARIES of coloured people employed by the central government rose on average by 40 percent last year, figures issued by the Central Statistical Services show.

This increase was mainly the result of steps taken to improve the rates of pay of coloured teachers.

In contrast the average wage paid black workers employed by the central government increased by 23 percent and the average white wage by 18,3 percent.

At the end of last year 1 044 862 people were employed in the public service — not including the 393 131 employed by Escom, Sats and the Post Office. This was 34 300 or 3,4 percent more than a year earlier.

The wage bill for these people in the last quarter of the year was R2,4-billion — 28,5 percent more than the R1,9-billion in the fourth quarter of 1983.

## Other departments

The average wage increase of people employed by the central government was 24 percent. However, people employed in other government and semi-government departments did much better.

Employees with the statutory bodies — such as the CSIR and the Hotel Board — appear to have done particularly well.

The wage bill of the statutory bodies rose by 35 percent, while the number of people they employed dropped by 0,5 percent.

This suggests that a number of people employed with these organisations received outstanding pay rises last year. In many cases these increases were the result of the Government paying more to employees with academic qualifications.

The wage bill of the national states increased last year by 39,3 percent, the biggest rise of all government organisations. But they also had the biggest increase in the number of people employed — 9,2 percent.

The increase in the central government's wage bill was 33,1 percent while its labour force rose 6,2 percent.

## Numbers unchanged

Wages paid by the provincial administrations increased 28 percent though the numbers they employed were virtually unchanged.

Slightly breaking the trend, the wages paid by the local authorities rose 18,2 percent, with a 0,5 percent rise in employment.

For the three months ended December the average wage for whites employed by the central government was R3 635, equal to about R1 200 a month.

The average coloured wage for the three months was R1 955 and the average black wage R1 275.



# Business Day

## Pay rises run well below inflation rate

355 ~~153~~ 20M 3/4/85

### Financial Reporter

WORKERS have been dealt a severe blow over the past eight months with average earnings running at 4.4% below the inflation rate.

This is shown in the April general staff pay survey published by the remuneration division of P-E Corporate Services.

It shows the average rise in pay of all race groups from July to March was 6.2%. This compares with a consumer price index rise of 10.6% for the same period.

"This dismal picture is made worse by the fact that it is anticipated the inflation rate will rise at an alarming rate," says Miss Jane Ashburner, the manager of P-E's remuneration division.

"The latest figures show a CPI increase of 16% for the year February 1984 to February 1985 and economic

forecasters put the CPI as high as 20% for this year."

Further bad news is that companies are projecting pay increases for this year of only 11.8%.

Miss Ashburner says still worse is that actual pay rises come in at 2% below those predicted. This means 1985 increases could be as low as 9% in most categories, or 11% below the inflation rate, if it does rise to 20%.

The survey, based on data provided by 689 organisations employing close to 1-million people of all race groups, finds that white wages reflect the lowest movement at 5.6%. For others pay rates have moved 7.9% for coloureds, 8% for Asians and 8.9% for blacks.

This shows the wage gap is being narrowed, says Miss Ashburner. "It is a marked departure from last year when, for the same period, blacks recorded the lowest movement at 5.8%, followed by coloureds at 6.1% and whites and Asians equal at 6.2%."

# Mawu vows to down tools

9/7/85 *Sowetan*  
THE Fosatu-affiliate Metal and Allied Workers' Union has threatened to go on a national strike if employers in the metal industries refuse to negotiate wages at plant level.

This follows Mawu's rejection of a wage offer for the 360 000 metal workers at the Industrial Council (IC) — the Steel Engineering Industries Federation of South Africa (SEIFSA) last week.

Mawu is the only union in the metal industries' IC which refused to sign the wage agreement — the second time in two years. The union is a member of the International Metalworkers Federation (IMF).

Two other IMF members which took part in the IC wage negotiations — South African Boilermakers' Society and the Steel Engineering and Allied Workers Union — have signed the agreement.

The agreement means that metal workers will now receive increases ranging from 8,3 percent to 9,8 percent as from July 1, but the agreement still has to be gazetted by the Minister of Manpower.

However, Mr Brian Fredericks, chairman of the

local committee of the IMF, said the unions were still unhappy about the offer and will be approaching managements at plant level. The unions will clamour for increases above the IC-minimum rates and those employers who refuse to negotiate will face action.

Mawu said it was unable to sign an agreement which was not accepted by its members. It will not be pressurised by anybody into accepting the offer because "we are fully committed to the establishment of a living wage."

"The union remains totally opposed to Seifsa's policy of discouraging plant level bargaining and points out that this policy is based on a spurious intellectual and a historical supposition and has the effect of:

- Causing massive industrial unrest;
- Protecting highly profitable companies from paying wages commensurate with their income and profits; and
- Distorting the collective bargaining process.



# Miners strike

By  
**JOSHUA RABOROKO**

MORE than 1 500 black workers employed by a German multinational, Siemens, yesterday went on strike when management refused to negotiate wages with their trade union at plant level.

The workers, members of the Fosatu-affiliate Metal and Allied Workers Union (Mawu), have rejected wages offered by the company at the Industrial Council (IC) for metal industries and preferred plant level bargaining.

The strike action follows growing discontent expressed by metal unions affiliated to the International Metalworkers Federation (IMF) over bargaining, which precludes plant-level negotiations.



**Moses Mayekiso**

The unions — Mawu, Steel Engineering and Allied Workers Union and the South African Boilermakers Society — have threatened to take industrial action if management refused to negotiate with them outside the IC.

Trade union sources have disclosed to The SOWETAN that the strike action will escalate and spread to other industries with membership of the employers organisation — the Steel Engineering Industries Federation of SA.

Mawu's Transvaal secretary, Mr Moses Mayekiso, has warned Siemens and other mul-

tinational in the metal industry, to negotiate with unions or face the consequences.

"We appeal to these companies to heed the call or get out of the country, because they are not prepared to share their profits with the workers. We also appeal to Siemens in Germany to put pressure on the South African company to negotiate with us at plant level," he said.

Siemens' chief direc-

tor, Mr F Troskie, confirmed the strike. He said the company was not prepared to negotiate with any union on the shop-floor, because an agreement was reached at the IC.

He said there have been cases of intimidation where some workers were allegedly assaulted by union members to join the strike, however, this claim has been dismissed by Mawu.

"We are sorry that

this action has been taken by the workers, because we pay higher than other companies at Seifsa. Employers are currently experiencing economic decline due to the recession," he as-

serted. But, Mawu has contested that they need a "living wage" for their members and want employers to grant workers increases over and above those agreed at during the IC negotiations.

10:07:8-  
Bakery  
D. Dispute  
workers  
to strike

Durban — More than 800 bakery employees were told by union spokesmen at a meeting here at the weekend that a date for strike action would be announced at a meeting next Saturday.

More than 1 200 workers from major bakeries in Durban and the surrounding areas, voted last week to strike in support of their wage demands.

Votes cast by them earlier in the week were counted last Friday. — Sapa



# Sacwu starts paint boycott

THE South African Chemical Workers Union (Sacwu) has launched a boycott of AECI paint and products in the wake of a battle between the parties over wage demands.

The union is demanding that the wages of the workers at AECI's Chlor-Alkali and Plastics in Ballengeich near Newcastle, be brought in line with those of the company's plants throughout the country.

The parties have reached deadlocks on several occasions in an attempt to resolve the issue since May and strike action has been taken by members at the plant. The company has also retrenched workers.

## Pressure

Sacwu's general secretary Mr Michael Tsotetsi, told the SOWETAN yesterday that the union launched the boycott with the aim to put pressure on management to accede to their demands.

He announced that another attempt was made to resolve the matter this week, but no agreement could be reached. It was expected that another meeting would be summoned later in the week.

## Wages

The union has asked for support of the boycott from various community-based organisations and trade union movements. He also condemned a ban on all meetings in the Newcastle district by the magistrate and said: "The company is to blame this action."

He added: "It is becoming increasingly difficult for us to hold report-back meetings with our members. We view the ban in a very serious light in terms of progress in wage talks."

The company's spokesman said no agreement has been reached at a meeting between the parties this week. They were not aware of the boycott that has been started by the union.



## The KEN OWEN COLUMN

# Feeding the country's big spenders

THE tax collector, a central figure in every revolution since the tribes of Asia Minor poured molten gold down the throat of an avaricious Roman governor, has assumed a sinister prominence in South Africa.

The mildest taxpayers are getting into an ugly mood as the Receiver of Revenue arrogates to himself the right to know whether the person you took to dinner in 1982 was your client or your mistress.

When the state hounds its people to track down every last penny of taxable wealth, it makes enemies of its best defenders. The tax collector becomes, in effect, the recruiting agent of rebellion.

The mystery is why the Receiver has assumed this role.

One needs to understand that the office of the Receiver is essentially a mechanism designed to transfer wealth from Johannesburg to Pretoria, from entrepreneurs to civil servants, from English to Afrikaans.

It has worked like a charm.

As recently as 1977, for example, an outstanding Stellenbosch economist, Professor Sampie Terreblanche, told an Afrikaans audience that South African whites must face up to the need to share wealth with blacks, adding comfortingly that the wealthiest communities were in any event the Jews and the English.

It is no longer so. By 1980, according to figures given to Parliament a few weeks ago, the English community (presumably including Jews) was trailing badly, providing the country with most of its poor whites but a minority of its wealthy.

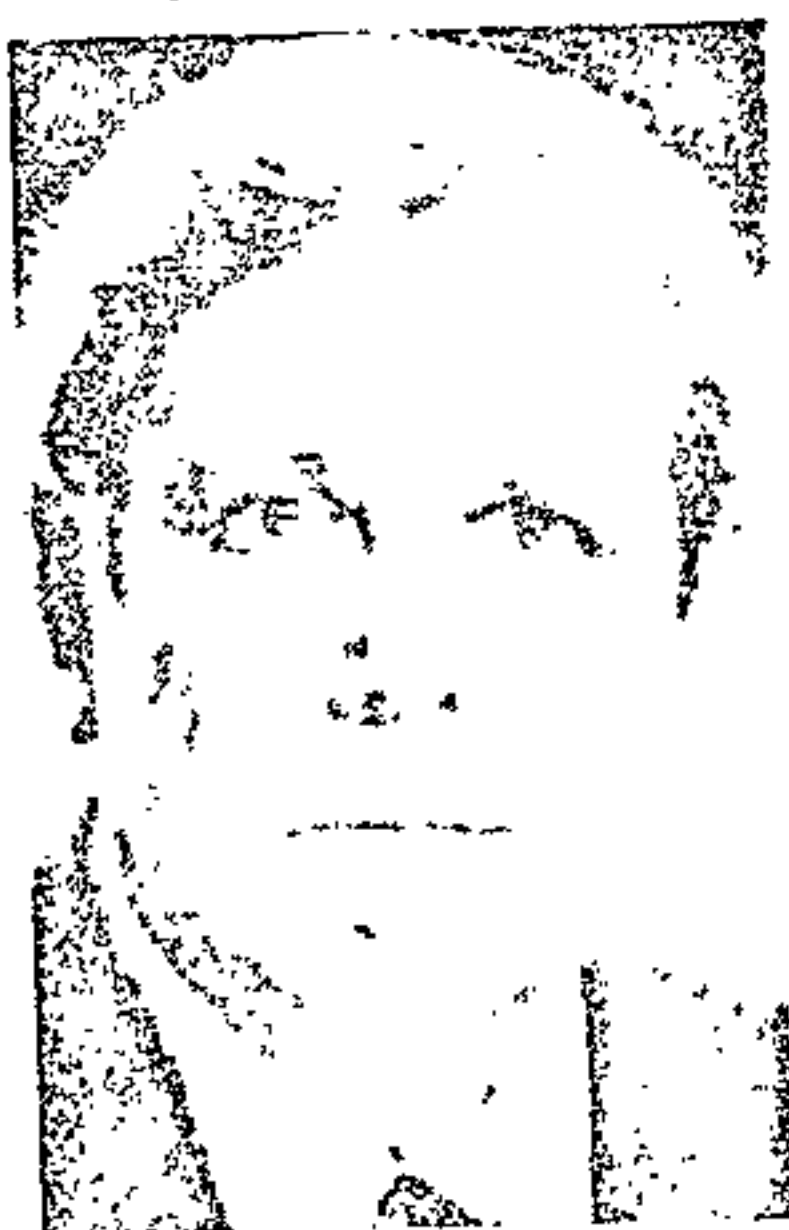
Of the 2 940 people earning more than R100 000 a year, 2 212 had Afrikaans as their home language; only 548 were English, 47 were black, 14 Indian and seven coloured. Control of the fiscus is clearly a key to prosperity.

Today, anybody of any race in South Africa who earns more than R40 000 a year, according to government statistics, is most likely to be an Afrikaner. Any white person earning less than R1 000 a year is most likely to be English.

These figures confirm the impression which you can form for yourself any Sunday afternoon by driving through the immense new suburbs that spill across the hills in every direction from Pretoria: the stereotype of the poor Afrikaner has long been obsolete. The mandarins are fat cats.

Pretoria needs taxes because it has a high standard of living to keep up. Any senior civil servant who sends his wife out to work is automatically in the upper classes, which explains why, in the words of a visiting diplomat, there seem to be more Forssches in Pretoria than in Bonn.

Who are these rich



Mr Chris Heunis

people.

They are ordinary nine-to-five civil servants. Mr Chris Heunis's department of constitutions, for example, has 15 people earning more than R55 000 a year, and another 134 who earn R26 000 to R55 000. If you don't earn R2 000 a month in Pretoria, you're nobody.

The government department laughingly known as Co-operation and Development has no fewer than 460 people in this New Class (if one may be permitted to steal a label from Yugoslavia's disillusioned Marxist Milovan Djilas). The State President, known for his frugality, has only 53.

The New Class largely comprises technocrats, the top engineers and architects, the medical superintendents and the chief magistrates; but it includes many who can't be identified except perhaps as Senior Clerks, Grade 1.

What do they do for their money?

It is not easy to say. The explanations given to Parliament are sketchy at best. Mr Heunis, to cite a random example, is spending more than R28 million this year on "demographic studies".

Demographic studies? Couldn't we give the job to a graduate student with a computer and reward him with a Ph D? Or ask Professor S P Cilliers of Stellenbosch for the answer, since he probably knows it already?

But wait! Mr Heunis's merry men are also spending R36 million on "statistical services", presumably non-demographic. They spend more than R8 million on "planning". Another R6 million goes to "management". Then there are smallish additional sums, a couple of million, for "economic planning", for "physical planning", for "social planning", for "science planning", and for "constitutional planning".

Another R2.5 million is swallowed by "research", which presumably covers neither demographic studies nor statistical services, and which is manifestly not planning.

You think it doesn't add up? Mr Heunis presides over the expenditure this year of R5 000 000 000. That's right — five-thousand-million. It is half the entire gold production for the year.

Look at it another way. The army's Operation Thunder Chariot has been criticized because it is said to have cost more than R25 million; with Mr Heunis's budget the army could have mounted 21 000 such operations and have change left over.

Then, too, Mr Heunis likes to give money away. He is spending R11 million on Bloemfontein, R20 million on Bronkhorstspuit. (If you don't know where Bronkhorstspuit lies, just wait: it will soon be an eastern suburb of Pretoria.)

Of course, the government's real expert at giving away money is Mr Pik Botha. He's giving away a billion or so in "foreign aid and development co-operation", some of it to pay the salaries of seconded white civil servants who are teaching the black civil servants of Bophuthatswana, Transkei, Ciskei and Venda the tricks of living off the taxpayer.

The government claims it does all this spending to keep us safe from revolutions. But there's a better way. The state now confiscates in taxes more than R31 billion a year — enough to give every black man, woman and child a regular income of R1 000 a year, and enough left over to pay for an army.

The trouble with the poor, said American radical author Saul Alinsky, is they don't have any money — why not give it to them?

Why not, indeed? Cut out the middleman, give every black person R1 000 a year, or R5 000 for the average family, and the ANC wouldn't have a snowball's chance.

That way, we wouldn't need an army, we'd hardly need a police force, and we certainly wouldn't need Mr Heunis or his merry men. We would be a stable society.



Prof Terreblanche



# Metal industry's wage pact does not guarantee peace

By Mike Siluma

The conclusion of a wage agreement in the metal industry this month may not have guaranteed peace between employers and a large section of the industry's nearly 360 000 workers.

All unions in the International Metalworkers' Federation (IMF), save one, signed the agreement only last week, after three months of tough negotiations with the employer body, the Steel Engineering Industries' Federation (Seifsa).

The IMF unions are the South African Boilermakers' Society (Sabs); the Steel, Engi-

neering and Allied Workers' Union (Seawu); the Metal and Allied Workers' Union (Mawu) and the Engineering Industrial Workers' Union (EIWU).

They have a membership of more than 120 000, comprising mainly unskilled workers.

In signing the agreement, these unions made it clear they were doing so "under protest" as they were unhappy with the employers' final offer.

355 REFUSED

Mawu is the only union which has, for the third time in as many years, refused to sign.

The other union grouping in the industry, the Confederation

of Metal and Building Unions (CMBU), representing mostly skilled and semi-skilled workers, has also accepted the employers' offer.

At the start of the talks, the two union groupings presented separate sets of demands.

The CMBU demands included a 42-hour working week and a 20 percent increase in minimum wages for all categories.

The IMF unions asked for, among others:

- The raising of the hourly minimum wage rate for unskilled workers from R1,78 to R3,50 and a guaranteed across-the-board 50c an hour increase.

- The reduction of the working week to 40 hours, without loss of pay.

- A strict control on overtime to curb retrenchments.

- The recognition of May 1 as a paid holiday.

Seifsa's final offer came after talks had broken down several times and a declaration of dispute by the unions.

The employers rejected many of the union demands, but have agreed to raise the minimum wage for artisans by 40c to R5,21 an hour. The minimum wage for unskilled workers will be R1,90 an hour.

An across-the-board hourly rise of 24c for artisans and 14c

for labourers has also been granted.

Although the agreement came into effect on July 1, the unions have rejected it as not meeting the high cost of living.

When signing the agreement, the IMF unions said they reserved the right to negotiate supplementary agreements with the more profitable companies in the industry.

## ATTACKED

They attacked the Seifsa position as "discouraging plant-level bargaining". The unions contend that the setting of general wage minimums at the In-

dustrial Council (IC) is meant to protect the smaller employers. But the bigger employers whose profits were greater and therefore could pay more, were hiding behind the IC minimums, the unions said.

It is these employers with which the unions will negotiate directly.

Employers who resisted these attempts would "face whatever action our membership deems expedient", said the local IMF secretary, Mr Brian Fredericks.

Mawu was even more explicit, hinting at a possibility of a national strike if employers re-

fused to negotiate at plant level.

The union claims a signed-up membership of more than 40 000.

A union source this week predicted work stoppages over the next few weeks to back plant-level negotiations with some companies.

Last week 500 workers were dismissed by the Pretoria firm Silverton Steel Engineering after striking over the issue.

Their union, the IMF-affiliated National Automobile and Allied Workers' Union, said the company had implemented the new wage rates while direct negotiations were in progress.

150 273 355

# No word from director about wage dispute

*O. N. N. N. N.*  
12/7/85

EAST LONDON — The director of a Wilsonia based furniture removal company yesterday refused to confirm or deny that his 205-strong workforce had stopped work after a pay dispute.

The director of Steer Afrovan, Mr George Schoof, said he was not prepared to talk about the matter. It was not company policy to do so.

Mr Schoof said it was a delicate matter and that management would settle it internally.

A spokesman for the workers said the dispute started last Thursday when the manager, Mr Trevor Young, was approached about an increase. He said they were told there was no money and that they should wait for the director.

They approached him the next day and Mr Young told them that he could only communicate with the six-member liaison committee.

The spokesman said they then decided to down tools.

One of the workers had been with the firm for more than 20 years and was getting R52 a week.

He said despite inflation, a labourer got R29, a parker and loader R49 and storeman R65 a week. A driver for a mechanical horse and double trailer earned R96 a week and the lowest paid to a driver doing the same job was R75 a week.

A driver said when out in the country, their allowance was R1,50 a meal and R4 for a night out.

Assistants were given R1,20 a meal and R2,50 for a night out. The drivers and assistants were not paid for staying out in the country, but paid R1 for a Sunday only.

He said these were the reasons why they had asked the management for an increment as they could not cope.



CAP-71415

13/7/85

355

## 'Improper conduct' by dentist

Staff Reporter

A STELLENBOSCH dentist who failed to pay three dental technicians within three months as prescribed by the Government Gazette was found guilty this week of improper conduct by a disciplinary committee of the South African Medical and Dental Council.

Dr Adrie du Plessis, who had pleaded not guilty, was found guilty of six counts of having failed to pay three dental technicians R11 982,47.

Dr Du Plessis testified that he had had a practice in the Free State but had sold it and moved to Stellenbosch after running into financial difficulties.

After practising in Stellenbosch for three months he had banked R64 and five months later R2 000. He been unable to pay the dental technicians because patients had owed the practice R35 000.

He had been sequestrated in December last year and it was not possible to pay his debts.

The committee, headed by Professor F G Geldenhuys, cautioned and discharged Dr Du Plessis.

Cape Times 15/7/85

## NUM delays strike action after ballot

From PHILLIP  
VAN NIEKERK

JOHANNESBURG — The National Union of Mineworkers (NUM) said yesterday it was proceeding with plans for an industry-wide strike — but has delayed the action until after a mini-conference of the union in two weeks.

Mr Cyril Ramaphosa, general secretary of the NUM, said the conference was being held to plan strategies for the strike in the face of the "intransigence" of the

mining houses.

A legal strike in the industry has been on the cards for more than two weeks since the union deadlocked with the Chamber of Mines in wage negotiations. The chamber said last week that it would not compromise and increase wages if the NUM went ahead with the strike.

Mr Ramaphosa said the ballot indicated support for a strike. He denied that the delay had been caused by opposition to the strike by union members.



3st

# Furniture removal men back at work

EAST LONDON — The longer any disagreement among the workers.  
250-strong workforce of a  
Wilsonia-based furni-  
ture removal company, This followed a pay  
Steer Afrovan, returned dispute between the  
to work yesterday, a workers and manage-  
director, Mr Dudley ment, after which the  
Schoof, said. workers stopped operat-  
He said there was no ing for one week. — DDR

SOWETAN, Wednesday, July 17, 1985

# Cops called as 2000 strike

POLICE were called when about 2 000 workers at Letaba Busaf, in Tzaneen, staged a demonstration in the factory yard demanding wage increases.

Two officials of the black General Workers Union — Mr Phosakuwa Mashele (president) and Mr Theophilous Ramonola (national organiser) — were held by police for questioning,

but released after two hours.

The workers downed tools after demanding a 14 percent wage increase which the company refused to pay because of the current economic recession.

Management called in a local chief to talk to the workers, but they rejected his appeal to return to work. The workers have indicated that

they will seek legal advice on the matter.

Mr Mashele charged that the company has refused to negotiate with the union in "good faith" and threatened to sack the strikers because they belonged to a trade union.

The workers at the plant earned an average of R35 per week and the union found workers

earnings to be "ridiculously low" because they could not cope with the escalating cost of living.

## Freedom

"We were held by the police who arrived at the plant on Monday and questioned us about trade union activities, at the bus company. We were told trade unionism was not permitted in the

Gazankulu homeland. "However, we disputed this claim because workers have the freedom to belong to any trade union of their choice in terms of the clause in the Labour Relations Act," Mr Mashele said.

The director of Busaf, Mr R Karshagne, yesterday accused the trade unionists of fomenting

the strike and said his company would fire all workers belonging to unions. He said unions were not allowed to operate in Gazankulu since 1983.

However, he called the local chief to talk to the workers and many have shown interest to return to work, although some were not keen.

At Minute Maid, a fruit juice producing company, workers

downed tools, claiming that some whites called them "kaffirs". They also claim they had no pay rises since 1983.

A company spokesman, Mr TH le Roux, has dismissed the claims. Workers' wages were reviewed every seven months. Whites using de-

regatory terms will be dealt with accordingly, he warned, he said.



# Strikes hit plants at Ford, VW

EXP 17-07-81

By CATHY SCHNELL

WORKERS at Ford's Neave plant and Volkswagen downed tools today meaning that employees at all three giant motor companies in the Eastern Cape are now on strike.

More than 600 workers, and possibly as many as 1 000, at Volkswagen downed tools at 1pm today after demanding that they be paid out their contributions from the pensions schemes.

The regional secretary of the National Automobile and Allied Workers' Union, Mr Les Ketteldas, said the shop stewards would meet management later today to discuss the issue.

Mr Ketteldas said the workers wanted their pension contributions paid out to them in order to make ends meet.

Earlier today, operations at Ford's Neave plant stopped after 16 workers at the paint plant downed tools in protest over the company's implementation of a wage offer.

Mr Dirk Pieterse, Ford's employees relations manager, said the

workers at the paint plant downed tools shortly after 10am. They were asked to return to work — but refused.

Consequently the company had no option but to close the plant for the day, affecting about 1 500 workers.

Mr Pieterse said employees had indicated they would return tomorrow.

The 16 operators who downed tools had told management they were unhappy about the company's implementation of a wage offer. However, this offer was currently still subject to negotiations with the Industrial Council, said Mr Pieterse.

Mr Ketteldas said the workers at the Neave plant were refusing to work unless their wage increases were brought into line with the other two motor companies.

According to Mr Ketteldas, workers at General Motors and Volkswagen had their interim wage increases backdated to February 1. The Ford workers, however, only had their in-

terim wage increases backdated to May 1.

Wage increases are due six months after the backdated date.

Consequently VW and GM workers had been told they would get across the board increases on August 1 whereas Ford workers had been told they would only receive their increases on November 1.

Mr Ketteldas said the Ford workers had been bitterly unhappy about the interim wage increase being backdated to May 1 instead of February. They wanted the wage increases granted on August 1.

Workers at General Motors' locomotive plant at Aloes are still out on strike — for the third day — after downing tools on Monday morning over an alleged dispute between a shop steward and a worker.

Last week Volkswagen workers also downed tools for three days over management's decision to lend mini-buses to the All Blacks rugby touring side. They subsequently returned to work after the tour was called off.

1-million await govt word on wages

# Public servants await pay details

B. Day 18/7/85

GOVERNMENT can brace itself for an angry blast from 1-million public-sector workers unless an early announcement is made on the restoration of the full service bonus and normal pay rises in the new financial year.

Annual increases were suspended this year because of an acute shortage of government funds. The postponement of the increases saved the Post Office, Railways and government about R1bn.

The public servants complaint, supported by the Public Servants' Association, that while earnings have been frozen increases have been granted to workers in the private sector.

This would distort and nullify PSA efforts to ensure that earnings in the service kept pace with those in the private sector.

At the annual meeting of the PSA, to be held in Pretoria in September, the executive will report on the pay and bonus issues. Demands are certain to be made that normal increases and the full bonus be restored in the 1986-87 financial year.

Senior public servants warned yesterday that, unless earnings in central government services were kept abreast of those in the private sector, the public service staff shortage would again become acute once the economic upturn started.

By GERALD REILLY

It is said that since increases were last granted in April 1984 until now, the consumer price index has risen by more than 20% and this is the extent to which living standards of public sector workers have declined.

Next month the executive of the federal council of South African Transport Services trade unions, headed by its president Jimmy Zurich, will have wage increase discussions with Minister of Transport Affairs Hendrik Schoeman.

The meeting was postponed by Schoeman in February. Zurich said yesterday that a demand for a 15% across-the-board increase was rejected by the minister in November at a time when the council could have justified an increase of 26%.

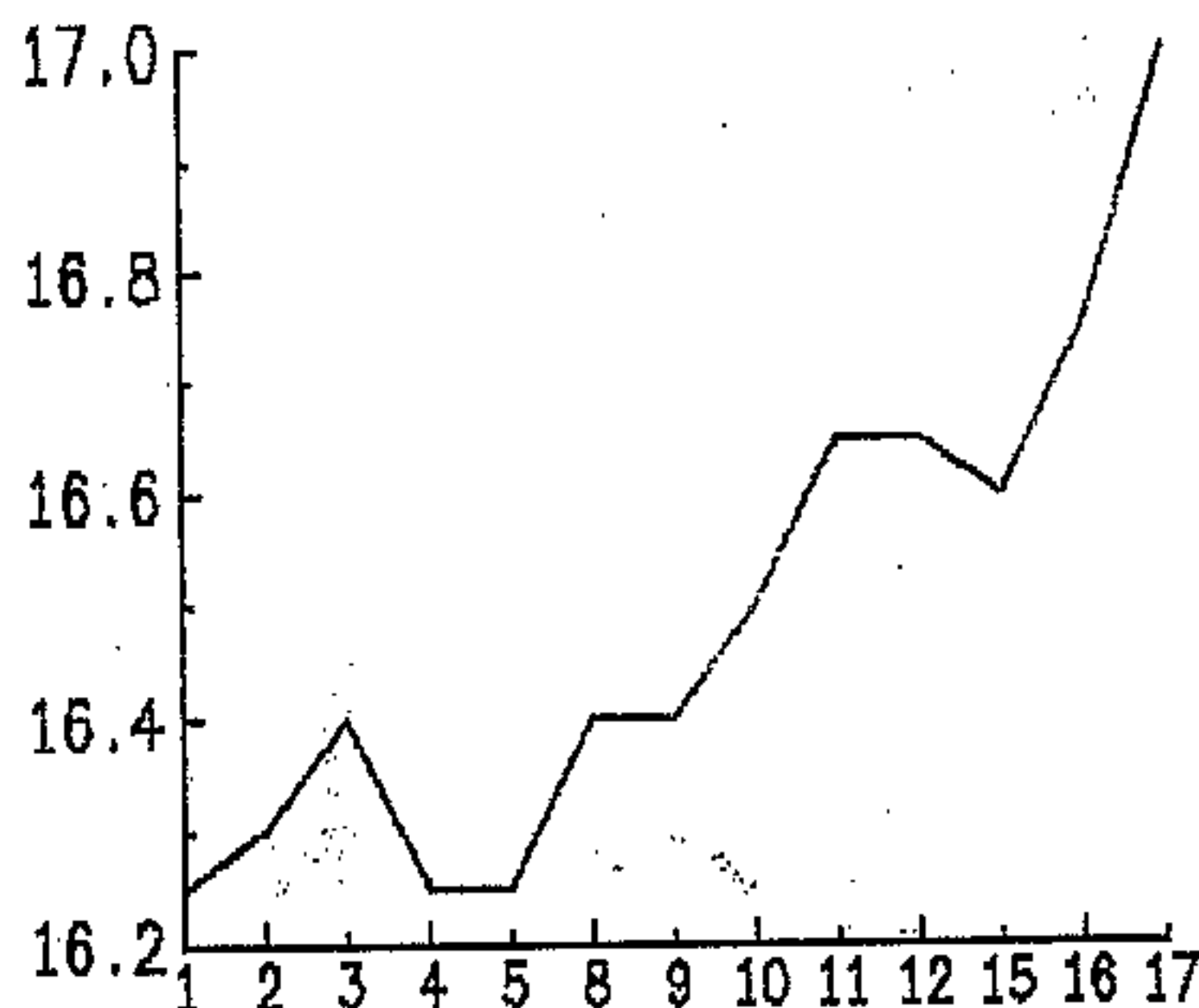
Zurich said another postponement of wage increases, and failure to restore the full service bonus next year, would see a repetition of the angry reaction of railway workers earlier this year after announcement of the bonus cut.

The fear of another public service staff crisis is also reflected in the latest issue of *The Public Servant*, the official PSA journal. It contains a warning that the service could have insufficient manpower in the next economic upswing.

## Money market rates harden

SHORT-TERM money market rates have been hardening, particularly in the past two weeks, as this graph of the 90-day bankers' acceptances rate clearly shows. Dealers do not believe this is a start of a new bear trend. They believe it signals a period of consolidation in which market rates will move more closely into line with the prime rates which had grossly discounted a prime rate of 20%, let alone the current 21%.

BA RATES FROM JULY 1





deed the keystones of the Reagan presidency — jammed up in the Congress for him to be even partly incapacitated.

The time pressure is especially acute. Congress goes on holiday on August 1. When it returns in mid-September the lawmakers will be looking ahead to the mid-term 1986 elections for the full House and 33 of the 100 senators — 22 of them incumbent Republicans.

So the Congress will be in even less a mood than to compromise over tax reform, the budget deficit and important foreign policy questions such as the sanctions against Nicaragua and SA and the president's October summit meeting with Soviet leader Mikhail Gorbachev.

The question thus is: how quickly can Ronald Reagan snap back?

The president has experienced only mild discomfort from the operation. He is resting well and relaxing between briefing documents with a series of bedside novels and visits from his wife.

And as for the American presidency, except for a seven-hour period when George Bush was in charge, it remains clearly in the hands of Reagan. Chief of Staff Donald Regan has taken over much of the detail work which the president had passed on before he entered the hospital.

But soon that backlog of executive decisions will be exhausted. New decisions will have to be taken, initiatives planned and — insofar as the recalcitrant Congress is concerned — bargains will have to be struck. ■

F M 19/7/85 (353) 1977

LABOUR RELATIONS 1977

## Novel strike clause

Durban motor components manufacturers Rowen, and Fosatu's National Union of Automobile and Allied Workers (Naawu), have signed a recognition agreement containing a unique clause whereby the company undertakes not to dismiss strikers for four weeks — provided they have adhered to the agreed dispute procedures.

Unions have long argued that striking workers should be entitled to some form of protection from dismissal if they have followed dispute-resolving procedures. This agreement goes further than any other in providing this protection, and is set to be a major talking point in industrial relations circles.

The agreed dispute procedure comes into effect once a deadlock has been reached in negotiations over conditions of employment, or when the disciplinary or grievance procedures have been exhausted. It includes:

- A five-day cooling-off period;
- Thereafter management and the union are obliged to meet twice within 14 days to attempt to resolve the dispute;
- If that fails, a mediator may be appointed by mutual consent, and he has seven days to bring the two sides to agreement; and
- Unless mutually agreed otherwise, the

dispute-resolving mechanisms contained in the Labour Relations Act must be invoked.

Once these steps have been followed, workers are entitled to embark on an "authorised" strike (which may also be legal) with the guarantee that they will not be dismissed for at least 20 working days.

The philosophy behind the agreement, says a Rowen spokesman, is to create an onus on both sides to prevent strikes and to build a relationship based on trust. "We do not want wildcat strikes. This clause is an incentive for the union to follow the lengthy procedures. Hopefully, once they have been followed, any dispute will be resolved. But if not, and there is a strike, we believe that to dismiss our employees immediately would destroy any trust that has been built," he adds.

Rowen employs 800 people. It is part of the Met Air group and supplies a major portion of its products to Toyota. Toyota is, in fact, a shareholder in Met-Air and a Naawu spokesman believes the agreement has implications for the whole Toyota group.

□ The first strike following the wage settlement at the National Industrial Council for the Iron, Steel and Metallurgical Industry has been resolved. According to a Naawu spokesman, 500 members at Silverton Engineering have returned to work having won improved wage increases. They are to receive hourly increases of 15c as from July 1, with two further 5c increases in October and December. The new minimum rate at the company is R2,15/hour. The new Industrial Council minimum is R1,90/hour with guaranteed increases of 14c/hour in the lowest job category.

Still at issue, however, is whether the workers should be fully reinstated or treated as new employees. They went on strike on July 1 over a management decision to implement the council increases while plant-level negotiations were in progress, and were dismissed (*Current Affairs* July 5).

Naawu is not a party to the Industrial Council. However, another Fosatu affiliate which is, the Metal and Allied Workers' Union, refused to sign the agreement and has said it plans to campaign for extensive plant-level wage settlements. ■

## THE PFP AND REFORM

### Brokering peace

The leader of the Progressive Federal Party (PFP), Frederik van Zyl Slabbert, pulled the self-fashioned mantle of national peace broker more firmly around his shoulders this week with a well-reasoned and apparently effective lecture to influential young Afrikaners in Stellenbosch.

Speaking at the annual congress of the Afrikaanse Studentebond (ASB), Slabbert laid the country's choices before delegates: continue on the road towards siege, or negotiate away from it.

Judging by questions afterwards, his concept of dialogue certainly captured some

# Concern at public service wage gap

ARGUS  
22/7/85  
100 355

Argus Correspondent

PRETORIA. — The Public Servant, organ of the Public Servants' Association, has again warned that the increasing gap between public service and private sector salaries may cause a future staff crisis in the public service.

According to the publication, the association's executive is so concerned about the position that it has already investigated it thoroughly and devised a plan of action.

The association was particularly concerned about the possibility that the public service would not have enough manpower during the next upswing in the economy, it said.

## RECOVERY

Demands for market-related adjustments of public servant salaries would probably be made as soon as the economy showed signs of recovery.

A recurrence of the situation a few years ago, when public servants' salaries lagged so far behind that the State administration suffered, had to be prevented.

The Public Servant said surveys showed that private sector salaries had been adjusted this year in spite of the recession. Private sector employees were also compensated for the new fringe benefit tax.



# Durban bread strike

Post Correspondent

DURBAN — Most householders in Durban, Pietermaritzburg and many parts of the Natal North Coast were without bread today when about 1 800 workers employed by five bakeries went on strike.

Mr Maurice Grant, vice-chairman of the Bakers' Federation, Natal, said most workers arrived at their places of employment, but refused to work.

They also adopted a "threatening attitude" to employees who wanted to drive delivery vans.

# Strike action ending in EP motor plants

Post Reporter 355

PRODUCTION resumed at Volkswagen and the General Motors Aloes locomotive plant today, signalling the end of a wave of strikes among the motor industries in the Eastern Cape.

Ford's Neave plant is on a four-day week, but workers are expected to return tomorrow.

Negotiations are continuing against a backdrop of Industrial Council deliberations.

No union spokesman was available to comment on the outcome of last week's deliberations. E. Post

Last week saw workers at all three motor industries down tools.

- Workers at the GM Aloes plant downed tools over an altercation between a white supervisor and a black worker. 22.07.85

- Neave plant workers went on strike because they wanted their wage increases backdated in line with the other industries.

- VW workers wanted their pension contribution funds paid out.



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# Nurses approach Minister over pay

Star 23/7/85  
355

## Pretoria Bureau

Nurses have approached the new Minister of National Health and Population Planning, Dr Willie van Niekerk, about their "inferior" salaries, which they say are causing a mass exodus from the profession.

Representatives of the South African Nursing Association (Sana) last week urged Dr van Niekerk to take action.

### ATTENTION

Special attention, they said, must be given to a follow-up investigation of specific nursing needs by the Commission for Administration.

Profession-related increases have been granted throughout the public service over the past couple of years and the commission is now concerned with maintaining salaries at market-related levels.

Sana said, however, that nurses' pay had not kept pace with other professions — a fact which

was causing walkouts and affecting personnel training.

"In certain services students are expected to carry responsibilities for which they have not yet been prepared. This leads to resignations of first year student nurses, shown by research to be as high as 60 percent.

Sana also pointed out that the number of black nurses being trained had remained static over the past decade.

"Projections show that just to maintain the current unsatisfactory ratio between black nurses and the black population, a further 23 000 black nurses must be trained in the next 15 years."

Another issue discussed was the privatisation of health services.

There has been dissatisfaction that private institutions are "poaching" staff from government health care facilities without having to contribute to their training.

# Strike goes on at PE motor plant

By CATHY SCHNELL

THE strike at Ford's Neave plant continued today when employees again refused to work because of a management refusal to bring forward the date of wage increases.

The workers at the Neave plant were expected back today after going out on strike on Wednesday last week.

Striking workers at Volkswagen and the General Motors' Aloes locomotive plant all returned to work yesterday after downing tools last week.

Ford, which is on a four-day week, has now lost four days' production.

Negotiations continued between shop stewards and management today.

The Neave plant workers want their salary increase to be effective from August 1 instead of November 1, in line with workers at VW and GM.

A spokesman for the National Automobile and Allied Workers Union (Naawu) said the Ford workers had reported for work today, but had been told at a report-back meeting that management had refused to alter the date of their increases.

They consequently walked out of the plant.

The spokesman said the workers were adamant they would not return unless their wage increases were changed in line with the other companies.

The regional secretary of Naawu, Mr. Les Ketteldas, said executive members of Naawu and shop stewards at Ford were meeting today to try to solve the dispute.

There would be report-back meetings at all three motor plants tomorrow and on Thursday.

● Another spokesman for Naawu said an executive member of Naawu, who is also a shop steward at GM, had been detained by security police today.



Natal Indian Congress

355 182 182

# Agreement in sight on car workers' pay

Dispatch 23.07.51

PORT ELIZABETH — An Industrial Council agreement on wage increases between three Eastern Cape vehicle manufacturers and two trade unions is days away according to Mr Henry Ferreira, chairman of the council.

Ford, General Motors and Volkswagen met the National Automobile and Allied Workers' Union (Naawu) and the South African Iron, Steel and Allied Industries' Union yesterday in a bid to break an eight-month deadlock.

Since the last council agreement expired last November, the companies and the trade unions have failed to reach an agreement.

Mr Ferreira said after the meeting: "All parties moved closer to each other and I think an agreement is a matter of days away. There is still one small item to be sorted out and possibly

one more meeting will be held this week." He would not say what the unsolved problem was.

Earlier this year after strikes at GM, VW and Ford, interim wage adjustments were agreed on after factory-level negotiations.

After strikes at Volkswagen and General Motors' Aloes plant last week, both companies reported normal production yesterday.

GM's Kempston Road plant also re-opened yesterday after a week's closure to allow inventory re-alignment.

Workers who went on strike at Ford's Neave plant last week are expected to return to work today.

$$\begin{array}{r} 72 \\ 63 \\ \hline 15 \end{array}$$

# No flour produced

E. Post 23.07.88

Strike

DURBAN — The Durban bread strike took a new turn today as 160 workers at Bakers Flour Mill on the same premises as B.B. Bread bakery joined the strike — stopping production of flour as well.

They joined 700 bakers who lingered on the premises last night, ostensibly to prevent the 400 000 loaves baked over the weekend from being distributed.

The managing director of Bakers Flour Mill, Mr R. L. Sullivan, said the workers went on an illegal strike two hours before a conciliation board meeting was scheduled to settle a separate wage dispute.

Workers at the Stanger bakery did not turn up for work today, bringing the eighth major bakery to a standstill. — Sapa



# No work until pay dispute is sorted out

By CATHY SCHNELL

**FORD'S Neave plant is to close for an indefinite period following the continued strike by workers over the past five days.**

The company's employee relations manager, Mr Dirk Pieterse, said today the plant would remain closed until employees gave notice of their intention to resume work.

About 1 500 workers will be affected. This decision was taken after workers once again downed tools today — for the fifth consecutive day.

The Neave plant produces the Escort and Granada models, pick-up trucks, cargo trucks and tractors. The plant has been on a four-day week.

Workers have been striking over the date of the implementation of their wage increases.

They want the wage increase back-dated from November 1 to August 1, to be in line with the wage increases at General Motors and Volkswagen.

Yesterday a spokesman for the National Automobile and Allied Workers Union (Naawu) said the employees refused to resume work unless this demand was met.

The spokesman said workers had been told Ford management had refused to back-date wage increases.

But a spokesman for Ford management said the whole wage issue was still being discussed by the Industrial Council.

It is believed that the negotiations at the Industrial Council will be concluded soon.

Earlier this year workers at all three motor industries went out on strike over interim wage increases. The disputes at General Motors and Volkswagen were later settled.

# Strike shuts down car plant

PORT ELIZABETH, WEDNESDAY, JULY 24, 1985

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13. Post 24.07.85

D. Dispatch 25.01.8

# PE plant closes indefinitely

Dispatch Correspondent

PORT ELIZABETH — Ford's Neave plant is to close for an indefinite period.

This was announced by the company yesterday after a strike at the plant which has lasted for five scheduled working days.

After the announcement, it was speculated in motor industry circles that the strike might give the company the opportunity to proceed with its plans to close the plant permanently.

When Ford and Amcar merged in January this year to form Samcor, it was announced that pro-

duction at the Neave plant would eventually be re-located to the Samcor Silverton plant in Pretoria.

But the Neave plant still has a production schedule to meet.

A Ford spokesman said yesterday the plant would remain closed until employees gave notice of their intention to resume work.

The Neave workers are demanding that interim wage increases granted in April be backdated in line with those at Volkswagen and General Motors — to February 1 instead of May 1.



## Wage talks roundup

Industry-wide strike action, threatened by the Metal and Allied Workers' Union (Mawu) after its refusal to sign the metal industry's wage agreement, has not materialised. But Mawu and other metal-sector unions, including the SA Boilermakers' Society and those affiliated to the Confederation of Metal and Building Unions, are proceeding with — or have completed — plant-level wage negotiations with a number of major metal industry employers.

A new agreement for the National Industrial Council for the Iron, Steel and Metallurgical Industry came into effect on July 1, providing for minimum increases ranging from 14c/hour for unskilled workers to 24c/hour for those in the highest job categories. Most members of the Steel and Engineering Industries Federation of SA (Seifsa) are implacably opposed to plant-level wage bargaining, and, says Seifsa director Sam van Coller, "Seifsa seeks to guide members accordingly." But Seifsa is a voluntary organisation, and members who disagree with this policy are entitled to do so, he adds.

At Siemens, wage talks precipitated a strike by 1 250 Mawu members at five plants. They were dismissed by the company and at the time of going to press the union was considering whether to accept a management offer of selective re-employment.

The strike began on Wednesday last week when deadlock was reached over a Mawu demand for R1/hour wage increases. The FM understands that Siemens has offered to take back most of the strikers, but some would be placed on suspension pending disciplinary hearings over their conduct during the strike.

Meanwhile, other wage talks have gone ahead. According to a Mawu spokesman, agreement has been reached whereby some 1 400 employees at Alusaf in Richards Bay will receive increases ranging from 20c/hour-41c/hour, plus improved shift and tool allowances and sick leave.

Negotiations with other companies are not yet completed, but indications are that most settlements will be above the industrial council minimums. The Mawu spokesman says the Highveld Steel and Vanadium Corporation is offering 17c/hour-27c/hour increases for its 5 000 employees. All unions involved in the talks, except Mawu and the SA Boilermakers' Society, have already accepted the offer.

Samancor, which employs about 1 500 people, has offered 19c/hour-38c/hour increases. According to Mawu, Ferralloys has made a "final offer" of 25c/hour-40c/hour increases. The company will not confirm the figures, saying only the parties' respective proposals are not far apart. But it is unclear whether 370 of the workers — almost the entire black workforce — will benefit from any wage agreement.

They staged a work stoppage on Thursday

in sympathy with the striking BTR Sarmcol workers (see page 73), and, on their return the following day, were told they had been dismissed. Most of the 370 are Mawu members, although a small number belong to the Boilermakers' Society. Talks with the two unions over their re-engagement are in progress.

In another set of negotiations, Mawu has declared a dispute with Iscor. Iscor has offered workers in the lower job categories increases only marginally higher than those agreed at the industrial council, but the offer to the skilled workers is in the 38c/hour-42c/hour range.

Workers  
to end  
strike?

PORT ELIZABETH —  
Workers at Ford's Neave  
plant will return to work  
on Tuesday next week  
after a strike at the fac-  
tory which has lasted for  
six scheduled working  
days.

Mr Les Kettledas, re-  
gional secretary of the  
National Automobile  
and Allied Workers' Un-  
ion (Naawu) which rep-  
resents the majority of  
hourly paid workers at  
the plant, said a decision  
had been taken yester-  
day by the workers to  
call for arbitration on  
the issue which led to  
the strike.

The Neave workers de-  
manded that interim  
wage increases granted  
in April be back-dated  
— DDC



# Raise minimum wages - councillor

MR SIEGFRIED Manthata, a Soweto councillor, intends to persuade the Soweto City Council to make representations to the Johannesburg Chamber of Commerce with a suggestion that the minimum wages for Soweto employees be increased to R120 per week.

In a statement to The SOWETAN, Mr Manthata said councillors were facing a serious situation to accommodate homeless people, while the council was trying to wipe out its deficit.

"It makes no sense to build houses which cost R100 per month to rent, while people are earning R100 a month," he said.

Mr Manthata said there were still people who were earning R40 a week and were expected to maintain, educate their children and afford the houses which are being built, "with this meagre wage"

355 AM 29/7/85

Sowetan



# SATS 426 men want wage rise

Star 30/7/85  
The Federal Council of SA Transport Services trade unions, representing 240 000 railway workers, is expected to demand salary increases of about 20 percent from the Minister of Transport in the next few weeks.

Mr Jimmy Zurich, chairman of the council, said in Pretoria today that the 10 unions, which represent workers of all races within the SATS, last had an increase in April 1984 of 15 percent.

"Since then living costs have risen by about 30 percent," he said. "Last year in September we asked for 15 percent which should have become effective early this year. This was refused.

"A request for about 20 percent to become effective in January next year, would not be unrealistic", he added.

The council was coming under increasing pressure from members.



# Mediator bid brings hope in bakery workers' strike

## Labour Reporter

THE pay dispute between bakery workers and employers remained unresolved last night, in spite of a marathon four-hour meeting of the Industrial Council for the Baking Industry.

Mr Maurice Grant, vice-chairman of the Durban Master Bakers' Association, said trade union and employer representatives on the council agreed to appoint an advisory mediator to help settle the dispute by 1 800 bakery workers.

'The mediator will arrive from Johannesburg at 10 a m tomorrow for a further meeting between employers and trade union representatives to break the deadlock,' he said last night.

The move was 'totally within the framework of the employers' total package'.

'The fact that the trade union parties agreed to mediation within the total package gives employers cautious optimism for an early settlement to the dispute,' he said.

Miss Renee Roux,

spokesman for the four trade unions involved in the pay dispute, could not be reached for comment.

Meanwhile, about a 1 km-long queue of cars and bakkies waited outside BB Bread bakery in Sydney Road and at the Blue Ribbon Bakery at Mobeni yesterday to collect their quota of bread as the strike continued into its 10th day.

Some traders said they had to wait in the queues for about two hours and were only allowed 25 per cent of their usual order as production was still

limited.

Workers from BB Bread Ltd in Durban; Wareings in Pinetown; Albany, Blue Ribbon, Premier Pies, Betta Bread in Stanger; and Tongaat Bakery are striking in support of a R23 per week pay rise. They were joined by workers from Umlazi and Kwa Mashu Bakeries.

They have rejected the employers' offer of an across-the-board pay rise of R11,40 a week. They want the minimum weekly pay increased from R82 50 to R105,50.

August 7 1985

ARGUS 7/8/85

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## Wages lagging behind profits, seminar hears

Labour Reporter

SINCE 1937 retail industry wages have increased by 2 200 percent, while company profits have risen by 11 389 percent.

Even in the present recession companies were increasing their profits while workers' wages were being eroded, showing unions were needed to protect their members' wages and improve working conditions, Ms Dulcie Hartwell, general secretary of the National Union of Distributive Workers (Nudaw), said yesterday at a seminar on trade unions in the retailing industry.

The seminar, at the University of Cape Town, was part of the Commerce Students' Society's focus on trade unions.

She said unions were there for workers and not, as some people thought, to promote the political ambitions or "ego trips" of others.

Mr René de Wet, personnel chief of Pick'n Pay, said the company's association with unions had been a "fast learning process", especially in the past year.

The company had always regarded itself as sympathetic to employees, but confrontations with the Commercial, Catering and Allied Workers' Union (closely associated with Nudaw) in two strikes had shown that it had not really come to grips with talking to employees.

Management had learnt that it needed to be seen to be fair in order to negotiate. It was not enough to set up committees. In the process of learning this it had also learnt that what it thought of as non-negotiable management prerogatives were seen by workers as completely negotiable.

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# Public sector must find R1bn for new pay hikes

THE public sector will have to find R1bn in the new financial year if, as is expected, government submits pressure from staff associations to restore annual routine salary increases and full service bonuses in 1986/87.

The public sector salary bill is now about R10bn for the 400 000 State workers, 240 000 in Sats, 270 000 in the provincial administrations and 90 000 in the post office.

Demands are expected before the end of the year from the three post office staff associations and the Public Service Association. The PSA has its general meeting in Pretoria next month and demands from branch representatives are certain to be made for a reinstatement of the full bonus and annual pay increases.

The big increases granted to State workers over the past two years brought the service about into line with the private sector. The PSA is committed to ensuring the gap remains closed.

An angry reaction will come from State and post office workers if any effort is made to prolong the freeze or give only token rises next year.

GERALD REILLY

First shots in the public sector pay battle will be fired on August 19 when the Federal Council of Sats Trade Unions demands a 25% increase at a meeting with Transport Minister Hendrik Schoeman. The demand was agreed unanimously at a meeting of the council at the weekend.

Schoeman's response should give some indication of the Cabinet's attitude.

Council chairman Jimmy Zurich said yesterday the minister had rejected a demand for a 15% increase in October "when we could easily have justified a claim for 26%".

"We have come under extreme pressure from our members to make the strongest possible demand for substantial pay adjustments. We have clear instructions from the council to demand a response from Schoeman on the 25% call.

"If he says he cannot agree to the increase for January then he must tell us when he can grant one and how much."

## Secretaries earn more on Reef

MERCURY Finance Reporter

12/6/85

IT MUST be because of the attractions of the coast, but it does seem a little unfortunate that although it is generally accepted that Durban produces some of the prettiest and most efficient office staff in the country, its office starting salaries for 'dolly-birds' still lag behind those of other areas.

Kelly Personnel's quarterly survey, based on their placings, lists Johannesburg as top in starting salaries for executive secretary, secretary, copy typist, Girl Friday, receptionist-switchboard operator, bookkeeper to trial balance and accounts clerk, with Durban firmly on the bottom rung in all categories.

East Rand is second highest in all categories, followed by West Rand, Pretoria, Vaal Triangle, and Cape Town—just above Durban.

Widest gap between Johannesburg and Durban is in the executive secretary category, with a variance of nearly R400 a month. In Johannesburg, starting salaries average R1 314 while in Durban it is only R925.

Other average Durban starting salaries (with Johannesburg in brackets) are: secretary R802 (R1 057), copy typist R682 (R835), Girl Friday R750 (842), receptionist/switchboard operator R642 (R786), bookkeeper to trial balance R912 (R1 269) and accounts clerk R762 (R880).

But some good news does filter through for the coastal lassies in the second quarter survey, with both Cape Town and Durban reducing the starting wage disparity with the Reef.

Durban's starting salaries are only 21,6 percent lower than those of Johannesburg, compared with 27,3 percent last year. Cape town is 19 percent lower compared with 23,25 percent last year.

Kelly says results show inflation has outstripped starting salaries in all of the most popular office categories over the past year, with salaries increasing on average by 7,9 percent while inflation rose by 16,1 percent last month.



# Miners meet to plan strike

JOHANNESBURG —

Miners' leaders held strategy talks yesterday to plan a nationwide walk-out set for this coming Sunday in South Africa's gold and coal mines.

A National Union of Mineworkers (NUM) official said the union's general-secretary, Mr Cyril Ramaphosa, was in Kimberley yesterday for talks with union members, but no details would be released until today. DISPATCH

A mass meeting of the union on August 4 decided to strike over pay and gold industry experts say a walk-out could severely hit bullion production.

19:08:85  
Industry analysts fear that a strike could turn violent. The NUM has accused some mining companies of stock-piling armoured personnel carriers and shotguns to use against strikers.

The NUM wants a 22 per cent across-the-board pay rise. The mines paid 14,1 to 19,6 per cent increases on July 1.

Gold analysts say a strike could cost the mining industry about R500 million a week, but do not expect it to last long. Most mines have about a month's production in reserve.

● A meeting this weekend of independent trade unions expressed support for the planned strike, a Federation of South African Trade Unions spokesman said yesterday.

Representatives of FOSATU, the Food and Canning Workers Union, the Commercial Catering and Allied Workers Union, and the Cape Town Municipal Workers Association expressed strong support for the miners' struggle for a living wage and for their planned strike.

The spokesman said the unions were horrified to learn of the "appalling" minimum wages paid on the mines — R136 a month to surface workers and R166 for underground workers.

The unions also criticised the chamber's continued perpetuation of the system of job reservation and its refusal to discuss the removal of the system with the NUM — Sapa

19/8/85 (355) B. Day

# R8bn for civil servants

THE rocketing cost of maintaining huge and complex bureaucratic machinery is clearly set out in figures released in Pretoria last week by the Central Statistical Services.

The figures, according to economists, stress the urgency of deregulation. This, together with the hinderance of red tape, according to the Deputy Minister of Trade and Industry and Finance Kent Durr, is smothering the creation of urgently-needed jobs.

According to CSS figures, the 650 343 workers in the central government and provincial administrations cost the country R6,145bn last year.

During the year, workers in the central government sector decreased by 1 465 to 384 612. Provincial workers during the year also decreased by 3 142 to 259 954.

Local government workers, however, increased by 700 to 238 000 and were

GERALD REILLY  
Pretoria Bureau

paid a total of R1,992bn.

Staff of "diverse statutory bodies" also decreased, by 279, to 29 797. They were paid R427,6m in 1984.

According to the figures, at the end of March, the total number of people employed by government, the provinces' statutory bodies and municipalities reached a total of 912 363.

The total paid out in salaries and wages in the four sectors in 1984 exceeded R8,5bn, which was more than 25% of the national Budget.

It is pointed out that a large percentage of staff in central government, provincial administrations and local authorities is concerned with administering regulations and that most of them are associated with the government's race policies.



# 17643 20/8/88 353 No January pay rise for railmen

Argus Correspondent

JOHANNESBURG. — The Minister of Transport Affairs, Mr Hendrik Schoeman, has rejected demands by the Federal Council of South African Transport Services' Trade Unions for a general pay increase in January.

This will come as a blow to the 170 000 members of the 10 unions in the council, who were adamant before the two-hour meeting with the minister in Pretoria yesterday that they would accept nothing less than a 25 percent increase.

The last wage increase granted to railway workers — 15 percent — was in April 1984. The Government then froze all salary increases in the public sector because of the economic recession.

"The minister said pay increases in January were out of the question because of the current economic situation and the R300-million-plus loss Sats is expected to make this year," council chairman Mr Jimmy Zurich said last night.

## "ONE RAY OF HOPE"

"He did not dispute the merits of our demand and was very sympathetic. This is a ray of hope."

Mr Zurich said the council had not "backed off" from its 25 percent increase demand.

"It still stands. We will be meeting with the minister in the new year to negotiate increases for next April. I must make it clear, however, that he did not promise there would be any. It will depend on the state of the economy."

Yesterday's talks bode ill for South Africa's million public servants because annual pay increases in the public sector have been uniformly applied in the past.

The Public Servants' Association will discuss pay increases with the Minister for Administration and Economic Advisory Services, Mr Eli Louw, at the association's annual meeting next month.

ALL SAA Reading 7476



**A RECOMMENDATION** to increase the salaries of five of the 11 secretaries employed by the Diepkloof Town Council has been thrown out by a senior black official of the council, said a source yesterday.

The recommendation was to put five black secretaries at par with whites who have similar qualifications and experience, said the source.

The recommendation was sent to the various departmental heads for their attention. The matter was to be discussed by the council's executive committee and then referred to a full council meeting.

## Black official stops pay rises



DIEPMEADOW ... Mahuhushi.

It had been noted to be one of the items for the agenda for this month's full council meeting, said the source. But the recommendation was spiked when a senior black official said the matter should be withdrawn and gave no reasons, said the source.

The source said the matter will probably be taken up for discussion sometime next month.

The mayor, Mr. Joseph Mahuhushi was not available. When The SOWETAN tried to reach him yesterday, his

wife said he had gone out and might return late.

The disparity in salaries was unearthed by The SOWETAN some weeks ago, shortly after the council's town clerk, Mr Sarel van Rensburg, had said the council's black employees had poor qualifications and could not be paid the same salaries as their white colleagues.

Mr van Rensburg is alleged to have said this at a white colleague's farewell function. The remark angered the majority of the black staff.



# New turn in pay row

By MANDLA NDLAZI

THINGS are beginning to move in the Diepmeadow Town Council after The SOWETAN exposed the disparity in the council's black and white workers salaries.

355  
And yesterday, Mr David Mabalane, the council's acting town clerk, said one of the senior officials "jumped the gun" in his endeavours to increase the salaries of some of the black employees.

SOWETAN  
Mr Mabalane said the official sent out a document recommending that the salaries of five of the council's 11

secretaries be increased.

He said the document went to departmental heads. 21/8/85

The official suggested that the matter be put on the agenda for this month's full council meeting.

Mr Mabalane said he asked the official to withdraw the recommendation and his proposals because the matter was already being investigated.

The shake-up follows a SOWETAN investigation, shortly after the alleged remarks by Mr van Rensburg that the council's black employees did not have the qualifications to get the same salaries as their white colleagues.

# Agreement reached ~~on~~ on pay rise for brewery workers

Mercury Reporter

THE Natalia Development Board and the Sweet, Food and Allied Workers' Union yesterday reached an agreement whereby more than 1 000 workers at the Congella brewery and its outlets will receive substantial wage increases.

The agreement was reached after protracted negotiations between the chief director of the board, Mr Hennie du Plessis, and Mr Chris Albertyn, an attorney representing the union, at an Industrial Court hearing in Durban.

Although Mr du Plessis had accepted the agreement, the Court decided not to make an order until the Government's attitude to the wage adjustments had been obtained.

It was later agreed that Mr du Plessis should fly to Pretoria to discuss the new salary scales with senior Government officials.

21/8/65

The wage dispute, which started in March last year, led to a compulsory arbitration between the union and the board.

The Union demand an increase to basic earnings and an across-the-board increase for workers on personal scales.

MODCUTY  
Demands for wage increases were made in April last year after the workers failed to get an increase at the beginning of the year.



# KFC denies 'starvation wages' allegation

Mercury Reporter

ALLEGATIONS in a Sunday newspaper that the KwaZulu Finance and Investment Corporation was paying Expo site workers 'starvation wages' have been rejected by the KFC.

A spokesman for the KFC said a small proportion of the workers building the traditional bee hive hut at the Expo site were among people who were otherwise employed in Ulundi as part of an unemployment relief project.

In Ulundi the unemployment relief workers get R2,24 a day. In May they would have earned R60,48.

According to weekend reports the workers were getting R3 a day in Durban. The Mercury established the lowest paid worker was getting R13,39 per day.

'They came to Durban on June 25, worked one week for us and got paid R81,54 for that week,' the spokesman said. 'This represented the monthly salary in Ulundi plus 40 percent for one week's work,' he said.

During their stay in Durban the workers were accommodated at the Butterworth Hotel where they got free dinner.

## Bed and supper

They did not get breakfast or lunch of their own choice, the spokesman said. 'They wanted to have cash to buy food during the day, so from June 25 to 30 they were given an extra R4 a day for lunch.'

'For working one week in June they earned R105,54 — and this excludes their bed and supper which cost the KFC R105 a person for that week,' said the spokesman.

In July the workers were paid R84 as a basic rate, plus R4 a day for food, equalling R208. 'It cost us R465 a person for their part-board and lodging at the Butterworth for that month,' said the spokesman.

'We had 18 people staying there during July and it cost us R8 370.'

He said that in August the workers would earn R329, and that this excluded their lodging and dinner. This was made up of a double weeks' wage for the week August 5 to 9 as they had been asked to complete the initial structure by the Friday.

'They also got a R100 bonus because they were finished by Thursday afternoon,' the spokesman explained.

## Another bonus

He said the top earner would earn R661,50 in August, made up of basic, plus the double weeks' wage, plus the R100 bonus, plus the R124 in lunch allowance. He would have earned R175,50 in Ulundi.

At the end of the month the structure would be finished and they would get another bonus, said the spokesman.

'They would have earned R181,44 for three months in Ulundi. We have paid them R642,54 for two months and one week, excluding their lodging and dinner.'

He said the lodging and dinner, which included a television set in their rooms and en suite bathrooms, had cost the KFC R730 a person for a 48-day period.

'We have supplied the women with uniforms; shirts, shoes, raincoats, overalls, jerseys, tights and socks at a cost of R175,91 a woman.'

'And this excludes transport, refreshments, medical aid, and full laundry — personal clothes as well. This adds up to R1 548,45 a woman for a 48-day period,' said the spokesman.

He said the scheme was designed to draw attention to the development needs of KwaZulu. In doing so it provided jobs for hundreds of people and in addition injected fair amounts of capital into the rural areas through the purchase of materials.

# Workers demand 25% rise

Labour Reporter

DEMANDS for a 25 percent across the board wage increase have been made by Western Cape Development Board workers.

The demands were among grievances raised at a meeting of the Western Cape Development Board Workers' Union attended by about 1 200 members in Guguletu last night. The union has about 2 000 members in all categories of employees.

The board has 30 days to respond to the wage demand.

In another wage-related issue members rejected the one third cut in annual bonuses decided on by the board and called for the full bonus to be paid when due in November.

They said workers with the Western Cape Development Board were the lowest paid development board employees in the country.

Workers also called for an increase in the long-service bonus. Workers also called for a revision of the board's pension scheme.

355



# Anglo makes new mine wage offer

Transvaal Bureau — JOHANNESBURG — In addition to the increases of between 14.1 and 19.6 per cent which the Anglo American, the largest of the mining chamber paid out to houses, has broken black miners at the be-ranks with the rest of the beginning of July this year. Chamber of Mines in The union has decided offering new wage in to neither recommend to creases to avert a large its members that it scale strike by the accept or reject the re-National Union of Mine-vised offer which was workers (NUM). placed before it at a

The union announced marathon meeting which yesterday it had post-ended in the early hours poned the strike, due to of yesterday morning. start on Sunday, for a The offer by Anglo, week while it reports the which employs about 80 revised offer to its mem-per cent of the union's bers. **DISPATCH** membership, affects

The chamber, with the workers on its gold and exception of one mining coal mines and amounts house, Gencor, is offer- to increases of between ing an increase of 10 per 17 and 22 per cent in cent to the annual holi- response to the union's day leave allowance, but demand of 22 per cent no improvements in across-the-board basic wages. **23:05:65**

Mr Johan Liebenberg, the industrial relations adviser to the chamber, told a press conference yesterday that the "con-ciliatory" move by the chamber represented a new development. One other mining house, Rand Mines, is, like Anglo, offering additional increases of R4 across-the-board to workers at its collieries. The new offers are in

# Violent strike warning

JOHANNESBURG —

South Africa's most powerful black union warned yesterday that crisis meetings of its members at vital gold and coal mines were likely to lead to a potentially violent strike on September 1.

The National Union of Mineworkers (NUM) last week suspended plans for 230 000 miners to strike yesterday after a last-minute pay offer. But it said yesterday that mine owners were trying to split the union.

## DISPATCH

Emergency meetings to decide on the offer began on Thursday and will continue until tomorrow.

26:08:85

The Chamber of Mines employers' group said on Thursday that mining companies had split into three groups to avert a strike.

Anglo American Corporation upped its pay offer while General Mining and Union Corporation stuck at 14.1 to 19.6 per cent rises. The NUM is seeking an across-the-board 22 per cent increase. — Sapa-RNS



# Strike will affect 7 mines

JOHANNESBURG — The National Union of Mineworkers will recommend the acceptance of revised wage deals at about 20 gold and coal mines but has decided to call a strike on Sunday at seven mines where wage offers were rejected.

After a meeting the Chamber of Mines last night, the NUM said more than 60 000 mineworkers would strike at the following mines:

Anglo Vaal's Hartebeesfontein (18 000 workers), Gold Fields' Kloof (14 000), East Driefontein (13 000), West Driefontein (13 000), Gencor's Marievale (1 200), Matla Coal (2 000) and Transvaal Navigation Colliery (1 500).

The chamber said that after a lengthy period of negotiation in which all avenues of conciliation were pursued, it hoped that as far as the vast majority of the union's membership was concerned the dispute would now be resolved.

However, the NUM has warned that should the mines affected by the strike decide to take action against union members, the entire membership of the union in all mines would take solidarity action "because Gold Fields, Gencor and Anglo Vaal have now become enemies of all mineworkers".

The Chamber of Mines implemented increases ranging from 14% to 19% on July 1. The union was demanding a 22% across the board increase.

Gencor refused to improve on chamber rates, while Anglo Vaal and Gold Fields were prepared to offer only an additional 10% increase in the holiday leave allowance.

Rand Mines and Anglo American will probably escape the strike on about 20 mines. These mining houses employ 86% of the union's paid up members on gold mines and 77% on collieries and would have been the worst affected by strike action.

Rand Mines has brought its wage offer into line with that of Anglo American by offering a further 2.8% on top of the implemented chamber rate and, in addition, the two companies will grant a 10% increase in the holiday leave allowance.

JCI has agreed to bring its offer into line with Anglo American and Rand Mines even though it does not recognise the NUM on any of its mines.

The NUM's negotiating committee said it would be prepared to recommend to members that the offers made by Anglo American, Rand Mines and JCI be accepted and said the companies would be informed of members' reaction tomorrow.

# NUM thumbs up for new pay deal

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fering a further 2.8 per cent on top of the implemented Chamber rate and, in addition, the two companies will grant a 10 per cent increase in the holiday leave allowance. 30:08:85

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The NUM's negotiating committee said it would be prepared to recommend to members that the offers made by Anglo, Rand Mines and JCI be accepted and said the companies would be informed of members' reaction today.

Mr Anton Lombard, industrial relations adviser to Gold Fields, said the company took note of the NUM's intention to strike, but said: "We are still convinced that our employees are happy with the increases they received."

Anglo Vaal declined to comment and Gencor were unavailable for comment yesterday. — Sapa



# Chicken factory closes after workers strike

Dispatch Reporter throughout that time had EAST LONDON — The built up a fine record of Panmure Chickens fac- co-operation with its tory near Mdantsane people.

"This is borne out by the fact that this period has been totally devoid of any form of industrial unrest or disagreement with the workforce.

In a statement released here yesterday, the company's general manager, Mr Leon Schonknecht, said:

"The nature of industrial action taken has forced the company temporarily to cease operations and we will be re-commencing shortly.

"During the recent unrest some of our workforce have been pressured from outside to take industrial action.

"The company deeply regrets that many of our longstanding and faithful employees have become victims of circumstances beyond their control," Mr Schonknecht said.

Mr Schonknecht said Panmure Chickens had operated in Ciskei for the past nine years and

"Our factory was recently awarded a five-star National Occupational Safety Association award which establishes it as a leading company in the Ciskei in terms of health, welfare and the safety of its employees," he said.

Mr Schonknecht said the company carried out a continual improvement programme and was constantly endeavouring to further better conditions of employment.

"Mr Samson Mtyukatya (the chairman of the workers' committee) has been in our employ for approximately five months and the published statements in the Daily Dispatch on Thursday are irresponsible and bordering on the

ridiculous," he said.

Mr Schonknecht said the company's management had attempted to hold negotiations with the workers' committee, but the committee had "abandoned" them.

The work stoppage at the factory on Thursday — the second one this week — occurred after a seven-man committee, elected by the workers, failed in attempts to negotiate with management for better working conditions and wages.

Following a work stoppage on Monday the company's management had advised workers to elect a committee to voice their grievances.

Mr Mtyukatya said the workers' main grievances were: fair treatment on the shop floor, pay of R2 an hour for all workers, that the company register its workers, proper times for clocking in and knocking off, and recognition of the workers' committee.

He claimed that white staff at the factory insulted the workers and the only day workers were given off during the year was Christmas Day. He said they did not receive leave pay, sick leave, notice pay or maternity pay.

He alleged women workers were paid between R15 and R20 a week and men between R25 and R29,50 a week, the same wage scale as when Ciskei became independent in 1981.

Mr Mtyukatya also claimed that R7 was deducted from a worker's pay if the worker had to consult the company doctor.

He said workers who had been employed at the factory for more than 10 years were still unregistered and were regarded as casual labourers.

Mr Schonknecht declined to comment on Mr Mtyukatya's allegations.



# Miners to start strike tomorrow

DISPATCH 31.08.85

JOHANNESBURG — Strikes on seven gold and coal mines will start at 8pm tomorrow night, the National Union of Mineworkers (NUM), said in a statement today.

The strikers had been issued with rules on keeping the strike peaceful, but NUM said activities by the affected mines were "similar to an army preparing for a total warfare".

The statement said: "Our union seriously warns mine managements that should they take any form of action against our members that the wrath of our entire membership will be unleashed."

The mines affected are those owned by Gencor, Gold Fields and Anglovaal.

The statement continued: "As the hour of the strike

draws nearer our union has observed that the mines to be affected by the strike are going through activities that are very similar to an army preparing for total warfare.

"Reports of mine managements' intimidation are rife on all those mines and are taking the following patterns:

"Caspis are continuously patrolling the hostels.

"Fences have been erected around the hostels, leaving one exit facing the shaft.

"Management is distributing pamphlets telling workers that they will be dismissed as soon as they are on strike.

"Teargas, rubber bullets, live bullets and shotguns have been purchased in great quantities.

"Workers have been told that if they strike they will be forced to work at gunpoint." — Sapa



A section of the crowd of about 25 000 mourners who gathered in the Zipuzana Stadium in East London for the funeral service today for 19 victims of the recent unrest in the area. The crowd started to fill the stadium early this morning with people coming from as far afield as Johannesburg and Durban. Men of the United Democratic Front (UDF), in khaki uniforms with black berets, acted as marshalls. The police were not in evidence at the stadium, although they and the SA Defence Force were present in large numbers in the nearby coloured townships.



# 5 mines hit by strike action

DISPATCH

Dispatch Bureau

JOHANNESBURG — Five mines run by Gencor were hit by strike action last night, but amid tight security, the National Union of Mineworkers' proposed strike at Anglovaal and Gold Fields did not materialise.

Clashes between workers and mine police left seven workers injured at Gencor's Beatrix gold mine in the Free State and at Gold Fields' Kloof mine near Carletonville.

The night staff at three Gencor collieries — Transvaal Navigation Collieries, Koornfontein and Blinkpan — did not work last night and two gold mines — Beatrix and Marievale — were also hit by the strike.

At a third Gencor gold mine, Stilfontein near Klerksdorp, members of the strike committee were arrested.

At the four biggest mines where the proposed strike action was to take place — Gold Fields East and West Driefontein, Kloof near Carletonville and Anglovaal's Hartbeesfontein near Klerksdorp — the night shift reported for duty.

Management spokesmen said workers had proceeded to work as normal, but a NUM spokesman said workers had been told they would be fired if they went on strike and were intimidated the presence of mine police.

Many of the compounds were sealed off by mine police and the NUM's incoming telephone line stopped working at 3 pm, cutting the union's contact with much of its membership.

The NUM called the strike over the wage increases offered by the three mining houses after they settled with Anglo American and Rand Mines — who were offering higher increases — yesterday.



**G**ALVENDALE, a coloured suburb of Port Elizabeth, is a long way from the plushness of Durban's Royal Hotel where delegates to the Progressive Federal Party's biennial federal congress met late last week.

But an incident at a Galvendale canvassing table on Saturday quietly illustrated the implications of the PFP's decision-in-principle to participate in the other houses of the tricameral Parliament.

In the wake of the scrapping of the Prohibition of Political Interference Act, that was the hot potato. Debate had raged through Friday on whether to field candidates for the Houses of Representatives and Delegates.

The party's left preferred that the party go in only when it was sure it had substantial support in the coloured and Indian communities.

To risk percentage polls at the level seen in the first elections to these houses would be political suicide, it was argued. To participate at all in structures, the creation of which had created enormous anger in the black communities, would destroy what credibility the party had with them.

Leader Frederik van Zyl Slabbert had opened the congress on the theme of options for change: repression (by government), revolution (by violence), or reform (through peaceful negotiation).

He said the PFP was in Parliament already, it had rejected the tricameral constitution in 1983 but opted to work within it; it remained committed to constitutional reform. Participation in the other two houses was a means, not an end, and the PFP would be mindful of the strong political cross-currents in the black communities.

Slabbert's charisma and crushing logic arouse a bright-eyed fervour among most of his supporters. As he speaks, they watch him avidly. They clap hard, rapidly and loudly. He addresses controversy not by defending his view or attacking those of others. Rather, he dissects an issue, goes back to first principles, and occasionally displays a flash of vulnerability.

There was perhaps one minute when the issue might have been in doubt. But, after a timeous intervention by Slabbert, congress followed him by an overwhelming majority.

The following day, in Galvendale,

# Slabbert wins the day with help from SAP

*355*  
*2/9/85*  
*B. Day*

*Political Correspondent PAUL BELL reports on last week's biennial congress of the PFP in Durban.*



● SLABBERT

two PFP canvassers working in the political backyard of Labour Party leader and Cabinet Minister Allan Hendrickse, were busy signing up coloured members when, according to reports received at the Royal, they were arrested and questioned by police.

**T**hey were released after about half an hour and when they returned to their table, they found a crowd of up to 1 000 people. Early reports to the Royal indicated that 150 signed up.

Time was when the arrests would have aroused genuine anger among party members. Now, they are quietly satisfied; "political" arrest means credibility in black communities.

And that's just what the PFP needs as it makes its first tentative probes into the coloured and Indian communities — many of which are UDF strongholds — to test support for electoral bids in the Houses of Representatives and Delegates.

As Slabbert — for whom the decision taken by Congress was a great, personal victory — said: "We have political work to do in these communities."

This year Slabbert has led the party, which was struggling to re-establish itself after the the Nationalists' 2:1 referendum victory, back to the centre of opposition initiatives for peaceful change.

His razor-like judgment has not led

him astray so far; he will not allow the party to blunder into the coloured and Indian communities.

Inkatha supports the decision. Chief Mangosuthu Gatscha Buthelezi was meeting the European troika in Pretoria so he could not make it to the Royal. Instead, he was represented by a nine-man delegation led by secretary-general Oscar Dhlomo, but it is understood that he had already backed Slabbert's strategy.

The key, however, is the UDF, which has already warned the PFP to stay away from coloureds and Indians.

The PFP has a two-pronged strategy in its drive for support of the politics of negotiation. One prong is in Parliament; the other is outside it, and Slabbert's instrument here will be the Convention Alliance he announced late last month. It may also provide him with an opening to better relations with the UDF.

It is understood that the party has held high-level talks with UDF leaders on the Alliance. Their initial reaction, while non-committal, is not unfavourable.

**T**alks with a wide range of political, religious and business leaders are continuing, and supporters of the initiative could be made known before it is officially launched on September 21.

The conscription issue was the oth-

Showing superb political timing, Slabbert proposed the resolution go to the PFP Economic Commission. It was accepted unanimously, thus saving Schwarz a possible defeat.

er major focus of conflict at congress. PFP youth members were determined to persuade congress to endorse a call that conscription be ended immediately. The SADF, which had "invaded" 20 townships in 11 months, was a military extension of Nationalist oppression, it was causing polarisation and hatred in black townships, and many servicemen faced a terrifying moral dilemma. Delegates were misty-eyed as an Eastern Cape youth member described a letter from a cousin in the army, a boy who could not live with what he was being ordered to do. Slabbert said he would continue to press for an end to conscription as a matter of urgency, and he wanted an expanded voluntary army. He recognised the emotions, but had to propose an alternative to the SADF. More than that, he told congress, the SADF may finally be prepared to pay proper attention to what he has been saying for several years on this subject. Slabbert's opposition to conscription is defined by the role he sees for the SADF in a society undergoing change. An army is necessary, but compulsory racial conscription poses the danger of militarily pitting one community against another, thereby endangering constitutional reform. The youth objection to conscription, Slabbert told congress, was based on "stopping the wrong army getting the guns and the soldiers" and thereby contributing to revolutionary change. His objection was based on promoting constitutional reform. He pulled it off again. With a substantial majority, again. The PFP may leak some of its youth members, but a flood is most unlikely. One other issue flared briefly. Finance spokesman Harry Schwarz made a strong plea for congress to endorse a minimum wage. Schwarz, militarily hawkish but economically decidedly dove-ish and an avowed social democrat, found his resolution running into flak from the business lobby. Delegates condemned minimum wages for pricing labour beyond the marketability of those with the lowest earning potential, thereby keeping them out of the economy.



# Mine strikers warned of dismissal

DISPATCH

03/09/85

Dispatch Bureau

JOHANNESBURG — About 20 000 workers on strike at six of the country's gold and coal mines in support of wage increases have been warned they face dismissal.

Spokesmen for Gencor, which runs five of the mines, and Gold Fields said they had warned workers that if they continued their strike they would be in

breach of their contract and were liable to be fired.

The National Union of Mineworkers (NUM) is recognised at three of the striking mines — three of which are gold mines and three collieries.

The striking mines are Gencor's Marievale and Beatrix gold mines, Matla, Transvaal Navigation Colliery and Blinkpan coal mines, and Gold

Fields' Deelkraal gold mine.

According to management figures, the total number on strike are 15 000, while the union said last night that according to their estimates 28 000 were out on strike.

By late yesterday several workers had been fired, a number injured by rubber bullets and sjambokking and the NUM said 83 shaft

stewards and strike committee members had been arrested.

With claims of intimidation from both sides, incidents of unrest and industrial action were reported from a total of seven Gencor mines, three Gold Fields mines and an Anglovaal mine.

At Gencor's Unisell gold mine, the union said one worker had been fired for wearing a

strike T-shirt, but a company spokesman said the worker had been fired for handing out pamphlets backing the strike.

Meanwhile, a United Democratic Front spokesman said last night they were preparing for solidarity action, both material and political, "should the mine bosses continue on their present violent course or dismiss workers."

Outlook dismal for 1986

# Salary increases lagging badly behind inflation

B. Day  
4/9/85

THE GAP between salary increases and inflation is at its widest in 15 years and the situation is not expected to improve next year, says a staff survey released yesterday.

"Better standards of living for all race groups are going to be hard to attain in the next few years," says the 1985 survey by the remuneration division of P-E Corporate Services. "Even maintaining the status quo is going to be hard."

The survey, compiled from data supplied by more than 1 000 organisations, employing 1.2-million staff of all race groups, shows the overall percentage increase in basic salary levels between July 1, 1984 and July 1, 1985 was 10.8%.

The consumer price index (CPI) increased by 16.4% in the same period — a lag of 5.6%.

Jane Ashburner, manager of the division, warns that employees looking to next year for an improvement will be sadly disappointed.

The survey says 86% of companies are predicting increases next year of below 12.5%. Last year only 72% predicted increases below 12.5%.

The actual percentage increases granted are traditionally 2% below those predicted by companies.

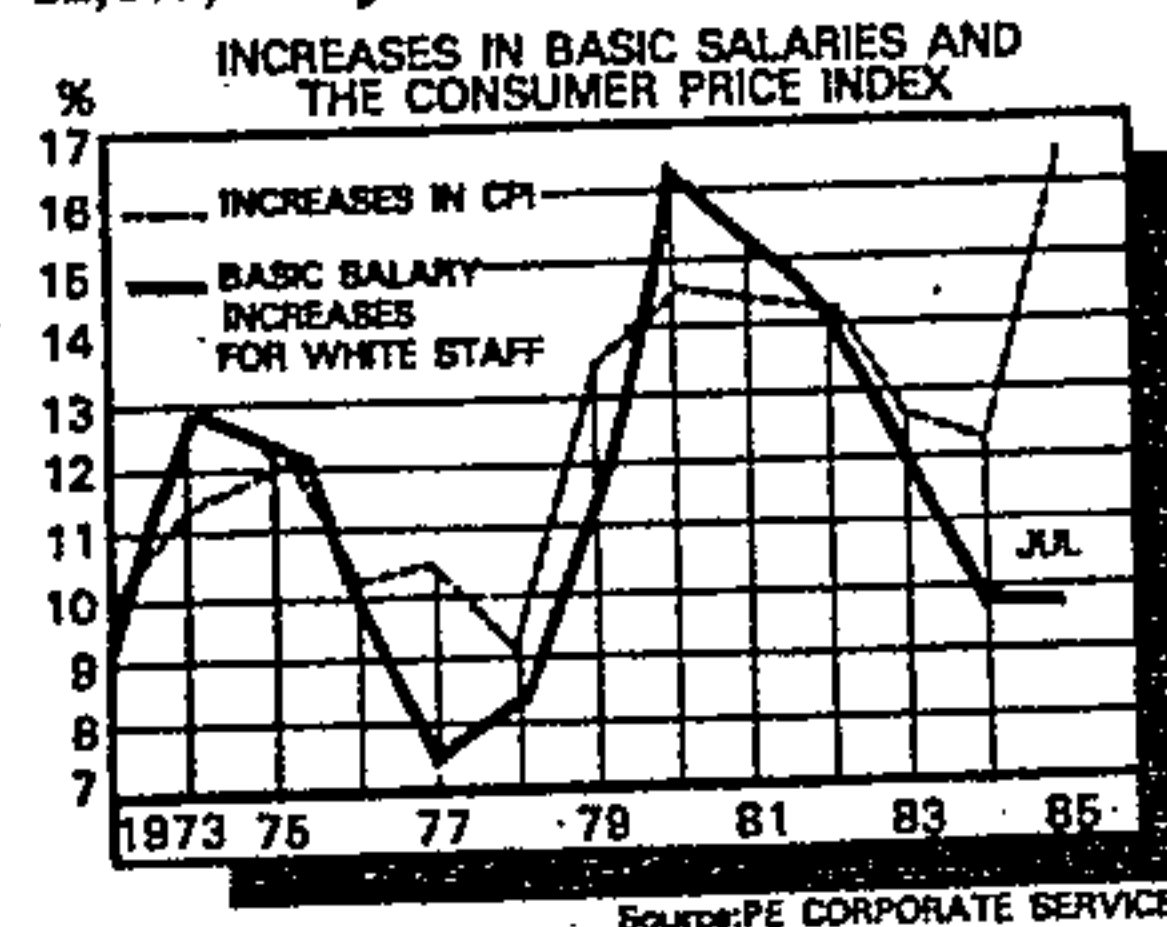
"Unless there are definite signs of an upswing next year, increased strike action may be expected."

LAWRENCE BEDFORD

This is the third year in a row that salary and wage rises have lagged behind the inflation rate, but it is the first time in more than 15 years that the difference has been so marked.

P-E's survey shows whites once again got the lowest increase at 9.9%.

Compared with last year, when white pay moved by 10%, against a CPI of 12.4%, this year's 9.9% increase, against



a CPI of 16.4%, means there has been a negative increase in real terms.

Blacks got the highest increase at 12.3%, which, although slightly higher than last year's 11.6%, remains well below the inflation rate.

Asians received a slightly higher increase than last year's 10.3% with an average of 10.7% this year.

Coloureds dropped 1.2% from last year's 11.5% to this year's 10.3%.



# Double wage demanded by striking sugar mill drivers

Labour Reporter

THE strike by about 180 sugar mill workers at Illovo on the Natal South Coast continued yesterday as representatives of the workers and the management were still locked in negotiations last night.

Mr A G Lee, general manager of Sugar Transport Services, told The Natal Mercury that the drivers at the mill's transport depot had gone on

strike on Wednesday night after demanding a 100 percent increase in pay.

The management at the depot was presented with an unsigned note demanding the doubling of wages and requesting an answer by 4 p m on Wednesday, he said.

'In spite of repeated efforts, we were unable to contact the union and during the afternoon and

the evening discussions were held between representatives of the management and the staff.

'The staff representatives were advised that they were bound by the procedural and recognition agreement and they were acting outside it,' he said.

Sweet, Food and Allied Workers' Union officials could not be reached for comment last night.

## MANPOWER MIRROR

# Pie in the sky 20% pay rise demands

PUBLIC servants have as much chance of winning 20% salary increases in January as the State President has of making it two in a row for South African winners of the Nobel Peace Prize.

Some trade unions — one being the Federal Council of Sats Trade Unions — want a 25% pay increase.

They must be using the age-old ploy of asking for much more than you know management will offer.

### Rumours

Johan de Beer, chairman of the Commission for Administration, has squashed talk that State workers could be in line for hefty increases.

Dr de Beer told me that reports about union demands were merely rumours. He had not received any official increase demands three weeks ago and the reports were circulating at least six weeks ago.

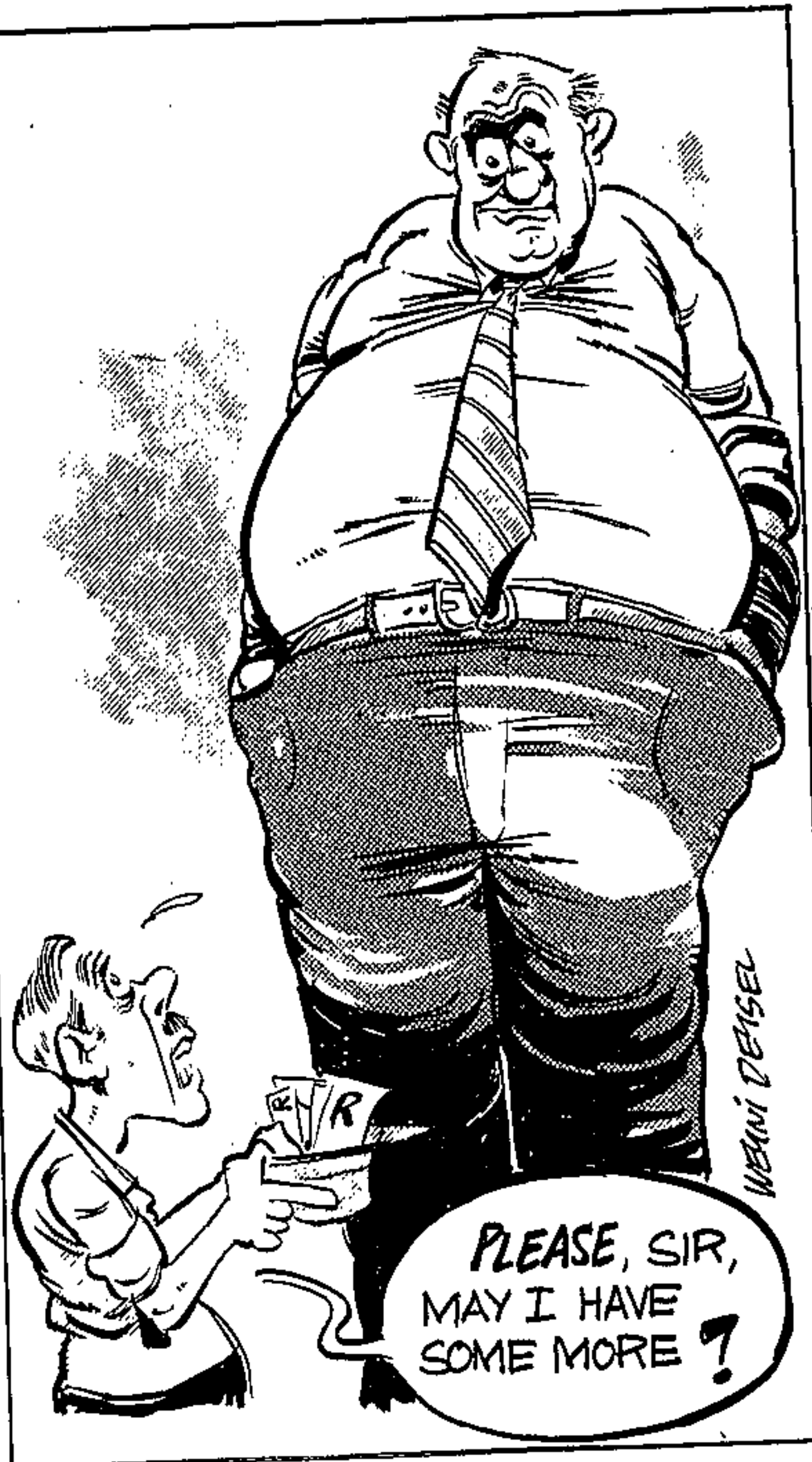
Although the main concern of the Commission for Administration is the personnel affairs of the 250 000-strong public service, it acts as an adviser and co-ordinator on salaries for other Government employers.

If there are increases for State employees in January or April next year, they are likely to be similar to those in the private sector — well below inflation and under 10%.

### Profits

Some cynical private-sector pay boffins were saying last month that strike-threatening black miners were far more entitled to pay increases than State workers, profits being the main difference between the two sectors.

With the rand price of gold touching new highs, the mines are doing exceptionally well — much to the chagrin of black miners.



Public servants do not work for profit-making bosses and a value cannot be placed on much of their work.

On August 16 the rand price of gold jumped from R735 an ounce to R807, indicative of the profits mining companies are making this year.

But the Government has a framework in which to work: the Budget. It cannot easily add to its salary bill, which already accounts for about 25% of its income.

According to figures from

Central Statistical Services, the total paid out in salaries and wages to people employed by central Government, the four provinces and municipalities — almost 920 000 workers — topped R8,5-billion last year.

### Responsible

It is no rumour that about 40% of white employees work directly or indirectly for the State. Percentages for other race groups are also pretty high.

In April last year, they all received an across the board

12% increase. Workers in specific job categories received more as part of an occupational differentiation programme.

The programme was designed to put certain public-sector officials on a par with similarly qualified and responsible people in the private sector.

The Civil Servants Association insists that the programme constantly review the pay packages of its members in comparison with the private sector.

Although April 1984 was the last general pay rise for public servants, they have not missed much.

Most employees in commerce and industry received between 5% and 8% in January, only a lucky few got 10% and some had to mark time on their 1984 salaries.

### Christmas

The much-publicised cutting of public service Christmas bonuses meets with little sympathy in private enterprise where 13th cheques are often related to performance and profits.

This year, thousands of employees of small and large firms will receive smaller bonuses than last year — and some will get nothing.

So many people are employed by the Government that even a token increase would cost an enormous amount at a time when it can least be afforded.

If Bart Grove, general manager of South African Transport Services, granted Sats workers a 10% increase — less than half of what their unions are asking — the cost would be about R250-million.

If all those working directly or indirectly for the Government were granted a 10% increase in January, the annualised cost would be about R800-million.

In these times, no matter for whom one works, it is perhaps wise to be thankful for a job.



panies going bankrupt and prevent the concomitant loss of jobs this would involve. These companies are under tremendous pressure to move stock at present.

"It does give the consumer a greater opportunity to raise the deposit for these goods, but they are so embattled at present it is unlikely to have a major effect. In addition, these goods are more or less considered as basic necessities these days. It will, however, bring into the market people that weren't there before."

The monetary authorities consider HP transactions as a measure through which they can control the money supply and economists believe they don't, as yet, want to give a signal to the market that spending curbs can be lifted.

Says Reekie: "I don't believe at this stage the government wants to open the door to consumers to indulge in another spending spree."

There is one other element to the story. Says Volkskas economist, Adam Jacobs: "The only way this move won't lead to higher expenditure is if it is clearly not a green light. But as yet, the severity of the current situa-



Reekie

tion has not been explained to the individual consumer. There will have to be a drop in living standards in this country, which people must begin to accept."

The latest figures from the banks show, however, that the overall demand for credit has dropped and personal savings are up. Whether this will continue, say economists, depends on the inflation rate being kept under control.

According to the latest BA9 returns covering the period to the end of June, total loans made on HP and leases amounted to R16 156m compared with R16 277m at the end of the first quarter. This decline of R121m, although not large, is significant since it is the first drop in bank HP-lease advances in eight years.

The overall HP-lease figures are still vastly greater than a year ago. HP outstandings at R10,5 billion are 16% up on the June figure a year ago and represent 65% of the HP-lease total.

The personal savings ratio, on the other hand, climbed four percentage points from a seasonally-adjusted ratio of 4,6% in the first quarter to between 8% and 9% between April and June this year.

## MORE EXECUTIVE STRAINS

For the third year running, executive pay increases have failed to match or beat inflation, according to PE Corporate Services' 1985 Top Executive Salary Survey.

The survey finds that pay packages have been adjusted to reflect the introduction of perks tax on March 1, with many companies reviewing their car and housing schemes for tax-efficiency. The survey, based on data from 490 SA organisations and 5 000 executives, found that:

□ The average basic increase for all executives for the year to July 1 1985 was 12,3% against a consumer price index of 16,4% over the same period;

□ The last time executives enjoyed a salary increase in real terms was in 1982;

□ Of all companies surveyed, only 18% have official company policies to compensate their executives in some form or another for loss of income since introduction of perks tax. Of these companies, 62% said they would compensate with additional cash, and 37% with additional non-cash benefits;

□ Some 83% of companies had reviewed their motor car policies in the light of perks tax; 23% had restructured the policies and 29% indicated this would be done within the next year;

□ Fewer companies, 71%, had examined their housing policies in the light of perks tax, and 23% had changed their schemes

to achieve greater tax effectiveness;

□ Average salary increases for the year notched an increase of 12,3%, but total cash salary increased by only 10,1%;

□ A greater percentage of the cash element of the executive remuneration package is dependent on factors such as profits or increased turnover. This trend is increasing in SA, putting a greater percentage of the executive's remuneration "at risk;"

□ Statistics suggest that non-cash benefits given to executives are declining. This indicates that in the light of the new perks tax, companies are starting to reject perks as a means of compensation, although significant savings can still be made within the defined limits and exemptions prescribed by law;

□ The financial executive received the highest individual increase of 15,7% against the average 12,3%, while the lowest increase of 10,8% went to the personnel executive;

□ Overall executive turnover is at a low of 13%.

The main reason for this appears to be the tight economic situation, with turnover comprising mostly retrenchment and overseas relocation; and

□ Given that an economic upturn will ensue in 1986, the effects will probably filter through to executive remuneration only in 1987.

## Financial Mail

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For further information please phone

**RALPH HEAP**  
on (011) 710-2474  
or

**SHEILA GILLESPIE**  
on (011) 710-2488

SOUTH AFRICA would have to produce itself out of the economic mire "that we have been in for too long", Finance Minister Barend du Plessis said in Johannesburg last night.

At the presentation of the National Productivity Award, Du Plessis said the prime solution to the South African dilemma lay in enhanced productivity.

He said excess demand and lack of productivity unleashed further inflationary pressures — a problem which was still the weak link in the economy.

Government's reaction had been to introduce the austerity measures

which had begun paying dividends. "We simply had to break the cycle of excess demand in the economy. Pursued over the longer term, however, the measures were bound to cause hardship."

Du Plessis said economic growth would have to come mainly from an increase in the export of manufactured goods or imports substitution. It was difficult, he stressed, to gen-

erate profits by merely raising prices. To export, the right product had to be provided at the right time and price in the right place.

To achieve this, every effort would have to be aimed at raising productivity.

Competitiveness, which was determined by productivity, was all-important.

A fact which had to be faced about the productivity dilemma was that the responsibility for productivity

improvement rested with management and nowhere else.

"If we compete successfully, we will generate wealth, economic growth and job opportunities."

Du Plessis said there was a tendency to ignore the relationship between the rate of growth in wages and the weight of growth in productivity.

The bigger the gap, the bigger the cost-push element of inflation.

He appealed to everyone dealing with wage demands to exercise con-

straint and to introduce productivity into the bargaining process.

Du Plessis said the economy had been at a low level for a long time and a spirit of despair had begun to show.

A low conjuncture phase meant unemployment. This had led to aggressive discontent with economic conditions and with the "existing system".

Expression of discontent led naturally to unrest, which, in turn, had a negative impact on the economy.

BUSINESS DAY, Friday, September 6 1985

# Barend: Productivity Key Solution for SA



## Printers get wage increase

Mercury  
Finance Editor

PRINTERS will get a wage increase next January of between five and ten percent. This was decided at talks in Durban between the S.A. Typographical Union and employers.

The rises are: R17,50 a week for Grade 1 employees, R12 for Grade 2 and 3 and R10 for Grade 4 in urban areas and R8 in rural areas. The agreement has been reduced to one year instead of the usual three-year term.

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7/9/85

13. Day 12/9/85  
**Faint praise**

Dear Sir, (355) ~~CONFIDENTIAL~~  
THE REPORT on the PFP Congress (*Business Day*, September 2) not only contains a complete mis-statement but also mis-interpretation of the actual events. For the record, the following is what actually transpired:

A motion was placed on the paper in respect of minimum wages, which followed verbatim the existing policy of the PFP as adopted by a Federal Congress. I spoke to that motion, as did others, and some of the speakers indicated that they had views which differed from the resolution which affirmed the existing party policy.

In view of the shortage of time at the congress and other important issues which still had to be debated, I handed a note to the chairman in which I suggested that the PFP Economic Commission, of which I am the chairman, should prepare a "Position Paper" on the issue and that members of the party who had views on minimum wages would be given the opportunity of making representations to the commission.

The chairman, Colin Eglin, read out this suggestion and said to the audience that it had been made by me and that this would be a way of shortening the debate on the issue. I accordingly proposed a resolution to that effect, which was unanimously accepted. Your statement — reading as follows: "Showing superb political timing, Slabbert proposed the resolution to go to the PFP Economic Commission. It was accepted unanimously, thus saving Schwarz a possible defeat" — contains clear, patent inaccuracies.

● Slabbert did not propose the resolution to go to the PFP Economic Commission. On the contrary, he never said one word in the debate on this issue;

● Your remark that I was saved from a possible defeat comes a little strangely when the proposal was made by me;

● You fail to state that in fact the resolution proposed by me was merely an affirmation in the exact words of existing PFP policy;

● The writer of the article, if he was present, obviously did not appreciate the mood of the Congress in regard to this issue.

I welcome your praising Slabbert, but it would help if you would praise him on the correct issues and where he actually participated in the debate. It would be interesting to know the origin of the writer's information, as I assume he could not have been present when the events occurred, as I am sure that he would not deliberately write inaccurately.

HARRY SCHWARZ, MP

● A sub-editing error incorrectly identified Schwarz as Slabbert. *Business Day* regrets the error.



# Riches to rags for SA executives

375 S. Times 15/9/85

By Ciaran Ryan

**SOUTH** African executives, who in 1981 had the greatest buying power in the world, are now worse off than their counterparts in most Western nations, says a survey by P-E Corporate Services.

The manager of remuneration at P-E, Jane Ashburner, says: "A high inflation rate, punitive tax and the perks tax have eroded the buying power of South African executives."

Managing directors of large manufacturing companies in the United States have more than four times the disposable incomes of their South African counterparts, says the survey.

## Shock

The table shows the relative buying power of managing directors in several parts of the world. Disposable income refers to money left over after essential living expenses.

But South African executives thinking of "gapping" it to Australia are in for a shock — Australian managing directors in large manufacturing companies have 20% less disposable income than their SA counterparts.

SA managing directors are better off than those in Belgium and the United Kingdom, but worse off than those in France, the Netherlands and West Germany.

The rand's buying power — based on an index of 100 — is slightly better than that of the Australian dollar and the French franc, each of which has an index of 104.

Countries with a lower cost of living than SA are Belgium, with an index of 88, West Germany at 85 and the Netherlands at 88.

## Inflation

The United States, with an index of 117, and the United Kingdom with 112, are more expensive than SA.

SA has the highest inflation rate — 16.4% — of all the countries compared.

Marketing directors are better off in the United States than anywhere else. A marketing director there has 3½ times the disposable income of his SA counterpart. A West German marketing director has 2½ times his SA counterpart's disposable income.

UK marketing directors are worst off with only a tenth of the disposable income of those in SA. Australians earn 10% less than South Africans in this job category and Belgians 40% less.

Managing director of a large manufacturing company							
	Australia	Belgium	France	West Germany	Netherlands	United Kingdom	USA South Africa
1978.....		80	120	130	60	45	205 100
1979.....		70	100	115	50	75	185 100
1980.....		60	110	110	55	55	155 100
1981.....		50	80	90	40	65	135 100
1982.....		40	80	50	50	65	200 100
1983.....		60	130	140	70	40	140 100
1984.....		60	140	160	80	60	320 100
1985.....	80	90	220	240	110	70	420 100

Relative buying power of executives around the world. All figures are reduced to indices for purposes of comparison with SA which has an index of 100.

# Increases widen gap, says Azapo

## NURSE PAY <sup>16/9/85</sup> SCALLED <sup>SOWETA</sup> ATTACKED

THE Azanian People's Organisation has called for the total elimination of the differential salary structure for nurses of all racial groups.

Dr Abu-Baker Asvat, head of Azapo's health secretariat, was reacting to an announcement last week by the Minister of Health, Dr Willie van Niekerk, that black nurses and paramedics would benefit most from interim non-pensionable allowances.

The Minister said black nurses' pay would improve by 25 percent and those of white nurses between 9,3 and 11 percent.

### Money

He said he regretted there was not enough money to close the gap between black staff and white, Indian and coloured workers.

He said as soon as more money was available, increasing black salaries to the level of other groups would receive priority.

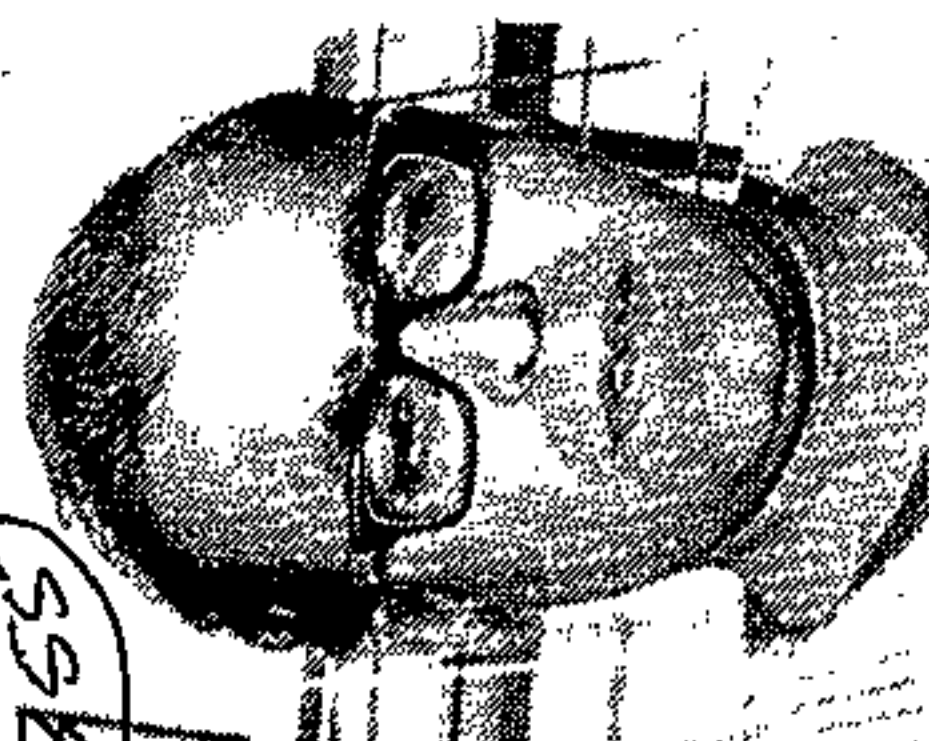
He said although a feeble attempt has been made to narrow the gap, the percentage increase was deceiving because it widened the gap instead of narrowing it.

### Blow

"What we should have is a total elimination of the differential salary structure and replaced by one that is applicable to all.

"Furthermore, student nurses have been dealt a severe blow. I disagree with the Minister that they do not render a service because they only receive practical training.

Dr Asvat told The SOWETAN the latest increases showed that apartheid is alive and well.



DR ABU-BAKER ASVAT, increase is deceiving





Workers relax on the grass in front of the Bosal Africa plant in Uitenhage today awaiting confirmation that they will be receiving their pension contribution payouts. About 120 employees of the motor component company have been on a "sit-down strike" since Friday.





! Africa plant in Uitenhage today awaiting confirmation that they layouts. About 120 employees of the motor component company a "sit-down strike" since Friday.

# 120 at U'hage plant on strike

By WENDY FRAENKEL

ABOUT 120 employees from the Bosal Africa plant in Uitenhage have been on a "sit-down strike" since Friday, demanding that they be paid out their total pension contributions.

According to a shop steward for the National Allied Automobile Workers Union (Naawu), Mr Wellington Sayoma, all the workers from the plant would only return to work once certain documents which would make the pay-out official, were signed.

He said the reason the men wanted the money was that they were unable to make ends meet because of the recession, lay-offs and short-time.

The workers also said that they needed money for housing. The company did not make funds available for housing.

Most of the workers who are on strike have been with the company for between 15 and 20 years.

Mr Sayoma said management had agreed on September 4 to pay out these contributions in a month's time.

However, the chairman of Bosal Africa, Mr Karel Boss, who is at present in Belgium, rejected the idea.

According to a letter to the employees from the director and general manager of Bosal in Uitenhage, Mr Les Hall, it was indicated that because the pension fund was a worldwide one the chairman was not prepared to see South Africa as an exception.

According to the letter the chairman did, however, recognise the severity of the economic situation in Uitenhage and was prepared to make special loans available to employees.

Employees who had been with the firm for two years or more could be given a loan equal to their pension contributions.

Mr Hall was unable to comment to the Evening Post today as he was involved in negotiations with trade union officials and shop stewards. The Uitenhage branch of Naawu were also unable to comment.

A notice to all employees from Mr Hall reads:

"It has been requested that everyone return to work. It requires that everyone be back at work at 1.30pm on Tuesday, September 17, in terms of their conditions of employment. Should they ignore this notice it would be a breach of their conditions and their services with the company might be terminated."



355 R. Day  
18/9/85

# Public-sector workers fear token increases

PUBLIC-sector workers fear government plans only token pay increases, at the start of the new financial year next April, which will take no account of inflation and the eroded purchasing power of earnings.

Their fears could be confirmed next week when Minister for Administration and Economic Advisory Services, Eli Louw, addresses the annual meeting of the Public Servants' Association (PSA).

Demands for adequate increases and for the restoration of the full service bonus — hacked by a third this year — will be made by PSA branch representatives from the

GERALD REILLY

four provinces.

Nearly a million central government and provincial workers, railway and Post Office employees last had an increase, of 12%, on January 4.

According to Central Statistical Services, the public sector salary and wage bill adds up to about R10bn a year — almost a third of the national budget.

Even a 10% increase next year, it is pointed out, would cost taxpayers R1bn which, in the case of Sats and the Post Office, would be recovered from higher tariffs.

# Shops staff face pay cut

D. E. Post  
21/09/85

355



Weekend Post Reporters

**SHOP workers in several Eastern Cape towns and cities face having their hours and thus their wages slashed in the wake of a Government decision to allow this in East London and Queenstown as the consumer boycott continues.**  
Port Elizabeth and Uitenhage will seek permission to implement similar steps.

Mr TONY GILSON



Chamber of Commerce in East London, Mr Jock Allison, said the chamber had applied for relief in early August.

"When a business has no turnover, there is no profit and wages cannot be paid. Then there is only one thing to do, and that is lay off staff," he said.

"Putting staff on short time was a way of avoiding having to retrench them, he added.

He conceded, however, that it was also a way of putting pressure on the black community to end the boycott.

The chairman of the retail committee of the East London Chamber of Commerce, Mr Harold Winearls, said yesterday the Government had agreed to defer payment by shopkeepers of general sales tax and provisional tax.

"We have also applied to the Government for some bridging finance but have not received a reply yet," he said.

"In addition, we have written to the Administrator for permission to defer payment of rates."

An official of the Department of Manpower confirmed yesterday that the East London Chamber of Commerce, like that in Queenstown, had been granted a dispensation allowing shops to make the cuts.

Mr Tony Gilson, Director of the Port Elizabeth Chamber of Commerce, said today that his organisation was in the process of "clearing the way" for members to take similar action to that in East London and Queenstown.

Mr Gilson said the move also applied to members of the Uitenhage Chamber of Commerce.

Mr Stephen Birt, president of the Grahamstown Chamber of Commerce, who has been involved in extensive talks with boycott leaders, said he hoped it would not be necessary to take similar action in the city, or even discuss it.

He felt the boycott could be resolved by different means.

The Queenstown chamber has been given permission to cut employees' wages and hours by up to 80%. The first cut, by 20%, will be made next week.

A statement issued jointly by business bodies in Queenstown said cuts would be implemented stage by stage until wages were down to 20% of normal after five weeks.

Wages would go down to 80% next week, dropping to 60% the following week and then to 50%, 35% and finally 20% if the boycott continued.

The Department of Manpower official explained that wage determinations in various sectors laid down that a worker could not be paid less than two-thirds of his normal wage.

Exemptions to these provisions had now been granted to members of the East London and Queenstown chambers in the commercial, distributive, catering and meat trades.

Businesses which were not members of the chambers, or which fell outside these sectors, would have to apply individually if they wanted a similar exemption.

The secretary of the

Mr Winearls confirmed that the Government had agreed to retailers putting their workers on to a shorter working week. "Some shopkeepers will now put their workers on a three or four-day week," he said. "This boycott is also going to cost a lot of workers their jobs. At the last count about 250 people had been dismissed by small businesses in the East London area.

"This is all unfortunate, but shopkeepers have to find ways of getting through the boycott."

"For instance, some take-away shops are sending out staff with trays to surrounding offices. Businesses will have to adapt to new circumstances."

The Queenstown statement made a special appeal to residents of Mlungisi and Ezibeleni townships to "do everything in their power to stop the consumer boycott before financial ruination befalls the community with resultant mass unemployment, poverty and hunger."



# 'Highest paid blacks'

VAAL Triangle residents could afford increased rents because they were the highest paid blacks in the country, the town clerk of Lekoa said in the Pretoria Supreme Court yesterday.

Giving evidence before Mr Acting Justice W J Human and two as-

sessors, Mr Nikolaas Prinsloo Louw told the court that residents there were not against the concept of Black Local Authorities but that they were demanding representation at government level.

He was testifying in a case involving eight Sharpeville residents

who are alleged to have murdered a town councillor, Mr Khuzwayo Jacob Dlamini, on September 3 last year.

The eight are Mr Mojalefa Reginald Sefatsa (30), Mr Reid Malebo Mokoena (22), Mr Oupa Moses Biniso (30), Ms Teresa Ramashamola (24), Mr Mot-

seki Christiaan Moko-bong (23), Mr Motsisi Gideon Mokone (21), Mr Duma Joshua Khumalo (26) and Mr Francis Dawn Mokgetsi (28).

They are facing another charge of subversion and alternative charges of malicious damage to property and arson. They have all pleaded not guilty to the charges.

According to the charge sheet, a group of people allegedly set Mr Dlamini's car alight, stoned his house and took possession of a firearm he used to defend himself. He was stoned during the incident and later thrown into a burning vehicle. He died as a result.

## In your SOWETAN tomorrow

- Tomorrow we focus on the National Convention Alliance that was formed last weekend. How effective can it be in changing the tide of events in the country?

- To learn what the labour situation is like and the activities of trade unions you need to read our Workers' Diary. It is indispensable.

- You could find that you are the lucky winner of the popular Chicken Licken Soccerpot when we publish the results tomorrow.

- Of course you can't afford to miss our boxing column, Punch. Not when we were treated to such fine boxing this weekend. Be sure to buy your copy for it and lots, lots more in your SOWETAN tomorrow.



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for

## Minimum wages for domestic workers

SADWA's Johannesburg branch will issue a pamphlet in October with revised recommended minimum wages for domestic workers.

These include:

- Full-time living-in relatively unskilled workers: R143 a month for an eight-hour day. With special skills, R156 a month for an eight-hour day.
- Living-out semi-skilled workers should receive R150 a month. With special skills, R200 a month for an eight-hour day.

In addition, living-in workers should get three meals a day, and living-out workers two meals plus transport costs.

It is recommended that employers pay into a pension scheme for their domestic workers.

Off duty for both living-in and living-out workers: domestic workers should not be required to work at all on their days off.

The domestic worker should receive one day off a week and one or two en-

tire weekends off from Friday afternoon to Sunday evening each month.

In the week where she has the weekend off, the domestic worker would forfeit her day off during the week. Domestic workers should receive three weeks fully paid leave a year.

Living quarters: A room with adequate ventilation, burglar proofing, a lock on the door, heater, a comfortable bed with a mattress, a wardrobe, chest of drawers, at least two chairs and a table.

● Daily casual workers: R13,20 a day plus transport expenses and two meals. R6,50 for half day plus breakfast and transport costs.

Overtime pay: R4 an hour.

Last year there were more than 800 000 registered domestic workers, although the actual number is thought to be far higher.

To get SADWA's new minimum wage pamphlet write to SADWA at Room 24, Tudor Mansions, 78 Troye Street, Johannesburg or telephone (011) 23-0667.

355

STAR

25/9/85



# Business Day

THE NATIONAL NEWSPAPER FOR DECISION MAKERS

## 1% rise would push State pay bill past R10bn

Louw



● LOUW

A SALARY increase of 1% for government workers would push up the salary bill by R10bn to more than R10bn, Eli Louw, the Minister for Administration and Economic Advisory Services, said in Pretoria yesterday. He was addressing the annual meeting of the Public Servants' Association after its president, Colin Cameron, had called for a double-digit increase in April. Cameron also called for the restoration of State workers' full bonus, which was cut by a third this year.

Pretoria Bureau

Louw said about 800 000 officials were paid fully or partly by the State.

If the service bonus, employers' contribution to pension funds and the allowance for annual notch increases were taken into account, the State's salary bill was more than R10bn.

"Personnel expenditure must simply be contained within affordable limits," he said.

Louw said the Commission for Administra-

tion had launched a programme that would lead to privatisation of certain functions.

Privatisation, he said, "should bring us closer to a public service of optimal size and efficiency". It would also lead to a more rational division of work between the private and public sectors.

Cameron said private-sector salaries had increased by 12% in the past year and it was forecast a further 12% would be granted in the next 12 months.

Further disparity or backlog in government

workers' pay could not be tolerated, he said. The buying power of State employees had dropped by between 20% and 25% since the last increase in January, 1984.

The PSA had no objection to the principle of privatisation provided it were carried out in an orderly and responsible manner, Cameron said.

The greatest care would have to be taken to ensure monopolies did not arise or that contracting out did not become a ready mechanism to channel funds into private pockets.

Pressure for public service increases now 'intense'

# Sats and PO workers want 20%-plus rises

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**PRESSURE** on the Cabinet to make a positive announcement about pay increases for public-sector workers next year has become intense, according to Pretoria sources.

This week, after a meeting of its executive in Johannesburg, the 24 000-strong Artisans' Staff Association sent a telegram to Minister of Transport Affairs, Hendrik Schoeman, demanding an urgent interim pay rise.

Post Office staff associations have also lodged a claim with the Postmaster-General for a pay rise, which would amount to an increase in excess of 20%.

## Pretoria Bureau

Last month ASA president Jimmy Zurich — also chairman of the Federal Council of Sats Staff Associations — headed a council delegation to Schoeman and submitted a claim for a 25% rise next year on behalf of all 11 railway unions.

This was rejected by Schoeman. Zurich said unions appreciated the desperate financial situation of the Railways, but said that the situations of its workers was as desperate. Revenue from both exports and imports was down, and it looked as if Schoeman's forecast of a Sats loss of R400m for the 1985/86 financial year would be

proved correct. Schoeman's 235 000 workers were costing more than R2bn a year.

This week Public Servants' Association president Colin Cameron demanded a double-digit pay rise for government workers.

The sources pointed out the public sector — Sats, Post Office, government and provincial departments — including teachers and nurses — would be lumped together, and given the same "moderate" pay adjustments.

Sats and the Post Office would recover the amount spent on increases by raising tariffs and fuelling inflation, it was stated.

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# Wage

rise

09/10/85

date

E. POST

dispute



Post Reporter

THE National Allied and Automobile Workers' Union (Naawu) and Samcor have gone to arbitration over the date of the implementation of wage increases.

The regional secretary of Naawu, Mr Les Ketteldas, said the union wanted across-the-board wage increases at Samcor (Ford) to be in line with wage increases granted at General Motors and Volkswagen.

Workers at the other motor manufacturers were granted wage increases on August 1. Samcor's wage increases were scheduled for November 1. The union wants these backdated to August 1.

Mr Ketteldas said another matter that would be discussed was that of people involved in the plant closure.

Some had been put on early retirement without having received separation allowances in terms of the Industrial Council Agreement.

Thursday, October 3, 1985

# No pay for clothing

Labour Reporter

MORE than 40 000 employees in the clothing industry have been warned that they would not be paid if they stayed away or took time off from work to attend prayer services on October 9, called by the National Initiative for Reconciliation.

Mr Richard Savage, chairman of the Natal Clothing Manufacturers' Association, told the Mercury yesterday that the call by church leaders for workers to take time off was 'absolutely ridiculous'.

If workers were to heed the call it will cause massive disruption in the industry. Anybody staying away or taking time off from work to attend prayer services on October 9 will not be paid for the hours absent from

work,' he said.

One of South Africa's largest banks, Barclays National Bank, has announced that it is to close its branches countrywide between 12 30 p m and 2 p m on October 9 to allow its staff to observe the day of prayer.

In a communication to its staff this week, Barclays said many religious leaders from major church denominations throughout South Africa had called for a period of repentance, fasting and prayer.

Dr H A Fabian, Standard Bank's general manager (personnel), said members of the bank's staff who wished to attend the prayer would be allowed time off.

The call, backed by Nobel Prize winner Bishop Desmond Tutu, was made at a national convention for re-

3/10/85

## workers

conciliation whose 400 delegates, including church leaders and business people, met earlier this month to discuss South Africa's political crisis.

Mr Murphy Morobe, acting publicity secretary of the United Democratic Front, said in a statement issued in Johannesburg yesterday that while the UDF supported the church's call for a national day of prayer, the organisation would not call a stayaway from work by UDF members.

Mr Michael Cassidy, chairman of the National Initiative for Reconciliation, could not be reached for comment yesterday, but his administrative assistant, Mr Nellis du Preez, said the call to Christians to observe the day of prayer entirely at their own free will and

conviction.

No pressure or force was being brought to bear on them, but the NIR had asked employers to consider sympathetically requests by their employees for time off to attend prayer services on October 9.

Asked why they had chosen October 9 as national day of prayer and not October 10, which is a public holiday, or the following Sunday, he said the date for observing the day of prayer was debated extensively by the church leaders at the Pietermaritzburg meeting.

'The reason we chose a weekday and not a Sunday was to create an impact. If we were to hold it on a public holiday it would have been business as usual,' he added.

# who pray



## Mawu clinches pay increase

The Metal and Allied Workers' Union (Mawu) and British-owned company Fry's Metal have reached a wage agreement lifting the minimum rate for union members from R1.90 to R2.10 an hour.

The union's Transvaal secretary, Mr Moses Mayekiso, said that in terms of the agreement, workers would get a further across-the-board rise of 17c/h. An attendance and travelling bonus averaging 10c would be incorporated into the hourly rates.

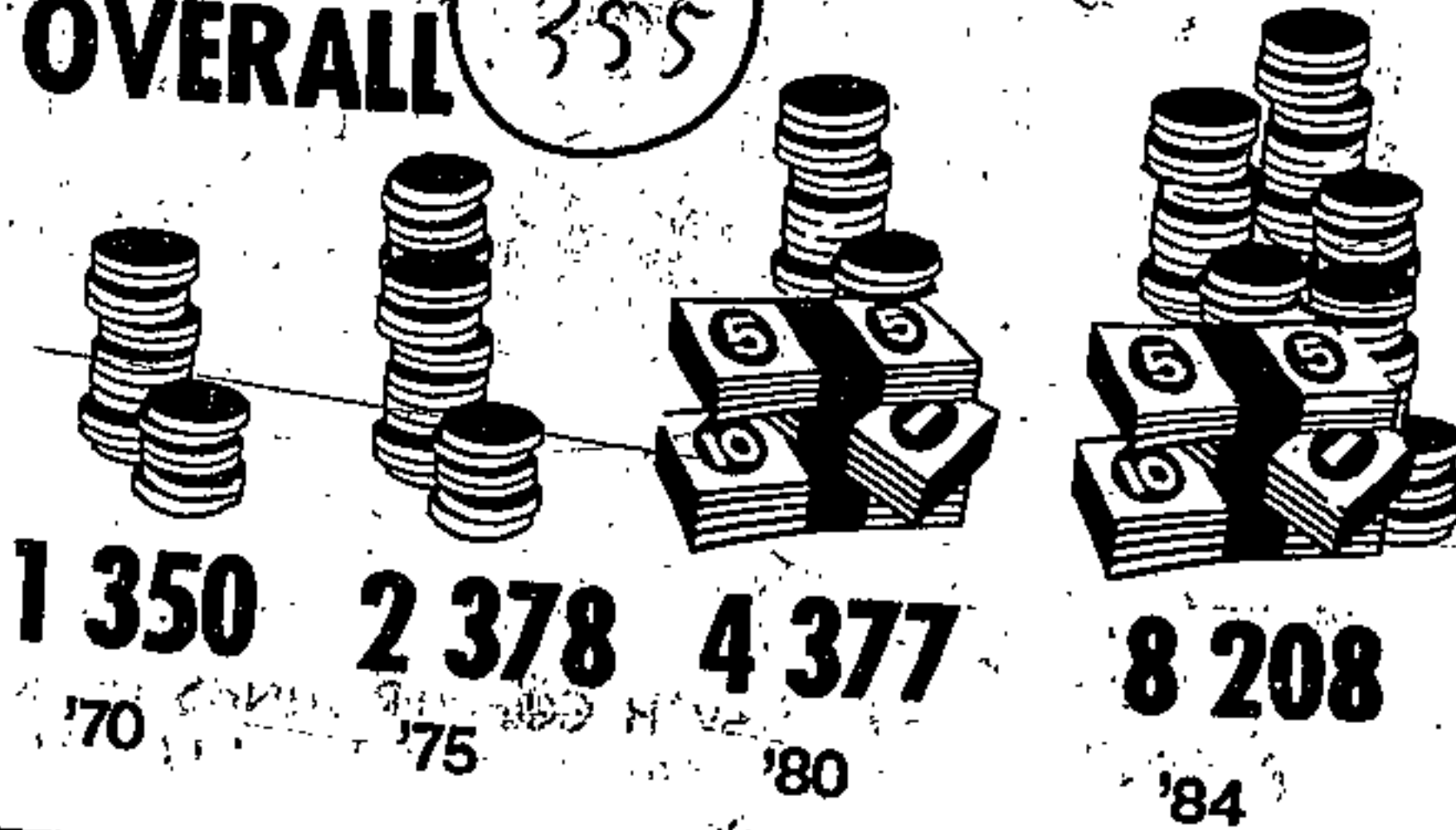
STAR 4/10/55

355

# STAR HOW WAGES FARED 7/10/85

	1970	1975	1980	1984
WHITES	3 252	5 400	9 204	16 836
COLOURED	936	1 740	3 048	5 928
ASIANS	1 044	2 040	4 032	8 316
BLACKS	480	1 092	2 268	4 356

OVERALL 355





# R70 a month 'fair' wage says consul

Mercury Reporter

THE Italian consul in Durban is paying his maid R63 less than the minimum 'fair' wage suggested by the South African Domestic Workers' Association.

Mrs Virginia Monqo, who supports three children and has worked for the consul for three years, earns R70 a month after a R5 increase in July.

The national organiser of the association, Mrs Mary Mkhwanazi, said she should be earning at least R133 a month for a 48-hour week with three meals a day and accommodation included.

Mrs Monqo works a 65-hour week.

But the consul, Mr L Sembiante, is adamant that Mrs Monqo is 'one of the family' and earns a fair wage.

'She lives here and eats our food as well as getting free medical assistance,' said Mr Sembiante, who lives on the Berea.

'Although we only pay her R70 what she actually gets amounts to about R200.'

The Mercury was told of Mrs Monqo's plight by a concerned Umbilo businessman who said he was 'surprised at the Italian consul'.

He referred to a visit to South Africa by a three-man fact-finding delega-

tion from the EEC

'How can a country like Italy investigate the internal problems here when one of their own diplomats pays a local worker this kind of money?' he asked.

And Mrs Mkhwanazi said the wage Mrs Monqo was earning was a 'disgrace'.

'You would think somebody who is in a diplomatic position would set a better example,' Mrs Mkhwanazi said.

## Excessive

Mr Sembiante said domestic workers who demanded 'excessive' salaries faced being fired and then they would have no income at all.

'I couldn't possibly afford to pay my maid R133 a month as well as giving her food and accommodation — I'm not Oppenheimer,' he said.

A spokesman for the Italian Ambassador in Pretoria, Mr G Ivancich, said the ambassador could not comment 'on private matters'.

The South African Domestic Workers' Association has been fighting since 1982 for labour legislation for domestic workers and farm labourers. At present there is no provision in the Labour Relations Act on wage controls for domestic workers and farm workers.

# Consuls

## Mercury Reporter

10/10/85

# keep minimum on wages

### Mercury Reporter

THE South African public had a right to know what foreign diplomats were paying their domestic servants, a PFP spokesman said yesterday.

Mr Peter Gastrow, PFP MP for Durban Central, was reacting to an investigation conducted by the Mercury into what members of Durban's diplomatic corps paid their domestic workers.

Most of the consuls approached by the Mercury yesterday were reluctant to disclose what they paid their domestics.

In fact they said the wages were a private matter which the media had no right to query.

The consuls were

approached after it was revealed that the Italian Consul in Durban, Mr L Sembianti, paid his maid R70 a month — R63 less than the minimum 'living' wage suggested by the South African Domestic Workers' Association.

After the report appeared Mr Sembianti said he had raised his maid's wage by R20.

'I suppose the contractual relationship between employer and employee is not something which the public should stick its nose into,' said Mr Gastrow.

On the other hand, however, he said employers who were satisfied they were paying a reasonable wage should have no reason to withhold the

details of such wages from the public.

'This would apply more so to diplomats of foreign States. Part of their function is to stick their noses into employer/employee relationships in South Africa,' Mr Gastrow said.

'South Africans are therefore entitled to know whether those representatives are pulling their weight in that regard.'

### 'Unforgivable'

The Austrian Consul, Mr Walter Wellisch, said: 'The article on Mr Sembianti was a gross invasion of privacy and I see no reason for any newspaper to make investigations against an individual.'

'It is an unforgivable transgression and I would sue the reporter who entered my premises to make this kind of investigation.'

Mr Wellisch said however that he could not comment on the 'rights and wrongs' of what Mr Sembianti paid his maid.

The Finland/Norway Consul, Mr Ernst Larsen, said that he 'disagreed that the issue should have been made public'.

'It is disgusting and a bloody cheek,' he said.

The United Kingdom consul, Mr Simon Davey, referred all questions to the Press officer of the British Embassy in Pretoria, Mr Martin Griffiths.

Mr Griffiths said he had no comment to make on

Mr Sembianti and what embassy staff paid their servants was 'up to them'.

'However, we do make guidelines of what our staff might like to a pay based on the workers' association's guidelines,' he said.

But he emphasised that this was only a guideline and not a firm rule.

### Sullivan Code

'I do not feel entitled to talk about the salary which a third person receives,' said the Federal Republic of German Consul, Mr W H Friedel.

'It is a matter between myself and my employees only.'

The Consul of Denmark/Thailand, Mr Georg Thygesen, said he

had subscribed to the Sullivan Code (which refers to fair wages and working conditions) since it was introduced.

'Every six months we report to the Foreign Minister regarding the wages of all our employees,' Mr Thygesen said.

And Portugal's Vice Consul, Countess Maria Jankovic-Vesan, said she was 'certainly paying a lot more than R70'.

'In fact I pay more than double that,' she said.

Meanwhile our Political Correspondent Ormande Pollok reports that South Africa's Ambassador in Rome, Mr Jim Steward, confirmed yesterday that his two domestics were paid the 'going rate' applicable to

embassies in the Italian capital city.

He did not want to reveal the actual amount paid as it was a personal matter involving the employees.

However, he said they both had contracts based on an official Italian Government contract which governed hours of work and pay.

Apart from this he paid a 'substantial' amount into a services organisation fund which covered the employees' medical aid and pension benefits.

His two workers also received board and lodging as well as uniforms and rotated on afternoon duties.

'We treat our people very well,' he said.



# A slave in a consul's home

355 C. Prev 13/10/85

DURBAN's Italian Consul pays his domestic worker R70 a month "because I'm no Oppenheimer", he says.

And surely Harry Oppenheimer wouldn't like to be compared to Consul Luciano Sembiente, who doesn't only underpay Virginia Monqo, but also makes her work a 65-hour week.

Mrs Monqo, sole supporter of three children, has been offered a R20 increase because of the expose of her wages.

But R90 still falls very short of the minimum R133 wage suggested by the SA Domestic Workers' Association.

And that R133 is for a 48-hour week, with three meals and accommodation.

Mr Sembiente said his domestic worker is given "free meals, free medical assistance and accommodation".

"In fact she is one of the

## CP Correspondent

family," he said.

He added: "Maids who make excessive demands for salaries face being sacked and having no money at all."

Mrs Monqo's salary caused a storm in Durban, with political figures slamming Mr Sembiente.

The Consul later announced he would give Mrs Monqo a R20 increase.

But, he added, the increase had been planned before the publicity broke.

And Mrs Monqo?

"I love my work," she said. "I don't want to leave."

She says she gets every Sunday off, and once a month she gets a long week-end to visit

her family in Transkei.

The family also pays her "extra money now and again".

★ The US Consul said they paid more than double the minimum rate, but declined to say how much. And other embassies also refused to divulge their rates, saying they had "strict guidelines".

## NEWSPLUS+

★ IKAGENG village council clerk Magubelo Vilane, who was allegedly shot several times by a council police constable, claims the council is victimising him.

Mr Vilane has criticised the council for failing to take action against the cop who shot him.

He spent two weeks in hospital, where he was operated on.

## NEWSPLUS+

★ A POPULAR Khutsong shebeener was this week robbed of his weekend's takings by five armed men.

Stanford "Amen" Monini, was in bed on Sunday at about 9.30 pm when the men, all armed with pistols, stormed his home and demanded a cash box. The robbers escaped with about R800.

APR 14/10/85 355

## '86 salary increases less than inflation rate, Barclays says

JOHANNESBURG. — Average wages and salaries will increase by between 10 and 12 percent next year, while inflation will average about 13 percent, says Barclays Bank in its economic review for October.

Short-term interest rates will continue dropping and the bank foresees that the prime overdraft rate will reach the 13-14 percent-level by the end of 1986.

Private consumption spending is likely to be sluggish in gathering momentum next year, not only because of uncertainty in the minds of consumers, but also, and perhaps more fundamentally, because real salaries and wages are likely to fall.

"Indications are that average wages and salaries will increase by between 10 and 12 percent next year, which against an expected average inflation rate of around 13 percent means a decline in the real spending power of individuals of between 1 and 3 percent.

"It also seems likely that public sector salaries and wages will increase by less than the cost of living next year, with the Government likely to continue to pursue a restrictive wages and price policy in the public sector."

Barclays predicts an increase in real private consumption expenditure of only 1 percent for 1986. Sapa.

## Daimler-Benz to acquire stake in AEG

STUTTGART. — Daimler-Benz, the West German group best known for Mercedes cars, has confirmed that it plans to buy a shareholding in the AEG electronics firm, and company sources said it aimed for control in the long term.

The takeover, a milestone in Daimler-Benz's strategy of acquiring high technology to secure its future, would create West Germany's biggest industrial conglomerate if approved by the country's anti-trust authority, the Federal Cartel Office.

In a statement, Daimler-Benz said the supervisory boards of both firms approved Daimler's plan at separate extraordinary meetings at the weekend, but it gave no further details.

A joint news conference is scheduled for today.

The cartel office said Daimler-Benz intended to buy more than 25 percent of AEG, saved from insolvency by a consortium of banks three years ago and now the country's third-largest electronics group. — Sapa-Reuter.



THE BOYCOTT by black consumers of non-black retailers in Port Elizabeth's CBD is now three months old. The impact has been devastating, with turnovers slashed by 80% and more, and scores of business — notably fast food outlets — now facing bankruptcy. The boycott committee came out of hiding after eight weeks to announce that it proposed extending the September 15 deadline until its demands had been met. Among them: the withdrawal of the SADF from the townships, an end to "mysterious disappearances" of township residents, that a ban on meetings be lifted and that the Black Local Authorities Act be scrapped.

Thus for those PE businesses catering principally for black consumers there is no immediate relief in sight, whereas business will continue booming for black retailers in the townships.

The boycott will undoubtedly further depress indicators measuring economic activity in the PE/Uitenhage complex.

In its latest Trends bulletin the University of Stellenbosch's Bureau for Economic Research shows that, for the period January 1984 to April this year, economic activity in PE/Uitenhage plunged by a job-sapping 26%.

By contrast the countrywide decline (in an indexed level of activity derived from consolidating seven major economic indicators) was 14,6%.

## Massive neglect

Such stark contrasts underlining the poor performance of the PE/Uitenhage economy are plentiful — despite the best efforts of National Party apologists during a November by-election last year to deny a massive neglect of the country's fifth metropolitan complex.

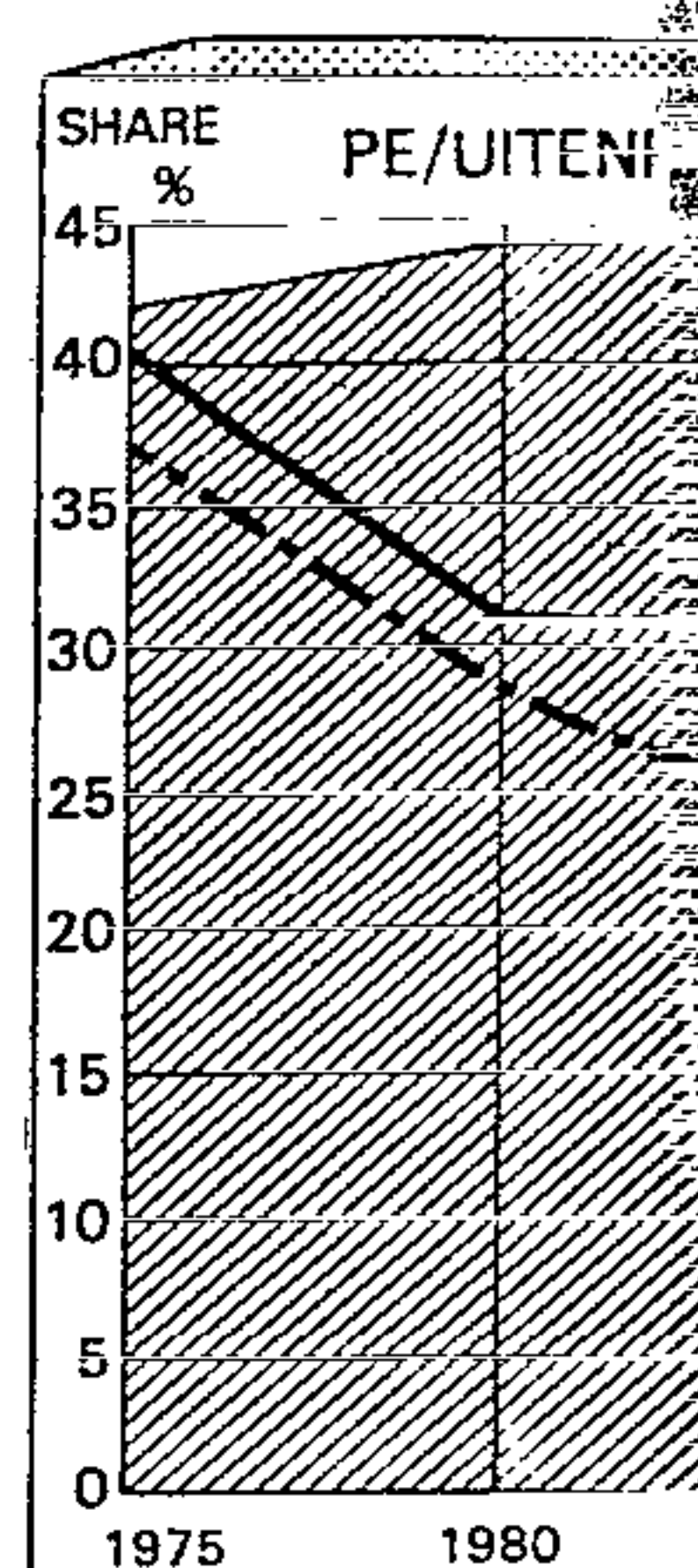
Gross taxable incomes earned by individuals in PE rose from R333,6m in 1976 to R529,6m in 1981 — an increase in the area's wage economy of 9,7% per annum over the five-year period.

By contrast, countrywide aggregate taxable incomes rose 10% per year over the same period, from R10 615m to R17 098m. Compared to PE's wage economy (boosted to R663,2m in 1981 if Uitenhage is also taken into account), the wage economies generated in each of the country's remaining metropolitan areas in 1981 was: Johannesburg — R2 528,6m; Cape Town — R1 409,3m; and Bloemfontein R292,5m.

Of deeper underlying significance, however, is the declining relative share of the cake enjoyed by wage earners in PE. Despite its categorisation as a metropolitan area, PE's

# How PE's economy nosedived

In this article, our special correspondent highlights how the present unrest has added to the decline of the PE/Uitenhage area



wage structure is losing ground not only against that of the Reef but in relation to the entire country (See Table 1).

Another perspective of the PE/Uitenhage economy is provided by contrasting the value of retail sales generated in the area with countrywide sales. Once again — "metropolitan" magnet notwithstanding — less than 4% of the country's retail bills were rung up to PE/Uitenhage shopkeepers' accounts.

This performance must be gauged against the magnitude of the population of the hinterland served by the complex. In the broader "Region D" (roughly synonymous with the Eastern Cape, Border, southern Transkei and Ciskei), the population was measured in the 1980 census at four-million, or 16% of the total RSA population. PE/Uitenhage's 727 580 urban dwellers represented 3% of the population.

An analysis by Central Statistical Services in Pretoria of SA's manufacturing sector showed the number of establishments throughout SA rose from 12 761 in 1972 to 17 126 in 1979. Asset growth averaged around 15,5% per annum, raising gross value of asset from R3 232,7m to R8 638,6m.

Once again PE's performance lagged that of the country by a wide margin. The number of establishments in PE/Uitenhage rose from 451 in 1972 to 541 in 1979 (annual average increase of 2,6%), raising the gross investments in assets by 9,7% per annum, from R167,6m to R320,5m (See Table 2).

Profits generated by the manufacturing

sector in the PE/Uitenhage complex from an estimated R69,5m in 1972 to R208 in 1979.

A perspective of the contribution made the motor industry in the area to the government's tax revenues (prior to the phased currently underway by Ford, which has merged with MMI, previously Amcar, Anglo-controlled Samcor), is provided by graph.

Perhaps the most sobering economic indicators from the area are those contained Table 4, which shows the comparative contribution by the PE magisterial district to GDP. This shows overall share of GDP declining from 4% in 1970 to 3,9% in 1972, and 3,6% in 1975.

## Stark picture

Since these somewhat dated figures produced by Central Statistical Service summary of the 1978 results was issued February this year), which showed that the overall share of the country's economic had declined further, to 3,4%.

Add to this the findings of University of economist Dr Charles Wait on building industry activities during the Seventies — stark picture of a stagnating — perhaps regressing — economy emerges.

Commissioned by building trade bodies in the area to report on the industry's performance and prospects, Wait painted a de-

TABLE 1

AVERAGE TAXABLE INCOMES  
(R/m)

Year	PE	Uit	PE as a % of Jhb	RSA
1977	423	396	76,8	83,3
1978	432	417	62,9	82,4
1979	468	457	64,6	83,0
1980	516	503	63,9	82,2
1981	595	599	63,6	80,2

TABLE 2

PE/Uit MANUFACTURING  
SECTOR

	'72	'76	'79
Establishments	451	544	541
Employment	68 441	75 524	69 574
Salaries (R000's)	114 381	206 729	265 204
Output/gross (do)	643 943	1 278 398	1 675 204
Output/net (do)	234 184	446 994	570 036
Value (do)	167 620	238 591	320 547

TABLE 3

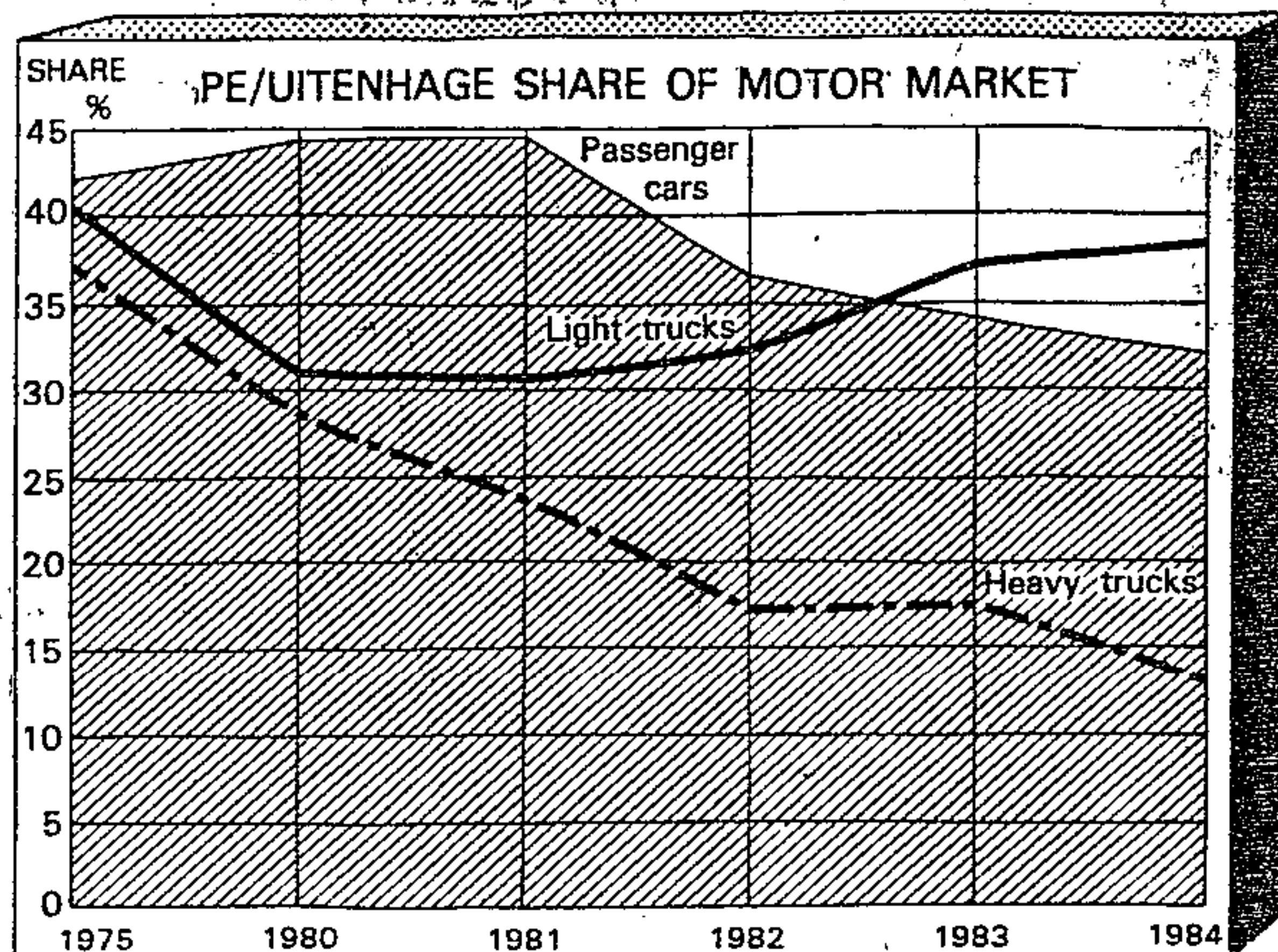
PE/Uit % SHARE OF RSA

	'72	'76	'79
Establishments	3,6	3,5	3,2
Employment	6,1	5,6	5,2
Salaries/wages	6,5	5,7	5,4
Output value/gross	7,0	6,3	5,6
Output value/net	6,2	5,7	5,1
Value of assets	5,2	3,8	3,7



# Low PE's economy nosedived

In this article, our special correspondent highlights how the present unrest added to the decline of the PE/Uitenhage area



structure is losing ground not only that of the Reef but in relation to the country (See Table 1).

Other perspective of the PE/Uitenhage area is provided by contrasting the value of retail sales generated in the area with nationwide sales. Once again — "metropolitan area notwithstanding — less than 4% of the country's retail bills were rung up to Uitenhage shopkeepers' accounts.

Performance must be gauged against the magnitude of the population of the hinterland served by the complex. In the broader "D" (roughly synonymous with the Cape, Border, southern Transkei and Natal), the population was measured in the 1976 census at four-million, or 16% of the RSA population. PE/Uitenhage's urban dwellers represented 3% of the population.

Analysis by Central Statistical Services of SA's manufacturing sector showed the number of establishments in the area rose from 12 761 in 1972 to 15 719 in 1979. Asset growth averaged around 10% per annum, raising gross value of assets from R3 232,7m to R8 638,6m.

Again PE's performance lagged that of the country by a wide margin. The number of establishments in PE/Uitenhage rose from 451 in 1972 to 541 in 1979 (annual average increase of 2,6%), raising the gross investments in assets by 9,7% per annum, from R6m to R320,5m (See Table 2).

Assets generated by the manufacturing

sector in the PE/Uitenhage complex rose from an estimated R69,5m in 1972 to R208,7m in 1979.

A perspective of the contribution made by the motor industry in the area to the government's tax revenues (prior to the phased exit currently underway by Ford, which has now merged with MMI, previously Amcar, in Anglo-controlled Samcor), is provided by the graph.

Perhaps the most sobering economic indicators from the area are those contained in Table 4, which shows the comparative contribution by the PE magisterial district to GDP. This shows overall share of GDP declining from 4% in 1970 to 3,9% in 1972, and 3,6% in 1975.

## Stark picture

Since these somewhat dated figures were produced by Central Statistical Services, a summary of the 1978 results was issued (in February this year), which showed that PE's overall share of the country's economic cake had declined further, to 3,4%.

Add to this the findings of University of PE economist Dr Charles Wait on building industry activities during the Seventies and a stark picture of a stagnating — perhaps even regressing — economy emerges.

Commissioned by building trade bodies in the area to report on the industry's performance and prospects, Wait painted a depress-

ing picture of the PE/Uitenhage economy:

□ Reflecting this downturn, employment of skilled tradesmen in the area nosedived. Total employment in the building industry in 1981 was down to 74% of the 1971 figure, while job levels among journeymen had declined to 73,1% of 1971 levels, among general employees to 72,4% and among apprentices and learners to 54,3%.

□ Real earnings earned by employees in the building industry in 1981 was down to 74% of their earnings in 1973.

□ The sale of building materials over the decade declined by 27%, with demand for bricks in 1980 at a poor 63,4% of that experienced in 1973, though concrete and quarry products and cement sales were marginally ahead.

Wait forecast that the area would attract only 1,4% of industrial property investment in the country between 1982 and 1987, and was highly critical of government's regional development strategy. "The manufacturing industry in PE/Uitenhage is more likely to suffer than to gain from the regional economic development scheme," commented Wait at the time of the report's release. That was in September 1983, and subsequent events have done little to alter his views, he says.

The decline in the local economy, argue industrialists and city councillors in PE, may be directly attributed to deliberate government policy.

TABLE 2

PE/Uit MANUFACTURING SECTOR			
	'72	'76	'79
Establishments	451	544	541
Assets	68 441	75 524	69 574
(R000's)	114 381	206 729	265 204
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PE/Uit % SHARE OF RSA			
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Salaries/wages	6,5	5,7	5,4
Output value/gross	7,0	6,3	5,6
Output value/net	6,2	5,7	5,1
Value of assets	5,2	3,8	3,7

TABLE 4

CONTRIBUTION TO NAT GDP PE MAGISTERIAL DISTRICT	
1970	4,0%
1972	3,9%
1975	3,6%
1978	3,4%



11/16/85 22/10/85

SALDRU

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CITY/NATIONAL

# Wages lag 'far behind' inflation

Labour Reporter

REAL wages for labourers and artisans are dropping and in 10 years artisan wages set by industrial councils have fallen by 16 percent, says the South African Labour and Development Research Unit (Saldru).

Labourers' wage levels set by industrial councils are at their lowest in three years while artisans covered by council agreements are at their lowest real level in more than 10 years, according to the labour unit's monitor of minimum wage measures for the third quarter of 1985.

From July to September the real value of minimum wages fell in the new wage clauses in 21 of the 23 Industrial Council agreements.

One agreement, from the building industry in Bloemfontein, reduced the minimum wage for labourers and two froze their wage levels.

## Lowest in 10 years

Artisans' wages continued their downward trend, standing at their lowest level in at least 10 years. Not one of the 12 council agreements under which wage changes were due in the third quarter of the year kept up with inflation.

Saldru says that new minimum wages for skilled workers in the iron and steel industry are "particularly poor". Half the 22 categories in the latest council agreement, covering 10 000 employers and 360 000 employees, stand at their lowest level in 10 years.

Wage determinations also reflected the downward trend.

A year since Saldru began to calculate a wage index for labourers under wage determinations, the average real wage is four percent down.

Artisans' wages have fallen by 11 percent.

Under Industrial Council agreements the median wage in the labourers' index was only 0,8 percent above the nominal value of wages in June 1985 and 13,1 percent above the median wage in September 1984.

The consumer price index (CPI) for August showed a 3,2 percent rise over the preceding three months and a rise of 16,4 percent over the preceding year.

"Labourers' minimum wages are thus lagging far behind the rate of inflation," says Saldru.

# Wages rise to woo office staff

Business Day Reporter

DESPITE fast-rising starting wages, skilled female office staff are tending to hold on to their present positions, according to Kelly Personnel's quarterly salary review.

The shortage of skilled personnel has seen starting wages in certain categories rise at above average rates for the quarter to end-September.

Executive secretaries, girl Fridays, receptionists/switchboard operators and bookkeepers are most in demand, and their wages have risen substantially over the last quarter.

Attempts to attract movement in these categories has seen starting wages increase between 3,5% and 4,8% in the third quarter.

This is in comparison to wage rises of 1,2% to 1,9% for less skilled jobs.

The increases for the six main job categories in the 12 months to September 30 were: executive secretaries, 5,1%; secretaries, 6,2%; copy typists, 2,9%; girl Fridays, 9,1%; receptionists/switchboard operators, 7,3% and bookkeepers, 10,2%.



**WE DEVELOP  
PROPERTY**

**DCF**

**WEEKEND  
Argus**

# Pay freeze looms for W Cape building workers

w/e ARGUS  
2/11/85

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**TOM HOOD**

BUILDING workers in the Western Cape are not to receive an end-of-year pay rise because of the depressed state of the industry.

Minimum wages rose by 24 percent last year, when business was booming.

Employers and the trade unions represented on the Western Province industrial council for the building industry have agreed to a pay standstill, to be reviewed in March if business conditions improve. Retrenchments have cut the workforce this year by between 15 and 20 percent, depending on trades.

But employers will foot the bill for higher contributions to medical aid, sick fund and pensions, says Mr Harry McCarthy, chairman of the industrial council.

This will amount to a 3,5 percent rise in labour costs, based on an additional 20c an hour for an artisan, which means take-home pay will stay the same.

"After many house of negotiation, the trade unions have accepted there is no possible way that building costs can be increased to meet additional wages," he said.

"We appreciate that social services must be improved and we will pay for that.

"Although unions wanted an increase, they have accepted that it would be ridiculous to insist on increases. Some em-

ployers, in fact, felt there should be decreases."

Higher medical aid contributions are equal to 10c an hour with pension contributions up by 8c.

Meanwhile, small building contractors in Cape Town are rebelling against the industrial council system on which, they say, they are not represented.

They claim to comprise 65 percent of employers and have formed the Small Builders Association. This body lodged a nine-page memorandum this week with the Department of Manpower, which is currently reviewing the role of industrial councils.

The chairman, Mr David Matthews, says the aim is to provide small building contractors with a representative body through which they could express their "profound dissatisfaction" with the industrial council system and try to do something about it.

Chief complaint of smaller contractors was the "grossly excessive" labour cost increases gazetted over the past five years.

"These have averaged 20 percent a year and have contributed directly to unemployment in the industry as well as to excessively high prices for customers."

Other complaints included excessive regulation, restriction on working hours, disregard for economic conditions and the proposed requirement that employers sign four-year

contracts with semi-skilled and unskilled workers, he said.

"The net result of these unjustified interferences in the market is a drastic increase in costs with its subsequent reduction in demand and increased unemployment."

The building industrial council which, claimed Mr Matthew, represented less than 35 percent of all employers and employees in the industry but legislated for all, recently came under fire from the Department of Manpower for being unrepresentative.

"Laws which determine the livelihood of tens of thousands of people are framed by a small minority whose competence to do so is increasingly being questioned."

The association's memorandum to the department called for the Minister of Manpower to refuse any legislation proposed by the industrial council unless it could be shown beyond any reasonable doubt that the legislation would benefit the great majority of participants in the industry.

Industrial councils, said Mr Matthew, were originally created to do good but they were now perceived as obstacles to progress and development, which required urgent reform if South Africa's problem of unemployment was to be solved.

Criticising wage-fixing, the association said minimum wages did not protect workers but helped to create unemployment.

CHIEF TIMES 5/1/85  
**Newspaper  
sellers strike**  
Staff Reporter  
NEWSPAPER sellers for  
the Allied Publishing  
Company have gone on  
strike in Cape Town, dis-  
rupting street sales of  
the Argus Company on  
Saturday and yesterday.  
The publishing com-  
pany is apparently try-  
ing to set up negotiations  
to solve the problem.  
The dispute is over a  
wage increase being de-  
manded by the vendors.



# SA can't afford pay rises ~~Croeser~~ <sup>12- Dec 85</sup>

GERALD REILLY

NEITHER government nor the economy could afford wage increases next year because of their potential to spur inflation, Deputy Director of Finance Gerard Croeser said in Johannesburg.

Cutting back on the State wage bill, in the effort to reduce short-term spending, was a possibility in the new financial year, but such a cutback would be difficult, he told the Association of Business Leadership.

Croeser said the issue of public-sector wage rises was political.

At the close of the financial year civil servants would have gone 27 months without pay rises.

Though personnel reductions brought no short-term benefits because of pension and gratuity payments, serious efforts would have to be made to rationalise staff, he said.

Sources pointed out that the Public Servants' Association had not yet received assurances from government on pay rises nor the restoration of full service bonuses.

Croeser said stimulation of the economy was being carefully monitored and speculation that the inflation rate could rise to 25% or 30% was laughable.

He said current circumstances were very different to those that existed when the Budget was introduced, but monthly departmental expenditure showed only small deviations from projections at the beginning of the year.

However, additional expenditure would be required because of measures to stimulate the economy, such as the R500m State-aid programme and the servicing of the public debt.

Expenditure would be greater than budgeted but tax collections were favourable and borrowing for 1985/86 should not exceed 3% of the GDP.

NOVEMBER 11 1985

STOP PRESS

been done. In  
Mr Smith reca  
● Page 11.

## Workers face poor pay rises

By Michael Chester

Few workers can expect year-end pay increases which will keep pace with inflation, according to forecasts released today. Many employers struggling for survival may be forced to announce a pay standstill, Assocom warned.

Mr G A V Brett, secretary of Assocom's manpower committee, said the outlook was bleak for a number of firms in the commercial sector in general, and in the distributive and retail trades in particular. "Workers awarded increases around 10 or 12 percent can count themselves as fortunate."

He added that many companies would have to keep pay increases low or face the prospect of retrenchments — "otherwise they would go bust".

"The economy is no longer dependent on simple

economic factors, but is influenced by political events," said Mr Brett.

A survey by P-E Corporate Services which covered a cross-section of 800 companies in the industrial and commercial sectors, found that average pay increases would fall far short of the expected inflation rate of 18 percent next year.

Miss Jane Ashburner, head of the remunerations division, said: "It will be the third or fourth year in a row that living standards will have to be cut. We estimate that no fewer than 85 percent of employees should brace themselves for increases of 10 percent at best — and often lower."

"Workers in the construction industries will be worst hit. The most favoured will be employees in the financial institutions."

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CAPL Times 12/11/85

## Outlook bleak for commercial workers

JOHANNESBURG. — Few workers can expect year-end pay increases that will keep pace with inflation, according to forecasts released yesterday.

Many employers struggling for survival may be forced to announce a pay freeze, the Associated Chambers of Commerce warned.

Mr G A V Brett, secretary of Assocom's manpower committee, said the outlook was bleak for a number of firms in the commercial sector, particularly in the distributive and retail trades.

"Workers awarded increases around 10 or 12 percent can count themselves as fortunate."

"The economy is no longer dependent on simple economic factors, but is influenced by political events."

A survey by P-E Corporate Services of 800 companies in the industrial and commercial sectors, found that average pay rises would fall far short of the expected inflation rate of 18 percent next year.

A spokesman said: "It will be the third or fourth year in a row that living standards will have to be cut. We estimate that no fewer than 85 percent of employees should brace themselves for increases of 10 percent at best — and often lower."

"Workers in the construction industries will be worst hit. The most favoured will be employees in the financial institutions." — Sapa

Vague responses from ministers

# Discontent grows in public sector

15 11 85  
B Day 355  
250

DISCONTENT among public sector workers is intensifying as Cabinet ministers fob off staff associations with vague responses to their appeals for salary increases.

Ministers of Transport Affairs Hendrik Schoeman, Posts and Telecommunications Lapa Munnick, and Administration and Economic Advisory Services Eli Louw, have all refused to commit themselves at recent meetings with association leaders on the issue of increases in the new financial year.

The Postal and Telegraphs Association told Munnick at a meeting two weeks ago that since the last increases in January last year, the Consumer Price Index had risen by more than 25%.

By the start of the new financial year the backlog would be more than 30%, he was told.

And last month, the Public Servants Association submitted a case for "double digit" rises to Louw.

Yesterday Federal Council of SATS trade unions president Jimmy Zurich said distress and anger among railway workers had reached a peak.

GERALD REILLY

Zurich has just returned from speaking to branches of the Artisan Staff Association in all four provinces.

The railways tough economy campaign, he told *Business Day* yesterday, had meant smaller incentive bonuses — in many instances none at all were being paid because of the lack of work — and drastic overtime cuts.

At one time incentive bonuses and overtime made up between 20% and 25% of earnings.

"In August the Minister of Transport Affairs, Hendrik Schoeman, rejected an urgent appeal for interim salary increases.

"We hope to see him early in the new year to make a fresh appeal for 25% rises from April.

We don't know where the money will come from — he is heading for a R450m deficit — but discontent among the staff is intense and finding the funds is his problem," Zurich said.



# Chatsworth 'neglect' disappoints Dookie

## Mercury Reporter

THE Minister of Local Government, Housing and Agriculture in the House of Delegates, Mr Baldeo Dookie, accompanied officials of the Durban City Council on an inspection tour of Merebank and Chatsworth yesterday to look at community facilities.

Speaking at a luncheon after the tour, he said he was disappointed with the development of Chatsworth.

'It is not up to expectations. More funds will have to be made avail-

able to improve community facilities in the area.'

He said the neglect of the area could trigger off unrest and dissatisfaction among the community and could create ill-feeling between the community and the Durban City Council.

'When one gets out of one's house and sees all the bush in the surrounding council-owned land, one will naturally get frustrated and build a hatred towards the City Council,' he said, adding that some of the council-owned land had been ly-

ing idle for more than 20 years.

Mr Monty Limalia, chairman of the Southern Durban Indian Local Affairs Committee, who organised the tour, said a number of issues concerning the Indian community remained unresolved and needed the attention of the minister.

'For years we have been asking the council to develop Treasure Beach for the residents of Merebank, but our pleas have fallen on deaf ears.

'We also pointed out to the minister the vast

tracts of vacant land in parts of Chatsworth which could be developed to help ease the big housing shortage for the community.

'We hope that Mr Dookie will intervene and speed up the development of these areas.'

Mr R A Padayachee, vice-chairman of the LAC, pointed out what he described as an illegal bus depot at the plush Mobeni Heights suburb. He said council officials had previously promised to have the buses removed.

## 25 percent increase for some shopworkers

### Finance Editor

MINIMUM wage scales for shopworkers are to rise on average by 25 percent on December 1 from the previous scales laid down in November 1983, and a further 10 percent rise is due on December 1, 1986.

This does not mean that all shopworkers will get the same rise, as their

present rate may be above the minimums laid down.

Another change is that the wage determination does not apply to employers with less than five workers and does not apply for the first year of establishment of any employer. In the second year for these employers the determination minimums

may be cut by up to 10 percent.

The determination provides for a slightly lower wage for general assistants in the first six months of their employ.

Increases have been made in transport, subsistence, waterproof clothing, laundry and 'overtime' meal allowances, and the ceiling for over-

time has been lifted.

Commenting on the changes, the Durban Metropolitan Chamber of Commerce said the changes seemed designed to give relief to small businessmen and to those opening new businesses during the initial stages when overheads and capital expenditure were high.



# BASIC PAY INCREASES AUGUST 1976 TO JULY 1985



Whites	169,6%
Indians	253,5%
Blacks	311%
Coloureds	225,1%
INFLATION	203,7%

Salaries of few, if any, South Africans, will keep pace with inflation

## PAY INCREASES PREDICTED FOR 1985/86

Less 5,0 7,5% 10% 12,5% 15% Over than to to to to to to 5% 7,5% 10% 12,5% 15% 18% 18%

Top Management	4	7	27	47	12	3	—
Senior Management	3	9	28	48	10	2	—
Middle Management	3	9	29	47	8	3	—
SALARIED STAFF							
White	3	7	34	45	10	1	—
Asian	3	5	31	51	10	—	—
Black	2	7	29	50	11	1	—
Coloured	13	38	13	25	13	—	—
HOURLY PAID							
White	6	4	32	42	14	1	—
Asian	5	3	25	44	17	5	—
Black	3	2	24	48	12	9	1
Coloured	4	3	24	46	17	7	—
Artisans	6	7	29	44	12	2	—
Overall Average	4	8	27	46	12	3	—

# Pay rise? Did you say pay rise!

By Michael Chester

Experts who have researched the current business mood on salary and wage trends give this advice to bread winners awaiting year-end pay reviews: "Strap on your safety belts — the outlook is grim."

Miss Jane Ashburner, head of the remuneration division of P-E Corporate Services, has monitored the forecasts of 1 000 companies which between them have more than a million employees. She concludes:

"The pay packets of few, if any, South Africans will keep pace with an inflation rate widely expected to average out at around 18 per cent for 1985/86."

"In fact," Miss Ashburner added, "quite a number of employees — executives downwards — should brace themselves for actual cuts in their pay packets in several companies that are reaching out for survival kits to see the recession through."

"Many of them take the view 'If we don't hold down salaries and wages we'll go bust and all of our employees will be out of a job.'"

## SMALL MINORITY

"There are already rumours that a few companies, major corporations included, intend to announce across-the-board cuts in salaries and wages of between three or five per cent."

"We have not seen that sort of thing in South Africa in decades — but it is indicative of how tough the going has become for many companies which have decided that retrenchments

or even closing down are the only alternatives to clamping the lid on pay levels."

"Fortunately, the companies planning actual cuts to pay packets are in a small minority but their thinking is indicative of the current grim mood of lots of business sectors."

"Employees in general can expect bad news. Living standards for virtually all of them will decline next year — the fourth year in succession for many white workers."

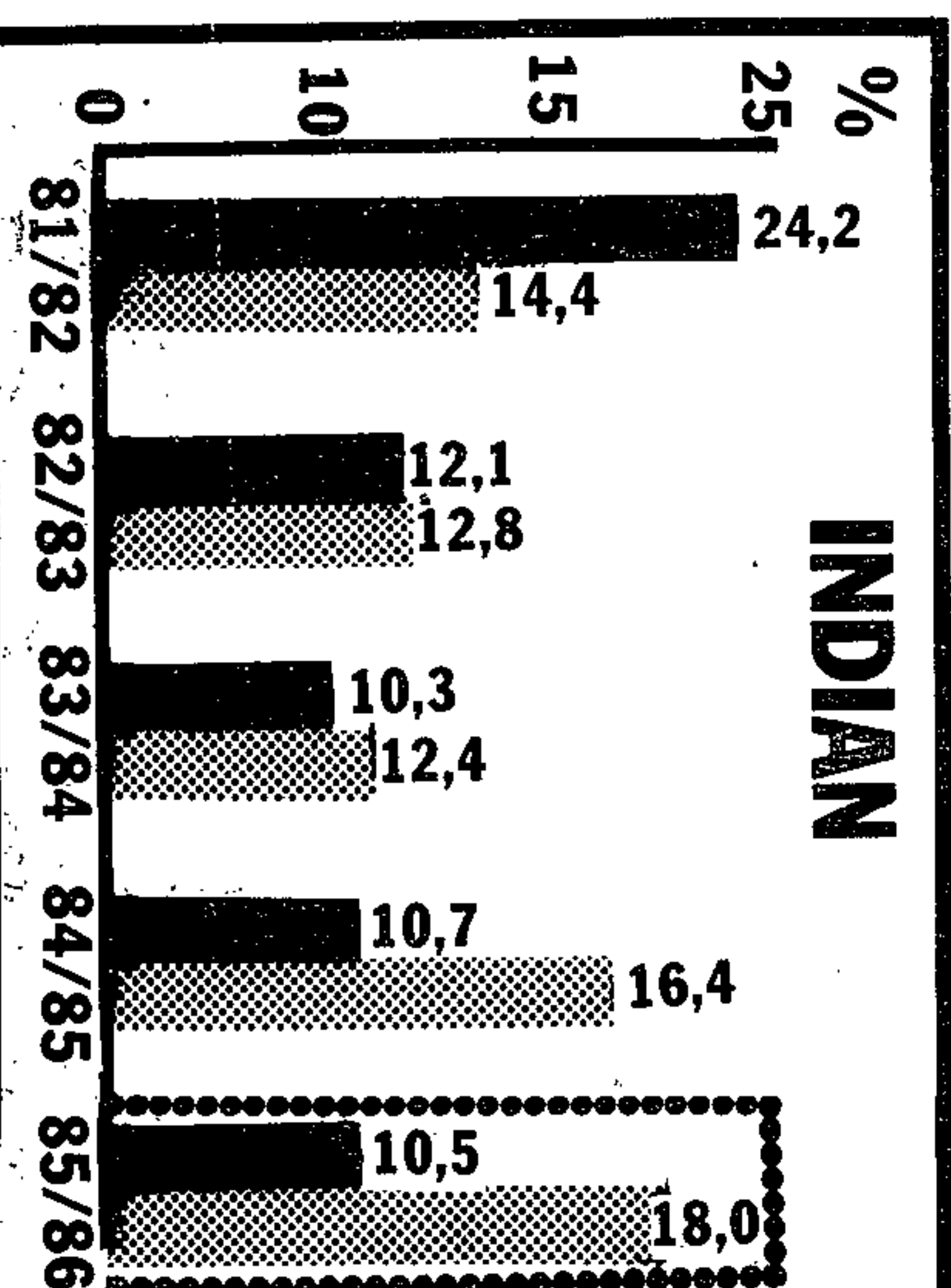
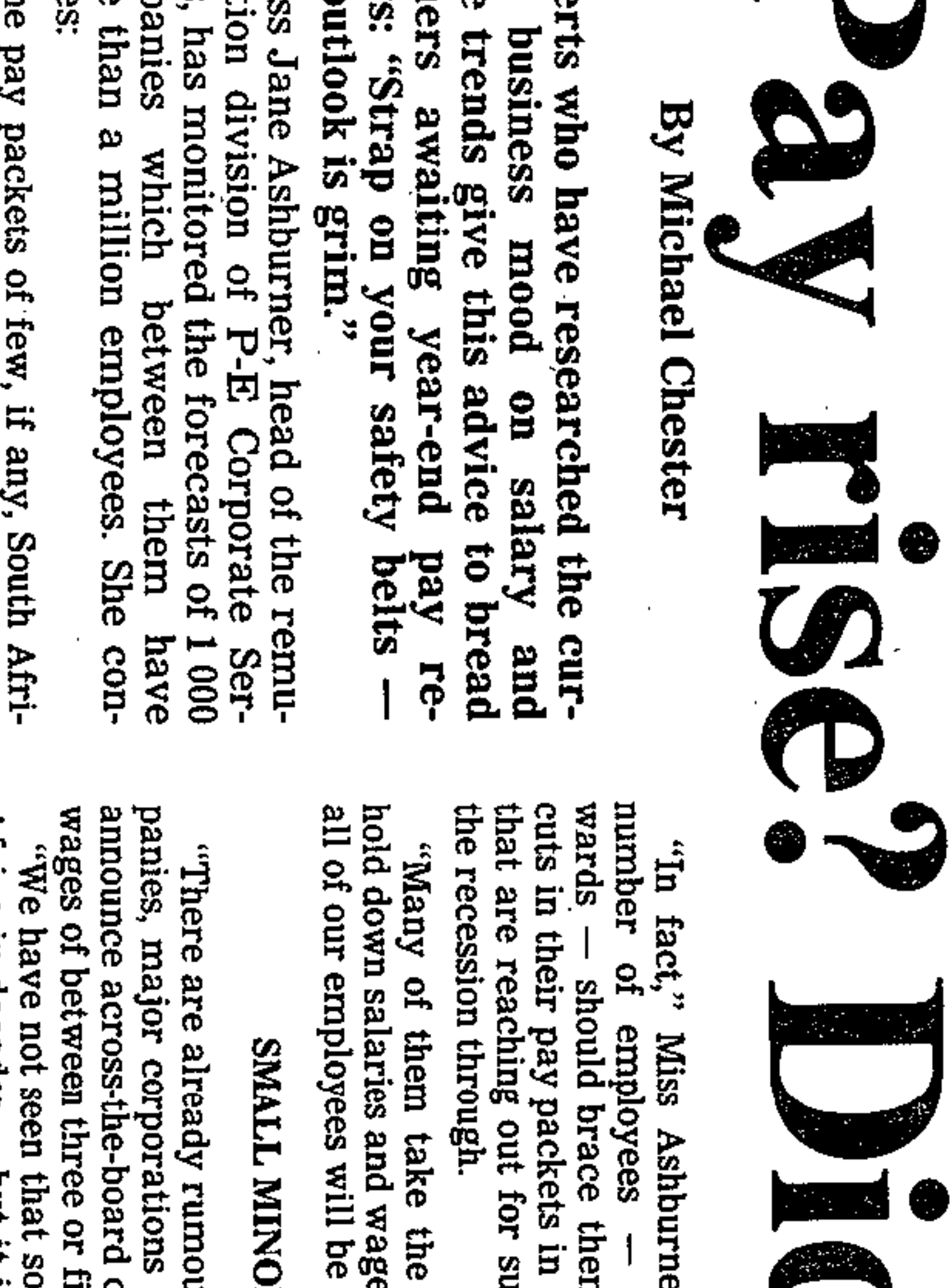
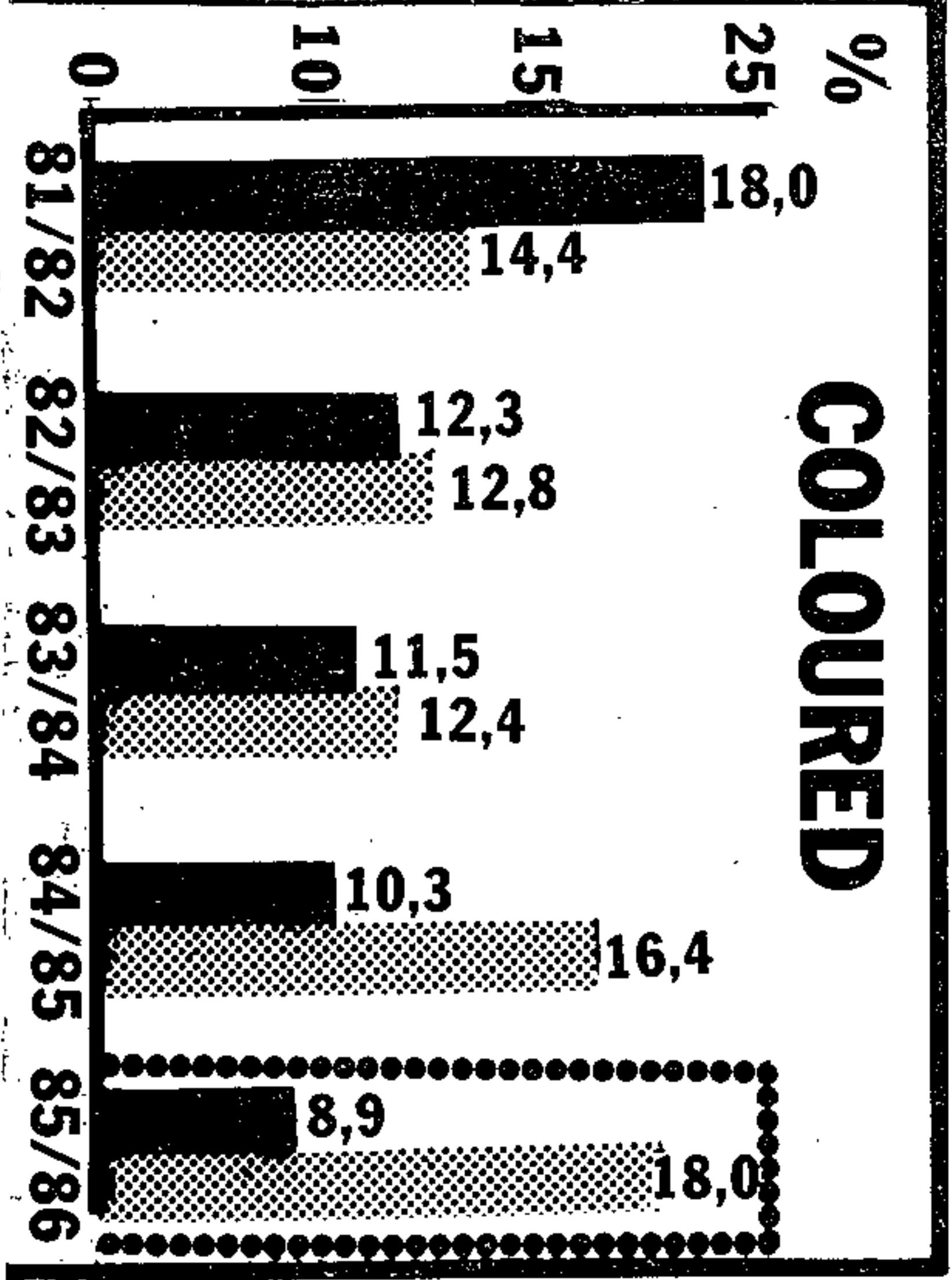
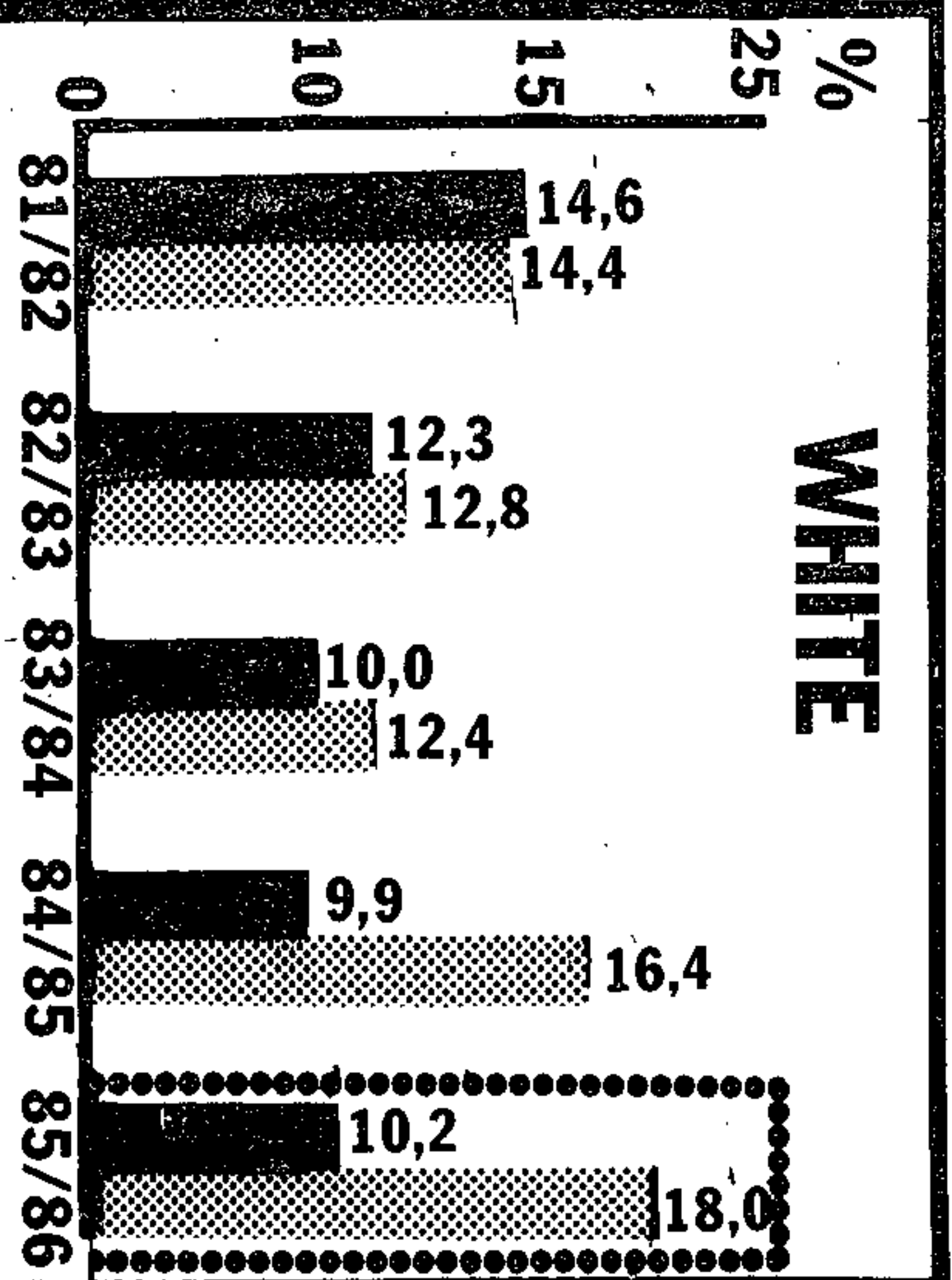
"Even if there is a mild stimulation of the economy next year it will still take until 1987 for pay trends to improve. With unemployment so widespread, it is unlikely there will be many resignations in protest."

"There will be huffing and puffing — and perhaps a few strikes — but it is unlikely to do any good. Everyone is more inclined to strap on safety belts to hold their jobs rather than risk a battle."

The accompanying set of graphics show that if inflation does indeed grow by 18 percent between July 1985 and July 1986 — a view considered conservative by many economists — pay increases will trail way behind.

TWO EXTREMES  
Moreover, Miss Ashburner fears the forecasts collected in the P-E survey may be on the optimistic side and allowance should be made for shortfalls of about two percent in each category of the projections on pay increases.

Also to be considered is that pay decisions are likely to hinge on the outlook as seen sector by sector. For instance, at the extremes pay increases are likely to be slimmest in sectors such as construction and relatively most generous among the financial institutions.



LEGEND  
RAND PAY INCREASE  
INFLATION RATE



22/11/85 (355) 22 (20) P. Day

## Early retirement in the air for SAA pilots

SOUTH African Airways chief retirement, Gert van der Veer, consulted pilots yesterday to negotiate early retirement.

It is believed that a working group of several pilots and members of management was established to deal with the early retire-

MIKE CADMAN

ment of about 25 pilots.

The pilots, all 50-58 years old, were asked to consider early retirement as part of a general reduction in staff by the airline.

SAA's reduction in flights has

resulted in a surplus of pilots.

Van der Veer confirmed yesterday that the meeting had taken place but would not give details.

The early-retirement age for SAA pilots is 50, but in recent years the airline has allowed men to carry on working until the age of 58.

CAPE 11/11/85  
22/11/85

# Maids want more money

By HILARY  
VENABLES

DOMESTIC workers' associations throughout South Africa are to form a national body to push for better conditions for their members.

The five associations, representing about 20 000 workers, have held a series of meetings at various centres during the past few months to discuss the formation of a united organization.

In a joint statement released on Tuesday, the workers made the following demands:

- A minimum salary of R150 a month for unskilled and R200 a month for skilled workers working an eight-hour day, five days a week.
- An hourly rate of R2,50 plus a travel allowance for daily chargs.
- Overtime pay of R2,50 an hour.
- The abolition of child labour. No-one under 16 should be made to work.
- Maternity benefits for all women — eight weeks fully paid leave before they give birth, and six weeks fully paid leave after pregnancy as well as full pay for days taken off for ante-natal classes.
- Sick leave of 14 days a year on full pay.
- Fully-paid annual leave of 21 working days.
- Pay slips stating hours of work and deductions.
- All public holidays off, or the payment of overtime in addition to their normal salary.

The Domestic Workers Association in Cape Town has called on all employers of domestic workers to attend a special meeting on Sunday, November 24, at St Saviour's Church, Claremont, to discuss these demands and "to find the missing link between the workers and their employers".

The five associations also sent a list of their demands to the De-



Supplement to City Press

November 24, 1985

CP/less

# Winners won't be migrant



Big  
boost  
for  
small  
business  
Looking  
for a  
career  
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See Page 9

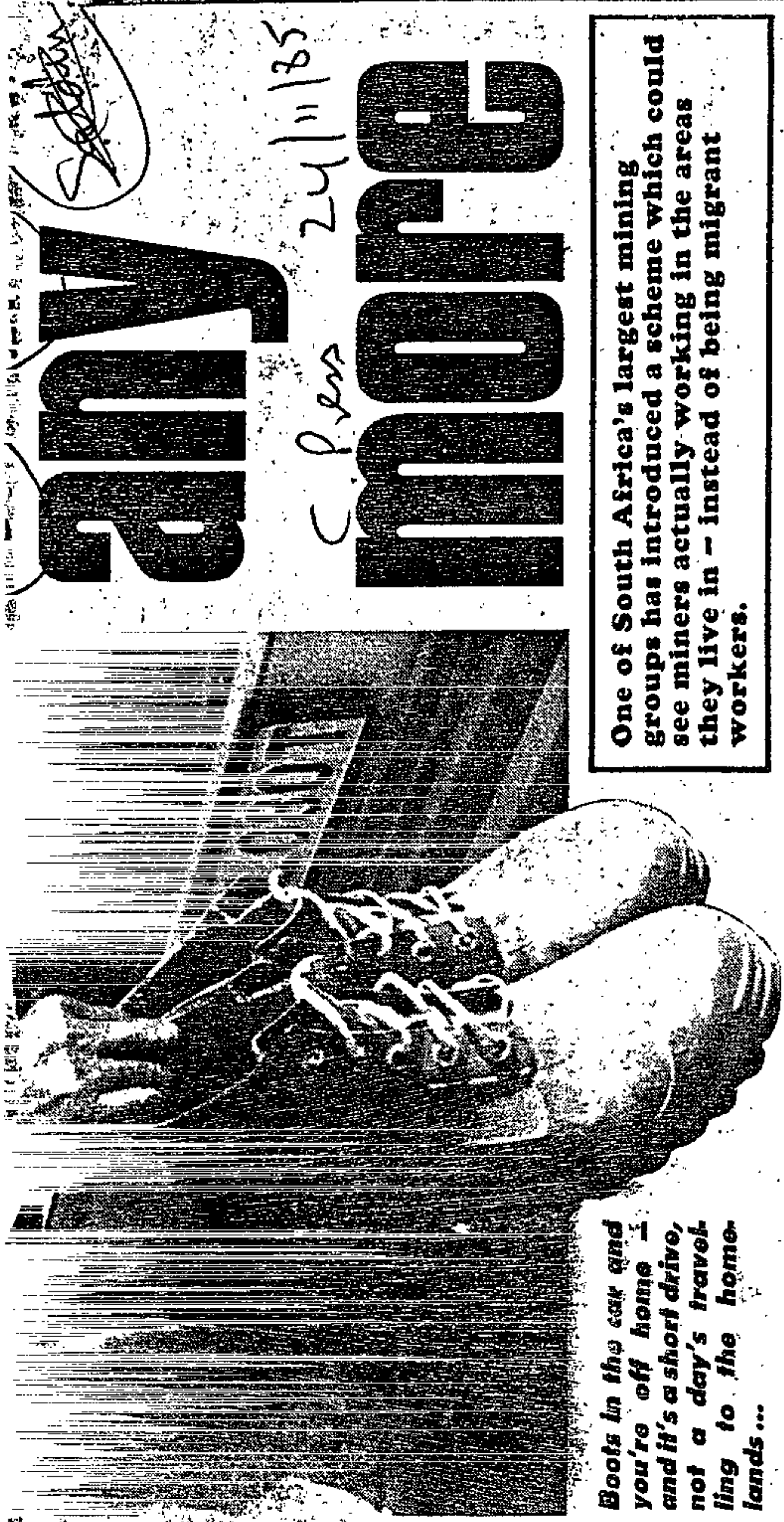
See Page 9

"Damelin makes it easy!"

Mr. J.P. Brummer, Principal, Damelin Correspondence College.







Boots in the car and you're off home - and it's a short drive, not a day's travel, lying to the home-lands...

**RAND Mines**, one of South Africa's major mining houses, is starting a recruitment drive in Reef townships.

For the first time, this will enable black mineworkers to work on mines in the same way that miners do elsewhere in the world - as commuters from their homes.

The jobs which carry wages starting (with "living out" allowances) at R282 and ranging up to almost R1 000 a month will apply to three of the group's mines.

The company has already been recruiting on an all-inclu-

#### Prospects Reporter

sive wage package for its Sands Retreatment Project at Crown Mines, R.M.3. But it has, up to now, had little success in recruiting for underground work on its operating old mines.

A company spokesman said the first mine to be affected would be East Rand Proprietary Mines Limited near Boksburg.

"We will start with ERPM and after the Government's proposed influx control changes, we will extend the campaign to other mines in the group."

There are hundreds of different jobs at ERPM for which vacancies are constantly occurring, with salaries ranging from R172 a month to almost R1 000.

Staff not accommodated on

**One of South Africa's largest mining groups has introduced a scheme which could see miners actually working in the areas they live in - instead of being migrant workers.**

the mine will receive a R110 "living out" allowance.

This living out allowance is to compensate for the free food and accommodation received by employees housed on the mine.

All staff are automatically entitled to normal mine benefits - such as free medical attention, the use of mine sports facilities and long service award schemes.

"We are also investigating a home ownership scheme to assist those members of staff qualified to build their own homes in the townships near the mines," the spokesman said.

He said ERPM employed 19 000 people. Vacancies arose all the time and if expansion plans materialised, an additional 7 000 jobs would be created.

The mine gives these exam-

ples of the jobs available and the wages:

★ Manual workers employed on surface earn between R172 and R220 a month and underground between R203 and R273, plus free food and accommodation.

★ Locomotive drivers employed underground earn between R316 and R428 a month, while underground team leaders earn between R496 and R740 a month.

★ The salaries for monthly paid staff such as clerks, surveyors and samplers range from R242 to R922 a month.

All employees are entitled to leave varying from 14 to 28 calendar days, depending on their positions.

A leave allowance of 50 per cent of the monthly salary is paid to all employees.

**RAMORE**  
C. Pers 24/11/85

Mr. J.P. Brummer, Principal, Damelin Correspondence College.



A Damelin Educational Evening held recently in Daveyton, Mr. J.P. Brummer, Damelin principal and other dignitaries addressed an enthusiastic audience of a thousand people who came to hear how they improve their educational qualifications. After the meeting Mr. Brummer and his staff mingled with the audience to give them personal assistance.

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26/11/85  
Workers get

wage boost

355

26/11/85

Staw

The Chemical Workers Industrial Union finalised wage agreements last week at Pilkington Flat Glass in Springs and SA Cyanamid in Witbank.

A spokesman for Pilkington said the minimum wage had been increased to R3,09 an hour. An extra week's leave bonus, improved long-service allowance and two additional public holidays had also been negotiated.

At SA Cyanamid the minimum wage increased to R2,70 an hour, an increase of 72c an hour. The workers' shift allowance, public holidays and service leave have also substantially improved.

Railway workers want 25%

# Wave of wage demands loom

B. Day  
26/11/85

355

A WAVE of demands for wage and salary increases to match the country's spiralling inflation rate is expected next year, according to economists.

Those granted this year have been well within the current 16,8% rate, and trade union leaders, including Federal Council of Sats trade unions chairman Jimmy Zurich, stress living standards have been drastically reduced.

Stellenbosch Economic Bureau economist O D J Stuart expects pressure from the private and public sectors for adequate rises next year.

It should be remembered, he says, that increases in 1984 were generally below the inflation rate.

This year they were also substantially less than the inflation rate. A big backlog has, therefore, developed.

"We don't believe workers will be prepared to put up with an erosion of 17% in their earnings without strong demands for compensation, in spite of the current serious unemployment," Stuart adds.

The railway unions have told Minister of Transport Affairs Hendrik Schoeman they want 25% increases from April.

The private sector employee organisations, it is pointed out, are likely to take their lead from the extent of the increases granted by government.

GERALD REILLY

Although there is a fear among public sector workers that the freeze on increases imposed in April might be extended into the new financial year, government sources say some adjustment will be made — but not enough to compensate for the widening gap between earnings and the Consumer Price Index.

Informed sources say increases in the public sector are likely to be in the region of 8% to 10% — and if they are, the combined salary bill of the central government, railways and the post office will stretch the total by R1bn to more than R11bn.

This would represent just less than 33% of the 1986/87 budget, economists point out.

However administration sources say the decision on the extent of increases will be a last minute one taken against a background of economic prospects at the time.

They point out, too, that there is a growing awareness among government workers of the value of their job security at a time when unemployment, including white unemployment, is growing.

This would make a government decision on modest increases, substantially below the inflation rate, easier to take.



# Pay rises for clothing workers

27/11/85

LAWRENCE BEDFORD

NEW weekly pay rises announced by the clothing industry yesterday will lag well behind inflation next year.

In the Cape, grade 'C' employees (the lowest of qualified categories) on a minimum R56,50c a week, are to get an extra R4 from December and another R4 in July, 1986.

Sewing machinists earning R67 will receive R5 rises in December and July, while designers and pattern-makers earning R156 will see their pay rise to R176 by mid-year.

Natal machinists' minimum pay increases by R9 from January 1, putting them on R74,50c, and pattern makers by R18, bringing their minimum pay to R160.

Transvaal manufacturers were holding pay talks last night.

# Zimbabwe sets new minimum farm wage

E. POST 27/11/85

~~355~~ 355

HARARE — The Zimbabwean Government last night set new minimum wages for more than 40 000 workers threatened with losing their jobs after their farm employers complained they could not pay a previous higher wage.

Acting Labour Minister Mr Edgson Zvobgo said the Government decided to grant a partial wage exemption on those farmers who grew but did not process their crops, because it had been proved they were unable to afford the minimum of about R217 announced in August and backdated to July.

He was speaking in Parliament after a Cabinet meeting earlier yesterday had examined the pay row between the workers and their employers — estate farmers growing tea, coffee, sugar, flowers, fruit and timber. The dispute sparked demonstrations and vio-

lence by workers who charged that employers were deliberately underpaying them.

Farmers said they would go out of business if they met the pay demand.

Mr Zvobgo announced wage rises varying from about R22 to R37 a month for workers employed by farmers who grew crops but did not process them.

Workers on farms growing and processing the produce were awarded monthly pay rises ranging from about R22 to R67.

The new wages, effective from next month until June 1986, are well below the previous minimum, although a few farmers will still pay the old rate because some of their workers were already earning that amount before last July. — Sapa-Reuter



# Strike threat at

WORKERS at CNA Gallo, who are members of the Commercial, Catering and Allied Workers' Union of South Africa, have decided to boycott mealie meal and other products from the Premier Milling company.

At the same time the union is to hold strike rallies in support of the workers who are on strike. The union demands that the Wage Act be followed ten rounds of negotiations between it and the company — a subsidiary of the giant Premier Group.

Two mediations have been held involving

## CNA

two of the best legal brains in the country and each time the parties failed to settle or resolve the dispute.

Ccaawusa had applied for the appointment of a Conciliation Board and is due to go on strike on Monday. The Congress of South African Trade Unions (Cosatu) will be called upon to support the striking workers' struggle for a living wage at its inaugural congress in Durban over the weekend. Cosatu will also be called upon

to support the boycott of all CNA outlets in the country.

Ccaawusa said: "The workers want to know if the trip to Lusaka by the chief of the Premier Group, Mr Tony Bloom, was to seek the ANC's approval for the continuation of the exploitation of the working class in the country. Being aware that the South African economy is in a state of collapse, the ANC according to Tom Lodge, of the faculty of political science at Wits University, the ANC will nationalise the banks and the monopolies in the country to protest the continued exploitation of the

workers by capitalism."

Ccaawusa believes that the company is paying them below the minimum wage in terms of Wage Determination 106 promulgated in accordance with the provisions of the Wage Act: that the company discriminates against them because they are women and because they are black: that if the company can afford to pay wages already in excess of R4.10 per hour, why does it refuse to pay them an additional R80 per month on top of the R265 to comply with the law.

Mr Tony Bloom yesterday said he thought it "grossly unfair" that his company's products should be boycotted because of the dispute with CNA (Gallo), and hopes the companies will also see it that way.

He said his company has a 29 percent share in CNA (Gallo) and he felt the union and management should sit down and sort out their problems.

8. 29/4/85 255  
**Pay rises too low — union**

**LAWRENCE BEDFORD**  
MINIMUM pay rates for beginners in the clothing industry in the Transvaal were still "too low", said the National Union of Clothing Workers.

The weekly minimum pay for beginners in the clothing industry has risen by 21% under the new Industrial Council agreement on pay and conditions ratified yesterday.

This would give a person starting in the clothing industry in the Transvaal in January R43.50 a week, said the president of the province's manufacturers' association, Terence Kinnear.

However, a spokesman for the National Union of Clothing Workers said despite progress made in the latest agreement, the union intended doing everything it could to increase pay for entrants to the industry.



## Wage freeze would be disastrous — Kantor

Financial Reporter

**CALLS** for a wage or price freeze to bring down the inflation rate should be ignored, Professor Brian Kantor of the University of Cape Town said yesterday.

He told guests at a cocktail party given by Investec Bank: "The siren call of wage and price freezes will be sung, but it would be totally foolish to try to hold down salaries and wages now in the interests of holding down the inflation rate.

"Poor economic growth and high unemployment are a lot more damaging than a 20 percent rate of infla-

tion."

Professor Kantor pointed out that there was a need for increased consumer demand to bring about a recovery but inflation and the lack of tax relief had eaten dramatically into purchasing power.

"It would be quite wrong to think that we can have a recovery of the economy without rises in wages and salaries."

Forecasting that inflation would rise by between 18 percent and 20 percent in the coming year, he said this would make it much more sensible to buy goods, property or shares than to hold on to money.

STAR

4/12/85

355

Write to Box 61682 Mars

## Be grateful for salary

"Baragwanath staff didn't expect to be fired," Mike Siluma reported in *The Star* on November 20.

Mrs A and her husband earn just on R600 a month, pay a rental of R24 per month, and they complain they cannot survive.

Yet there are many whites who don't even get that salary, have to keep a family and pay at least a rental of R150-R200 a month. But they are not allowed to strike. They are too grateful to be working and earning a little money than nothing at all.

Many whites have not had any work for six months and more; some having lost their homes and have no Unemployment Insurance Fund money.

They have to look to others to help feed their family, but they are grateful, and no hue and cry is made of them.

Some have been living on the poverty line for so long with this recession, yet, if they were given any work, would be only too willing to work.

Mrs A and her husband, together earning that amount,

surely could not complain? Their rent does not come near that of many whites. We also have to pay for water and electricity, and definitely well above what they pay, if they pay at all.

So, I can only say they should be grateful they have work, at that salary as well. There are many thousands black and white who would be only too willing for the opportunity.

Edenvale

Grateful

## Poor pay, long hours

In answer to the letter from "Enough is enough" (*The Star*, November 26) regarding the recent strike by staff at Baragwanath Hospital, I would like to know if the writer has done any homework on the subject.

If so, he or she would know just what these people and all the nurses and general medical staff at the provincial hospitals are paid.

I would like to see the writer work for this money, and the long hours, including Saturdays and Sundays, and then declare "enough is enough".

I am not in the medical profession, but know enough about it to appreciate that my family could not exist on the pay offered Province staff.

Overworked



# Pay rises for 175 000 lower-paid civil servants

STAR 5/12/85 355

All labourers in the public service and provincial administration — including non-classified hospital workers — are to receive a pay rise, backdated to November 1.

A spokesman for the Commission for Administration said last night the pay rise followed an investigation started in May. It formed part of a series of investigations approved in the last budget with the aim of improving the positions of lowest paid employees.

A spokesman for the Black Health and Allied Workers' Union said daily-paid hospital workers would receive between 10 and 50 percent more and that increases would be backdated to November 1. He believed the announcement was a direct result of the strike action at Baragwanath Hospital last month.

## GENERAL ASSISTANTS

"A total of 175 000 general assistants, as the occupation class for labourers is known in the public service, will receive varying benefits," said the spokesman for the Commission for Administration.

All workers are to rise at least one salary notch, but labourers at the bottom end of their salary series are to receive the greatest improvement.

The spokesman said payment of the higher wages would be made as soon as individual departments had completed the adjustments. But because of the large number of people, the implementation process was expected to take some time.

A union spokesman said they would have to study the increases to see what they would mean to workers in real terms.

"But we still maintain that non-classified workers in hospitals must have the right to negotiate their salaries through their chosen union."

# Inflation could rise to 24%, says Unisa professor

By Peter Farley

The inflation rate could reach as high as 24 percent next year, but as long as employers resist indexing wage contracts South Africa should avoid entering the realms of hyper-inflation.

Unisa's Professor Colin Rogers, writing for stockbrokers Frankel Kruger, says that two conflicting factors currently dominate perceptions about the future for inflation.

"Those of a monetarist persuasion are looking to the slower growth in the monetary aggregates as an indication that the rate of inflation will decline. Those of a more eclectic nature point to the weak rand and its cost-push inflationary expectations."

But, though all monetary aggregates are currently growing at negative real rates on an annualised basis (M-1 has even registered a nominal decline of 2,6 percent in September), Professor Rogers says that inflation is now predominantly under the influence of the exchange rate and the cost-push factors that result from a collapse in the rand.

He adds that it would be a mistake to attempt to predict the rate of inflation on the basis of the current behaviour of the monetary aggregates.

## Employers warned not to index wages

He notes that it should also be mentioned that the Reserve Bank can hardly claim to have brought the money supply under control. "To make such a claim under the present depressed circumstances is to add a new dimension to the meaning of the word control."

### Weak rand

But, accepting that the rand will dominate the immediate inflationary pressures, Professor Rogers stresses that the response of wages and salaries to the initial cost-push inflation of a weaker rand will determine the momentum gained by inflation over the next two years.

He notes that taking a longer-term inflation rate of 13 percent and, assuming no response on the part of wages/salaries and no reduction in profit margins or changes in taxes, the weak rand will add a further eight percent to the Consumer Price

Index (CPI) over the next two years.

This scenario implies an 18 percent inflation rate next year and 16 percent in 1987. But, assuming that wages/salaries attempt to keep pace with inflation secondary cost effects are introduced which add a potential 17 percent on to the CPI over the next two years.

Applying the same assumptions, this would mean an inflation rate next year of 24 percent and 21 percent the year after.

He emphasises that the factor of wage restraint has unfortunately been one element neglected by the recent monetarist dominated debate on inflation.

"The ball game has changed, however, and it is somewhat ironic that monetary targets are likely to be introduced just at the moment when they are not required."

What should be introduced, argues Professor Rogers, is

some machinery for moderating wage increases. "The least the authorities could do is set a good example by restraining wage and salary increases in the public sector."

But, he notes, with profits buoyant in the export sector those companies are likely to be sympathetic to wage demands, and though other sectors' wages are likely to increase initially at a much slower rate the pressure to catch up will build over time.

Therefore, he concludes, the upper estimates of the inflationary impact of the weak rand are the most likely.

But, he warns, "if the authorities react to an abnormally high inflation by indexing wage contracts, then the battle against inflation is effectively lost and the scene set for hyperinflation."

"South Africa is not yet in that position, but as the rate of inflation rises the demand for such indexation will increase — it should be resisted at all costs."

STAR 5/12/85

355?



# Twin ogres keep the hard-working family man in poorhouse

## Pay rises don't keep you ahead of inflation

Most taxpayers have become bewildered to find the harder they work and the more they earn the worse off they seem to be, says Miss Jane Ashburner who runs the remuneration division at P-E Corporate Services.

"The mystery deepens when the experts use jargon such as 'bracket creep' or 'fiscal drag' but really it's quite simple — they're trapped in a Catch 22 dilemma."

"The first ogre is inflation, which gnaws away at living standards, but an even worse ogre is our tax system which strips away rands faster the harder one tries to increase gross income to stay ahead of the price spiral."

"South Africa has a tax revolt on its hands because of the sharpness of the upward curve in the marginal tax rate that reaches a point where the taxman snatches 50c from every rand an unmarried person earns above R3 500 a month."

"The married person does not reach the ultimate 50 per cent marginal tax rate until income goes over R5 000 a month — but very often that is the combined income of a husband and wife, which the taxman insists on lumping together."

"Lower down the income scale, more and more taxpayers are pushed up the tax ladder — nearer and nearer the super-tax bracket — the faster they try to keep pace with inflation with pay increases."

"It is the middle-income family that suffers most and is most baffled and frustrated. Something in the tax structure is going to snap. The sooner the better."

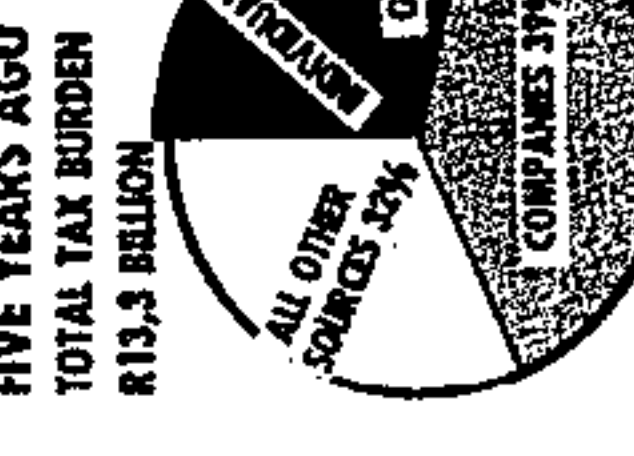
To illustrate the Catch 22 syndrome — and steer clear of the fiscal drag mumbo-jumbo — Miss Ashburner takes the case of a person on a middle-income gross salary of R2 500 a month five years ago.

He forked out R5 000 in tax that year — at an average tax rate of 16.7 per cent. His annual

take-home pay was R25 000, just enough to cover all living expenses.

If his pay packet grew at 12 per cent a year in the struggle with inflation his gross salary in 1985 stands at R3 916 a month but his annual tax bill has raced to R12 500 because the marginal rate ladder has propelled his average tax rate to 26.6 per cent.

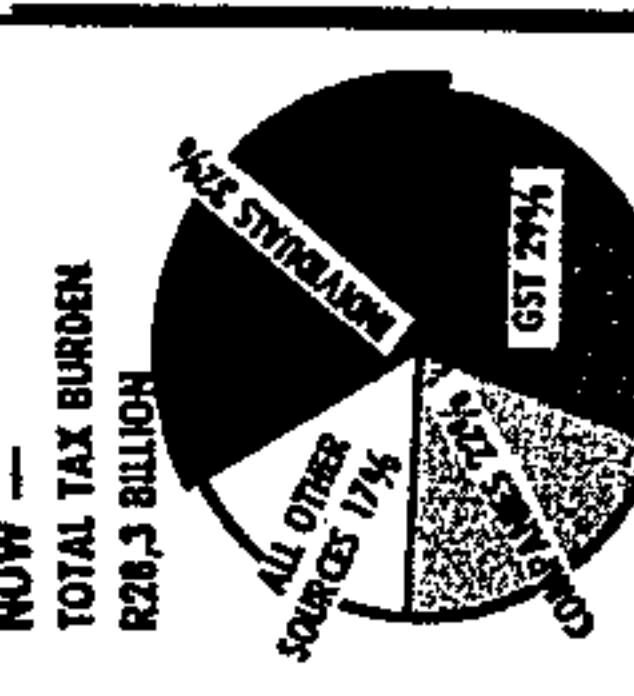
If one assumes his living expenses kept in step with inflation they now total R39 500. Re-



Now...

Mr Costa Divaris, another top tax planner, brings out more anomalies in trends. Five years ago individuals paid R2.1 billion to the Department of Inland Revenue — a relatively modest 16 per cent of total tax revenues.

Because of the quirks of the marginal rate ladder as salaries battle it out with the cost of living index, individuals will

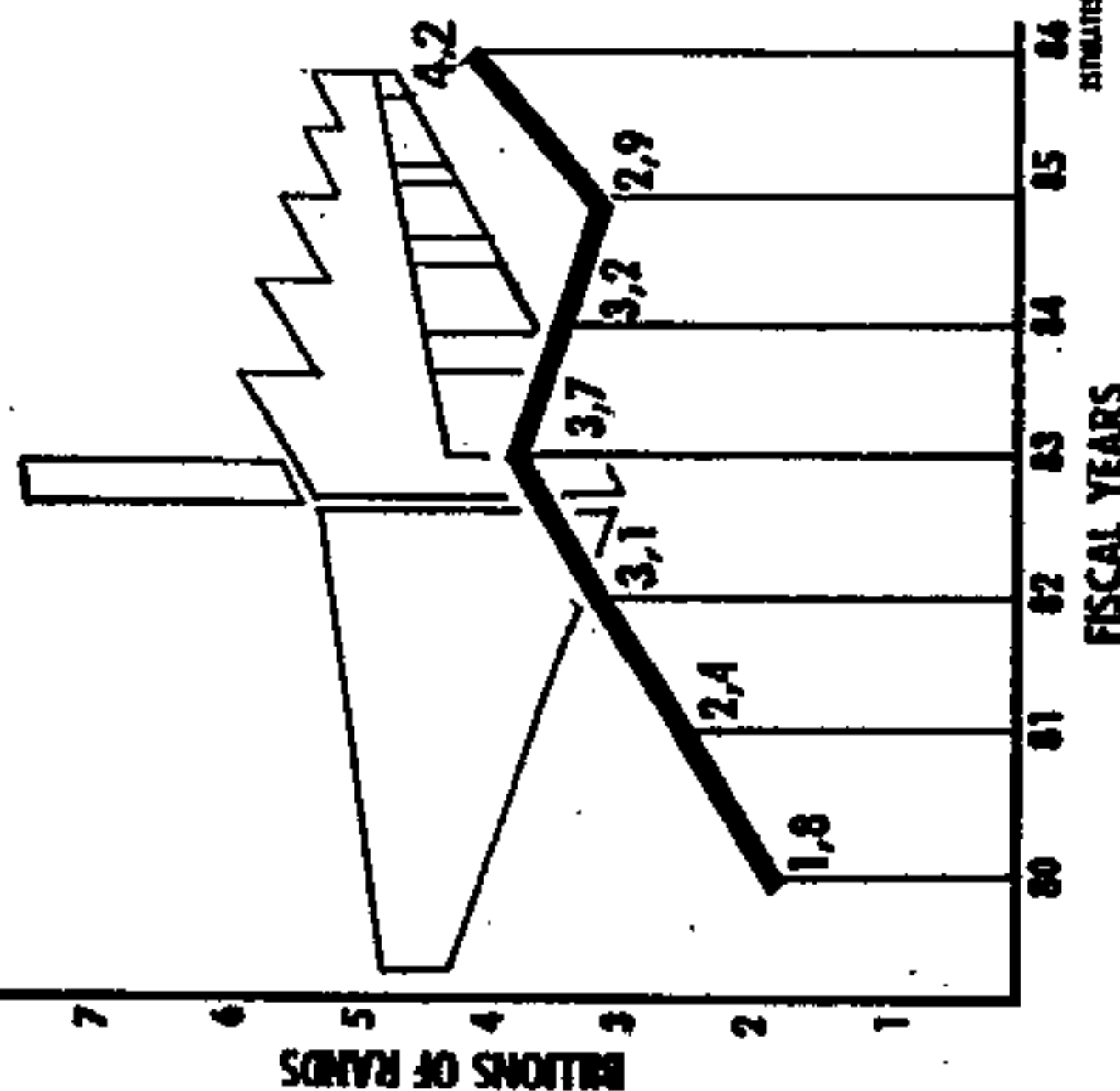


sult, while he balanced the budget in 1981 he is running R5 000 short in trying to pay all his bills in 1985.

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### WHAT ALL OTHER COMPANIES PAID



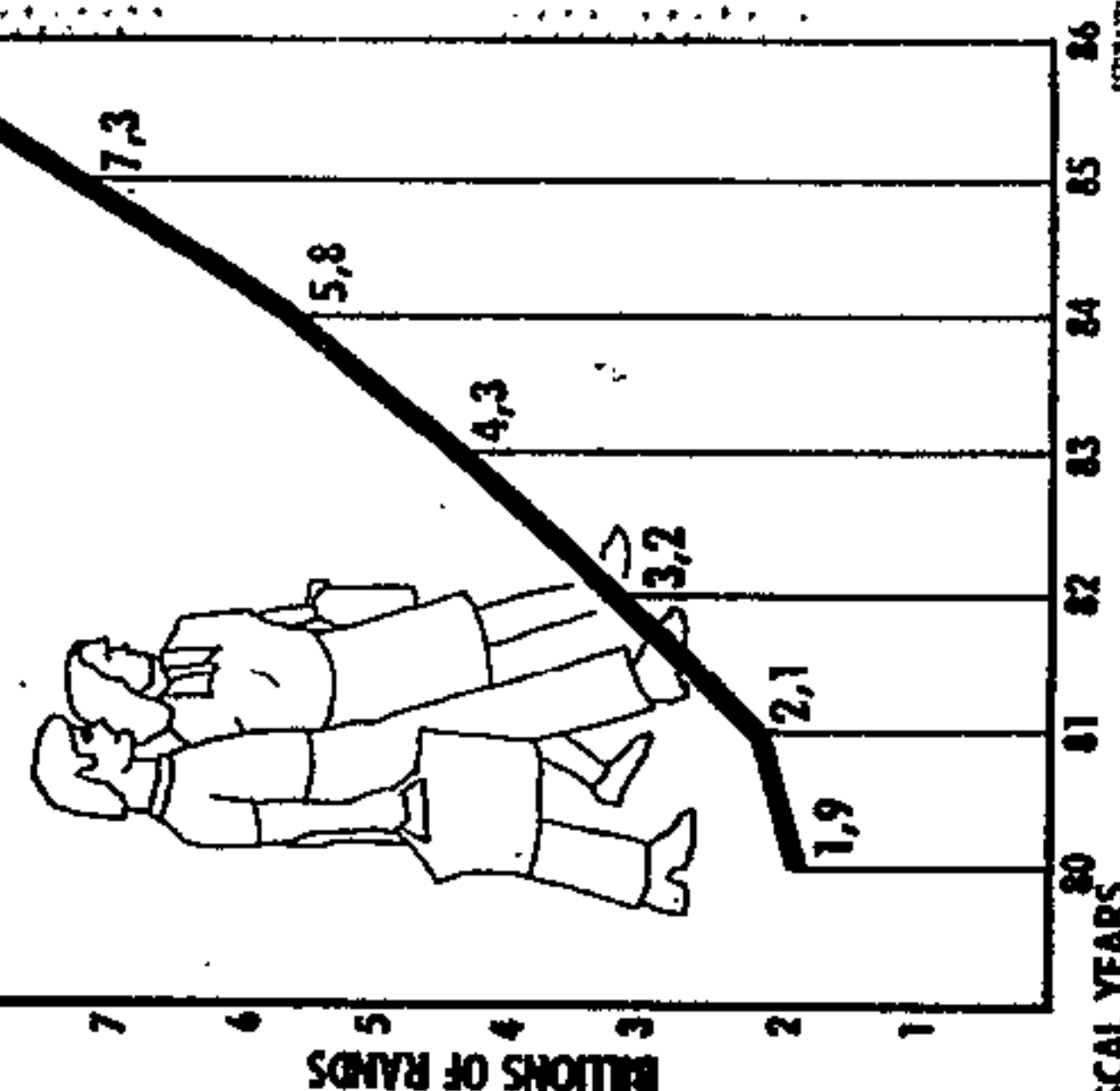
be stripped of R9 billion in the 1986 tax year. That 16 per cent share of the burden has mushroomed to 32 per cent — and that's before GST — up from only R1.8 billion in 1981 to R8.3 billion.

What also looks weird — and is the subject of lots of controversy — is that the share shouldered by companies has shrunk. In 1981 company tax totalled R5.2 billion or 41 per cent of the total tax burden. In 1986, on current estimates, taxes will have grown to no higher than R6.1 billion — bringing the company share down to only 22 per cent.

The reasons are not too hard to find. Though the company tax rate is pitched at 50 per cent, leaving aside loan levies and surcharges, the corporate financial wizards burn the midnight oil to find loopholes to dilute tax liability.

As Mr Divaris puts it, while big business is a big com-

### WHAT INDIVIDUALS PAID



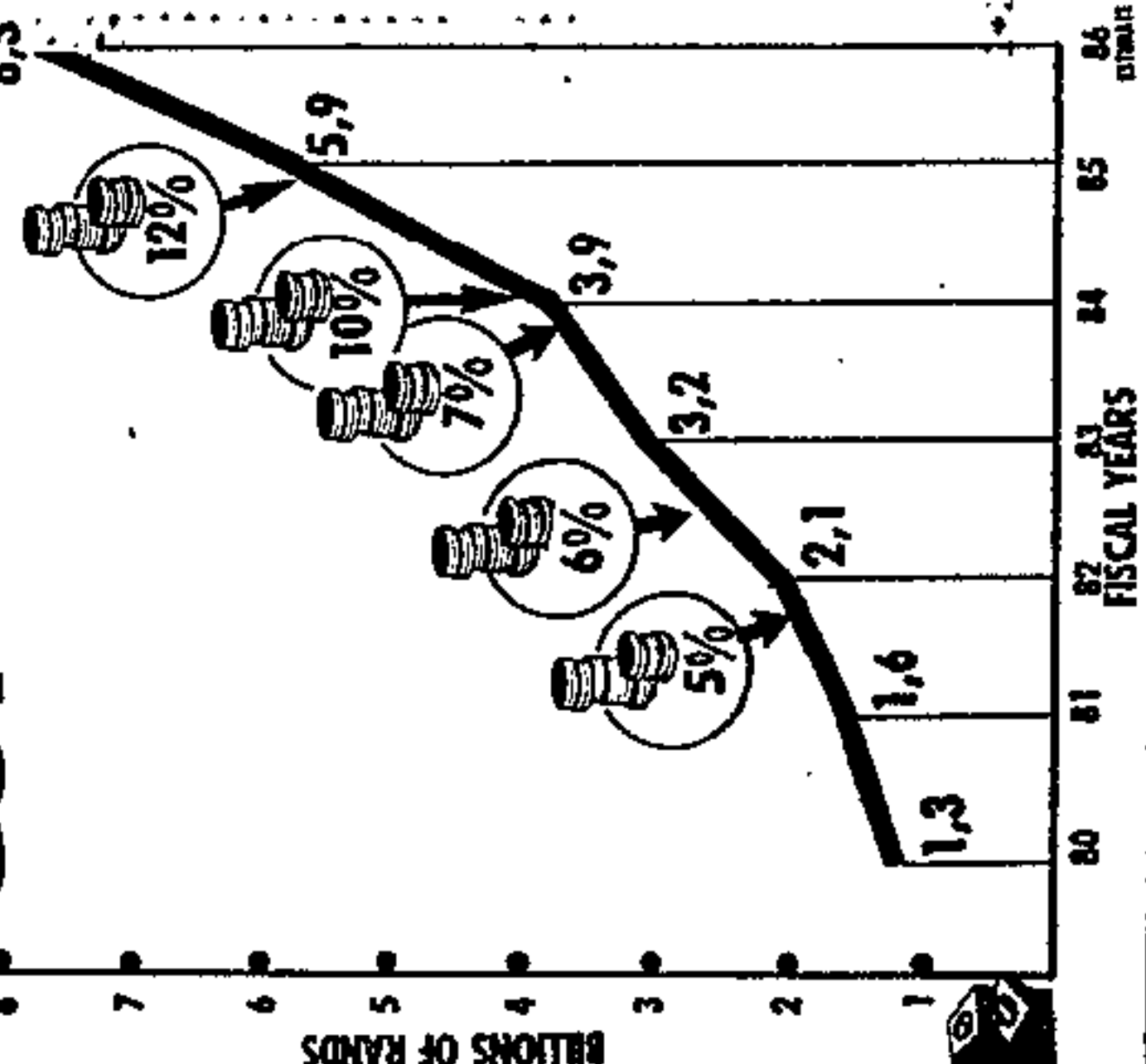
plainer about the tax system it is also a big beneficiary. Not that the benefits are equally shared by companies.

The major tax concessions — are enjoyed by the big mining and industrial corporations, farmers and exporters. Small businesses — wholesalers, retailers and service and property companies — often end paying their full whack out of profits.

Professor Attie de Vries, of the Bureau for Economic Research at Stellenbosch University, always with an ear close to the inner sanctums, forecasts that the Minister of Finance is likely to tackle the company tax anomalies when he scrapes away to find the cash to finance tax cuts for individuals in the next Budget.

The professor predicts that Mr Hendrik du Plessis will search for a formula that will pitch the really effective tax rate for companies at about 40 per cent.

### GST



8/12/85 (355) (81) (191) SUNDAY TIMES, Business Times

By Anant Manga

TWO banks will increase salaries by up to 12% — substantially higher than the pay rise coming the way of most white-collar workers and the projected national average of between 8% and 10%.

The increase will add about R46-million to Standard Bank's wage bill and cost Barclays more than R52-million.

### Reasonable

The two banks employ more than 50% of the white-collar work force in the banking sector.

The SA Society of Banking Officials (Sasbo) says the banks were persuaded to add millions more to their initial

offer. It describes the negotiations as most difficult.

The merit increments range between 3% and 6%. Some staff will receive another 2% to 3% in promotion increases, bringing their average close to 15%.

Though falling short of what Sasbo considered fair, the increases are seen as reasonable.

Marginally higher in-

# Bank staff get 12% pay rises

creases were granted to staff in higher managerial categories to compensate for erosion of income through taxation of perks.

### Highest

Junior staff increases are almost 2% below those of managerial staff as a result. The decision to widen the salary gap between junior and

senior rates was taken after it was argued that smaller differences tended to lower the incentive to gain promotion.

This year's adjustments mean banking officials will receive higher increments than most other white-collar workers. The average basic salary in the banking, building society and insurance sectors is the highest among eight listed by Central Statistical Services.

Its figures show average monthly salaries for the elite sector in June this year were R1 226. The next highest was R932 paid in the transport, post and telecommunications sector.

Sasbo says more adjustments will have to be made to compensate for the erosion of its members' standard of living if the banks are to avoid losing large numbers of trained officials to other sectors.

By Kerry Clarke



# Universities employ high proportion of blacks

UNIVERSITIES are proportionally much higher employers of blacks than financial institutions, according to Central Statistical Services' labour statistics.

In September they employed 9 214 blacks, which was 25.43% of their workforce of 36 226.

In contrast, banking institutions

## Business Day Reporter

employ only 11.92% blacks, building societies 14.16% and insurance companies 14.71%.

However, universities pay blacks lower wages, with an average of only R481 a month.

Insurance companies pay R687 a

month, banks R592 and building societies R490.

Universities pay white employees the most, with the average at R1 920 a month, although whites account for only 62% of their workforce, while insurance companies pay R1 743, banks R1 348 and building societies R1 248.

# Poverty and despair in SA's tiniest homeland

SOL MAKGABUTLANE reports on the poverty and unemployment in Qwa Qwa, smallest and poorest of South Africa's homelands

SCORCHED, hilly ground, throngs of sad unemployed men, and R12 a week for the lucky few that do hold jobs — that is life in the crowded territory of Qwaqwa, the tiniest of South Africa's 10 tribal homelands, which 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. But, at the time when the private sector is working 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 or a minimum wage in sight.

Workers in Qwaqwa's sprawling capital of Phuthaditjhaba say they are trapped in a cruel, insurmountable quagmire out of which there is no easy route. If they do not work, they will surely starve in this dry and rocky landscape. If they do, they are compelled to accept paltry wage packages.

Qwaqwa's Government officials are generally reluctant to comment on the wages being paid in the factories in the territory — which numbered 62 at the end of last year — but they confirmed growing dissatisfaction.

A spokesman for Qwaqwa's Department of Justice 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 human tragedy find little solace in official assurances that the situation is being remedied.

The Argus 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), is a supervisor in a clothing 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. "At present I get R20 a week."

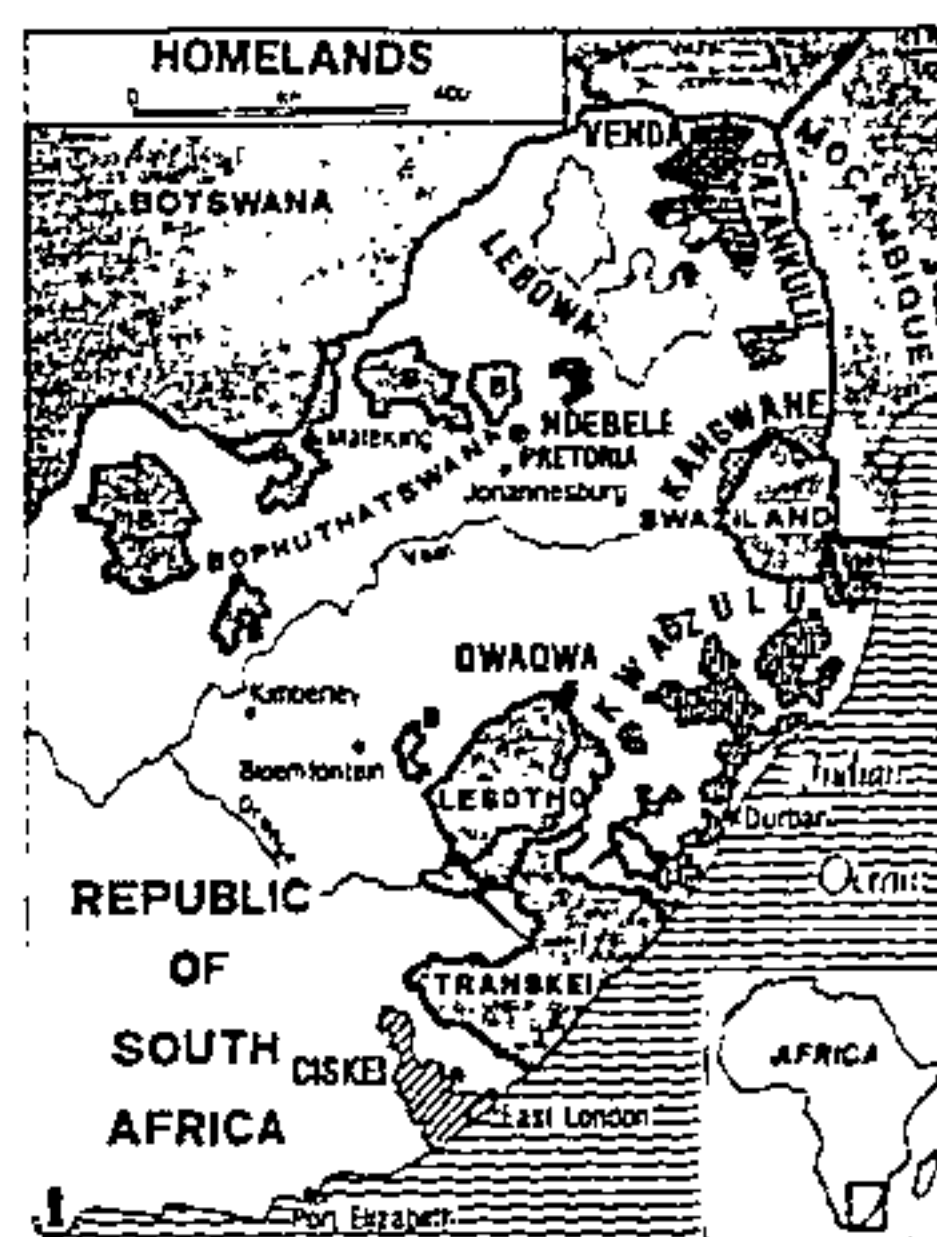
Some of her fellow workers are not as fortunate.

□ Twenty-two-year-old "Gertrude" (not her real name) from Tshesele village, who works in the same factory, joined the concern late last year and received R12 a week. "Right now I get R14."

Her weekly bus coupon costs R4,50.

□ "Stephen" (33) from Montsha, near Phuthaditjhaba, is a worker in a locker factory. He has been there for five weeks, but is already thinking about quitting as "I can't go on working for R20 a week forever".

The incentive package, according to the Qwaqwa Development Corporation, for investing in the 62000ha mountain splendour homeland includes:



The homelands

□ No capital outlay for industrial land or factory premises. These are supplied by the QDC at a rental which is a percentage of the erection cost less a 75 percent rental concession for 10 years.

□ A non-taxable cash refund of 95 percent of the average wages of all personnel involved in the manufacturing process up to a maximum of R110 per worker per month is paid each year for seven years.

□ Up to 50 percent of capital requirements in addition to premises is provided by the QDC at an interest rate 75 percent subsidised for the first 10 years. The entrepreneur is only required to put in a minimum of 35 percent of the capital.

□ 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 in the territory as workseekers.

About 9 000 have found employment in the nearby country towns of Harrismith and Bethlehem. Hundreds of others assemble daily at a labour office in Phuthaditjhaba, hoping to be recruited as migrant workers in distant cities.

"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 that 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 workseekers," he added.

Out of Qwaqwa's population of 181 594, less than half — 78 842 — are males.

Last Monday and Tuesday were particularly good days for Mr Corneelse: he managed to find employment for 42 people.

"We can do better than this," he said delightedly. "The average is 400 a month."



# Survey finds worst gap between salaries, inflation in 15 years

APG 4/9/85 355

JOHANNESBURG. — The gap between salary increases and inflation is at its widest in 15 years.

This has emerged from results of the 1985 general staff salary survey released yesterday by the remuneration division of P-E Corporate Services.

The survey, which was undertaken with data provided from over 1 000 organisations employing 1 200 000 staff of all race groups, showed the overall percentage increase in basic salary levels for all race groups for the period July 1 last year July 1 this year was 10,8 percent.

The consumer price index (CPI) for the same period was 16,4 percent, reflecting a lag of 5,6 percent.

## "DISMAL"

"It's a dismal picture," says Miss Jane Ashburner, manager of the division. "This is the third year in a row that salary

and wage increases have lagged behind the inflation rate".

She added that this was also the first year that companies had so obviously ignored the CPI as a measure of determining increases.

This year's survey shows that once again whites have received the lowest increase at 9,9 percent. This is the third consecutive year that the average increase for whites has fallen below the CPI.

"Last year whites' salaries moved by 10,0 percent but this was against a CPI of 12,4 percent. This year's 9,9 percent increase must be seen against a CPI of 16,4 percent which means there has been a negative increase in real terms and people are actually worse off than they were last year," said Miss Ashburner, adding that this applied to all race groups.

As with last year, blacks received the highest increase at

12,3 percent which, although slightly higher than last year's 11,6 percent, is still below the inflation rate.

Asians also received a slightly higher increase than last year's 10,3 percent with an average of 10,7 percent for this year, while the coloured group dropped 1,2 percent from last year's 11,5 percent to this year's 10,3 percent.

"The fact that increases for non-whites — and especially for blacks — is higher than those granted for whites shows that attempts to close the wage gap are still being pursued where possible," said Miss Ashburner.

Among whites, highest increases again went to data processing staff who received a 13,2 percent increase against the average 9,9 percent.

According to the survey, 86 percent of companies are predicting increases next year of below 12,5 percent — Sapa.



## Myth of prosperity

Wage statistics from the Central Statistical Services (CSS) in Pretoria came under fire this week at a conference on economic development in SA.

Held at Wits University, the seminar was organised by the Department of International Relations and SA Institute of International Affairs.

Addressing the delegates, Professor of Social Anthropology at Wits, Jeremy Keenan, said that, contrary to official belief, there was strong evidence to suggest that most of the growth in black earnings since 1978 was attributable to social security payments and overtime.

"Contribution to pensions, medical schemes and overtime hid the fact that black wages in most sections of the economy declined in real terms during the economic upswing from 1978 to 1981," he said.

He concedes that black earnings rose substantially during the first half of the Seventies and attributes this to the increase in the gold price, international political pressure and the re-emergence of trade unions.

But, he said: "These increases were from a very low level where in 1975, after four years in which real wages had increased 44%, average monthly earnings of blacks was still only 75% of the minimum according to various poverty datum lines."

Keenan says official figures are misleading because they are more a measurement of labour costs than of earnings. He says that CSS wrongly defines earnings as consisting of wages, overtime, bonuses, allowances, medical schemes, contributions to pension funds and employers' contributions to the abovementioned funds.

Using CSS's yardstick, real black earnings rose 75,3% from 1970 to 1981, or 5,5% a year. This compares to just 0,2% a year for whites. CSS shows the black share of total income to have risen from 19,8% to 29% over the same period while the white share dropped from 71,7% to 61,5% over the same period. This is not so.

The situation is even worse when it is noted that workers in the agriculture and domestic service sector are excluded — the two lowest paid worker categories. Also excluded from official figures are workers from the "independent" homelands — the country's lowest paid workers.

Despite an assumption that occupational mobility has resulted in real increases in income, "there is little clear evidence of this," says Keenan. Giving Soweto as an example, he notes that during the upswing from 1979 to 1981 inflation increased by 36% while take-home pay declined in real terms by 9,2% for men and 25% for women. More people were thus forced to go to the homelands causing family ties to be broken further. The size of households in the homelands has increased by 13% since 1977.

Blacks also increasingly moved into infor-



Factory workers ... less in the pocket

mal sector activities. This sector's contribution to total income rose from between 12% and 15% in 1981 to over 25% in 1983.

Referring to income distribution, Keenan observed that figures only included income earners, and disregarded both the non-income earners and the unemployed, who had more than doubled in number since 1970.

Keenan concludes that "the Botha era of reform has been characterised by a general deterioration in most peoples' standard of living." And it is not merely a case of the better-off getting richer and the poor getting poorer, but it is more a situation of a growing number of poor getting more poor.

Keenan provides startling figures concerning rural blacks. The number of adults in the homelands with no income whatsoever increased from 0,25m in 1960 to 1,4m in 1980. Recruitment from the homelands fell by 850 000 between 1975 and 1981. Also many "illegal" urban workers were sent back to the homelands in 1979.

He cites surveys showing that at least 50% of the potentially economically active population in the homelands are unemployed. In 1977 8,3% of unemployed men and 4,37% of unemployed women had been out of work for more than two years. By 1984 the figures had risen to 38,5% and 53,8% respectively.

## CLOSE CORPORATIONS

### Good for creditors

The Close Corporation Act (CC), which became law on January 1, is more than a highly beneficial vehicle for the small- to medium-size business. It also offers major advantages to creditors, customers and officials from Revenue.

For a CC member has a far greater potential liability than if his business were conducted as a company. On conversion from a company to a CC, the member is exposed to the risk of becoming personally liable for the debts and obligations of his enterprise.

In many cases, this brings theory into line

with reality: many company directors are often asked for personal guarantees — in addition to the company guarantee — before a loan or other advance is made to the company.

A CC has the "capacity and powers of a natural person with full capacity," and, in principle, every member is an agent of the corporation. Thus, those dealing with a CC are afforded greater protection than those dealing with a company.

A company's activities are restricted to those named in the memorandum. Those dealing with a company are deemed to have had "constructive notice" of the company's powers: if an act of one of its directors or officers is beyond the company's powers, the act will be void. The outcome can be particularly prejudicial to outsiders, who may have lent money or sold goods to the company without receiving payment.

Though, like a company, the CC exists independently of a natural person who enjoys immunity to its liabilities, its members do forfeit protection where they fail to observe the basic rules of the system. This was part of the intention of the CC Act's draftsmen to create personal liability of its members (similar to shareholders) wherever possible.

By increasing the legal remedies, the CC Act enables those injured by negligent, reckless or fraudulent behaviour of the members to enforce their rights by civil law. Members may also be personally liable in other circumstances, restricting the operation of the criminal law and allowing parties such as creditors a more direct way of enforcing claims.

The members may incur personal liability arising out of various contraventions of the Act. For business carried on fraudulently, there is an express provision to the effect that the member will be personally liable for all or any of the debts and liabilities of the corporation.

Any member, liquidator, creditor or the Master may apply to the courts to enforce liability. A person will be deemed to have knowledge of the facts when his conduct indicates a total lack of caring as to the facts.

The CC thus has the advantage of a "sleeping" partner. The powers of the court are sufficiently wide for a member to find himself liable for all the debts of the enterprise. Personal liability may also be incurred for abuse of the separate juristic personality of a CC and the court may disregard the CC's personality in such an action. The effect of this is to allow the court to avoid the vexed issue of "piercing the corporate veil" in cases involving companies.

And a member whose act or omission has breached any fiduciary duty will be liable to the CC for any resulting loss suffered by the CC or any benefit derived by the member. These provisions should allow creditors peace of mind when dealing with CCs. Indeed, it seems only a question of time before company directors will be subject to the same risks of personal liability as members of a CC.