

AGENCY FOR INDUSTRIAL MISSION

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ATLANTIS WORKERS ORGANISATION*

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Membership and Constituency:

Workers from various factories in Atlantis

Aims and Objectives:

To inform workers in the area of the importance of becoming involved in the trade unions at their factories. To organise workshops to educate workers about the union movement. To work with established unions in the area.

Current Programmes:

Workshops on various issues pertaining to the workers movement in general.

JANUARY — APRIL

WAGES - 1988

Negotiations between the Commercial, Catering and Allied Workers' Union (Ccawusa) and Ellerines management continued today over the national wage strike now heading for its fourth week.

Yesterday, the union said the talks were in jeopardy following the alleged petrol-bombing of a Potgletersrus house belonging to a union member.

Mr Salim Vally, a research officer for Ccawusa, claimed the union had evidence linking a certain Ellerines employee to the alleged petrol bombing of the Mahwelereng township home of Mrs Maria Mothibak, also an Ellerines employee

Wage strike talks continue

and a union member, on December 23.

An Ellerines director, Mr Sydney Ellerine, had no knowledge of the alleged petrol-bombing incident.

He said the fact that Ccawusa had supplied a vehicle registration number meant nothing. "The number could easily have been obtained by workers at the store in question," he said. — Staff Reporter and Sapa.

COMBILITER

More wage strikes likely this year, predicts report

More and longer strikes in support of wage demands are likely to occur in South Africa this year, predict industrial relations consultants Andrew Levy and Associates in their annual report.

But at the same time a greater preparedness on the part of employers to implement tough responses to potential or actual strike action is perceived, the report, released yesterday, says.

The union movement was the most comprehensively organised black force in South Africa and its power potential remained greater than ever.

"But there are areas of weakness, two of the greatest being its vulnerability to state suppression, and its own lack of pragmatism and flexibility, based upon its ideological structures. Both of these factors can potentially limit the value of organised labour as the most powerful agent for change in Southern Africa," the report states.

The report also predicts that the growing willingness on the part of employers to avail themselves of the industrial court will continue.

Despite a year which saw higher levels of industrial action, more major confrontations and fewer favourable outcomes for the unions, the report notes that the labour movement has continued to make progress, although such progress could not be judged simply in terms of disputes won or lost.

The Congress of SA Trade Unions (Cosatu) had emerged unchallenged in the field of labour relations and had managed to maintain a position of public prominence.

"It undoubtedly emerged with an enhanced public and international reputation, especially in the political arena, despite the fact that it had fewer spectacular victories in the purely labour related arena," the report says.

The black labour movement had generally met with far less success with its political agendas than with its organisational ones.

"It must now be clear to all but the most unimaginative that the arrival of a socialist Azania is further away than was contemplated in March last year. How the labour movement comes to terms with this and what tactical and strategy changes will result, has yet to be seen."

— Sapa.

Hoteliers and unions reach new accord

ALAN FINE

THE Southern Sun group and an alliance of four trade unions have, after a long-running dispute, reached a wage settlement which is likely to set new standards for the notoriously low-paying hotel industry in SA.

The agreement — which was signed on Wednesday night, thus narrowly averting threatened lockout and strike action — was announced yesterday and applies to several thousand workers at the group's 53 hotels.

The last sticking point, the question of job flexibility, was resolved when management agreed that advance rosters be drawn up and that grievances be taken up through the relevant procedures.

The accord will remain in force until March 31, 1989. It will raise the group's minimum monthly wage to R500 by next October — a 150% increase over the period for some workers.

Three across-the-board increases of R50, 15% and R30 will be paid at six-monthly intervals, the first backdated to last October.

October, 1988 will see the implementation of a 45-hour, five-day week. The present average, according to Southern Sun group personnel director Peter Cumberlege is a 50- to 52-hour, six-day week. Industrial council agreements for the sector generally provide for a working week of up to 56 hours.

And the split-shift system will be abolished at all but five rural hotels where employees live on the premises.

Another key aspect of the agreement is paid maternity leave. Employees will receive six months such leave, and will get 33% pay for four months.

e Centre tomorrow.

Picture: ALAN TAYLOR

Sun group settlement averts hotel strike

OWN Correspondent

JOHANNESBURG. — The Southern Sun group and an alliance of four trade unions have, after a long-running dispute, reached a wage settlement which is likely to set new standards for the hotel industry throughout South Africa.

The agreement, which was signed on Wednesday night and narrowly averted threatened lock-out and strike action, was announced yesterday and applies to several thousand workers at the group's 53 hotels.

The accord will remain in force for the 18 months to March 31, 1989. It will raise the group's minimum monthly wage to R500 by next October.

Three across-the-board increases of R50, 15% and R30 have been agreed upon. These will be paid at six-monthly intervals.

October 1988 will see the implementation of a 45-hour, five-day week. The present average, according to Southern Sun group personnel director Mr Peter Cumberlege, is a 50-to-52-hour, six-day week.

In addition, the split shift system will be abolished at all but five rural hotels.

Other key aspects of the agreement are paid maternity leave and a job flexibility agreement, based on a roster prepared in advance.

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Sowetan

8/1/88

THE strike by members of the Commercial Catering and Allied Workers Union which began on Monday at 18 Checkers outlets over the "unfair dismissals" of a worker is over.

A spokesman for Ccawusa yesterday said that members began returning to work on Tuesday after management reinstated Mr Percy Xaba and suspended him with full pay.

Mr Xaba worked at the Evander branch of Checkers. He was allegedly fired without a proper hearing being held.

The matter has been referred to arbitration he referred to arbitration, he said.

A union statement said the stoppage had affected Volksrust, Standerton, Delmas, Bethal, Evander, Ermelo, Middleburg, Nelspruit, Groblersdal, Witbank, Heidelberg, Secunda,

Checkers admit unfair dismissal

Primrose, Springs, Nigel and Benoni.

• Ellerines management and Ccawusa officials were yesterday locked in talks to resolve the five-week-old strike at more than 200 stores throughout the country. The company has said 144

stores were affected. ... policy.

Workers went on a legal strike on December 8 demanding a R550 a month minimum plus a R200 across-the-board increase. They also demand a revision of the company's sales target

Management has offered a minimum increase of R94 to all employees and a R425 to R689 a month minimum to its non-sales staff.

The parties were still negotiating by late afternoon yesterday.

Hotel group, unions agree to R500 minimum

8/1/88
Labour Reporter

UNION leaders say the latest wages and working conditions agreement with the Southern Sun hotel group will open job opportunities and have ripple effects on the whole industry.

The agreement applies to about 7 000 workers at 53 hotels in the group.

Main points in the agreement between the group and an alliance of four trade unions are: a minimum monthly wage of R500 from October; a 45-hour, five-day week from October; four months' paid maternity leave; abolition of the split-shift system, except at five rural hotels; and a job flexibility agreement, based on a roster prepared in advance.

A spokesman for the alliance of the Hotel and Restaurant Workers Union, the Commercial, Catering and Allied Workers Union and the two Liquor and Catering Trades Unions (Cape and Natal) said the reduction in the work week, abolition of split shifts and negotiated flexibility meant the group would have to employ about five-percent more staff.

"The reduction of hours and the agreement on flexibility will have a ripple effect throughout the industry as employees of other hotels will demand the same conditions.

"It is usual for employees covered by industrial council agreements to work 52-hour, six-day weeks at present.

"The R500 minimum negotiated with Southern Sun will also have a ripple effect. It is about double the present minimum in industrial council agreements," he said.

W/C ARGUS 9/1/88

Revamping

benefit

packages

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LABOUR
AFFAIRS
DICK
USHER



THE push by unions for funds more attuned to their members' needs than existing pension schemes is starting to take effect in the industry.

Old Mutual, South Africa's largest insurance company, in its latest review of employee benefits, says that with the rise of an articulate and well-organised work force, employers are increasingly reconsidering their employee benefit packages.

The review draws attention to strike figures which "obviously reflect a widespread and growing dissatisfaction with, among other issues, current remuneration packages".

In 1982 the Department of Manpower recorded 394 strikes. In 1986 there were 793, an increase of 101 percent.

Total work days lost in 1982 were 365 337. In 1986 they were 1 308 958, an increase of 248 percent.

Total wages lost in 1982 were R4 544 362. In 1986 they were R23 166 278, an increase of 409 percent.

Old Mutual says the picture is one of changing demands and increasingly articulate and powerful communication of these demands.

"In themselves, these developments should not give rise to great concern. What would cause concern, however, would be a nation whose business managers were unable or unwilling to respond appropriately to an increasingly vocal work force.

RETIREMENT FUNDING

"While approaches have obviously varied between employers, retirement benefit funds have generally been implemented without consultation.

"Employers and their advisers have decided what would be best for their employees on the basis that:

- Retirement funding is complex and best left to experts;

- People are often irresponsible about planning their future security; and

- A substantial portion of the cost of the benefits is borne by the employer," says the review.

Relatively few changes and developments had been made to these, but there were usually three ways in which packages were re-evaluated.

Two, which Old Mutual considers less than suitable, were to retain the existing approach or to avoid all involvement and call in a third party.

"The third, and in Old Mutual's opinion, a more viable approach in general, is to develop an employee benefit package through negotiation ...

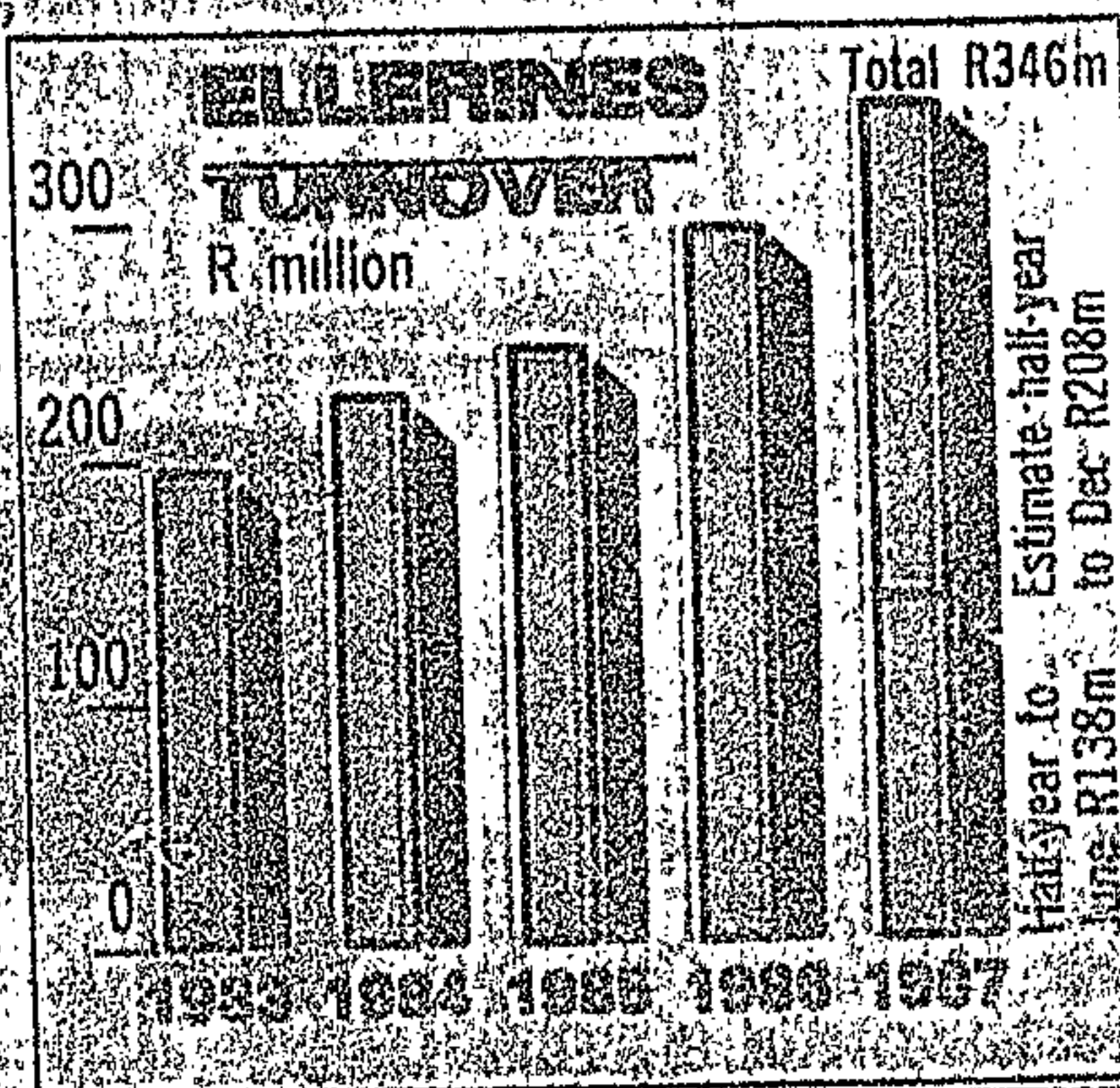
"Participation and consultation are among the key demands being made by trade unions and, to date, these demands have not been fully met.

"What is needed to facilitate an acceptable solution is a flexible base from which every employee's real needs can be met; a base which will give the parties scope and authority to communicate and which will give employers and their employees confidence in the validity and endurance of the solution."

Breakthrough in Ellerines' talks

12/1/88
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Alan Fine
THERE was a significant breakthrough yesterday in negotiations between Ellerines and union representatives aimed at ending the strike which began on December 8.

Commercial, Catering and Allied Workers' Union (Ccawusa) spokesman Jackie Masuku said workers had accepted a management proposal on sales tar-



Graphic: FIONA KRISCH Source: ELLERINES

gets. In terms of the proposal, the monthly sales target will be set at R2 500, instead of 10 times the employees' monthly wage as in the past.

The two sides have also negotiated a disciplinary procedure to be used when

● To Page 2

Ccawusa accepts some of Ellerines' proposals

employees fail to reach that target.

Masuku said resolution of this issue meant the dispute was halfway towards settlement. However, the strike would continue until all issues had been resolved.

The two are scheduled to meet again today to discuss union demands for a R550 minimum wage, a R200 across-the-board increase and other issues. Management has offered R425 and R94 respectively.

Meanwhile an Ellerines' spokesman said turnover figures for December

were not yet available and it could not be said how badly the group had been hit by the strike. Picketers have stood outside store premises throughout the strike and central city branches were noticeably quiet during the festive shopping season.

A retail furniture industry source said December takings in the sector normally represented 13% to 14% of annual turnover.

Wage talks deadlocked

WAGE talks between the Media Workers' Association, the Argus Printing and Publishing and Times Media Limited again reached a deadlock this week, writes THEMBA MOLEFE.

Mwasa is demanding a 20 percent across-the-board increase. The Argus is offering 12 percent across-the-board and four percent discretionary pay for journalists and a 16 percent rise for non-journalists.

TML is offering journalists eight percent across-the-board and eight percent at the editor's discretion. The offer for non-journalists is 17 percent.

Mwasa has rejected the offers but management is standing firm on its proposal, arguing that the offer is reasonable and was above the inflation rate.

The parties meet again on Friday in a fresh attempt to reach agreement.

● Mwasa and Perskor management meet today as wage talks between the two parties get under way.

A union spokesman said the demands would include a minimum wage of R250 a week, four weeks leave, 13th cheque for monthly paid staff, a month's equivalent pay for weekly paid workers, maternity and paternity leave, 14 day's sick leave, pension benefits and medical aid facilities, and a housing subsidy.

(35)
(scribble)

13/1/88. S. Molefe

Union issues ultimatum to Durban hotels

Own Correspondent

DURBAN — Durban hotel owners have been given an ultimatum to accede to the wage demands of the Natal Liquor and Catering Trades Employees' Union, or face possible strike action.

The union represents more than 8 000 employees in the industry.

Union president Ronnie Kisten said the union had held five meetings with the Natal branch of the Federated Hotel Association of SA (Fedhasa) over wages. At the latest talks this week the union gave Fedhasa seven days to reconsider its offer.

"The union has asked for an across-the-board increase of R200, and that minimum wages of general service employees — who make up the bulk of the industry's labour force — be increased from R272 to R500 a month, coming into effect in two stages.

He said Fedhasa had offered an increase of R58 for general service employees which would increase their wages to R330 a month, and for waiters who made up the rest of the industry's workforce, a R45 increase, which would boost a waiter's monthly wages to R415.

"This offer is totally unacceptable. We made it quite clear to the employers' organisation."

He said hotel workers had been exploited by low wages and long working hours.

15/7/88

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(255) 19/1/88 8/day

Local authorities income up

PRETORIA — Total income of local authorities general divisions was 11,1% higher in the third quarter last year compared with the July-September period the year before, Central Statistical Services said.

Total income from trading services increased by 23,9%.

Largest increases were recorded by housing (18,3%), electricity (25,2%) and water (26%).

Income from passenger-transport

GERALD REILLY

services increased by only 1,6% and abattoir income declined by 15,2%.

Spending excluding loan redemptions and net transfers to reserve funds in the third quarter last year, compared with the same quarter in 1986, increased — general government services by 17,7%, housing 17,4%, electricity 21,8%, water 17,7% and passenger-transport services 22,4%.

The surplus on the current accounts before redemption of loans and transfers to serve funds of general government services was R314m, compared with R320m in the third quarter in 1986.

Corresponding figures for the trading services were R272m and R229m.

The CSS said the statistics related to all local authorities except development boards, whose local authorities had taken over development board functions.

Town Clerks Bill published

THE profession of Town Clerks Bill published yesterday gives professional status to town clerks of local authorities.

The Bill is the result of the recommendations of the Browne Committee's investigation into the finances of local authorities in SA.

A Department of Development Planning statement says the position of town clerk has become one of "considerable importance" in the implementation of the process of constitutional reform at local government level.

"In order to be a meaningful factor in local government reform, strong and expert leadership is required for local authorities. The Bill thus provides for the control of the profession of town clerk by a Town Clerks' Board, representative of all population groups." — Sapa.

PRETORIA — Women had started moving into business, politics and technical professions although their numbers were still small, management consultant Truida Prekel said at the weekend.

Speaking at a "Women Leadership and Development" conference, she said trends were expected to continue.

Statistics showed the growth in numbers of women in "non-traditional" careers mostly exceeded that of women in traditional careers.

But women worked in an environment that did not always recognise their ability or career aspirations.

The number of women in professions such as medicine, pharmacy, accounting and engineering had increased by a factor of between six and 30 over a 16-year period.

Women move up, in limited numbers

GERALD REILLY

The rates of increase were remarkable. Women had increased their contribution to high-level manpower from 31% in 1971 to 37% in 1985, and to middle-level manpower from 29% to 35%.

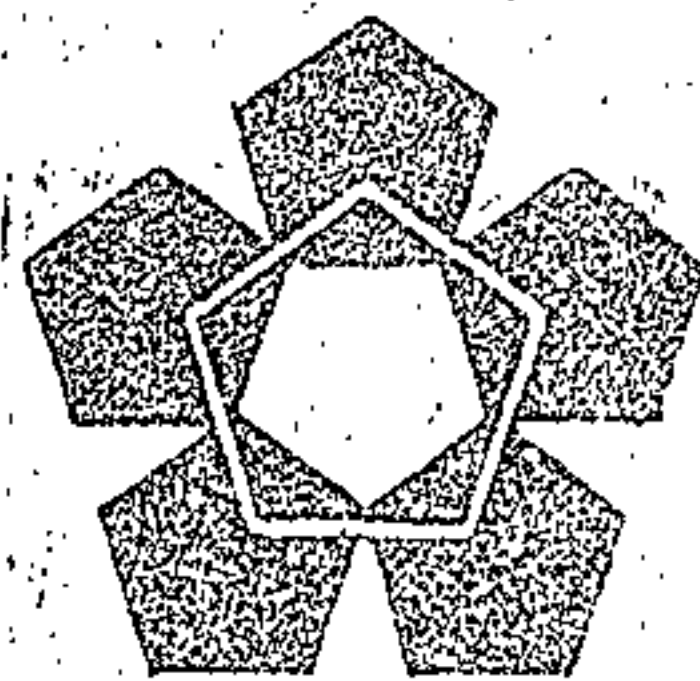
The most significant increases were among scientists (from 6,7% to 19,4%), medical doctors (9% to 14,5%), lawyers (3% to 11,5%), accountants and auditors (5,9% to 18,5%) and agriculturists (0,6% to 12,8%).

Other growth areas included engineering, technology, supervising and administration.

'Major adjustments needed'

Hotel prices up

as wage costs spiral



A WAGE cost spiral will send hotel prices rocketing, Southern Sun group MD Bruno Corte said yesterday.

But he told delegates to the Hospitality '88 seminar organized by the Federated Hotel, Liquor and Catering Association (Fedhasa); that the consumer could not be expected to foot the entire bill and there would have to be some major adjustments in the industry generally.

He believed that labour intensive deluxe restaurants were a thing of the past and new ways would have to be sought to make the industry more efficient. Floor space would have to be better utilized and labour would have to become more flexible and productive. Inevitably there would have to be some "head cost" reductions.

Also speaking at the seminar Otto Stehlik, MD of Protea Hotels and Inns, said the industry was looking forward to a very good year in 1988. There would be an increase in tourism from countries such as United Kingdom and Germany of between 30% and 50%

and domestic tourism had also recovered strongly.

However the hospitality industry's infrastructure had reduced so it might not be able to take full advantage of the improvement. He echoed Corte in pointing out that average room rates in South Africa were "ludicrous". The price of a five star hotel was about 4 times less than equivalent hotels in London.

John Williamson, MD of Thomas Cook Rennies Travel said the stock exchange crash had not affected the travel industry. Flights remained very fully booked, reflecting the "dramatic" pick up in international and domestic travel.

He did not foresee a downturn in 1988 but there were some problems. Acquisition of visas remained a major obstacle and costs were increasing, placing pressure on the travel industry's margins. Airfare costs to SA were too high, relative to other world air routes, and SA's travel computer systems had become overloaded.

On a more positive side October

1987 showed a 14% increase on international tourism, although these figures still had a long way to go to reach the peaks of 1985. He did not expect any more restrictions on SAA's landing rights.

The MD of City Lodge Holdings, Mr Hans Enderle said the hotel industry's revenues could exceed inflation's 15% this year. To potential investors in hotel brick and mortar this represented an excellent opportunity. Already plans for an additional 1 000 hotel rooms had been announced. Positive indications were that bad reporting about SA overseas had changed, the economy was picking up and de-regulation of the hotel industry had begun.

Mr Mandla Msomi, director of African Travel Services, said although the black travel industry was growing, a lack of technical knowledge was limiting this development.

He added that good potential existed for the expansion of black tourism and travel services with the increasing spending capacity of black consumers.

Air traffic controllers supported

The South African Airways Pilots Association (Saapa) has thrown its weight behind air traffic controllers who are fighting for better working conditions.

Says Saapa president Captain Blake Flemington: "Air traffic controllers are not being paid, they are being exploited."

"Saapa sympathises with the air traffic controllers. I, personally, would never work under their conditions."

Captain Flemington said that when America fired half of their controllers, the accident rate doubled.

Another Saapa official said pilots would refuse "to fly" if safety conditions were badly eroded.

"We rely a lot on controllers in bad weather conditions, because we don't know what is out there. A mistake on their part can result in a mid-air collision," he said.

24/5 28/1/12

Cap Times 22/1/88

Govt workers want better 'bargaining mechanism'

PRETORIA. — Government workers are pressing for a more effective salary and wage bargaining mechanism. The other issue discussed was market-related salaries.

The issue was discussed on Wednesday night at the meeting of the Public Servants Association management board. The PSA again claims the gap between private sector and public sector pay has widened.

It is understood strong representations will be made to the Minister responsible for the public service, Alwyn Schlebusch, for a prompt response to the PSA's demand. Linked to more effective negotiating machinery is the need for a system that takes more pertinently into account equivalent earnings in the private sector, it is claimed.

Senior PSA members say they are totally at the mercy of the Commission for Administration. The PSA's response to criticism that too big a slice of the national budget is set aside for the payment of government workers is that they are not responsible for staff demands of the tri-cameral system or the administration of other government policies.

If their pay representations are rejected, they have no comeback.

There is no appeal mechanism where disagreement can be thrashed

Govt workers

By David Braun, Political Correspondent

Cape Town

Public servants fear the Government is about to announce a freeze on their wages and allowances in a new bid to arrest State expenditure and inflation.

Dr J de Beer, chairman of the Commission for Administration, said today he was unaware of any decision on a possible wage freeze. As far as he was concerned, the public servants' staff associations were still negotiating salary increases with the Government, he said.

Dr de Beer also said he had no idea what was on the agenda of the conference between the State President and businessmen next month.

Although no other official comment could be obtained today, there is growing speculation that the Cabinet has already authorised the Government to offer the country some sort of general wage freeze which would apply to the private sector as well.

It is not clear whether the freeze would be mandatory or voluntary or whether salaries would be frozen at their present levels or at maximum new levels.

The Government has for years been opposed to wage and price freezes on the grounds that these are counter-productive and serve only to dam up massive increases which have to be applied at a later date.

Opposition parties, on the other hand, have argued in favour of at least a negotiated voluntary wage and price freeze.

The State President's Economic Advisory Council last year recommended a plan to reduce the inflation rate which would involve the setting of specific targets over the next few years with a view to bringing down inflation by a few points each year.

This would have the advantage of providing the country with generally recognised targets and maximum limits for the increasing of prices and wages in each particular year.

It is being speculated that President Botha could raise such a plan at the meeting with business leaders he has called for February 4.

Set example

He may tell businessmen the public sector will set the example and he expects the private sector to follow suit.

Senior public servants in a number of Government departments today confirmed they had "heard" there are to be no salary increases for them this year.

Post Office technicians are understood to have already been told the nine percent increase they were expecting this year will not be forthcoming for the time being.

● See Page 1M

Wage freeze
possible, say

Fears over steps to curb spending

Civil servants ask for 'market rate' pay rise for 1988

By Claire Robertson
Pretoria Bureau

The 63 000-strong Public Servants' Association was not seeking pay hikes of more than the expected market trend of raises between 15 and 19 percent in 1988, according to PSA president Dr Colin Cameron.

After a meeting with Finance Minister Mr Barend du Plessis in Cape Town yesterday, Dr Cameron said salaries in the public sector did not set the pace in the market, but merely followed it.

It was thus unreasonable to accuse the Government of boosting the inflation rate if it adjusted its employees' salaries according to the market, he said.

PINNING GOVERNMENT DOWN

He said recent market surveys indicated that senior executives in the private sector could expect raises of 17 percent this year, while managers could expect to receive between 15 and 16 percent.

Trained and untrained labour could expect 18 to 19 percent.

The PSA was not asking for more than the market rate, he said.

Dr Cameron said the PSA delegation was well received by Mr du Plessis for talks which were "really a continuation of talks started at the end of last year with the Commission for Administration".

The talks follow indications this month that the PSA is to seek ways of pinning the Government down to structured negotiating procedures, much like those enjoyed by trade unions.

Last year public servants saw their annual salary increases delayed for three months because of the white general election.

Textile industry facing strike

By Mike Siluma, Labour Reporter

The Amalgamated Clothing and Textile Workers' Union (Actwusa) has declared a wage dispute with textile employers, pushing large sections of the industry to the brink of strike action.

The union's decision follows a deadlock in industrial council talks between Actwusa, representing about 6 500 workers covered by the council, and employers. The current talks cover wage increases for the period between January and June.

Union says

Actwusa's general secretary Mr John Copelyn said talks had broken down after employers had made "a totally unrealistic final offer" of a R3,75-a-week increase for the lower grades.

According to the union, employers are offering, in addition to the R3,75 for grades one to three, a 50c weekly increase for grades four to six, plus improved long-service benefits.

The union has demanded a R9 increase for the first three grades, R10 for grades four and five, and R11 for grade six.

According to Mr Copelyn the increases offered were "totally out of line with the general trend of wage increases which have been negotiated in our union". He said that minimum wage levels in the automobile, iron and steel and paper industries were "at least twice as high" as they are in the textile industry.

The biggest employer in the council is the Frame Group, employing about 3 800 of the 6 500 workers affected by the dispute.

According to Actwusa, other employers falling under the textile industrial council — including SA Slock in Johannesburg, Romatex in Durban and SA Bias Binding (Cape Town) — had reached agreement with the union in separate in-house negotiations. Workers in Frame Group factories in East London, Harrismith and Pinetown had voted for strike action. Balloting was due to take place today at the Jacobs, Durban factory, as well as at the non-Frame Group Aranda Textile Mills in Johannesburg.

Employers say

The vice-chairman of the Textile Manufacturers Association, Mr Peter Richardson, who is also group human resources spokesman for the Frame Group, confirmed the existence of a deadlock and the expiry of the current industrial council agreement. Employers were awaiting Actwusa's response to an invitation to resume talks.

The manufacturers association had made two proposals to the union. While the wage proposal offered an increase "in line with that mentioned" by the union, the two proposals would together represent a "significant" benefit to employees at considerable cost to employers, said Mr Richardson.

On an annual basis, the employers' offer represented a 15 percent increase, which was realistic given the state of the industry, and (should) not be compared with other industries in different circumstances.

Mr Richardson said he regretted that the union had issued press statements while employers were trying to find means to resolve the deadlock.

Wages to top agenda

THE industrial council, the court system and wage negotiations, will top the agenda when the National Union of Steel and Allied Workers holds its general meeting in Pretoria on Saturday.

Nusaw general secretary Mr Ndomane Tibane said the two-year-old union would discuss the launching of branches in Pietersburg, Rustenburg and the West Rand, and also prepare for national wage negotiations at plant level.

The meeting begins at 9 am at the Laudium Hotel in Pretoria.

Mr Ndomane said Nusaw members at Bessans du Plessis, a steel plant in Pretoria, will hold a meeting at the hotel on February 6.

*Smelton
27/1/88*

Unions warn on wage restraints

By DICK USHER
Labour Reporter

BOTH major trade union federations have warned that any attempt to impose wage restraints would be strongly opposed.

Discussion about restraints is on the agenda for Tuesday's meeting in Cape Town between President Botha and leading businessmen.

Spokesmen for the Congress of South African Trade Unions (Cosatu) and the National Council of Trade Unions (Nactu), representing about 1.5 million organised workers, said there was already deep bitterness about remuneration and the economic system generally.

"Unrest in South Africa has always been linked with deteriorating economic conditions. The unrest of 1976 and the past three years was a direct result of growing unemployment and rampant inflation," said Cosatu spokesman Mr Frank Meintjies.

Mr Piroshaw Camay, general secretary of Nactu, said Nactu totally rejected wage restraints.

"The present economic crisis has been created by the Government persisting with its apartheid policy, on which it is spending astronomical sums through defence, the police and constitutional tinkering.

"Black workers have totally rejected this system and to impose restraints would be seen as just another attempt to make them pay for their own oppression," he said.

Wage freeze

'unlikely'

CMT
28/1/88

20 18 35

Financial Editor

PUBLIC service salary increases will be low this year, in an effort to fight inflation, some leading economists believe.

It is widely thought that inflation will be one of the major problems discussed at the meeting between the State President, P.W. Botha, and leading businessmen in Cape Town on Thursday next week.

But economists do not believe that a wage freeze will be suggested. Instead, they think an effort will be made to stop spiralling inflation and limit imports by keeping salary increases at a low level.

Volkskas chief economist At Engelbrecht said: "I think there will be a heavy constraint on salary increases. The government will probably take the lead by giving low increases to public servants."

"But a lot depends on how strong the economic recovery is. With the world economy weakening we cannot hope for an export-led recovery. We must have a consumer-led recovery with increased spending."

However, Englebrecht pointed out, SA cannot afford to ignore the balance of payments situation. "The authorities may want to keep wages down to keep imports down."

UCT economics lecturer John Whittaker said suggestions that inflation was the major problem to be fought usually meant that the Reserve Bank intended to push up interest rates.

He thought it would be difficult to convince everybody that the government was serious about tackling inflation because of its previous record "although if it comes from the State President I suppose it is a good start."

"But the people to convince are the price setters — the people in SA Transport Services (SATS), Escom and the control boards."

SD 20/1/83

Ccawusa launches wage talks

JOHANNESBURG — The Commercial, Catering and Allied Workers' Union (Ccawusa) has launched negotiations with Pick 'n Pay aimed at raising workers' pay to "living wage level."

The union said in a statement yesterday it wanted a R366 per month across-the-board increase, which would raise the minimum monthly wages to R856.

Referring to last year's 50 per cent increase in minimum wages, the union said: "The wages and standard of living of most workers still remain at poverty levels and this year Ccawusa is demanding that poverty wages to be eradicated."

The union represents some 7 400 chain store workers countrywide.

Ccawusa is also demanding:

- March 21, Sharpeville Day, as a paid commemorative holiday.

- Minimum annual leave of two weeks.

- A 12 per cent staff discount on goods purchased at the chain store.

A spokesman for the chain store said the company would meet the union on Monday and Tuesday to present its counter-offer. — Sapa-RNS

~~Amcas 1/7/88~~
**Pay increase
for textile
employees**

Labour Reporter

WAGE increases of 17 and 25 percent have been negotiated at two factories in the textile industry.

At one factory workers have been given May Day and June 16 as paid holidays and at the other they will be unpaid holidays.

The Amalgamated Clothing and Textile Workers Union (Actwusa) said that at Nettex in Bellville increases of between R27 and R32 had been negotiated on the basic weekly minimum.

At Kaymac Industries in Atlantis a new starting wage for factory operator staff of R181,70 a week has been negotiated and a new basic wage after probation of R209,30.

355 B/day 1/2/88

IF PRICES increase, wages tend to follow, and vice versa. If one group of employees receives a wage increase, other groups submit similar demands, while a similar ripple effect is also discernible in the case of prices. When the price of an important input in the production process — e.g., electricity — rises, it has wide-ranging repercussions throughout the economy.

Inflation is a complex and deep-seated problem for which there are no instant solutions.

The rate of inflation cannot be forced down to acceptable levels in the short-term through direct control measures or a comprehensive suppression of the demand for goods and services, at any rate not without major sacrifices in terms of economic growth and job-creation.

Experience has shown that direct control measures, such as wage and price control, are hardly able to be applied successfully in order to force down the rate of inflation.

Unavoidable cost increases must necessarily be allowed, and it is virtually impossible in practice to distinguish between avoidable and unavoidable cost increases, because it would involve an investigation of each and every case. Therefore, a tendency exists in countries which rely on such measures to accept all cost increases in the course of time.

Such rigid regulations would also give rise to the building up of inflationary pressure as a result of the limitations imposed on the supply of goods and services.

If rigid regulations which are aimed at forcing down the rate of inflation at all costs are nevertheless adhered to, this will of necessity lead to a misallocation of production factors, which will not only be to the disadvantage of economic growth and employment, but will also give rise to the building up of inflationary pressure as a result of the limitations imposed upon the supply of goods and services.

Unless strict monetary and fiscal discipline is maintained, the abolition of control — which must occur at some stage — will probably be accompanied by sharp increases in the general price level.

It is therefore an illusion to think that wage and price control can serve as a substitute for monetary and fiscal discipline.

On the contrary, in order to have any chance of success at all, wage and price control must necessarily also be accompanied by the maintenance of strict monetary and fiscal discipline.

Even under such circumstances, the abolition of control will probably still be accompanied by ex-

Wage and price controls don't cut inflation

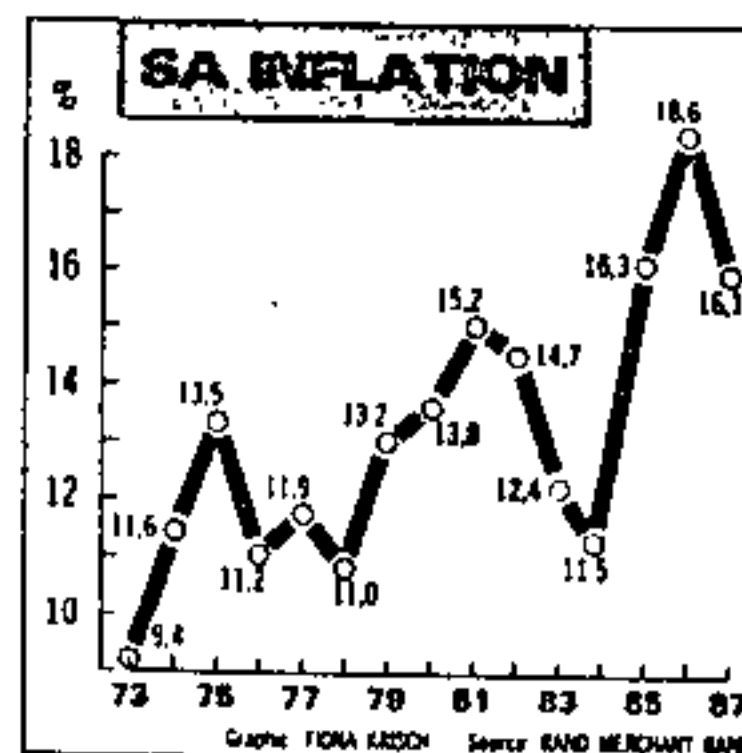
Business leaders expect to hear proposals on some form of incomes policy when they meet President Botha on Thursday to discuss his Economic Advisory Council's plan to cut inflation. This is an edited extract of the EAC's proposal for pay and price guidelines

cessive rises in the prices of specific products where necessary structural changes were suppressed, which in turn will lead to further price rises.

In addition to the limitations they place on economic growth and employment, measures that are aimed at the symptoms instead of the causes of inflation — such as direct wage and price controls — therefore are not likely to relieve the problem of inflation over the longer-term, but will more likely aggravate it. This point of view enjoys reasonably broad support amongst economists world-wide.

It may be argued, of course, that if inflation is inclined to feed upon itself — in the sense that current price increases are determined to a large extent by previous price increases, as is apparently the case in SA — a temporary wage and price freeze may indeed relieve the problem of inflation.

In order to be able to change perceptions, a wage and price freeze will, however, have to be adhered to for a considerable period of time, with all the disadvantages referred to earlier. Even then it is still not certain in which



direction expectations will be influenced.

Experience has also shown that temporary wage and price freezes, more often than not, create more problems than they solve.

Maintenance of monetary and fiscal discipline, with a view to keeping a balance between the demand and supply of goods and services and to avoiding conditions of surplus demand, should form the cornerstone of any anti-inflation strategy.

A major part of SA's inflation problems could probably be attri-

buted to wage and price determination practices and various other factors that put limitations on the effective operation of the market and price mechanism.

These factors tend to maintain or increase inflation and/or unemployment and at the same time to channel the effect of restrictive monetary and fiscal measures to production and employment rather than to prices.

Consequently, there is also a need for measures to promote the more efficient operation of the market and price mechanism, in addition to and in support of monetary and fiscal discipline.

Indexation apparently plays a major role in the wage and price determination processes in SA. It not only inhibits the effective operation of the market and price systems but, as such practices increase, may also increase the upward pressure on prices and eventually lead to hyper-inflation, as has been the case in Israel and in some South American countries.

The ordered collection of information on wage and price movements, and matters relating to them which are not generated nat-

urally by the market system, is likely to have a favourable effect on both the operation of the market economy in general and the effectiveness of monetary and fiscal policy in particular.

However, the point at issue here is only the collection, preparation exchange and utilisation of information to make the final decision-makers aware of the macro-economic context within which their decisions are taken, as well as the possible implications of their decisions.

Therefore it should not be the intention to try to reach consensus on the rate at which wages or prices should be increased nor to act in such a manner that the allocation function of the market and price mechanism is undermined.

Calculations indicate that the rate of inflation could be reduced, provided that factors beyond the control of the country do not once again cause the prices of imported goods to rise sharply and provided that it is ensured that prices, wages and salaries determined by the public sector increase at lower rates.

The success of such a policy approach will depend on the extent to which it is able to keep all of the participants in the economic process aware of the role they play in the inflation process, and able to create confidence that it is indeed possible for inflation to be brought and kept under control.

Consideration should be given to periodically setting clear, qualified and quantified — but at the same time also very realistic — objectives in respect of combating inflation.

Such objectives ought to be set in advance by government for the current and ensuing year, and can, if made public, also serve as general information to the private sector in respect of the maximum average rate at which prices and wages and salaries should rise if the objectives are to be attained.

In order to ensure that all the participants in the economic process remain constantly aware of the role played by them in the inflation process, it may also be necessary for government from time to time to draw attention to general price, wage and salary trends which, bearing in mind the allocation function of the market and price mechanisms, could endanger the attainment of the objectives laid down.

To the extent that this succeeds and confidence is restored in the ability of the country to combat inflation, the setting of objectives could become self-fulfilling, particularly if groups and organisations in both the public and private sectors associate themselves with such objectives in advance.

TEACHERS VOICE ANGER AT PAY

PRETORIA — Teachers' dissatisfaction with inadequate pay has reached crisis proportions and the number leaving the profession is causing serious concern, say Transvaal Teachers' Association sources.

They say teachers are tired of struggling for pay levels that match their qualifications and responsibilities, and draw comparisons with similarly qualified workers in the private sector.

At an emergency meeting of the standing committee of the Teachers' Federal Council (TFC) here on Friday, it was decided to hold a

GERALD REILLY

media conference in Cape Town today to spell out grievances.

As a matter of urgency, TFC chairman Dudley Schroeder said, "perspectives of the profession" would be outlined, and current pay structures revealed.

The conference will be attended by the chairman of the eight TFC-affiliated teachers' associations.

It is understood the TFC has had two recent meetings with National Education Minister F W de Klerk on the pay issue.

They were apparently dismissed with "platitudes" about government being aware of the situation, and everything possible being done to solve any related problems.

A TTA source said: "Some of our best teachers, particularly in maths and science, are moving into the private sector, and even into government departments where they get a far better deal."

He stressed if teaching standards and the quality of education were to be protected, significant adjustments would have to be made urgently to teachers' pay scales.

THREATENED industrial action by several thousand Volkswagen, Delta and Samcor (PE) employees has been averted for now

Wage deal deflects industrial action by Numsa

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B. 10/12/88

with a wage agreement for the next six months between the National Union of Metalworkers of SA (Numsa) and the Eastern Province Automobile Manufacturers' Association.

The minimum hourly industrial council rate is to be increased by

ALAN FINE

28% from R3,50 to R4,50 from February 1 (although actual wages are generally somewhat higher than R3,50).

A rate of R7,89 has been agreed for workers in the most skilled category. All workers would receive an

across-the-board increase of not less than 55c an hour in Grade 1, ranging to 85c an hour in the highest grade, Numsa regional secretary Les Kettledas said.

The settlement was confirmed by an employer spokesman. Negotiations for August 1988 rates of pay and increases are to resume in

May at plant level. The parties were deadlocked previously with Numsa demanding an additional 40c an hour, while employers offered 20c. A proposed three-hour reduction in the present 43-hour week will also be discussed.

Additional points of agreement include paid leave on June 16, a year-

end bonus equal to one month's pay for all workers with more than one year's service, and improved redundancy benefits.

In addition, said Kettledas, it was agreed that a joint union/management training committee would be established to monitor and advise on training.



B/day 2/2/88

April deadline for govt

Urgent call to close 11% gap in pay for teachers

CAPE TOWN — The Teachers' Federal Council yesterday called on government to close the gap in salaries between the education sector and the rest of the public sector before April 1.

TFC chairman Dudley Schroeder warned his council and its eight member associations "could no longer tolerate this state of affairs" and said the TFC would "have to distance itself completely" from the way in which government handled teachers' salaries if satisfactory results were not achieved.

At a media conference here, Schroeder said during September and October 1987, an independent firm of consultants had undertaken a comprehensive investigation into the salary position of the education sector in comparison with that of the private and public sectors.

This had proved that since 1984 the education sector had built up a salary backlog of at least 11% compared with the rest of the public sector, and lagged behind the private sector by at least 30%.

Schroeder said this backlog conflicted with declared government policies and although "the TFC did not begrudge the public sector what it enjoyed, it regarded the present state of affairs as being unfair and unacceptable".

Schroeder said the 11% backlog was "non-negotiable" for the April 1 deadline and that teachers should also share in the general increases, which should relate to the rate of inflation.

Asked what steps the TFC would take should government not grant these increases, members gave the assurance that nothing would be done to prejudice "children at school", but also warned that a "complete strategy had been worked out". — Sapa.

D/D 02/2/88 (355)

Wage agreement averts strikes at car plants

JOHANNESBURG — Threatened industrial action by several thousand Volkswagen, Delta and Samcor (PE) employees has been temporarily averted, after a wage agreement was reached between the National Union of Metalworkers of South Africa (Numsa) and the Eastern Province Automobile Manufacturers Association.

The minimum hourly industrial council rate is to be increased by 28 per cent, from R3,50 to R4,50 from February 1 — although actual wages are generally somewhat higher than R3,50.

A rate of R7,89 has been agreed for workers in the most skilled category.

All workers would receive an across the board increase of not less than 55c an hour in grade 1, ranging to 85c

an hour in the highest grade.

The settlement was confirmed by an employer spokesman.

With the wage agreement fixed for the next six months, negotiations for August 1988 rates of pay and increases are to resume in May at plant level.

The two parties had reached a deadlock after Numsa demanded an additional 40c an hour, with employers were prepared to offer 20c.

A proposed three-hour reduction in the present 43-hour week will also be discussed.

Additional points of agreement include paid leave on June 16, a year-end bonus equal to one month's pay for all workers with more than one year's service, and improved redundancy

benefits.

Numsa regional secretary Mr Les Kettledas said that in response to a union demand for greater technical training facilities for women and youth workers, it was agreed that a joint union-management training committee would be established to monitor and advise on training in the industry.

Mr Kettledas pointed out that the R4,50 an hour target had now been reached at five of South Africa's motor manufacturers — Mercedes, Nissan and the three PE firms.

He added that Numsa would ensure that the remaining automobile manufacturers also achieved this rate of pay, and move towards that for all Numsa members.

Salaries at govt schools 'lag by 31%'

CAPE Times 3/2/88

Staff Reporter

SOME leading government schools in the city are supplementing teachers' salaries to retain sorely-needed experienced staff, a senior office-bearer of the SA Teachers' Association (Sata) disclosed yesterday.

He said that though the practice was not widespread, it indicated the serious shortfalls in teachers' salaries compared to those in the private sector.

A survey commissioned by the Teachers' Federal Council (TFC) found that teachers' salaries lag 11% behind the rest of the public sector, and 31% behind the private sector.

The Minister of National Education, Mr F W de Klerk, will hold a prearranged meeting with the TFC tomorrow at which teachers' salaries are expected to be discussed.

At least three principals of well-known city schools told the Cape Times they knew of schools that augmented teachers' salaries from own funds.

One principal said his school lost three teachers last year and another two had given notice already this year. This represented 35 years of accumulated teaching experience.

He said a university graduate with a teaching diploma would earn about R13 000 in their first year of teaching, with the salary peaking at R22 000 after nine years.

Officials of the Department of National Education could not be reached for comment.

Seven principals contacted by the Cape Times — besides one who did not wish to comment — all supported the TFC's demand for an 11% pay increase.

Meanwhile Sata, the SA Afrikaanse Onderwysersunie (SAOU) — representing English- and Afrikaans-speaking teachers in the Cape — and the Transvaalse Onderwysersvereniging have expressed wholehearted support for the stand of the TFC.

"The continued differences between the government and teachers over increments have led many Sata members to question the credibility of the government in its public commitment to education," Mr Richard Hawkins, the president of Sata, said.

He stressed, however, that Sata had "steadfastly refused" to consider any action that would disadvantage pupils.

The SAOU called on the government to give "the teachers' case the highest priority".

The chairman of the Cape English-Speaking Parents' Association, Mr Rodney Mzinter, said parents were concerned about "quality teachers" leaving the profession.

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Salary concern marks
SATS govt meeting

Own Correspondent

JOHANNESBURG. — Government plans for civil service salaries were a cause for concern, and as a result the Federal Council of the SATS Staff Association was approaching its meeting with President P W Botha in Cape Town tomorrow with trepidation, a council leader said yesterday.

At the meeting, Mr Botha and other senior cabinet members are expected to initiate discussions on ways of reducing SA's inflation rate.

The meeting will also be attended by Mr Colin Cameron of the Public Servants' Association (PSA).

Council general secretary Mr Abraham Koekemoer disclosed that he and other executive members are to meet Transport Minister Mr Eli Louw, at Mr Louw's request, before the afternoon meeting. He said the council had already asked Mr Louw for increases equivalent to the inflation rate for SATS employees this year.

"At first we believed it would be granted. But we now fear we will be told of a much-reduced figure," he said.

Concept suppresses, not cures inflation

'No' to incomes and price policy

ORGANISED commerce and most economists have rejected the idea of an incomes and price policy saying it holds little potential to combat inflation.

On the topic, expected to be high on the agenda at today's business meeting called by President P W Botha, Assocom says: "Wage and price restraints address the symptoms rather than the underlying causes of inflation."

Not only did such restraints require mechanisms to ensure co-operation, but their inevitable withdrawal resulted in the emergence of suppressed inflation.

Economist at Old Mutual Dave Mohr said one of the reasons for

JENNY BOBERG

high wage increases was the shortage of skilled labour. "And a wage and price policy is not going to change this."

He said the skills shortage, together with the fact that the economy is beginning to show some sign of life, would make it difficult for the private sector to abandon freedom to determine competitive wages and prices.

Southern Life's Mike Daly said even if the private sector agreed to co-operate, unless the consensus of unions was sought, an incomes policy would spell disaster for industrial relations.

He said the attack on inflation had to be multi-faceted, launched via a monetary and fiscal policy.

Economist at Sanlam Johan Louw, however, did not share the prevailing scepticism.

He said that while a monetary and fiscal policy had to be the cornerstone of any attack on inflation, a price and incomes policy certainly had a role to play in the SA economy.

"In SA there are certain markets in which there is not enough competition to keep prices at realistic levels. As a result, certain firms have the freedom to set wage and price levels without regard to market forces."

PRETORIA

Government has at last moved to ease the acute shortage of doctors in provincial hospitals and state institutions by granting some categories salary hikes.

This follows repeated warnings from the Medical Association of SA (Masa) of the threatening crisis.

Masa's executive committee stressed months ago medical services provided by the state were deteriorating fast because of unsatisfactory service conditions and a lack of adequate facilities.

Unless urgent steps were taken, the standards of patient care and training of doctors would decline, the committee warned.

Yesterday Masa gave a qualified

Govt moves on doctors' salaries

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GERALD REILLY

welcome to the increases granted some categories of doctors.

Masa Deputy Director General H A Hanekom said it was hoped the rises would help eliminate the "dire" medical staff shortage.

Masa regretted, however, that no salary adjustments had been awarded registrars.

Masa's executive committee is to petition the Commission for Administration urgently to reconsider registrars' salaries.

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Sub-contractors join forces for a better deal

The row between sub-contractors and specialist contractors has taken a new turn, with 12 registered employer associations and independent sub-contractors establishing a national representative body for the "vital support sector of the building industry".

A spokesman for the group, which represents about 60 per cent of the activity on conventional building site, says they have been "traditionally placed

in a subservient position to the builder contractually and financially".

Now the Electrical Contractor's Association of South Africa comes out in support of a federation of specialist contractors.

Mr James Baker, executive director of the ECA, says: "This move is long overdue.

"Sub-contractors have traditionally preferred independent action and as a result could make

little impact in negotiations aimed at rectifying contractual imbalances that favoured the builder in main contractor-sub-contractor disputes.

"By uniting in a common purpose, the federation will be able to present the sub-contractors' case much more forcefully to those bodies responsible for the structuring of contracts for the construction industry."

A working group is formulat-

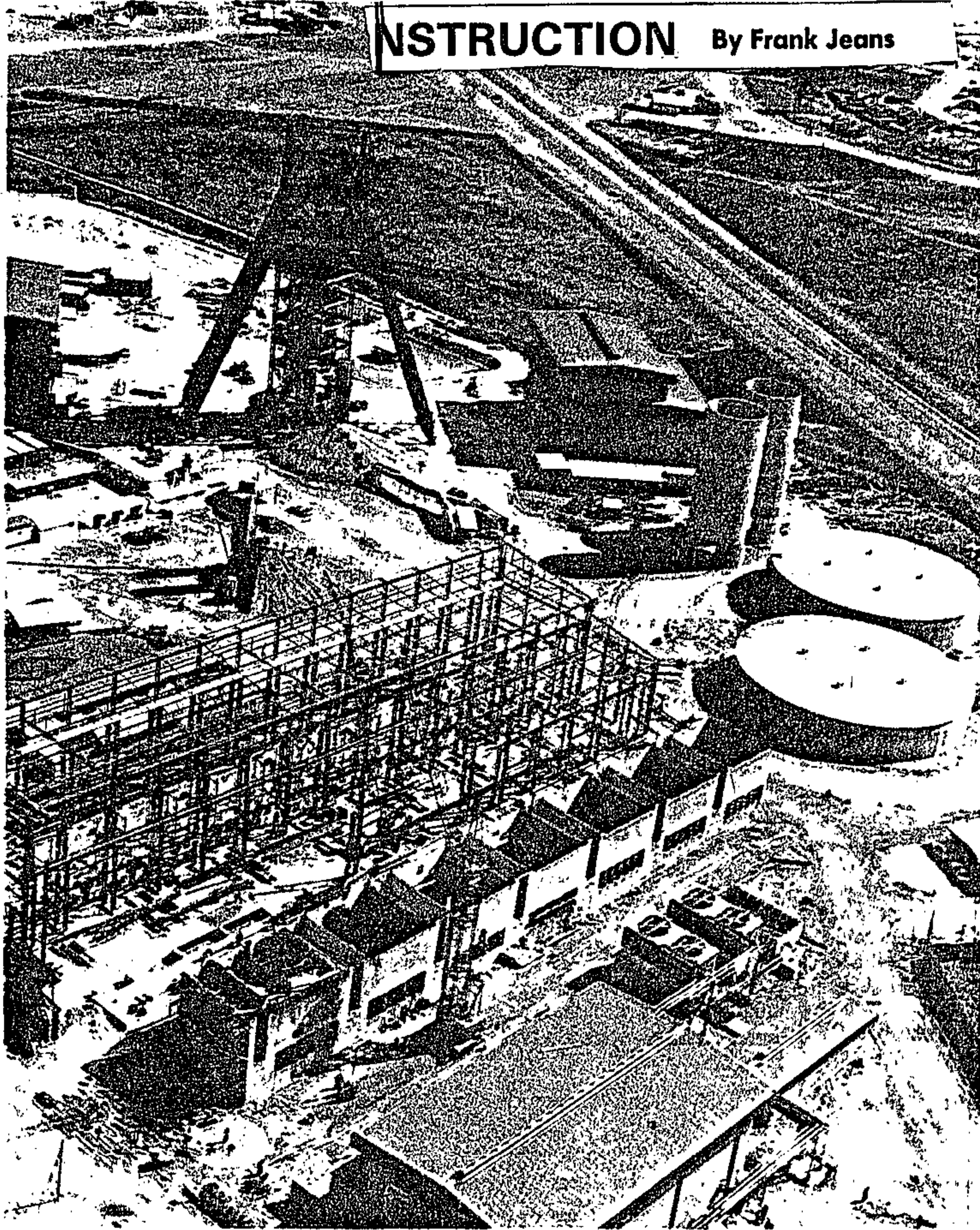
ing a draft operations plan for presentation at an inaugural meeting to be held in Johannesburg soon.

One of the specific aims of the federation will be to improve conditions of payment to sub-contractors.

"All the sub-contractors want is fair play. They do not want to be taken for a ride and this why this federation will be formed," says Mr Baker.

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CONSTRUCTION By Frank Jeans



The new Far East vertical shaft at ERPM takes shape. SM Goldstein's civils division in the Transvaal is building extensions at the shaft — a R2,4 million contract due for completion this June.

CAPE Times 4/2/88 355

Salaries: A tale of two teachers

Staff Reporter

A CAPE TOWN teacher who has been in the profession for 24 years and who is earning a gross salary of R2 600 a month, including a housing subsidy, said yesterday he had reached desperation

point and was considering leaving the profession or taking an extra job to make ends meet.

The Cape Times yesterday spoke to two teachers about their salaries and monthly expenses following the stand

taken by the Teachers' Federal Council earlier this week. The TFC threatened to withdraw from wage negotiations with the government if its demand for an 11% increase was not met by April 1.

Neither teacher wanted to be named.

Teacher No 1

A 50-YEAR-OLD man with a non-working wife and three sons. He has a B Sc degree and a teaching diploma and had been teaching for 24 years:

"WITH my housing subsidy my gross earnings are R2 600 — after my tax, pension and medical aid and various stop orders from my rent and rates have been deducted I have about R1 000 to play with.

"Our food costs about R500 a month and then there is still electricity and insurance. We have two sons at school — one is working and gives us about R120 board — and there is their clothing to be paid for," he said.

The family has one car which is nine years old. "I just can't afford a new one, but this one obviously has high maintenance costs."

Apart from the fact that the family has no money for entertainment — "If friends suggest we eat out, I just say they must be joking" — or holidays, there is the looming problem of a son who wants to go to university to study medicine.

"Even if he gets a full bursary, where will I find the money to clothe him and give him some pocket money?" the teacher asked.

"I would like to stay in teaching and it is tricky to find a new job at my age but I'm starting to think of changing jobs. I always used to make a bit of extra money playing music in my spare time and maybe I'll have to do that again," he said.

Teacher No 2

A YOUNG woman who has been teaching for a year and has a BA degree and a teaching diploma. She supports her husband — a student — on her salary of R1 220 a month:

"I'M taxed as a married man because I have a dependent, but I get out about R1 010 after a R60 increase at the end of my first year of teaching," she said.

As a married woman she is not eligible for a housing subsidy.

"We are lucky in that we have found a rent-controlled cottage for R180. Our other expenses are R120 for petrol, R110 for insurance, R260 for food, R20 for toiletries and medical, R50 for a car twice a month and about R40 for electricity and R35 for telephone. We also give R120 a month as a tithe to our church," she said.

This leaves about R60 a month for unexpected expenses — such as maintenance on their 15-year-old car.

"My husband works in a restaurant and I give extra lessons so that we can have a little money for entertainment. I am not in teaching for the money, I do it as a service, but I can't help getting frustrated when I see what other people are earning," she said, adding that male teachers on her level cleared R1 300 after tax.

* Both teachers denied the popular idea that teachers worked a half-day, saying the extra-mural activities meant they got home about 5pm — before marking or lesson preparation had been done.

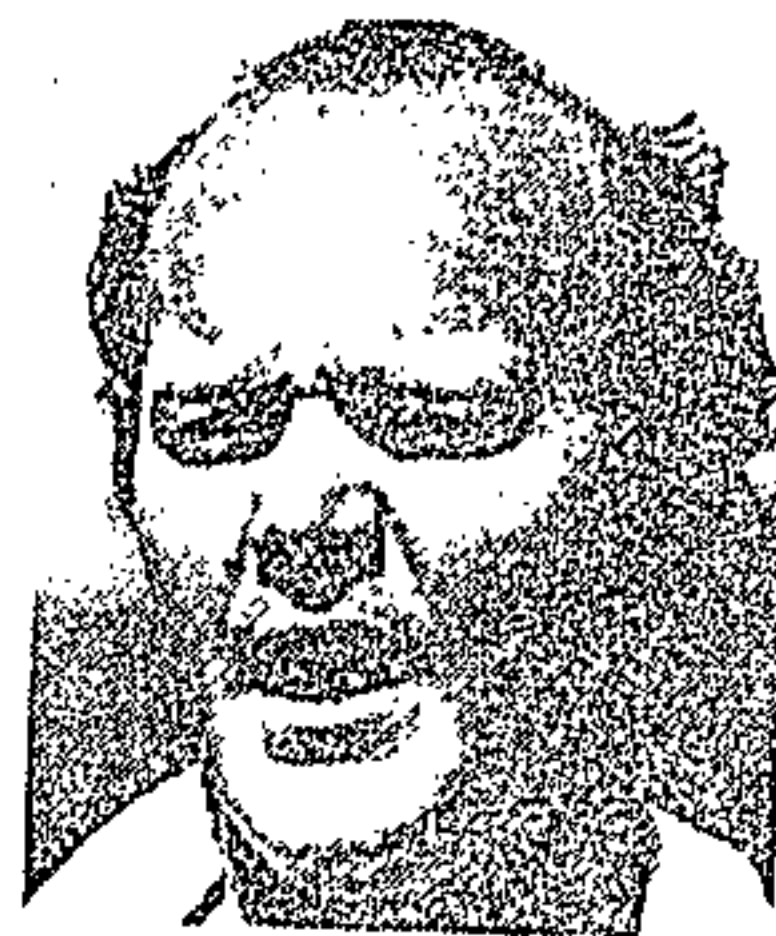
Teacher 'crisis' — what do you think?

DO YOU think teachers are underpaid? Does it seem that there is a "brain drain" from this vital profession as teachers go into business or other fields?

Vincent van der Bijl, a former Springbok fast-bowler, was a high school teacher who left the profession in 1979 to go into big business in Johannesburg. He frankly admitted on a late night TV programme he had loved teaching and left it reluctantly.

"It is important that the salary levels of teachers be at a competitive level to attract the right type of person. Teachers are definitely underpaid," he said yesterday.

The Teacher's Federal Council, representing most of the country's white teachers, is meeting the Minister of National Education, Mr F W de Klerk, to discuss this issue. Do you have an opinion on this important subject? Phone Teleletters today, 208-4722 between 10am and 12 noon.



Vincent van der Bijl

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Black media workers gear to strike on major papers

By SEFAKO NYAKA

THE Media Workers' Association of South Africa this week set up strike committees countrywide to prepare for industrial action against Argus Printing and Publishing and Times Media.

And according to Mwasa's general secretary Sthembele Khala, a relief committee has already been organised in Pietermaritzburg, while other regions are expected to establish similar committees in the next few days.

As a fresh round of talks between the union and the major English-language newspaper groups ended in a deadlock this week, it seems likely that Mwasa will resort to strike action to try and resolve the issue.

"The deadlock is such that strike action is inevitable," Khala said.

The union is demanding a 20 percent across-the-board wage increase.

Argus is offering 17 percent for weekly-paid workers and 12 percent for monthly-paid staff. The company is also offering a four percent increase on merit.

Times Media is offering an eight percent across-the-board increase and eight percent on merit.

The union has also declared a dispute with Times Media because the company has "unilaterally implemented salary increases whilst the talks are still going on. And we view this in bad faith," Khala said.

The other issues in dispute have been relegated to chapel level and include:

- The declaration of a dispute against *The Sowetan* by Argus alleging, according to Khala, that the *Sowetan* chapel holds meetings without the consent of the manager.

- Alleged harassment of *Sowetan* chapel father Joshua Raboroko: The company claims Raboroko attends wage talks without the manager's permission.

- The dismissal of *Sowetan* journalist Mojalefa Moseki whilst on study leave.

- And the alleged coercing of employees "directly or indirectly to join or remain members of the South African Typographical Union".

Asked to respond to the allegations, an Argus representative said if it were for publication, he had no comment.

A Times Media representative said the company is still in the process of talking about the dispute and would not like to comment further.

But the strike might take some time to happen. Union lawyers first have to apply to the minister of manpower for a conciliation board. The minister then has to set a date for the conciliation board hearing. If within 30 days it does not happen, the union will legally have a right to go out on strike — after holding a strike ballot.

It will be the third such strike by the media union in seven years.

In 1980 Mwasa went on a national wage strike against Argus and South African Associated Newspapers (which later became Times Media after trimming a major portion of its operations).

The strike ended three months later, opening the way for recognition talks between the union and the companies.

During the strike, which was the first in the newspaper industry, most of the national executive of Mwasa, including its president, Zwelakhe Sisulu, were served with three-year banning orders.

In 1983 Mwasa took on Argus, and lost disastrously, when 209 printing workers were dismissed.

Mwasa negotiates for both blue and white collar workers in the industry.

Khala is the first to admit that there are important lessons the union learnt from the strike.

"We lost the 1983 strike in a terrible way. And we now understand that we have to apply some kind of discipline ... some kind of patience and we intend going through all the stages of planning and co-ordinating the strike."

PW's attack on inflation

CAR-TIPS 5/2/88

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Political Staff

A MAJOR onslaught on inflation, including a package of far-reaching restraints to undercut the cost-increases spiral, is expected to be announced by President P W Botha when he opens Parliament today.

But he is expected to exclude the possibility of introducing the prices-and-incomes freeze some businessmen have recently been speculating on. Instead, the emphasis will lie on Mr Botha appealing for moderation from all sectors of the community on the setting of prices and on making wage claims — possibly accompanied by a promise that similar restraints will be imposed in the public sector as a means of setting an example. Lending weight to the likelihood that Mr Botha's opening address is to focus on these issues, and the economic problems fac-



PRESIDENT'S MEETING ... President Botha arrives at the meeting with businessmen accompanied by General Magnus Malan (left) and Mr Adriaan Vlok.

ing the country in general, was his top-secret but much publicized briefing to a select group of business leaders in Cape Town yesterday afternoon.

As if to emphasize the importance government attaches to the measures Mr Botha is expected to announce today, it was notable that the entire cabinet also attended the briefing.

It is to be followed by a similar briefing to financial journalists and foreign diplomats early this morning, before the address.

Delegates who attended yesterday's briefing, including newspaper editors, have been requested to keep silent on what transpired till after Mr Botha has addressed the nation. They yesterday declined to be drawn on the specifics of the meeting.

Restraint

However, it emerges that one of the major elements in government's new battle plan against inflation could be the more effective implementation of those policy measures announced some time ago but which have not seen the light of day.

Therefore, the anti-inflation package may reflect promises of greater fiscal restraint — such as contained public-sector spending and less government borrowing.

The Minister of Finance, Mr Barend du Plessis — thought to have had a substantial hand in deciding on the emphasis expected to be given in the State President's address, has already announced that government has made substantial progress in developing plans to cut back on spending.

It is generally expected that more details of these plans, including the possible setting of expenditure priorities, may be revealed today.

Plans to give effect to government's declared policies on deregulation and the privatization of key state enterprises may also form part of the package.

Meanwhile, National Council of Trade Unions general secretary Mr Phiroshaw Camay said workers' wage proposals were realistic and they would continue pursuing them.

He said any call for wage restraint would be hypocritical, given excessive salary increases for MPs and cabinet ministers.

Anti-inflation package likely

PW to call for pay and price curbs

B/daw SP/88 (355)

CAPE TOWN — An onslaught on inflation, including a package of far-reaching restraints aimed at undercutting the spiral of cost increases, is expected to be announced by President P.W. Botha when he opens Parliament today.

He is, however, expected to exclude the possibility — speculated about by some businessmen — of introducing a prices and incomes freeze.

Instead, the emphasis will probably be on an appeal for moderation from all sectors of the community on the setting of prices, and on making wage claims.

This may be accompanied by a promise that similar restraints will be imposed in the public sector to set an example.

Lending weight to the likelihood that Botha's opening address is to focus on these issues and the economic problems facing the country in general, was his top secret — but much publicised — briefing to a select group of business leaders in Cape Town yesterday afternoon, on the eve of the opening of Parliament.

Notable was the fact that the entire Cabinet also attended the briefing.

It is to be followed by a similar briefing to financial journalists and foreign diplomats early this morning, before the delivery of the address.

Delegates, including newspaper editors, who attended yesterday's briefing

CHRIS CAIRNCROSS

have been requested to keep silent on what transpired until after Botha has addressed the nation. Yesterday they refused to be drawn on the specifics of the meeting.

However, in what could be gleaned, it emerges that one of the major elements in government's new battle plan against inflation could be the effective implementation of policy measures announced some time ago.

The anti-inflation package may, therefore, reflect promises of greater fiscal restraint, such as contained public sector spending and less government borrowing.

Finance Minister Barend du Plessis — thought to have had a hand in deciding the expected emphasis of the President's address — has already announced that government has made substantial progress in developing plans to cut back on spending.

It is generally expected that more details of the plans, including the possible setting of expenditure priorities, may be revealed today.

Plans to give effect to government's declared policies on deregulation and the privatisation of key state enterprises may also form part of the package.

ALAN FINE reports that according

● To Page 2 ➡

PW expected to call for pay and price curbs

to Nactu general secretary Phiroshaw Camay, workers' wage proposals are realistic in terms of their needs, and they will continue pursuing them.

He said any government call for wage restraint would be hypocritical, given excessive salary increases for MPs and cabinet ministers.

The hypocrisy was exacerbated by

expecting workers to accept wage restraint after inferior apartheid education had left them unschooled and unskilled, he said.

"Thatcherite responses are not the answer to our complex economic and political problems," he added.

● From Page 1 ➡

PW's NEW

■ Pay clamp on public servants ■ Call to curb pri-

By TOS WENTZEL, Political Correspondent

A BOLD new economic package, including a freeze on general salary increases in the public service, the stepping-up of privatisation of State undertakings and further deregulation was announced by President Botha today.

Opening the new session of Parliament, Mr Botha made it clear the Government was aiming at renewing its economic and financial policy.

The measures also include a restructuring of the tax system and efforts to slash and control State spending.

Mr Botha appealed to the country to back him in his sweeping reforms, saying that policy renewal often demanded "courageous decisions and a willingness to make sacrifices."

He also appealed to the private sector to curtail salary and wage increases as well as prices.

He announced that the Government had decided not to grant any general salary increases to public servants this year, a step he described as being essential in the fight against inflation.

This coincided with other measures which included a drastic reduction in the creation of new posts and a revision of services and standards.

Mr Botha disclosed he had asked the private sector for its co-operation in the fight against inflation.

He referred to discussions he had yesterday with members of the Economic Advisory Council, representatives of organised commerce and industry, professional groups, consumer organisations, agriculture, women's organisations, employee organisations and staff associations.

Discipline

He said an appeal was made to employers and employees to apply discipline to higher personnel expenditure and price increases.

Other announcements included:

- The launching of a huge privatisation programme with proceeds to go to paying off the public debt, building basic infrastructure in developing areas and creating capital funds for the development of small enterprises.

- Large Government undertakings such as Eskom, SA Transport Services and the Post Office were to be converted — either completely or after sub-division into profit-making business undertakings.

- The Government favoured privatising its shareholding in Fokor, structural adaptations were being considered to make the privatisation of Iscor possible and the listing of Eskom on the stock exchange was being investigated.

- The functions of the Atomic Energy Corporation involving advanced technology were to be privatised while the

● More pictures, colour stories — page 4; excerpts from the State President's speech — page 11.



Mr PW Botha

Industrial Development Corporation would sell some of its shareholdings in other companies;

- State finances would be thoroughly reviewed;

- The Government had decided to accept a recommendation by the Margo Commission on tax reform to replace general sales tax with an invoice-based value-added tax. Where possible the commission's proposals would be implemented in the fiscal year starting on March 1; and

- Some toll roads in the Transvaal and Natal would be privatised.

Referring to policy renewal, Mr Botha said the Government had shown it was serious in wishing to put the management of Government finances on a sound footing, using well-considered reform.

Investigation

The use of the country's current assets had to be thoroughly investigated and priorities had to be determined — hence a thorough investigation into privatisation.

He said the Government had committed itself to a policy of deregulation but this could not be accomplished overnight.

Some aspects being considered were "legal prescriptions" on trading rights and business premises which affected the activities of black businessmen in their own areas and the revision of food handling regulations and trading hours and licenses.

He indicated State finances would be cut after a period of sluggish economic conditions during which the authorities had to stimulate recovery by means of increased Government spending.

The Government realised the economy could not bear the continuation of this stimulatory policy without inflation and interest rates being adversely affected.

Meanwhile there were welcome signs of recovery and moderate economic growth in the private sector which had reduced the need for stimulation by the authorities.

The Government thus intended to bring the Budget within "affordable limits and sound fiscal proportions" within a reasonable period.

President Botha said serious attention was given to current Government expenditure. All Ministers and their departments were examining their own internal priorities.

Capital expenditure in the broader Government sector would be subject to Cabinet approval after consideration by the national priorities committee.

32 percent

Personnel expenditure currently represented 32 percent of Government spending.

Should State expenditure increase drastically — especially as a result of a general salary increase to public servants — this would mean tax implications which would seriously impair economic recovery. This the country could not afford.

This coincided with other measures, including a drastic reduction in the creation of new posts and the revision of services and standards.

He said there was no other option than to call for a "sustained and enthusiastic team effort between the public and the private sector" in the fight against inflation.



Mr Andries Treurnicht and his wife Engela arrive at Parliament today. Mrs Treurnicht designed and made her own outfit, a pale grey suit in silk worn with a cerise hat.



Mr Harry S. nance, and his fit of a check topped by

The difference and how ne

By TOM HOOD, Business Editor

THE difference between the present GST and the proposed value-added tax (VAT) system is that in the latter the total tax contribution is made up from different levels, starting with the manufacturer, including the retailer and ending up with the consumer.

Under the GST system the total tax payment is borne mainly by the consumer.

The European-style, multilevel tax levied on all three layers of the economy, however, will amount to the same in terms of tax collected.

Advantages claimed for VAT are

that tax evasion is more difficult and that the authorities will collect more tax.

All business transactions can be made subject to VAT while the GST system is full of exceptions.

Disadvantages are that it is more costly and difficult to administer, that each business takes a mark-up on the tax paid, so that by a cascade effect a 12 percent VAT may end up costing more than a 12 percent GST.

In a recent review of VAT Mr David Clegg, tax director of Arthur Young, said one of the greatest ob-

PW proposes Southern African conference

By TOS WENTZEL
Political Correspondent

PRESIDENT Botha today proposed a Southern African conference on health, food production and economic development.

Opening the new session of Parliament, he proposed the conference should also deal with measures to keep peace and order as well as "non-interference in each other's internal affairs".

He said the chaos and deterioration in other Southern African states was an extension of problems existing world-wide.

"If Africa is to survive the serious difficulties facing almost all its states these problems have to be resolved soon — and by Africans themselves."

"In the Southern African region South Africa is willing to play its part."

"South Africa desires peace because we believe in cooperation and peaceful coexistence. We do not believe in war. We do not believe that war can solve any problems."

But Mr Botha said there must be any uncertainty over South Africa's stability and determination to defend itself against aggression aimed at its eighty and the safety of its citizens.

"Consequently we will not shrink duty to act against international terrorism."

The Government was determined to continue keeping internal order and tramping forces undermining peace and stability.

He paid tribute to those who set and gave their lives to promote peace and security in South Africa.

"Conflict is not the course we want for our region because it would worsen an already critical state of affairs."

"We wish to pursue friendship and operation. South Africans are making a valuable contribution to finding solutions for Africa and our region."

(Turn to page 4, col 1)



WEEKEND Argus tomorrow offers cricket enthusiasts a free and unique wall chart of the Giants of Cricket — the international and South African superstars with bat and ball whose names are household names.

R150 000
Jackpot

Also in Weekend Argus tomorrow

● Felix Coetzee — what it takes to be a champion jockey.

● The CP-AWB connection — Fanie Terre-Blanche speaks out.

NEW DEAL

servants ■ Call to curb price rises ■ GST to go



Dr Andries Treurnicht and his wife Engela arrive at Parliament today. Mrs Treurnicht designed and made her own outfit, a pale grey suit in silk worn with a cerise hat.



Mr Harry Schwarz, PFP spokesman on finance, and his wife Anette. Her casual outfit of a checked skirt and white blouse was topped by a bright red straw boater.

Package to boost the economic recovery

By DEREK TOMMEY, Finance Editor

THE Government today unveiled a major new financial policy aimed at keeping the economic recovery going full steam ahead by dampening down inflation, stopping interest rates from rising — and reducing the tax rate.

The keystone of the Government's policy is the decision not to give an inflation adjusted-pay rise to public servants.

This move will save the Government many billions of rands which can be used to cut taxes. And with the public servants, who make up a large proportion of the country's population, having little extra money to spend, it means that manufacturers, wholesalers and retailers will be forced to hold-down prices or see their business fall away.

This should help shatter the idea, widely held by both producers and consumers, that they can bank on a 14-to-16 percent increase in prices a year.

PRIVATISATION

Another key part of the programme is the decision to go ahead with the privatisation of several state businesses, including Foscor, Iscor and the Mossel Bay Gas Project.

The proceeds of these sales will be used firstly to help finance the public debt, secondly for the provision of basic infrastructure and services in the black townships and the financing of small businesses.

The sale of state organisations, together with the funds saved by restricting public service pay rises, should sharply cut the Government's borrowings.

With the Government out of the loans market, there should be less pressure for interest rates to rise. And they could even drop fairly significantly if the inflation rate responds to the Government move.

The difference and how new tax works

By TOM HOOD, Business Editor

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In a recent review of VAT Mr David Clegg, tax director of Arthur Young, said one of the greatest ob-

jections to VAT is that the overall cost to the final consumer of any particular goods or service will be greater than the sum of the taxes due at each stage.

"One of the greatest concerns in the possible abolition of GST is that South Africa cannot afford the investment in re-education and administration that the introduction of a new system will require."

Commerce and the Revenue Department had struggled to come to grips with the sales-tax law.

"I have no reason to think that the process will be any easier or faster with VAT," added Mr Clegg.

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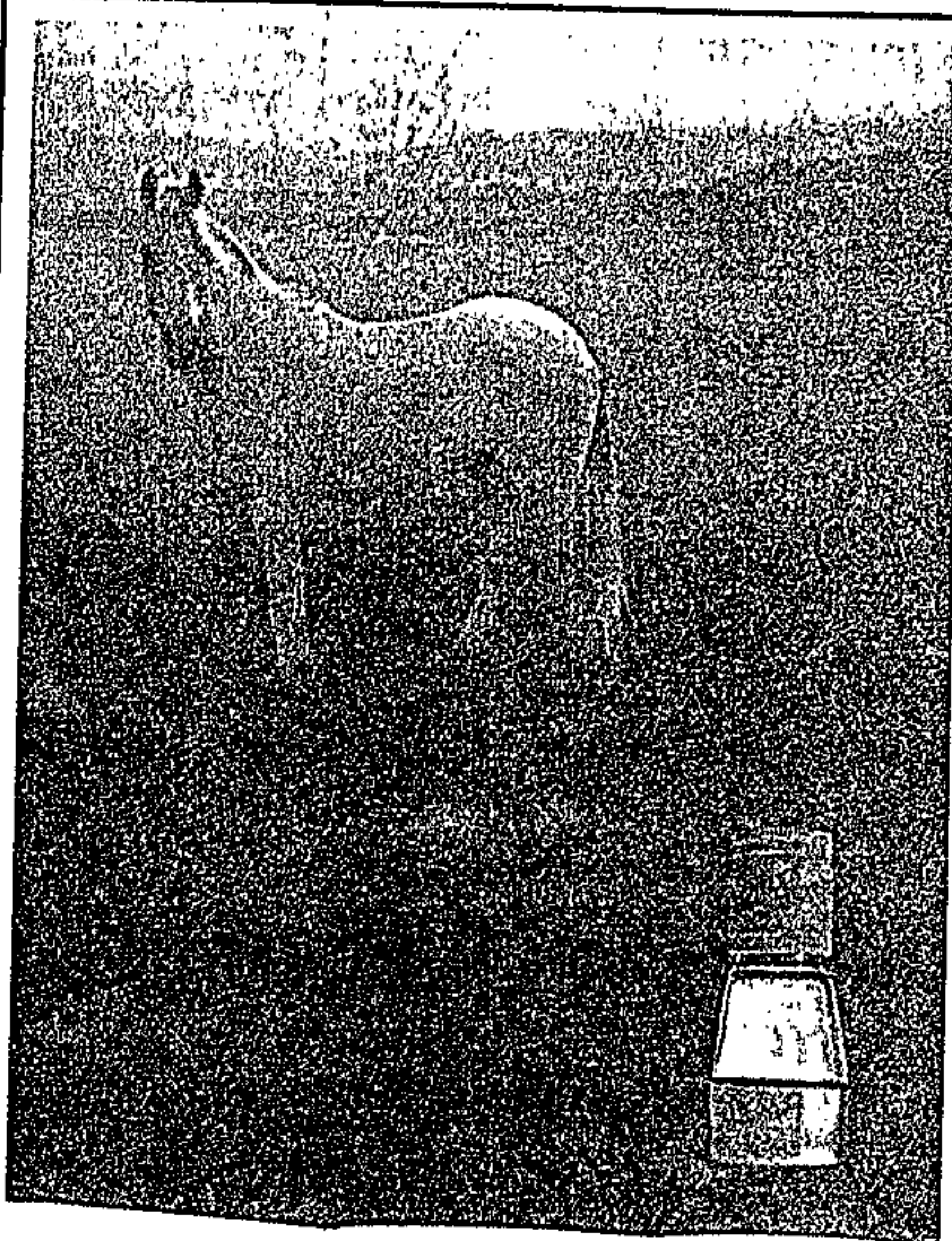
(Turn to page 4, col 1)

R150 000 Jackpot

Also in Weekend Argus tomorrow:

● Felix Coetzee — what it takes to be a champion jockey.

● The CP-AWB connection — Eugene Terre'Blanche speaks out.



Teachers heading for pay showdown with govt

By RENEE MOODIE

THE country's 75 000 white teachers are headed for a showdown with the government after yesterday's "disappointing" talks between the Teachers' Federal Council and the Minister of National Education, Mr F W de Klerk, over the teachers' pay dispute.

The TFC said after delegates had emerged from the talks that it was disappointed but strengthened in its resolve not to give credibility to what it called "ineffective" salary structures.

The talks, which had been scheduled for some time, came in the wake of a TFC statement this week which spelled out the dissatisfaction of the country's white teachers and said the council would withdraw from all future salary negotiations if an 11% salary increase was not implemented by April 1.

A statement issued by TFC chairman Mr Dudley Schroeder late yesterday said discussion at the meeting focussed strongly on the council's media statement.

He said no new facts relating to salaries had emerged and "from the point of view of the TFC's interests the interview was most disappointing".

Agreement had been reached to await the content of yesterday's talks between the State President, the pri-

vate sector and representatives of staff groups and then to judge the problem against the background of the talks.

Urgent follow-up talks were possible after this, he said.

A TFC standing committee meeting after the interview decided that the nature and extent of the council's involvement in negotiating structures would be evaluated on a continuous basis and the council would participate only if they were deemed to be "meaningful, credible and in the interests of education."

"Under no circumstances will the council lend further credibility to ineffective structures by full participation in their activities," Mr Schroeder said.

Mr F W de Klerk said through a spokesman that yesterday's meeting had been limited to a broad general discussion regarding, among other things, aspects of the recent statement by the TFC.

"In view of this afternoon's meeting between the State President, the private sector and other bodies concerned which includes the TFC, I have decided to react to the recent statement by the TFC as well as any further statements they may issue in the near future," he said.

● See Teleletters — Page 7

No increase for public servants

By AUDREY D'ANGELO
Financial Editor

PUBLIC servants, including teachers, will receive no across-the-board pay rises this year. There will be a cut-back in the creation of new jobs in the public service, and "a revision of services and standards".

These measures to reduce government spending were among points made by the State President, Mr P W Botha, in his speech at the opening of Parliament yesterday.

Other plans include the privatization of Eskom, South African Transport Services (SATS), Posts and Telecommunications and some sections of highway to raise money which will be used to reduce

public debt and finance the development of small business and of infrastructure in developing areas.

Mr Botha also disclosed that the government would replace General Sales Tax (GST) with an invoice-based Value Added Tax (VAT), which has been in use in Europe for many years.

However, it will not be possible to make the change-over to VAT this year. At a press conference yesterday the Minister of Finance, Mr Barand du Plessis, said it was hoped to replace GST with VAT in the 1988-89 tax year.

Mr Botha disclosed that the possible listing of Eskom on the Johannesburg Stock Exchange (JSE) was being investigated.

This would possibly be followed by JSE listings for SATS and Posts and Telecommunications.

All three must become "tax-paying, profit-seeking enterprises either in their entirety or after sub-division into appropriate business undertakings".

Mr Botha said agreement had been reached with one consortium for the privatization of the Hendrik Schoeman highway between Springs and Krugersdorp; and with another for the privatization of sections of the national route between Kroonstad and Johannesburg and between Maritzburg and Alberton.

These would become toll roads. Alternative routes would remain. The government was in favour of the

privatization of its shareholding in Foshkor.

"As far as Iscor is concerned, structural adaptations are at present being considered to make privatization possible.

"Similarly, it is the government's view that the development of the Mossel Bay gas project should in the main be a private sector development.

"In the meantime, good progress has been made with the privatization of several functions of the Atomic Energy Corporation in which advanced technology is involved."

Mr Botha said the proceeds of privatization would be allocated to the state's capital revenue fund and would not be used to finance current expenditure.

They would be used, as a first choice, for the redemption of public debt.

Mr Botha said that in 1988 economic policy would "still be geared to further increasing the economic growth rate without aggravating balance of payments and inflationary problems."

But affordable limits for government expenditure were determined by the contribution taxpayers were able to make plus the amount that could be borrowed.

Since every need could not be met, priorities would have to be determined. "Naturally, humanitarian services for the less privileged will enjoy a high degree of preference in the determination of priorities."

Backlash on wage freeze

Am Trs 6/2/88 355

By CHRIS CAIRNCROSS

THE 200 000-member Federation of SATS Trade Unions plans to apply for an urgent interdict aimed at setting aside or invalidating the wage freeze imposed on the public service as announced by President P W Botha in opening Parliament yesterday.

The federation is currently seeking legal advice on the matter, according to its president, Mr Dudley Henn.

Mr Henn told a press conference in Cape Town yesterday that Mr Botha had finally overstepped the mark by illegally and dictatorially taking away our democratic right, laid down in law, to collectively bargain with service and remuneration improvement with SATS management.

The federation has submitted demands for a "non-negotiable" 17% increase in salaries and wages for its 200 000 members to the Minister of Transport, Mr Eli Louw, with a further demand that the first increment be paid in April.

Mr Louw has yet to respond to these demands but, following yesterday's announcement by Mr Botha, the federation has now expressed no doubt that they will be turned down.

Mr Henn indicated yesterday that the unions which make up the federation are resolved not to back down

on the issue — "as we have meekly done in the past" — and warned that they may in the end be left with no option but to take strike action.

He stressed yesterday that if Mr Louw indicated he was not prepared to accede to their demands, the federation "intends to make use of all the laws available to us to achieve our objective".

The dispute machinery available to us in terms of the Labour Relations Act and the Services and Conditions of Employees (SATS) Act will immediately be set in motion, Mr Henn said.

This legislation specifically precludes SATS workers from taking strike action.

Mr Henn warned that this would not stop railway workers from embarking on industrial action if they saw fit.

"We are sick and tired of sucking the hind tit. Strike action has not yet been put to the test. If necessary, we will strike to enforce our demands for the right to strike."

A spokesman for Mr Louw's office yesterday said the minister had not seen the latest wage demand from the federation and had no further comment to make on the matter at this stage.

This strong reaction from the SATS unions to Mr Botha's wage freeze is unlikely to be isolated.

Civil servants upset: Move 'unacceptable'

NURSES, teachers and other civil servants were "shocked and disappointed" yesterday at the devastating news that they would not get across-the-board salary increases this year.

SA Nursing Association (Sana) president Miss O H Muller said State President Mr P W Botha's announcement of a pay-rise freeze was "unacceptable" and warned of possible hospital ward closures.

"Nursing staff are already overextended. The post structure in the health services is inadequate," she said. "Closure of hospital wards would seem inevitable."

Mr Dudley Schroeder, president of the Teachers' Federal Council which represents most white teachers throughout the country, also expressed shock and disappointment.

His organization could not support the anti-inflation initiative unconditionally and doubted its success.

"We note that occupational adjustments will be introduced and we hope this will be used to eliminate our

backlog. We are still hoping for our 11% increase by April 1."

Mr Randall van den Heever, deputy president of the Cape Teachers' Professional Association, said he was "dissatisfied and disappointed", especially since last year's 12% increase had been inadequate.

The (white) Public Servants' Association supported Mr Botha's plan to fight inflation, but would continue fighting for salary parity with the private sector, PSA president Dr Colin Cameron said in Pretoria yesterday.

The PSA was satisfied that sufficient funds would be made available to maintain parity with the market, Dr Cameron said.

Mr Bernard Wentzel, secretary of the 40 000-member (non-racial) Public Servants' League, said he was "shocked and dismayed" at the announcement.

"We should not be seen as an exclusive sector responsible for causing upsets in the country's economy."

16. Business

17. The Argu

JOHANNESBURG — Gencor's Stilfontein gold mine is to reduce its workforce this month by at least 1 700 employees — 18 per of the present 9 485 complement.

And the National Union of Mineworkers (Num) is anticipating that at least another 3 000 will be made redundant by mid-year.

Num assistant general secretary, Mr Marcel Golding, said yesterday the union had been told that 3 977 underground and 1 106 surface workers would have to be made redundant by

~~1~~ 700 lose 355 jobs on gold mine

June -- 2 000 of them this month.

He understood this was part of the process of closing down the mine in about four year's time.

Golding said the union had asked for geo-

logical reports to back up management claims on the reasons for the lay-offs, and was also attempting to negotiate an improved redundancy package.

While a Gencor spokesman confirmed

that 1 700 would be laid off this month, gold and uranium chief executive Bruce Evans, said no further decisions had been made on retrenchments or the future of the mine.

The spokesman said this month's lay-offs were a result of the aging nature of the mine accompanied by diminishing ore reserves, increased production costs and the weak rand gold price.

She said it had been necessitated by a 25 per cent fall in production towards the end of 1987.

91
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Proposals 'a quantum leap forward'

Financial Editor

THE Government's decision to privatize Eskom and other parastatals will be "a quantum leap forward" if it is implemented, Standard Bank economist Nico Czypionka said yesterday.

He said proposals put forward in the State President's speech yesterday were positive.

But he thought it would be better to reduce the size of the public service rather than merely contain the wage bill in terms of increases. The wage freeze would be a major sacrifice, but it would be better to have "a lean and well paid civil service."

He also thought it a mistake not to have consulted the trade unions over the campaign to keep down wages and prices.

Similar views were put forward by the Southern Life Association's chief economist, Mike Daly, who pointed out that public servants would "still get their notch and merit increases. This will probably add 5% to the Government's wage bill, which will not be inflationary."

Daly thought it a mistake not to have invited trade union leaders to the State President's meeting with leading businessmen on Thursday.

"It is no good in SA today just to bring the Government and the white captains of industry together because the unions see it as a plot to stop them from reaping their reward."

Benefit

It was now up to industrialists to convince the unions that keeping salaries and prices down would be to the eventual benefit of their members.

The President of the Cape Chamber of Industries, Mike Getz, praised the State President's courage in taking such strong action.

But "We have to recognize that our workforce are involved in our economy and our society now."

Getz and the director of the Stellenbosch Bureau for Economic Research, Ockie Stuart, also pointed out that the public servants' wage freeze would dampen the economic upturn.

"Obviously it is going to tighten up some areas of consumer spending. Many consumers are State employees and they will not be compensated for inflation this year," said Getz.

Stuart, who said earlier this week that businessmen were "brimming with confidence" yesterday said this confidence would now be "somewhat dented."

But he thought a growth rate of 3% would be possible this year.

The director of the UCT Graduate School of Business, Paul Sulcas, said public servants, particularly teachers, were being called on to make a big sacrifice.

Sulcas said the idea of privatizing Eskom and other parastatals was excellent in principle. But they would not necessarily become more efficient unless the public servants running them were replaced by people from the private sector.

Sulcas also thought deregulation was a more effective way to encourage small businesses than to pump money into them through the Small Business Development Corporation.

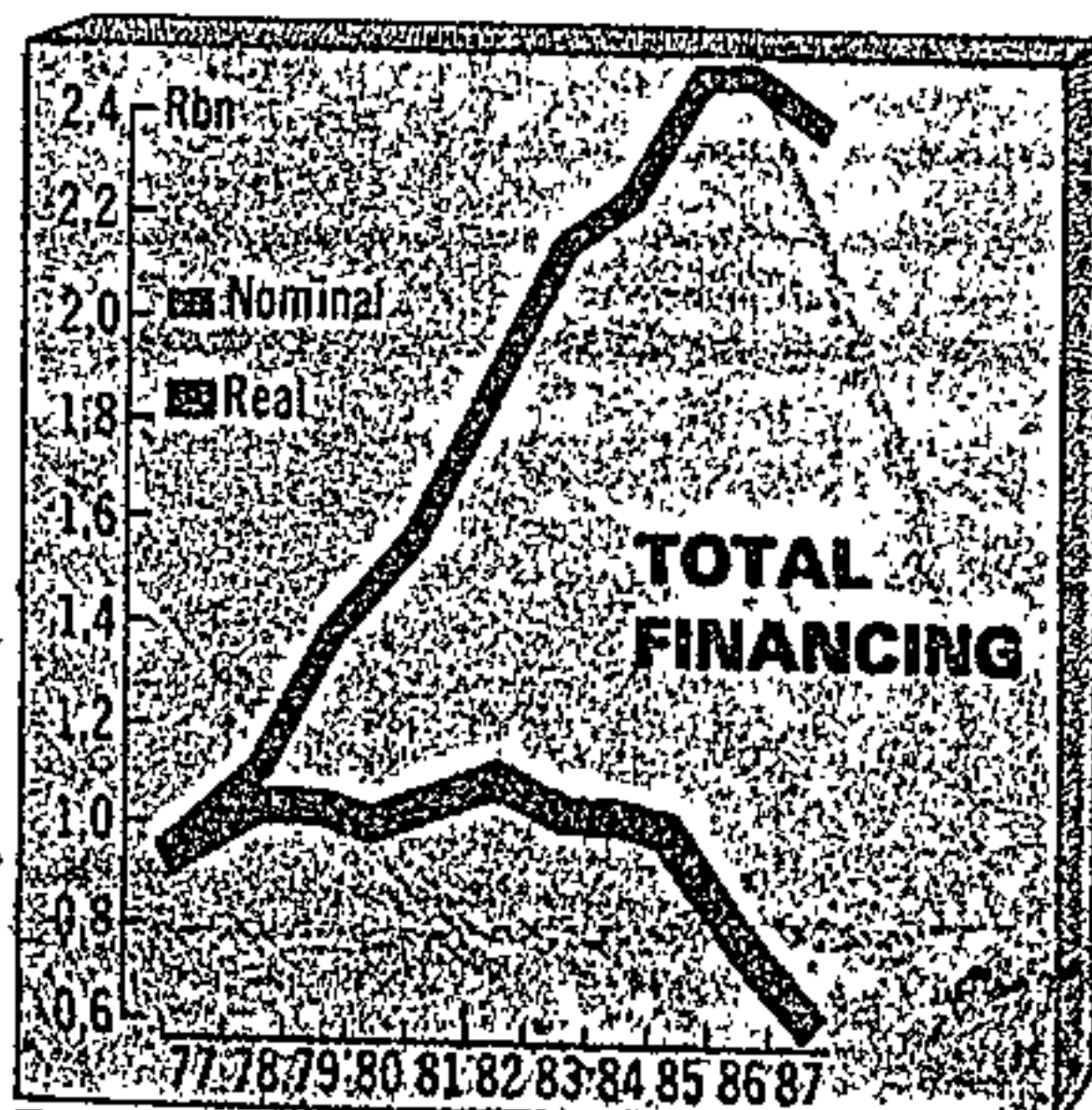
Fresh investment promoted

R1bn cash from IDC's interest plan

MICK COLLINS

THE Industrial Development Corporation's (IDC) weekend announcement of a new low (5%) interest scheme will mean a huge cash injection of about R1bn for industrial development over the next 10 months.

Timed to coincide with President P W Botha's economic policy announcement, the IDC move will also help create 25 000 new jobs and put R300m at the



Source: IDC Graphic: JOHN MCCANN

- State workers angry: P2
- What the package means: P4
- Why govt had to about-face: P4
- Privatisation frees R60bn: P5
- How VAT works: P11

disposal of medium-sized independent industrialists immediately.

IDC GM Carel van der Merwe says the scheme is aimed at promoting new investment directed at import replacement, exports and job creation.

"Investment of R1 by the IDC normally means R3 in total. For every R1 we spend, you can expect another R2 to come from the private sector — banks and institutions will supply services such as working capital. While we provide some of the fixed assets, the balance that we cannot finance will also come from outside.

"We view this as a major step, especially with rising interest rates. Quite a few big loans application people, who have been hedging their bets in the past few weeks, will now come into the picture."

The scheme will be made available to

➔ To Page 2

R1bn boost through IDC

independent industrialists or groups with total assets (fixed assets plus current assets) of up to R50m at the time of application.

It is intended primarily for new manufacturing projects that will create new or additional jobs and projects that will create new or additional capacity to generate sales of which at least 30% is directed towards import replacement or exports.

The IDC also emphasises that loans will be granted on the proviso that the applicant's funding structure is not unreasonably strained — not less than 30% owners' funds to total assets after the expansion.

Interest at 5% a year will apply for the first three years, provided 60% or more of the expected sales from the project will be directed towards import replacement and/or exports.

➔ From Page 1

After three years the borrower may choose between the IDC's then prevailing fixed or fluctuating interest rates, but at no time will the rate exceed 14%.

In cases where less than 60% but more than 30% of new sales will be directed at exports or import replacement, half of the loan will be made available at the 5% scheme and the balance at normal IDC rates for the full term of the loan.

The scheme is intended to support the independent medium-sized manufacturers, as they are not in the same position as large industries to negotiate more favourable interest rates.

"While there is a firm upswing in the economy, the IDC wants to do all it can to give further momentum to this trend," Van der Merwe says.

Freeze bad news for hospitals, schools

President P W Botha's announcement of a freeze on public service wages and posts has brought angry warnings that hospital wards will have to close and educational standards will drop.

South African Transport Services (Sats) workers have already announced that they will seek a court interdict to counter the wage freeze — and threaten to strike if they do not get the pay rises they want.

The president of the SA Nursing Association, Miss O H Muller, has predicted that the freeze will result in staff leaving State-run hospitals to go to private institutions.

This would mean that wards in State hospitals, especially in teaching hospitals, would have to be closed. Patients would have to shorten stays or move to private hospitals.

"We have been told that no new posts will be created," said Miss Muller. "The existing number of nursing posts is already inadequate, and nurses are over-extending themselves."

DISGRUNTLED AND UNHAPPY STAFF

A Health Workers' Association spokesman said Mr Botha's announcement would create added tension in hospitals, and staff would become "more disgruntled and unhappy".

The 200 000-strong Federation of Sats Trade Unions has demanded a non-negotiable 17 percent pay increase.

The chairman of the Teachers' Federal Council, Mr Dudley Schroeder, said the proposals would bring unfair pressure on the maintenance and provision of quality education, and cause irreparable harm in the long term.

Professor Rod Conacher, president of the Transvaal Teachers' Association, has said he would support the need for a disciplined approach to salary increases in the public and private sectors — but only if they were consistent.

Mr Frank Tonyeni, president of the African Teachers' Association, said the move hit black teachers "below the belt".

Minister of Finance Barend du Plessis said on television last night that Mr Botha's economy package would demand sacrifices, but without them it would not be possible to curb State expenditure and inflation.

Public sector employees angry

Employers give guarded support to wage restraint

BUSINESS DAY REPORTERS

WHILE most public sector employees have reacted angrily to the announcement of a salary freeze, employer spokesmen said the State President's appeal for wage restraint in the private sector would be just one additional factor in the collective bargaining process.

Steel and Engineering Industries Federation of SA (Seifsa) director Brian Angus, in expressing approval of government initiatives on spending and privatisation, said employer attempts at wage restraint "would not make wage bargaining any easier".

However, inflation was a problem that had to be taken seriously, and wage restraint was an important factor in bringing it under control.

Federated Chamber of Industries (FCI) manpower committee chairman Bokkie Botha said he thought the appeal would be in the back of the minds of employers during wage negotiations, but he warned that if VAT was applied to the basic foodstuffs at present exempted from GST people would seek pay rises.

Botha said eight years ago there had been some response to calls for wage restraint, but then the black union movement was far weaker than today.

Chamber of Mines president Naas Steenkamp said the mining industry was pleased that the State President had come out firmly against notions of wage and price freezes.

SA's second-largest trade union federation, Nactu, has already said it will not respond favourably to any call for wage

restraint. Cosatu could not be reached for comment.

In a restrained response to the civil service salary freeze, Public Servants' Association president Colin Cameron said the PSA supported the plan in principle, but would continue to seek salary improvements when necessary.

However, an angry Federal Council of Sats Staff Associations said it planned to apply for an urgent interdict aimed at setting aside or invalidating the wage freeze. The Federation is currently seeking legal advice on the matter, according to its president Dudley Henn.

Henn declared that Botha had finally over-stepped the mark by "illegally and dictatorially taking away our democratic right, laid down in law, to collectively bargain service and remuneration improvements with Sats management".

The federation has submitted demands for a "non-negotiable" 17% increase in salaries and wages for the nearly 200 000 Sats employees to Transport Minister Eli Louw.

Henn indicated yesterday that the unions which make up the federation were firmly resolved not to back down on the issue "as we have meekly done in the past", and warned that they might in the end have to take strike action.

The SA Nursing Association (Sana) said a pay freeze was unacceptable, and it warned of possible hospital ward closures. Education authorities expect resignations among teachers to rise rapidly in reaction to the freeze.

Wage freeze saves R2,5bn

PRETORIA — The salary and wage freeze will save government departments and parastatal organisations more than R2,5bn in the new financial year, economists say.

According to Central Statistical Services latest figures, in the third quarter of last year 1,6-million workers were paid just over R6bn — 17,2% more than in the first quarter of the year.

It is pointed out that public sector staff associations and trade unions were confident of salary and wage hikes of at

least 12% in the new financial year, against a background of what they claimed were increases ranging from 12% to 19% in the private sector.

In the July to September period, says CSS, 526 801 central government workers were paid R2051,5m, 192 226 provincial administrations workers R559m, 96 246 Post Office employees R298,7m, and 190 100 SATS workers R802,328m.

SS 8/04/92/88
GERALD REILLY

355

PW's plan will upset workers — Cosatu

COSATU warned yesterday that the economic package announced by President P W Botha on Friday, and particularly attempts by private-sector employers to heed his calls for wage restraint, would serve only to heighten worker militancy.

Information officer Frank Meintjies said Cosatu's living-wage campaign had highlighted the dangerously wide income gap between rich and poor.

Union perceptions were that employers had always employed wage restraint in col-

lective bargaining, and any further wage restraint would exacerbate this danger.

He also criticised Botha's failure to emphasise price freezes or restraint.

Privatisation, he predicted, would further concentrate wealth in the hands of a few, as shares in privatised corporations would be

snapped up by monopolies.

It would endanger jobs, reduce the possibilities of redistribution of wealth, and set back workers' efforts to achieve more control over their lives.

Referring to the Freedom Charter's provisions for the nationalisation of major industries, he added that those monopolies which bought up the privatised corporations should remember their gain would be short term.

ALAN FINE

Frank Meintjies Did
not frantically shout

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move on moral standards was part of a by-election
play insisting it was part of "good organisation"

10/2/88
Apartheid is
blamed for
wage freeze

The civil servant was paying for apartheid because measures like the wage freeze were a result of the multiplicity of departments created by this political ideology, said Mr John Malcomess, Progressive Federal Party Chief Whip.

Speaking during the no-confidence debate in the House of Assembly yesterday, Mr Malcomess said the economy needed the boost which deregulation and privatisation would create.

"But will it happen?"

In the past the State President, Mr P W Botha's promises had come to nothing," he said.

The present Parliament was dominated by whites, he said, citing the President's Council.

The main purpose of the PC is to get through Bills which have been opposed in Parliament," Mr Malcomess said.

D / D 10/12/88 355

Union: production hindered by work-to-rule, overtime ban

Daily Dispatch Reporter

EAST LONDON — The Amalgamated Clothing and Textile Workers Union of South Africa (Actwusa) has claimed a 30 per cent drop in production at Frame Group factories as a result of an overtime ban and work-to-rule instituted two weeks ago.

The Actwusa's general secretary, Mr John Copelyn, said strike ballots held at the factories after National Textile Industrial Council (NTIC) wage negotiations deadlocked in October last year had resulted in a 90 per cent vote in favour of industrial action.

He said workers had decided to claim their full hour-long lunch break as a result of the group's offer in the industrial council negotiations — the main issues being wages and shift times.

The Frame Group director of human resources and vice-chairman of the National Textile Manufacturers' Association (NTMA), Mr Peter Richardson, denied that the company had experienced any

significant reduction in production as a result of of the overtime ban or work-to-rule.

"That is simply not true," he said.

"When negotiations reached stalemate the union did not come back to the employers with new proposals, although they rejected our final offer.

"The first action by the union was to conduct a strike ballot and, before the results were known, the NTMA invited them to attend further talks because we felt we had proposals which could beat the deadlock.

"The basis of that proposal was to substantially improve our offer on condition that the agreement would be in force for 18 months and not six, as originally discussed."

The union's decision to claim a full hour's lunch break had only had the effect of reducing employees' wages by 5.4 per cent a week, he said.

"The half-hour lunch break was part of an agreement which had

been in force — with union acceptance — for 22 years in some instances. In return, the working day was reduced by 30 minutes. By taking a full hour and still finishing at the same time, the union has imposed a wage cut on its members."

Mr Copelyn said no settlement had been reached in a 10-hour meeting on February 5.

Actwusa had compromised on many issues, and although management had increased their offer, the union's final position had not been accepted.

"The closing positions are significantly close — in some cases the employers have offered just 25 cents a week less than the union's final offer.

"We cannot understand what they are quibbling about. It seems that management is prepared to risk a massive all-out strike over an extra cent an hour increase," he said.

Mr Copelyn added that it was common practice in the industry that many night shifts finished at 3.45 am.

"Because no transport is available at this time, workers often just sit around or sleep at the factory to pass the time. I know of no other country in the world where these shifts are worked."

The union is demanding payment from the time of the shift end to 6 am, in compensation for the awkward times.

Mr Richardson said the union had been invited to attend a meeting last year to discuss shift patterns, "but they failed to turn up".

"Nevertheless, we recognised that some shift finishing times were unsatisfactory and decided to change them. However, these changes can only be implemented with union co-operation and our proposals in this respect have always formed part of our offer.

"We believe we have substantially met the union's demands in terms of both wages and shift patterns and our offer is spelled out quite clearly in the submission made after our meeting on February 5, which is now being put to the shop stewards," Mr Richardson added.

CM 71915 10/2/00

Wage freeze will 'save' R2,5bn

355

Own Correspondent

PRETORIA. — The salary and wage freeze will save government departments and parastatal organizations more than R2,5bn in the new financial year, economists say.

According to Central Statistical Services' latest figures, in the third quarter last year 1,6m workers were paid just over R6bn — 17,2% more than in the first quarter of the year.

Included in the total are 233 212 local authority workers who earned R716 793m in the quarter.

But they are not paid from government funds.

It is pointed out that public sector staff associations and trade unions were confident of salary and wage hikes of at least 12% in the new financial year, against a background of what they claimed were increases ranging from 12% to 19% in the private sector.

In the July-September period, according to CSS, 526 801 central government workers were paid R2 051,5m, 192 226 provincial administration workers R559m, 96 246 post-office employees R298,7m, and 190 100 Sats workers R802 328m.

Central government general affairs wage and salary bill for the quarter was R1 325,9m, and own affairs departments R725 580m.

FOR SUBSCRIPTION INQUIRIES — TELEPHONE

D/D 11/02/88

Workers retrenched by MSO say notice pay not received

EAST LONDON — Workers retrenched by the Mdantsane Special Organisation (MSO) last year claim they have not received leave or notice pay.

Attempts by the Black Sash and People's Advice Office (PAO) to help them claim their money have so far been unsuccessful.

The regional representative of the Department of Development Aid, which controls the MSO, Mr C. L. Attwell, said in a letter to the PAO that his office had investigated the issue.

"All dismissed workmen were paid out all leave due and were also paid one weeks notice instead of 24 hours as stipulated by the general conditions of employment," he said.

Payslips produced by the workers, however, indicated that they received only their basic salary, which ranged among the 250 affected people from R130 to R256. — DDR

●See also this week's Indaba

THE question I've been pondering for some time is whether South Africa has an economic policy. It was, therefore, a surprise to be on hand for State President PW Botha's statement which essentially re-affirmed the consistency of his government's commitment to perpetuating the social structure.

Botha argued that his various economic measures are designed to combat inflation, reduce the state's debt, encourage black enterprise and ensure that the direct tax base is broadened. Funnily enough, and this may be why media approval has been almost universally euphoric (main exception I've read: Bruggeman's in the *Sunday Times*), the measures he proposes will probably do just these things.

Why then carp at his dramatic gesture?

There's so much euphoria, it seer

The main reason is that it is not economic policy: it's simply a basket of measures aimed at resolving what is already an economic crisis — and geared towards underpinning separatism. While it sounds as if the shackles of state control are being broken, this is a smokescreen.

Let's begin with privatisation, which is certainly the most glamorous of the measures. Here government will call on the private sector to pay its debts — just as it has been doing for many years by forcing financial institutions, especially life insurance companies and pension funds, to

invest in prescribed stocks. In theory being an owner rather than a creditor offers the prospect of greater returns, but, if this is so, at whose cost?

The example of other countries, such as Britain, is invoked to engender enthusiasm, but we are not, by any stretch of the imagination, a First World country. Our private sector resources are limited and, if we are to develop at any kind of reasonable and consistent rate, we should be opening doors to foreign investment. We can't do this as long as we have institutionalised apartheid. Bear in mind that foreign investment has

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Understanding B

THE new economic policies announced last week by President PW Botha more clearly signal the government's political priorities than they do impending economic solutions.

The government faces a fiscal crisis and underlying it are fundamental economic and political problems. In its attempts to address these it has chosen strategies which it hopes will gain it the support and co-operation of private sector business, large and small.

The government hopes, too, that it can find a way of having it all: of paying for both reform and repression, without sinking further into debt or exacerbating inflation.

The price it's prepared to pay is the further alienation of white bureaucrats and white workers, on one hand, and, on the other, the risk of increased militancy by increasingly organised black workers, particularly those in the public sector.

The government is taking a gamble: if it can bring down inflation, increase spending on reform, hold down the size of the budget deficit, and stimulate business confidence, thereby promoting investment and economic growth, it may be able to ride out the political consequences. It is gambling against very high odds.

The measures Botha announced at the opening of parliament last Friday were a disparate bunch, rather than a "package". Chief of these were the freeze on public sector wages and salaries, the plans to privatise large government-owned corporations and the replacement of General Sales Tax by Value Added Tax.

In addition there were some more vague measures: Botha exhorted the private sector to hold down wages and salaries too, and said controls over government spending would be tightened. He also announced new deregulation plans.

There's no coherent economic theory behind this: privatisation, for example, opens things up to market forces while the pay freeze does just the opposite. But the politics behind it are fairly clear.

First, the burden of reducing government spending and curbing inflation is not to be evenly distributed across different groups: what is being implemented is a pay freeze, rather than an incomes policy or a wages and prices freeze. This may please business but trade unions across the spectrum have condemned it.

Second, there is no intention to change the composition and level of government spending on, for example, apartheid bureaucracy or "law and order". The government hopes to curb its

It's a mistake to seek a grand plan behind the new economics.

The priority is political, not financial. That explains why the same package opens the economy to market forces (privatisation) while closing it elsewhere (wage freezes)

HILARY JOFFE reports

burgeoning budget deficit by cutting spending on "personnel" and it will be raising funds through the privatisation drive.

Again, many in business think privatisation is a good idea. The bureaucrats who manage the public corporations and the workers who work in them who face rationalisation and retrenchment, may be more resistant.

The government hopes also to curb tax evasion and broaden the tax base with the introduction of VAT. It's not clear yet whether this more "invisible" tax will mean higher or lower levels of taxation, but it could increase the burden on the poor since the exemption on GST for basic food will be removed. VAT will certainly gladden the hearts of industrialists in export industries, since it doesn't apply to them.

The central symptom of economic and political malaise to which the government is responding with its newly announced measures is its own fiscal crisis. The budget deficit has been growing each year. And the growth has been mainly in government consumption spending, rather than in investment spending.

There is nothing wrong with a budget deficit *per se*. But it can be inflationary. It can crowd out private investment (by putting upward pressure on interest rates). And of course interest payments keep rising.

The government is in effect running out of money, unless it wants to print more and exacerbate inflation.

Deficit financing has to come from South Africa's own resources — there is no new foreign capital flowing into the country — and these are limited given an economic growth rate which is forecast at no more than three percent for the coming year: better than last year but not enough even to keep the level of unemployment constant.

With the pay freeze, privatisation, and the intro-

duction of VAT the government plans to attack the problem on a series of different fronts.

Privatisation offers it a way of raising funds which at the same time goes some way to meeting the calls which have been coming from business for economic reform.

The privatisation being mooted now is the selling off of the state's industrial assets in Escom, Iscor, the South African Transport Services and its shareholdings in enterprises such as Foskor held through the Industrial Development Corporation.

Also on the agenda is the privatisation of certain toll roads. These public corporations are to be turned into "tax-paying, profit-seeking enterprises".

Privatisation has in recent years become one of those slogans which mean different things to different people.

From the point of view of those in business who support privatisation, one major argument in favour is that the public corporations would be run more efficiently under private ownership. They would reduce costs and thus prices, and this would help to bring down inflation.

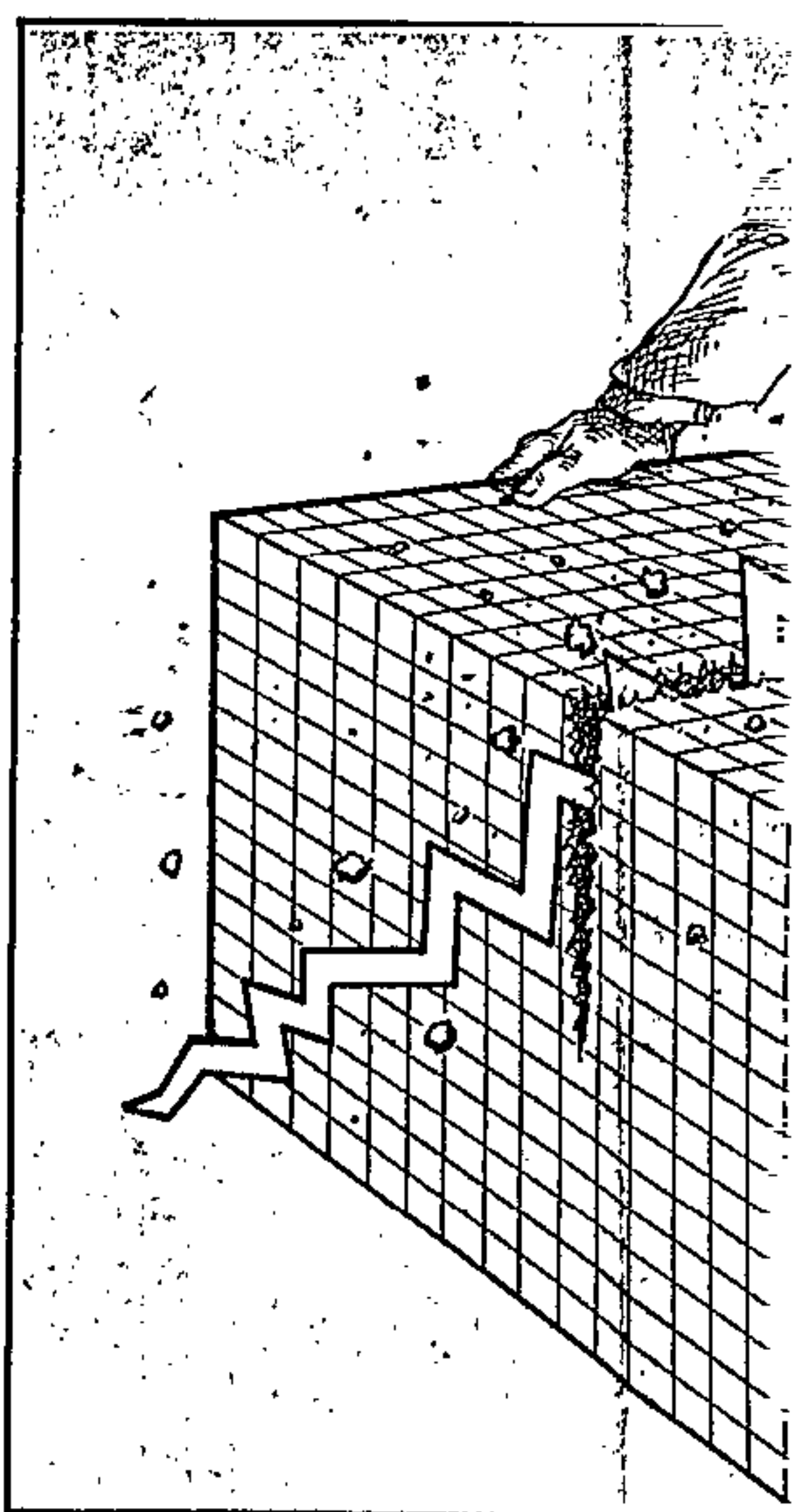
The other, related, argument for privatisation is that the government's share of the economy must be reduced, freeing up resources for private enterprise to exploit.

From the point of view of the government, the efficiency and cost arguments are a lot less important. The priority is to raise funds so that it can implement some of its political reform promises — building houses and educational infrastructure and allocating funds to small and medium sized business — without getting rid of the 21 departments of education and nine departments of health which go with tricameralism, for example, and without jeopardising its military excursions into southern Africa or its policing of the townships.

As Labour and Economic Research Centre economist Stephen Gelb argues: "It's a way to extract resources from big business to pay for reform. These are resources big business would not put into the economic aspects of reform such as sub-economic housing because they are unprofitable areas of investment."

If the government can get business to believe it is serious this time, it can in the process win the kind of support it needs from business and it no doubt hopes this will have the effect of enhancing business confidence.

JCI economist Ronnie Bethlehem puts the pri-



ivate sector case succinctly: "Privatisation is good because governments don't know how to manage an enterprise. We must open up the economy and get government out of the matter of managing scarce resources."

Market forces communicate information and thus allocate resources more effectively than do bureaucrats, Bethlehem argues: "There is merit in market economies even in socialist economies — the world is too uncertain a place for bureaucrats

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BOTHALOGIC: IT'S UNFAIR THAT WAGES CAN'T KEEP UP WITH INFLATION. THEREFORE, FREEZE WAGES

THE wage freeze outlined by PW Botha in his speech last week represents the most serious assault on South Africa's workers since 1984.

In that year the government forced up interest rates to ludicrously high levels, driving the economy into recession and throwing hundreds of thousands of workers out of employment. Since then wage increases have failed to keep pace with inflation, meaning that workers' living standards have fallen.

Now, just as workers were preparing to take advantage of the economic upswing to press for higher wages, the government arbitrarily freezes public sector wages and urges the private sector to follow suit.

"Inflation," says Botha, "impoverishes the farmer, the housewife, the worker, the salary earner, the small businessman and the pensioner."

So what does he propose? He proposes a wage freeze which will further impoverish the already impoverished worker and salary earner, thereby

also hitting the impoverished housewife.

If one finds the logic in this illustration of Bothanomics a little hard to follow, it is made considerably worse by the fact that there is no evidence that wages have played a major role in pushing up inflation. In fact, the reverse is the case. Since 1985 wage increases have consistently lagged behind inflation. Consequently, it is unlikely that a wage freeze will make any significant impact on the inflation rate.

It is also noteworthy that Botha's wage freeze runs completely counter to the advice offered him by his own Economic Advisory Council. In its recent report on inflation the Council pointed out that: "It is an illusion to think that wage and price controls can serve as a substitute for monetary and fiscal discipline."

One need look no further than Britain for confirmation of this argument. When the then Labour prime minister, James Callaghan, imposed a prices and incomes policy, not only did it not bring down inflation, but it led to the "winter of

If the government is really serious about inflation, bringing down public sector wages is not the way to tackle it. DUNCAN INNES reports

discontent" in which unions embarked on a series of strikes which eventually played a major role in bringing down the government.

The statements which have already been issued in response to the wage freeze by public sector unions, as well as those by the Congress of South African Trade Unions and the National Council of Trade Unions, suggest that we, too, may well be in for a season of labour discontent in the near future.

One of the central grievances which trade unions have with Botha's proposal is that it makes no attempt to freeze prices as well as wages. In a situation where inflation is currently at 14.7 percent such an omission is incomprehensible.

The actual situation is considerably worse than

this figure suggests. According to the latest figures put out by the Central Statistical Services, the lower income group's inflation rate for 1987 was 17.5 percent, well above the average inflation rate, mainly due to a massive 23 percent increase in food prices last year.

So with workers already suffering more under inflation than other sections of society, the government now tells them that it is they who must make the major sacrifices in order to bring down inflation.

It might be argued that public sector workers are not among the poorest sections of the population. This perception usually derives from the false impression which is sometimes created that most public sector employees are white.

But according to Barry Standish of the University of Cape Town, in 1985 there were 966 000 black employees and 151 000 white employees in the public sector, while the long term trend in the public sector has been for black employment to grow faster than white.

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FOCUS ON THE NEW ECONOMICS

Euphoria, it seems churlish to carp

Such has been the euphoria in the media, it seems churlish to carp. But BEN TEMKIN has some complaints

been a major factor in the success of British privatisation and that, even there, there are inefficiency hangovers from previous bureaucratic control.

Who, in any case, will administer these new privatised corporations? The people most qualified to do so are those presently in control. Will

they really do better when they are responsible to shareholders rather than to government? If so, at what cost to the people who buy their products and services?

In any case, the capital revenue (not income, Mr President) will simply be a means to pay off the mounting cost of triceratals, separate amenities, including education and health facilities, policing of townships and the Angolan war.

Control of public sector incomes means that PW has good reason for postponing an election. After all, this measure will hardly endear him to

these constituents. As for control of personnel growth in this sector, that's been promised so many times before that it's become more than indigestible.

The targeting of funds for black business development can only, as long as Group Areas persist, be seen as an expensive way to prove that apartheid works.

And so we come to VAT, a much more complex task than GST to administer, but a much more certain way of collecting revenues. VAT

will mean that the after-tax incomes of those many small businessmen who pocket takings directly will fall. In theory, the larger indirect tax revenues should result in direct tax concessions, but as state spending policy did not form part of the statement, we can but hope.

In a country with a massive black majority, where whites have to be made up as blacks, where Dias anachronistically sings "Ave Maria", where the star bowler in the most avidly pro-apartheid province is black, where services have to be duplicated and even triplicated to cater for separatism and where even the waters are statutorily divided, it is, of course, difficult to frame an economic policy. The best you can do is to use financial measures to prop up social and political fantasies. PW is doing his best.

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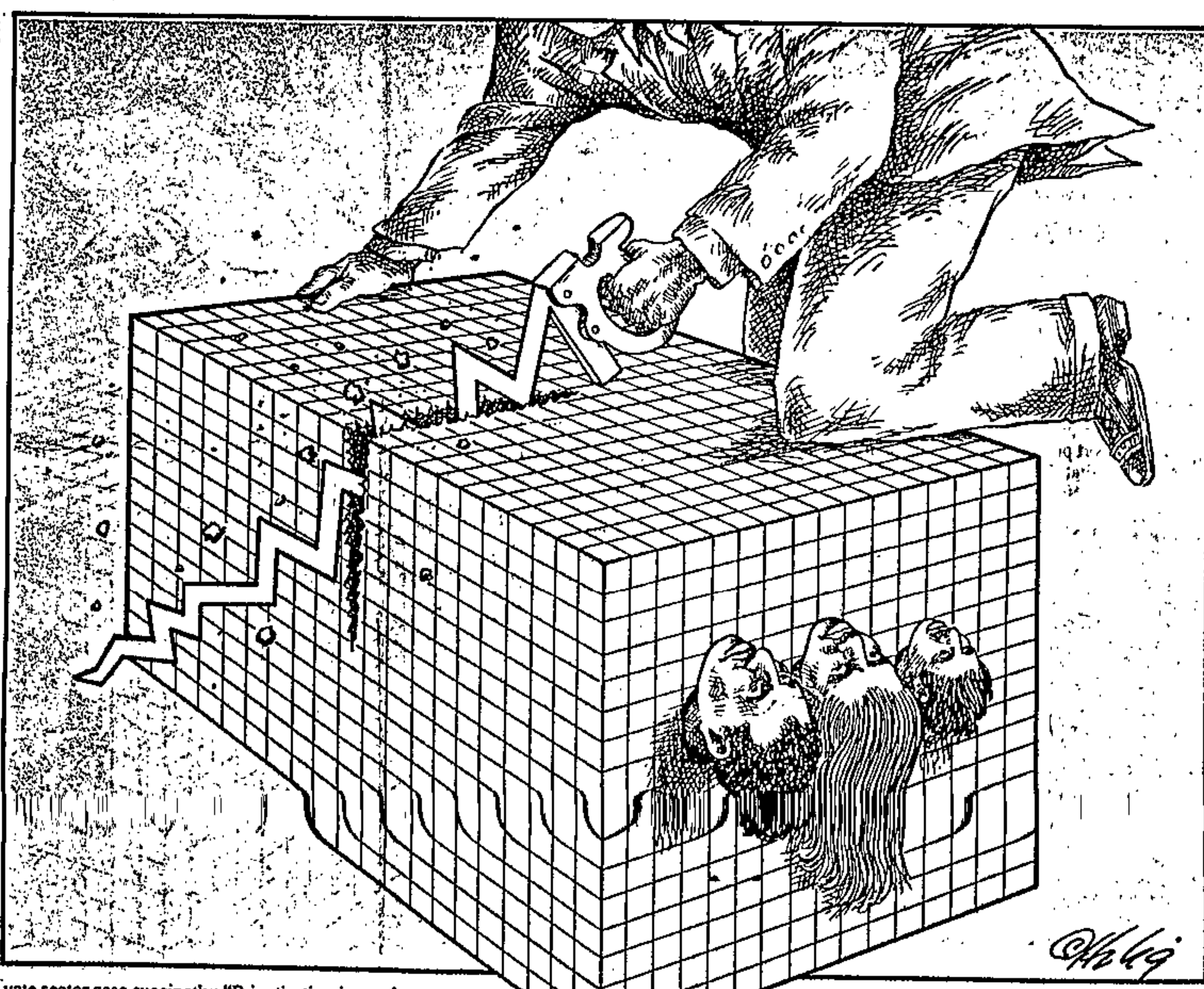
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to administer."

He goes as far as to argue even a private sector monopoly would be better than a government owned one: at least management would be accountable to shareholders rather than being able to bury their mistakes and fall back on the government to foot the bill for their bad debts.

The free market argument in favour of privati-

sation assumes that the selling off of state-owned enterprises would go with greater competition.

In South Africa that's highly unlikely. Some of the corporations to be sold off are natural monopolies: the size of the South African economy hardly justifies more than one railway system, for example. A privately-owned, profit-seeking monopoly could even have more scope — and incentive — to fix prices than a public one.

And in the South African economy, already

dominated by large corporations, economic concentration could well be increased in the privatisation process. Those likely to buy into the state's industrial assets are the large financial institutions, many tied to the large corporations, who already own much of the economy anyway.

The argument for privatisation rests, too, on the assumption that privatised means efficient and public means inefficient management. But there isn't a necessary correlation: Escom, for example, has been restructured and put under new management. South African electricity is among the cheapest in the industrialised world, in part owing to very cheap, and Zenex's Jan Meiring concluded in a recent article (in MacGregor's *Privatisation in South Africa*) that in world energy producing terms "Escom is more efficient than most companies".

It is difficult to see why Escom is being privatised at all, if efficiency and inflation are the reasons. But the electricity corporation is also the one likely to present most appeal to private sector investors and hence is the easiest one for the government to use in its fundraising drive.

The case of Escom illustrates a more fundamental social problem with privatisation. At the moment its profitable sectors subsidise the less profitable but socially important services such as electricity for rural areas. This is after all the oldest and most central argument for state-owned industry — many services are necessary whether or not they are profitable.

Apparently the government did investigate privatising refuse removal but found it would be more costly.

If public can be efficient, private can be inefficient. This is quite possible in South Africa's privatisation drive, given the kind of resistance the bureaucrats who run the public corporations are likely to put up. Evidence from countries such as Britain suggests that the concessions which have had to be made to win the support of the managers of enterprises being privatised have worked against potential gains in efficiency.

Professor Wolfgang Thomas, now at the Small Business Development Corporation, describes the efficiency argument as "one of those glib arguments the private sector makes. It doesn't necessarily follow that privatisation makes enterprises more efficient: there's no reason why it should, particularly if they are the only ones producing the commodity or service."

But, Thomas adds, this is not the issue for the government, which needs capital to spend on major capital expansion projects — hopefully, in his view, on development projects such as building roads and houses rather than on weapons.

There is cause for some scepticism about

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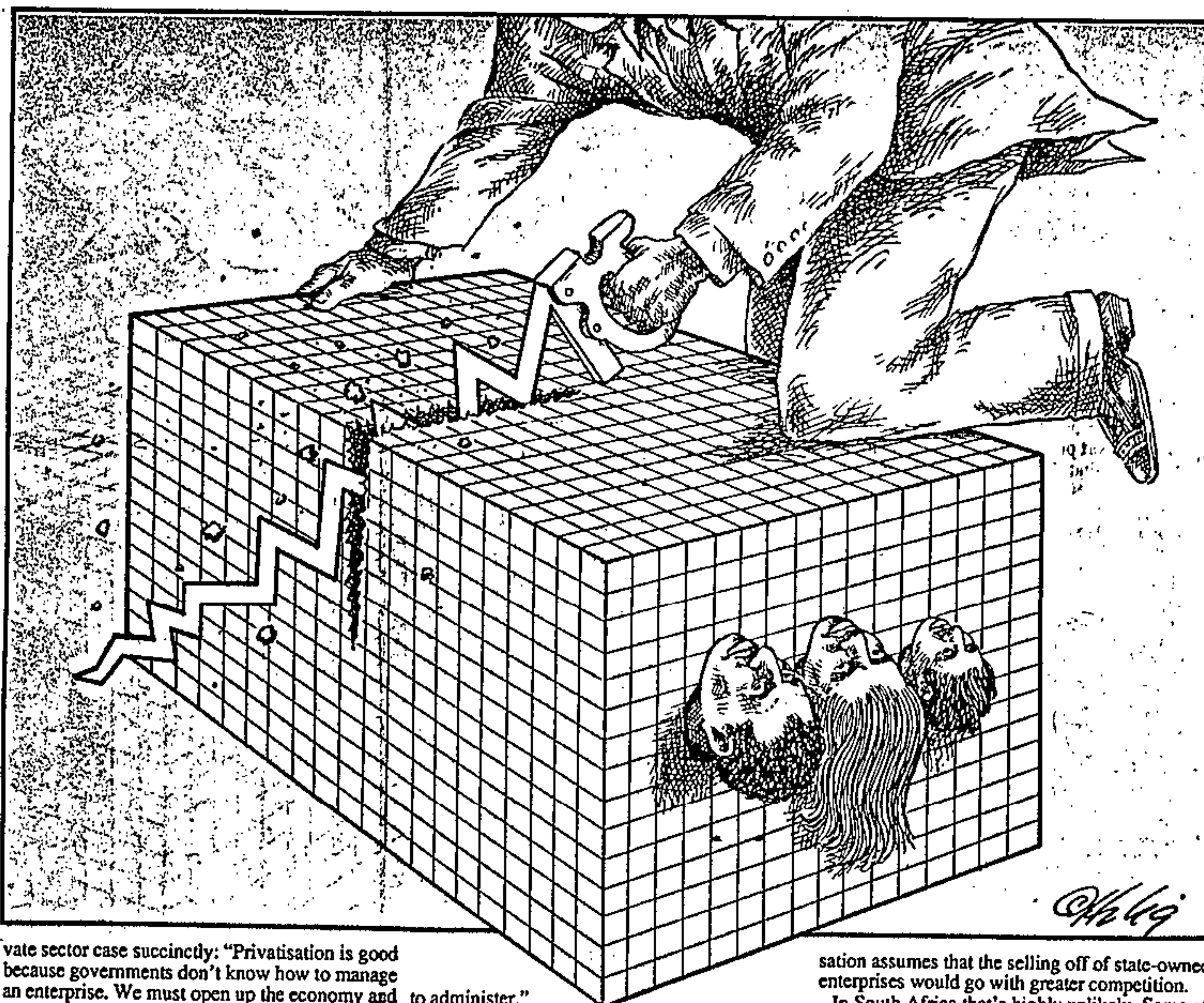
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Apparently the government did investigate privatising refuse removal but found it would be more costly.

If public can be efficient, private can be inefficient. This is quite possible in South Africa's privatisation drive, given the kind of resistance the bureaucrats who run the public corporations are likely to put up. Evidence from countries such as Britain suggests that the concessions which have had to be made to win the support of the managers of enterprises being privatised have worked against potential gains in efficiency.

Professor Wolfgang Thomas, now at the Small Business Development Corporation, describes the efficiency argument as "one of those glib arguments the private sector makes. It doesn't necessarily follow that privatisation makes enterprises more efficient: there's no reason why it should, particularly if they are the only ones producing the commodity or service."

But, Thomas adds, this is not the issue for the government, which needs capital to spend on major capital expansion projects — hopefully, in his view, on development projects such as building roads and houses rather than on weapons.

There is cause for some scepticism about whether the funds going to the state coffers really would be used towards development projects, even though Botha promised they would go into a Capital Revenue Fund, to be set up probably in the March budget.

The privatisation announcement was not accompanied by any sort of detailed schedule of what money would be raised, and what would be done with it. There was no evidence that thought had gone into, for example, what social spending was needed on education and housing, and how the proceeds of privatisation would contribute towards this.

What Botha's privatisation plans will do is shift investible capital from the private sector to government coffers, without creating any new capacity or new jobs. There will almost certainly be fewer jobs as the newly-privatised enterprises rationalise and retrench. And there are no guarantees that whatever resources are shifted will go to productive use.

The jobs issue is, for the government, no doubt

MORE, FREEZE WAGES

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this figure suggests. According to the latest figures put out by the Central Statistical Services, the lower income group's inflation rate for 1987 was 17.5 percent, well above the average inflation rate, mainly due to a massive 23 percent increase in food prices last year.

So with workers already suffering more under inflation than other sections of society, the government now tells them that it is they who must make the major sacrifices in order to bring down inflation.

It might be argued that public sector workers are not among the poorest sections of the population. This perception usually derives from the false impression which is sometimes created that most public sector employees are white.

But according to Barry Standish of the University of Cape Town, in 1985 there were 966 000 black employees and 151 000 white employees in the public sector, while the long term trend in the public sector has been for black employment to grow faster than white.

Furthermore, it is significant that Botha seems to have provided a possible way for senior salaried public sector employees, who are all white, to escape the freeze. Provision will be made, he said, for "specific professional adjustments" to occur outside the freeze.

But what effect is the wage freeze likely to have on the public sector?

Inevitably, public services, which are already disastrous in some sectors, can only worsen. Teachers, health workers and other public sector employees are likely to move in greater numbers into the private sector where their financial rewards are better. Consequently, the services they provided will decline, especially in view of the government's promise to "drastically reduce" new job creation.

But this does not seem to concern those like Dr Azar Jammine, of the research agency Econometrix, who support the new proposals. According to Jammine, the flight of public servants to the private sector "will reduce public expenditure and

at the same time increase competition for jobs in the private sector, thereby limiting the extent of wage hikes in this sector too".

There should thus be no doubt that Botha's proposals are aimed not just at public sector employees, but at private sector workers as well. But undoubtedly it is the public sector which is first in the firing line. This, we are told, is inevitable since public expenditure is far too high and must be brought down.

Instead of attacking workers' wages, the government could consider the following: ending conscription which will reduce defence expenditure on personnel; withdrawing troops from Angola, Namibia and local townships; and cutting back on apartheid expenditure which, according to Michael Savage of UCT, costs the country 12c in every rand the government spends.

The advantages of cutting public expenditure along these lines is that, unlike the present proposals, it will promote meaningful reform at the same time as it helps cut inflation.

Making sense of the new Bothanomics

●From PAGE 15

part of the appeal of privatisation. Historically, corporations such as Sats and Iscor have grown up on the basis of providing protected employment. They are undoubtedly over-staffed, and, as one economist puts it, "The state under the guise of freeing up the economy by privatisation in fact solves the political problem of excess employment in the state sector by allowing the private sector to do the dirty work."

It's not clear though to what extent the government intends to go full tilt into privatisation. Rather ambivalent messages have been issued. Deputy Finance Minister Kent Durr said the government had no intention of relinquishing control over the public corporations — what was being offered was merely a partnership.

But Durr then seemed to retract his remarks. And Finance Minister Barend du Plessis was at pains to convey the sincerity of the government's intentions at an investment conference this week. He stressed that the government planned to address both the problem of high inflation and that of economic and political reform.

As an inflation-beating strategy the new measures are a very risky gamble. Evidence from countries in Latin America and Israel, where hyperinflation was halted without too adverse an effect on growth or employment, suggests wage freezes can work but only if they go with price freezes, are explicitly temporary and, most important, go with a substantial reduction in the budget deficit. A degree of political consensus over priorities was essential in beating inflation — and that is hardly likely in South Africa.

Everything said in Botha's speech has in one way or another been said by government sources before, so it remains to be seen whether they are serious.

A bear market is hardly the place to sell off the state's assets. And there are great legal and technical complexities involved in privatising the public corporations. It may turn out that all the fanfare is a bit premature.

Feb. 19 88 Strike in textile industry averted ^{3SS}

Daily Dispatch Reporter

EAST LONDON — The possibility of a national strike in the textile industry was averted this week when workers accepted the Textile Manufacturers Association (TMA) final offer on wage increases and conditions of employment.

The agreement applies to some 3 800 employees of the Frame Group, including those in East London, among others in the industry.

The package includes three basic wage increases over an 18 month period, revised night shifts, increased long service bonuses, annual bonuses and agreement on shift patterns.

In terms of the new agreement, workers on grade one will receive an immediate R6 per week increase, R8 per week in July and a further R8,25 per week in January 1989.

In addition, a long service allowance of 50c per week, per year of service, is to be introduced immediately.

The industrial council minimum wage at the lowest grade was R75,85 per week in peri-urban areas such as East London, although employers such as Frame have historically paid more than the minimum rate.

The vice-chairman of the TMA, Mr Peter Richardson, said the employers had only increased

their offer on the basis that the union agreed to extend the wage agreement to cover an 18 month period.

"The TMA is pleased to have averted a strike which would have been costly to both workers and employers," he said.

The general secretary of the Amalgamated Clothing and Textile Workers Union of South Africa (Actwusa), Mr John Copelyn, said he was "very pleased with the package".

"We believe that this is a fair and successful compromise."

Three unions previously competed in the textile industry, until two of them merged last year to form Actwusa, and the third was expelled from the industrial council.

The wage dispute arose out of a deadlock between Actwusa and the TMA at industrial council negotiations in October last year.

The union instituted an overtime ban and work-to-rule. The issue remained unresolved after a ten-hour meeting held on February 5.

Mr Copelyn said the threat of a national strike had been "a very real possibility" until a final offer by management on February 9, when the TMA "agreed to all the union's demands tabled at the meeting on February 5".

Wage curbs spell trouble for Pretorians

13/2/88
ROY COKAYNE

Businesses in Pretoria are in for tough times in the next two years because of the Government-enforced wage and salary restraints imposed on the public sector.

In an address at a recent executive meeting of the Pretoria Afrikaanse Sakekamer, executive member and chairman of the Sakekamer's economics committee Mr Adam Jacobs pointed out that almost 60 percent of Pretoria's economically active population was employed in the public sector or by quasi-government corporations.

"All these people's salaries have been frozen or they will get very small increases. As a result, real living standards will decline in the year ahead and have a negative effect on trade because of the decline in the purchasing power of households," said Mr Jacobs, who also is an economist at Volkskas.

He pointed out that in terms of the 1980 population census, Pretoria's total economically active population comprised:

- 35 percent employed by central government.
- 6,7 percent by the provincial administration.
- 2,7 percent by council authorities.
- 7,7 percent by SA Transport Services and the Post Office.
- 8,7 percent by public corporations such as Iscor.

"I don't believe these figures have changed markedly since then, so this means 57,4 percent of Pretoria's economically active population will be affected by the wage freeze," he said.

By contrast, Mr Jacobs said 34,5 percent of the total economically active population — including Pretoria — was employed in these sectors and if Pretoria was excluded the percentage would be very much lower.

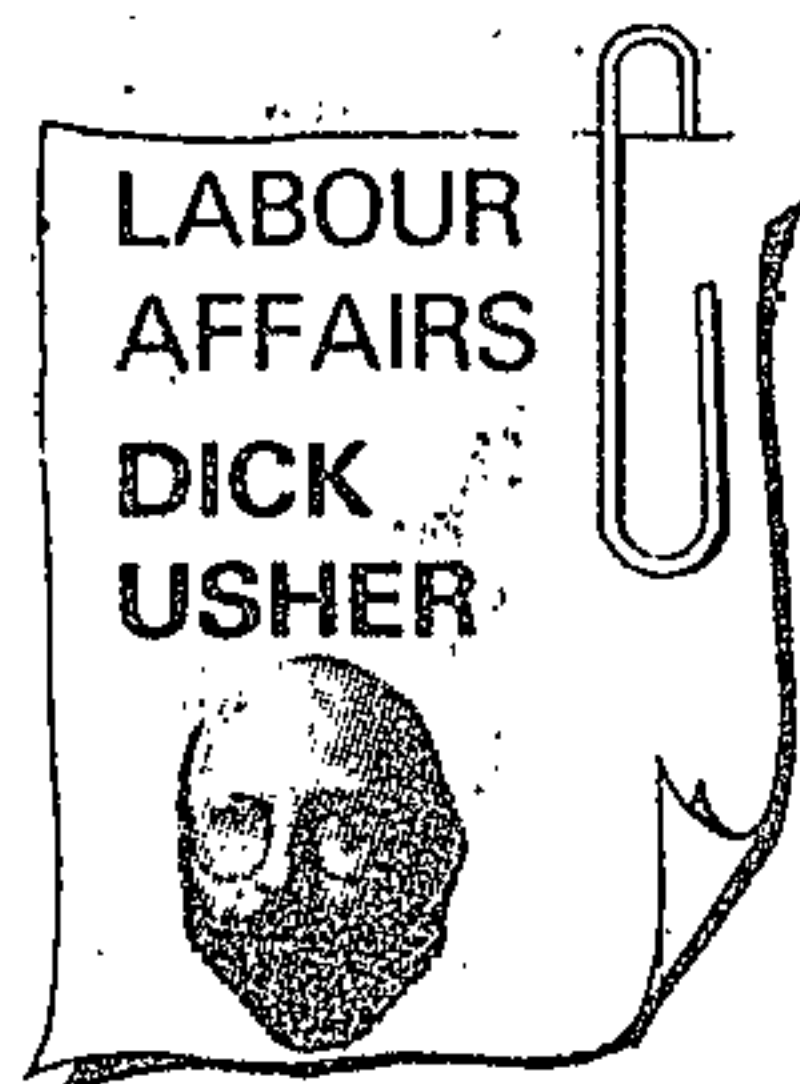
"What I have gathered from what Minister of Finance Mr Barend du Plessis said on television, employees on the lower scales will get increments while half the people on the maximum salary scale will not get an increment at all.

"Most of the occupational reclassification of jobs was completed during the past year and so my guesstimate is that they can't expect on average more than a 5 percent per capita salary increase," he said.

Mr Jacobs did not believe inflation would be much below 15 percent this year for a number of reasons.

Despite the production price index (PPI) — an early indicator of the trend of the consumer price index (CPI) — dropping to its lowest level in three years, Mr Jacobs said this was largely because of the drop in imported inflation.

W/L ACUS 13/2/88



Deregulation
Workers
fear their 355
unions are
under attack

THE economic way forward announced by President Botha last week — deregulation and privatisation especially — will only increase unions' suspicion that workers' institutions are under attack.

One face of deregulation was unveiled last year in the Temporary Removal of Restrictions of Economic Activity Act, which they view as undermining all the protections for workers and their conditions of employment which have been built up over the years.

JOB CREATION

The Act empowers the President, if he thinks it in the interests of promoting business, to remove almost any regulation covering wages, conditions of work and safety.

Privatisation of State and parastatal undertakings will also be a bone of contention.

Historically, these were used by successive governments to answer the call for white jobs.

With black unemployment soaring they argue that the State should be continuing the policy of job creation in the public sector, rather than seeking immediate cut-backs and ultimately hiving off bits and pieces to private enterprise where jobs will have to give way to profit motives.

RECRUITMENT

The public sector wage freeze is likely to boost organisation of "independent" unions in the sector.

In their opposition to the in-house staff associations the unions have already focussed on low wages in the sector.

Their campaign for a living wage will increase their potential for recruitment and give further legitimacy to claims for recognition and bargaining rights.

255 Hello to big business. Goodbye to white workers

Botha has made peace with business. But he's heated up the war on the right.

Weekly Mail Reporter, Cape Town

BAREND DU PLESSIS, the minister of finance and mastermind behind the government's new economic strategies, was thoroughly annoyed this week when the Conservative Party leader, Dr Andries Treurnicht, totally ignored President PW Botha's speech about the new policies.

Treurnicht was suffering from "the same sickness as some overseas observers", Du Plessis thundered.

"They actually think that when the cricket score is not given every 15 minutes, the cricket match is over.

"Reform is on the go. This side of the House, under the leadership of the state president, is busy with reform on a responsible basis, and the time has come that on the level of the head of state attention should be given to economic issues.

"The leader of the opposition sidesteps Friday's speech totally. Totally! He did not even refer to it. Not a single reference," Du Plessis lamented.

Apart from his frustrations with the rightwing, Du Plessis, whose increasing influence in the cabinet was demonstrated by Botha's speech when he opened parliament last week, publicly showed his conviction that the economic package reflects fundamental reform.

And whatever else may be said about the new policies, they are certainly a change.

For people like Du Plessis, there is an urgent need to stimulate the South African economy, promote the free enterprise system and release funds for serious social problems such as housing and basic amenities.

In spite of earlier public commitments to privatisation, there was frustration that it was taking so long to get anywhere and there was opposition from within the civil service bureaucracy to any fundamental change.

It was clear that the only way out of this log-jam was for Botha to use his political weight to take firm action on the matter.

There were, however, political consequences, particularly for the white middle class and state employees, about one in three economically-active whites. By freezing civil servants' wages, Botha was effectively saying to those whites that their real incomes would go down. It is precisely on that group of voters that the Conservative Party has been concentrating its efforts.

Botha may well feel that in spite of the current stance of the Labour Party leadership a compromise over changing the constitution is still possible and a general election can be postponed to 1992. By that time, the benefits of the economic reforms will then be obvious to everyone and increasing prosperity will enable the National Party to deflect the rightwing challenge.

The moves also reflect a noticeable shift in the government's support base in the white community — away from a shrinking white working class towards wealthier groups, particularly in business.

Obviously, the government will use ideological and emotional appeals, noticeably through its control of the television monopoly, about which there has been no hint of privatisation, to keep as much as possible of its support base in the white community.

The election on May 6 last year showed the Nationalist support base has changed and it now has significant backing in wealthier English-speaking areas, particularly in Natal and the Eastern Cape. The economic reforms could consolidate that shift.

The response of the business community and the press, particularly in the finance pages, has been predictably positive. This is hardly surprising because the changes have been what they have been calling for and they will clearly benefit from them.

In effect, the National Party has been slowly changing and is breaking away from the confines of being a predominately Afrikaner party into one representing conservative and relatively wealthy whites. The increasing number of English-speaking MPs in its ranks is a

It's goodbye to the white workers

●From PAGE 15

reflection of this.

At the same time, Botha emphasised more funds would be made available for the development of the small business sector. This is not only aimed at stimulating the private sector but also towards involving an increasing number of black people in entrepreneurial activity.

In this way, government optimists hope that increasing funds will be devoted towards pressing social problems, particularly housing, because of its spin-off effects in the rest of the economy, and, at the same time, more black people will be directly involved in the free enterprise economy. Equally importantly, they hope the reforms will make a significant contribution in reducing the rate of unemployment.

So by consolidating its current support in the white community and devoting resources towards improving living conditions in the black community, as well as stimulating economic growth, the Nationalist leadership hopes to create stability in the poorer areas and stimulate a boom, which will keep the National Party in control of the House of Assembly and therefore of the government.

The gamble may not work, but, from the government's point of view, it is certainly a more attractive option than other alternatives.

WAGES

First round

Before making a counter-offer, Pick 'n Pay last week quietly asked the union, Ccawusa, to reconsider its opening wage demand (which would amount to R79,8m), bearing in mind that the company's after-tax profit for the year just ended was R43m. In fact, says P'n P's chief negotiator, Frans van der Walt, the cost of the total package demanded would, at R86,2m, be double last year's profit.

The union opened the annual wage bargaining round for the retail sector seeking across-the-board increases of R1,88 an hour or R366 a month. This would lift the minimum monthly wage from R490 to R856, which is roughly what the labour federation, Cosatu, considers a "living wage" to be.

In addition, Ccawusa wants the "cash only" company to introduce staff accounts with stop-order facilities; 12% staff discounts; four weeks' annual leave; and March 21 (Sharpeville Day) as a paid holiday. After reconsidering on Monday, the union decided to stick to its demands.

The company then counter-offered with R100 a month across-the-board. It said it cannot grant March 21 because the day off would cost it R960 000 and, besides, May 1 and June 16 had already been granted as paid holidays. Also, "at this stage," it is saying no to the additional fourth week's leave (estimated cost: R2,5m a year) and no to staff discounts (cost: R3m a year). It wants more details from Ccawusa on their demand for staff accounts, which the company is prepared to consider.

A union's apparently high opening demands are, of course, normal in industrial relations bargaining and settlements are usually nowhere near them. Last year, for instance, when Ccawusa, unusually, asked P'n P to make an offer first, the company suggested R85 a month. The union pitched in with a demand for R240. They settled at R100.

Wage bargaining with the other retail giants will commence over the next few months, starting with OK Bazaars this month, followed by Foschini, Edgars and Checkers.

15/2/88

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Minimum wages: Contractor fined

Court Reporter

A PAINTING contractor has been fined in Cape Town Magistrate's Court for employing unskilled labourers to do skilled jobs and not paying them the prescribed minimum wage.

David Matthews, director of Guild Painters and Decorators, and his foreman, Mogamat Reyners, were each fined R300 (or three months) and ordered to pay the Industrial Council R35,60 for distribution to Mr G Bezuidenhout and Mr R Conradie by March.

The sum covers the shortfall in wages paid by Matthews to the two men in one day.

Matthews and Reyners were convicted of contravening the Industrial Council agreement for the building industry by allowing two unqualified workmen to perform skilled work and failing to pay the minimum rate.

CAPE TOWN — An immediate investigation into the salaries of SAA pilots is to take place and will be completed by the end of May, Transport Affairs Minister Eli Louw announced yesterday.

The service conditions of pilots will also be investigated and an independent inquiry will examine the possible recognition of specialist groups, such as the SAA Pilots Association (SAAPA), he said.

Louw disclosed these moves after discussions in Cape Town yesterday with SAAPA and the Salaries Staff Association.

Political Staff

PPP transport spokesman John Malcomess welcomed the salary investigation.

He added he wished the position of air traffic controllers would be investigated by the same committee at the same time.

"Pilots and air traffic controllers

are arguably the most important employees in terms of the safety of passengers on SAA."

"The country cannot afford to have dissatisfied personnel in these two categories," Malcomess said.

Louw said Sats was in the process of moving into a new business and labour dispensation and was being divided into five separate organisations, of which SAA was one.

"In view of the foregoing circumstances it is now possible to consider SAAPA's request to function as a representative body in a new light."

Louw said he had indicated he regarded the pilots as one of the specialist groups in Sats which had a unique character and circumstances.

During the discussions, it was agreed that "an independent investigation be instituted by experts from the private sector into the possible recognition of specialists groups in transport services."

"In this manner, the recognition of the SAAPA as the official mouthpiece of the pilots will also be addressed."

Govt probe into SAA pilots' salaries takes off

351 B/day 16/2/88

Govt, Sats union in pay freeze standoff

CHRIS CAIRNCROSS

CAPE TOWN — Government refused to back down yesterday in its first confrontation with a public-sector union over the recently announced wage freeze.

However, Transport Minister Eli Louw agreed to appoint a conciliation board to hear out the wage dispute officially declared by the 200 000-member Sats Federation of Trade Unions.

This followed Louw's failure yesterday to persuade the federation not to press ahead with demands for a 17% wage increase, and accede to the directive issued by President P W Botha imposing a partial wage freeze.

Federation chairman Dudley Henn said Louw had indicated that he could not comply with the wage demand in that his hands had been tied by the policy directive issued by Botha.

The conciliation board, consisting of 10 members, five representing the unions and five representing Sats management will be appointed this week.

Henn said if the outcome of the board's deliberations was not to the federation's satisfaction, they had the right in terms of the law to call for the appointment of a one-man commission to adjudicate on the dispute.

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16/2/88

By Michael Chester

The Federated Chamber of Industries yesterday pledged full backing to the new economic initiatives announced by State President P.W. Botha to reduce inflation and curb Government spending.

FCI president Hugh Snyckers disclosed that all regional chambers had been asked to urge member companies to "exercise the maximum possible restraint in both salary and price increases within the overall need to maintain business viability".

IMPROVEMENTS

Mr Snyckers said the FCI welcomed the fact that no wage freeze or maximum allowable percentage increases had been applied to the private sector and that the collective bargaining process would remain in operation.

FCI pledges support for reforms and urges restraint on wage rise

"This," he said, "will facilitate productivity improvement and industrial stability."

"The private sector has done much to improve efficiency and productivity in the recession of the last few years. These efforts will continue to help offset the effects of rising input costs and looming shortages of certain skilled and professional employees."

A statement that followed a meeting of the FCI board of management also signalled that the clash between the industrial and commercial wings of organised big business, vying for influence as the main voice of

the private sector, was growing more heated.

New battle lines were drawn when the FCI issued strong confirmation that it intended to stand independent, despite the financial problems of its network that emerged last year and raised speculation about its future.

The FCI statement came in sharp retaliation to a recent announcement by Assocom of a change in title from the Association of Chambers of Commerce to the Association of Chambers of Commerce and Industry.

WARNING SALVO

This was widely interpreted as the first warning salvo that it plans wider recruitment of companies inside the industrial as well as commercial sectors.

"The manufacturing sector," it said, "is the largest single contributor to the national economy, being twice that of commerce and equal to mining and agriculture combined."

The FCI already represented the employers of some 60 percent of the 1,2 million employees in the manufacturing sector.

The FCI, following restructuring and transfer from Pretoria to Johannesburg, was back in a sound and improving financial position.

355 B/day 17/2/88

MISUNDERSTANDINGS about government's freeze on wages and salaries in the public sector are flourishing. Where critics are correct is that, as an "incomes policy," this particular effort is half-cocked. And to control wages while allowing prices to rise is the fiscal equivalent of a two-legged stool.

But that is to miss the point. Rather, government's freeze on wage and salary increases is a fiscal measure aimed at demonstrating it has the will and means to control spending and the deficit before borrowing in the coming fiscal year.

That it remains the only method available to achieve these aims speaks volumes about the wisdom of past policies.

"This is not an anti-inflation policy," says Director General of Finance Chris Stals.

"While it may reduce inflation, it is aimed at enforcing fiscal discipline. It is accompanied by a request to the private sector to take note and institute similar measures, but no specific guidelines have been laid down."

If one reads the State President's speech carefully, it becomes clear that the policy relates to the need for discipline in government finances and the Budget.

"Ultimately, it is to do with the role of government in the total economy."

Says another official: "In the final analysis, the only sure way of cutting R2bn off government's total spending bill is not to grant salary increases to public servants."

The unpleasant truth is that public servants are bearing the brunt of their own excesses. But under the circumstances, it is politic to make appeals to the private sector for restraint. And while it may curb inflation, that is not its *raison d'être*.

Nonetheless, the proponents of an incomes policy per se as a solution to inflation are coming out of the woodwork. The important debate — the broader effects of rising government spending and in particular the need to control current spending and the deficit — will be buried if we are seduced into addressing symptoms rather than causes.

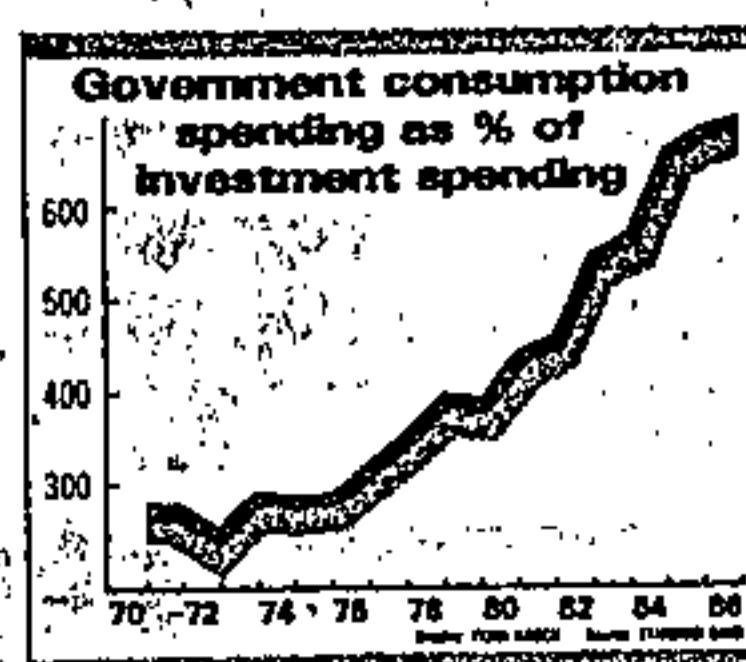
Fears have been expressed that with no real increase in wages — that is, increases in the total wage bill above the rate of inflation — growth in consumption spending would, by definition, be reduced. And it is on consumption spending that the current cyclical upturn has been built.



□ STALS ... private sector, take note

Real aim of the wage freeze is fiscal discipline

GERALD PROSALENDIS/Financial Editor



Yes, an increase in nominal wages below the rate of inflation is incompatible with a economic growth. But is that what government wants?

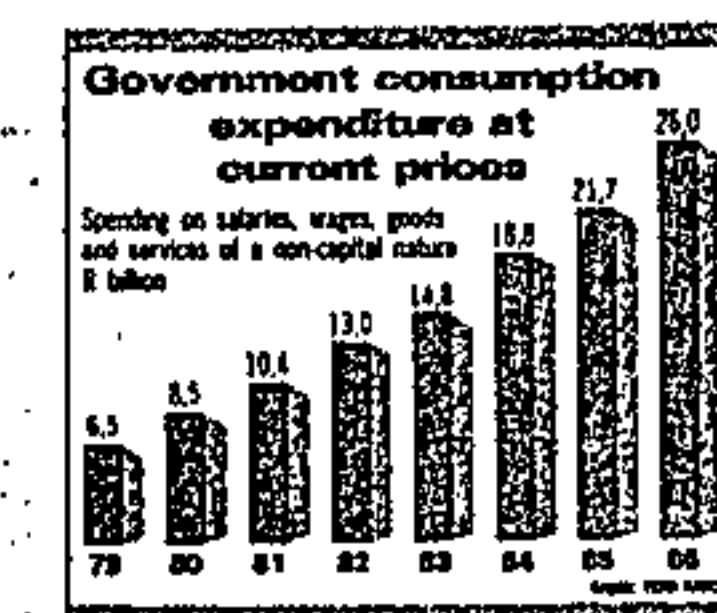
What they do want is GDP growth at 3% or higher and infla-

tion at 14% or lower. To achieve that they will have to accept a rise in nominal wages of about 17%.

Firstly, the decision not to grant a general public service increase does not rule out an increase in government's wage bill — via, for example, notch increases and by juggling job categories.

Government's wage bill will rise. In private, officials are talking of a figure of around 4%, but odds are that it will be higher.

The private sector's total wage bill will also rise — for a number of reasons. Jawboning will not keep



down wage rises in the private sector.

Although the average increase in wages per head may be lower, growing demand will create new jobs.

While the economy is expanding it could even prove difficult to re-

duce wages in real terms because of inevitable scarcities in the labour market.

Also, the threat of union action and industrial disruption will put pressure on employers to accede to some salary adjustments.

Ultimately, rises in the country's wage bill will depend on broader monetary policy, as set out in the new money supply targets and the consequent level of demand.

Rather than worrying about an "incomes policy" choking off growth by reducing consumption spending, perhaps at this stage we should be more concerned about the economic consequences of an even larger deficit before borrowing in the coming year and the method by which it will be financed.

There are severe criticisms that can be levelled at the public service wage freeze, but not only as a halfbaked incomes policy.

It could be argued that the freeze is a pretty shaky method of cutting government spending, and at best will prove to be a stopgap measure.

As such, it is unlikely to affect the decisions of institutions investing in government stock. It will increase tensions between employers and employees in both the public and private sectors.

Public servants, after losing ground this year, will approach future salary negotiations with vigour and will be in the position to drive a hard bargain.

They could have a powerful argument — fiscal discipline is making them relatively poorer. Tensions will rise, tempers will flare. Government's wage bill could once again escalate sharply, and we will be back where we started.

What government really needs is spending cuts that can be sustained. This would have to be done at a fundamental level by scrapping unnecessary laws, phasing out certain services and reducing the size of bureaucracy.

The sale of government assets, once up and running, could be used to reduce government's total debt and interest payments. But all these take time.

Government's wage policy is a method of applying fiscal discipline, not reducing inflation — and, as such, is lopsided.

It could fail, and in doing so damage the State President's entire package of economic reforms.

However, it remains the only method immediately available to curb spending next year by some R2bn.

Government's hands are tied — and the pressure to reduce the deficit enormous.

Sats workers want pay rise

CAPE TOWN — The mood was militant but orderly last night as hundreds of Sats workers converged on Cape Town's Civic Centre to demand a 17% salary increase from the government.

But they were told by Abraham Koekemoer, general secretary of the Federation of Unions of SA Transport Services, that nothing could be done until the unions had gone to conciliation.

17/2/88

PRETORIA — Public sector worker representatives are to ask President P. W. Botha for assurance that he will revoke the salary freeze if it causes the gap between the public and private sector earnings to widen, sources say.

The leaders of professional associations, Sats, post office unions, the Teachers' Federal Council and the Public Servants' Association (PSA) are due to meet Botha in Cape Town next Tuesday.

At a meeting of the executive of the PSA last week, a demand was made that a mechanism be set up to monitor pay hikes in the private sector.

It was decided new demands would be made if the private sector ignored the President's plea to moderate salary hikes.

Federal Council of Sats Trade Unions chairman Dudley Henn said he welcomed next week's talks but it would not change the railway unions' resolve to declare a dispute with the administration.

Meeting on wage freeze

GERALD REILLY

Earlier in the week Transport Minister Eli Louw again rejected the Federation's demands for a 17% salary hike, because of the freeze-directive from Botha.

Sources said Botha's meeting with the public sector leaders was aimed at limiting the political damage which could result from the freeze and the anger and resentment it caused.

The leaders are not likely to be mollified by arguments that the freeze is in the interests of the economy unless they get cast-iron assurances that a tight grip will be kept on prices and the extent of private sector pay hikes.

See Page 8

Botha told to freeze politicians' salaries

JOHANNESBURG — The Housewives' League have asked the State President, Mr P. W. Botha, to show his sincerity — after appealing to South Africans "to tighten their belts" — by ensuring that all members of Parliament and the President's Council go without increases in salaries, pensions and allowances.

The League said in a letter that the South African public must see a decrease in "the privileges of free travel, luxurious living and extravagant banquets".

"While we appreciate your call for South Africans to tighten their belts, we would remind you that the ball is in your court," the letter read.

"For years we have been told to cut back because we are in a depression, but every year those in power have had more than generous increases.

"If you are sincere in your appeal, we must have specific assurances that there will be no increase of salaries, allowances and pensions in the three Houses of Parliament and the Presidents' Council.

"Privileges of free travel, luxurious living and extravagant banquets must be cut down — and we, as the public of South Africa, must see it," the League stated. — Sapa

Deadline for cycad permits imminent

Daily Dispatch Reporter
EAST LONDON — Permits for collecting cycads will not be granted after March 31, except for bona fide research purposes.

The chief director of nature and environmental conservation in the Cape, Mr P.J. le Roux, said that following reports of extensive illegal removal of cycads in the Eastern Cape, all cycads were classified as endangered flora in May 1985.

The classification was made in terms of a proc-

lamation by the Administrator of the Cape, Mr Gene Louw, which amended the Cape Nature and Environmental Conservation Ordinance.

In terms of the amendment, the removal, sale, purchase, donation, receipt as donation, possession, transport, export and import of all cycad species are subject to a permit issued by the chief directorate of nature and environmental conservation.

The ordinance makes provision with effect from October 9, 1987, for the registration of and granting of permits to persons who wish to sell cultivated endangered flora.

In future people who wish to trade in endangered flora will have to qualify as growers of such flora.

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Cosatu call for discipline, peace

Own Correspondent

JOHANNESBURG. — A weekend Cosatu central executive committee called on all "democratic organizations" to discipline those in their ranks who continue to obstruct the peace process.

Referring to recent clashes at KTC near Cape Town, Cosatu condemned violence, and reiterated that differences should not be resolved through violence but through building and promoting of disciplined and democratic organizations, a statement from general secretary, Mr. Jay Naidoo, said.

Mr Naidoo, together with the Cosatu president and vice-president, was in the Cape last week talking to the opposing civic groups in the area.

Mr Naidoo said Cosatu had noted it was the apartheid system that had fostered division between squatters and hostel dwellers on the one hand and ordinary township dwellers on the other. It had concluded that whoever

reinforced these divisions were working in the interests of the apartheid system.

The executive also resolved to involve Cosatu fully in a joint campaign with the UDF to fight the apartheid municipal elections in October, and demanded instead non-racial democratic structures of government.

It expressed appreciation at the steps being taken amicably to resolve problems in the Commercial, Catering and Allied Workers' Union, and said Cosatu would recognize the leadership elected as representing the workers of Ccawusa.

The statement said Cosatu's living-wage campaign would continue, and described the government's wage freeze in the public sector as "a callous attack on some of the poorest and unprotected workers in SA".

It predicted that private sector employers would use the freeze "to justify their refusal to accede to the just demands by workers for a living wage".

1/2 17/2/88

Workers refuse overtime in wage protest

Daily Dispatch Reporter

EAST LONDON — Workers at Candy Tops (Pty) Ltd claimed yesterday that they had been threatened with dismissal after they refused to work overtime in protest against the company's refusal to give them a 50c an hour across-the-board increase.

The branch secretary of the Food and Allied Workers' Union (Fawu), Miss Debra Komose, said the company had told them their action constituted an unfair labour practice.

"However, the workers know that under basic conditions of employment, overtime is not compulsory," she said.

Candy Tops (Pty) Ltd is presently under the judicial management of Paterson Trustees and the judicial manager, Mr Ken Paterson, said he had no comment as he considered the matter "confidential".

Miss Komose said the demand was "very fair" because the inflation rate in the East London area was 15,1 per cent and the supplementary living level offered by judicial management here was R118,31 a week.

She said that pres-

ently the minimum amount earned in the company was R1,29 an hour.

Miss Komose said that the company offered to give workers different amounts of increases, but the workers saw this as a method of dividing them.

She said that dating back to February 8 workers decided to stop working overtime until their demand of a 50c an hour increase had been met.

Last week nightshift workers were "banned" from talking while working and workers took this as provocation from the employers. They said it would force them to take industrial action.

Miss Komose said that the workers did not want to take such action because Fawu had already proposed mediation to settle the dispute.

She said that it seemed as if the judicial manager of the company did not want to settle the matter because Fawu had not yet received any response from him.

The union condemned management's attitude.

The whole 55-member workforce of the company had stopped working overtime.

AR445 17/2/88

Builders wary of wages freeze

Business Editor

THE No 1 issue for the construction industry in President PW Botha's new economic reform proposals was the privatisation of certain Government and quasi-Government operations which promised considerable benefits, says Mr Neil Fraser, president of the Building Industries Federation.

Commenting on aspects of the proposals, Mr Fraser, divisional director in Murray & Roberts Construction, said: "I am hopeful that other Government-controlled industries will be privatised because such moves would result in a further outflow of benefits to the industry."

"Probably the most important factor within the privatisation decision is that monies raised through it will be ploughed back to relieve South Africa's debt and go into infrastructural development on a broad basis, making more money available to benefit the construction industry generally."

Mr Fraser said of the suggested pegging of wages in the private sector: "While we are sympathetic to the principle of the State President calling on the private sector, in practice this issue is going to be far more difficult."

"The construction industry, because of its state over a number of years, has lost a great percentage of its professional and semi-professional staff who can only be enticed back at vastly increased salaries."

"Then, with the rate of inflation over the past 12 months, we have been and will continue to be under considerable union pressure on wages, and I cannot see the unions being too tolerant or sympathetic to the State President's call."

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MPs 'must also tighten belts'

CAPC
 Trump
 18/2/88

Political Staff

MEMBERS of Parliament and all other political appointees are included in the government's wage clamp and will not be receiving salary increases this year.

This was confirmed last night by a spokesman in the Office of the State President in response to inquiries about an appeal by the Housewives' League to Mr P W Botha for an assurance that MPs would have to tighten their belts just like all other South Africans.

The League said in an open letter to Mr Botha that it could appreciate his appeal for all to tighten their belts but reminded him "the ball is in your court".

He should "show the way" by giving the assurance that MPs' salaries, allowances and pensions would also be pegged.

Asked what consideration was being given to increasing MPs' salaries, Mr Botha's spokesman said: "The reply given by the State President is that increases are not being considered."

Earlier this week it was announced that Mr Botha would soon meet leaders of civil service organizations and unions to discuss his anti-inflation campaign and the clamp on increases.

teachers who were refusing to teach classes. "It is clearly my duty to draw to the attention of teachers concerned that their action is contrary to their conditions of service," he said.

Mr De Beer said that before the back-to-school decision, a teacher stay-away was in effect in Peninsula schools.

But the secretary of the Peninsula Teachers' Association (Penata), Mr Baassie Nikani, said teachers had not been present at Sizamile, 1 D Mkize, roads Number 3, Fezeka, Langa, two new comprehensive schools in Langa and Guguletu and secondary schools in Khayelitsha.

Mr De Beer accused the teachers of betraying trust and breaching faith with parents, whose children were suffering as a result of their unsocial behaviour.

He also disclosed that the deadline for parents to make representations for the late registration of their children had now been extended till 4 Saturday.

Agreed to return

After this was conveyed to more than 150 teachers assembled at Ulundi Centre, the teachers agreed to return to school.

However, they wanted Mr De Beer to address other grievances including the reduction of salaries and the banning of meetings depriving parents the opportunity to meet and discuss educational issues.

Yesterday's meeting of teachers was initiated by police, but was unbanned after P. Mr Ken Andrew made representations to the Minister of Law and Order, Mr Adriaan Casspirs.

Mr Andrew said he contacted Mr Sam de Beer after being told that Casspirs had surrounded the centre.

In a statement later, Mr Andrew said Mr P had attempted to present the authorities as entirely reasonable in contrast to the non-professional behaviour of black teachers, but this is far from the truth.

"We know that many students wanting to return after the original deadline were told to wait until next year," Mr Andrew said.

nevertheless, it is the accountants

Govt example needed

HOUSE OF ASSEMBLY — Government was asking the public to make sacrifices and to fight inflation, but it had to show its sincerity and set the example by reducing parliamentarians' salaries, PFP MP Harry Schwarz said yesterday.

"The message must go out from Parliament that we are prepared to do what others are being asked to do," he said in the second reading debate on the R16 000m mini-budget.

Government also had to ensure there were no tariff increases in the transport services and posts and telecommunications budgets later this year.

Schwarz said the reason for this year's short mini-budget speech by

Finance Minister Barend du Plessis, when compared to 1987's lengthy presentation, was that there was no election this year.

Du Plessis had merely set out the amount he needed and given a brief breakdown of its components. Last year he had seen fit to announce an October increase for social pensioners in February.

Schwarz said Du Plessis had "missed a golden opportunity" in his speech to give further details of government's privatisation plans, its "secret five-year plan" to save the economy, and to explain in greater detail its strategy to fight inflation. — Sapa.



Blauy
12/2/88

Two years on, brewery may not negotiate

Weekly Mail Reporter

THE government has stepped in to prevent Ijuba Breweries — a profitable parastatal — from wage-bargaining with the Food and Allied Workers Union, after two years of negotiations between the company and Fawu.

The Commission for Administration says that last year's general salary increases are adequate. It has restricted wage negotiations between Fawu and Ijuba to discussions, not decisions.

Ijuba's assets are owned by the Industrial Development Corporation but its management falls under the administrator of Natal.

The union believes it has a right to negotiate wages with the company, since it is a profit-making enterprise.

But negotiations have been complicated by the upcoming privatisation of the sorghum industry and Fawu has accused the government of stalling wage increases until these are no longer a state responsibility.

Fawu says the wages are below the Household Subsistence Level determined by the University of Port Elizabeth and demands an increase above last year's government raise of 12,5 percent.

Fawu's lawyer, Chris Albertyn, said substantial increases were last granted in 1985 after a dispute was taken to the Industrial Court.

"Since then, there has never been a proper increase. Despite Fawu having made proposals in 1986 and 1987, there has never been effective bargaining from Ijuba's side."

The union is demanding an across-the-board increase of R120 which will raise the minimum wage to R550. Ijuba has refused, recommending an across-the-board increase of R70.

In January workers at the Congella, Stanger, Pinetown and Pietermaritzburg branches downed tools after learning that the Commission for Administration had rejected their demand for an increase. The work stoppage ended two days later when management issued an ultimatum that they would dismiss the workers who did not return to work.

The union and the company agreed in mediation talks that any wage increase would be effective from May. If the Commission for Administration does not approve an increase, the union may declare a dispute. — Concord News Agency.

19-25/2/88

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W/Mail

APART from the predominant colour of the participants — white — and the language mostly spoken — Afrikaans — Wednesday night's meeting of angry Sats employees railing against the State President's wage freeze could have been almost just another Cosatu union gathering.

The intention of Sats union leadership at Sturrock Park, Johannesburg, as well as at the other meetings being held around the country, was obviously to show President P W Botha and Transport Minister Eli Louw how angry their followers are at the freeze. This, they hope, will be sufficient to cause a government rethink during the dispute procedures which have been implemented over their demands for a 17% increase this April.

Fist-waving

No one shouted "amandla awethu" during the meeting, but the style of fist-waving which accompanied the railwaymen's chant "Strike, strike, strike" was similar.

One member warned from the floor that when they shut down Sats, the South African economy will come to a standstill (which is precisely what a senior police officer has menacingly accused Cosatu of planning).

The meeting, in fact, appeared to go a little further than the leadership wished. There was a small but vocal group — including a remarkable Eugene Terre'blanche

Hot words over freeze

11/2/88

ALAN FINE (SARHU) (SARHU) (SARHU) (SARHU) (SARHU)



□ MAKING A POINT . . . Sats employees at the Sturrock Park meeting

lookalike — obviously sceptical that the leaders would fulfil their promise of supporting a strike, and who kept on shouting them down.

It was this group which was responsible for insisting on the motion of no confidence in Botha and Louw, despite painstaking efforts by the chairman to assert the meeting was not a political one. But their insistence made it impossible to duck the issue.

The leadership would probably not wel-

come a strike. It would be a strange phenomenon to them — after decades of a now self-acknowledged cosy relationship with successive Transport Ministers.

But — and this is the big but — if the 300 or so members of the audience are representative of general opinion on the railways, they may have no choice.

They are under pressure from the left, in the form of Cosatu's South African Railways and Harbours Workers' Union (Sarhvu) and

a few others, and the right, in the form of the as yet untested White Conservative Workers' Union.

In this respect the crisis caused by the wage freeze comes at the most inopportune time possible.

Federal Council of Sats Trade Union leadership have continued to use their cordial relationship with authority to try keep the pretenders out.

But they face a delicate balancing act in retaining that relationship, and the favour that flow from it, while attempting to discard the mantle of sweetheart unionism.

Admission

In an unexpected admission, council president Dudley Henn said the Sarhvu strike last year had been costly for the workers' involved, but they had eventually won their demands.

As is reported elsewhere in this newspaper, government appears to have in its arsenal the weapons necessary to ensure there is no need to bend during the dispute procedures.

Only unlawful industrial action (Sats designated an essential service) would seem sufficient to change this. Whether or no members of the Federal Council unions have the ability and the will to take such drastic action will be seen over the next few months

CP Correspondent

WORKERS at an East London sweet company have decided to lift a one-week ban on overtime after their dispute with management was referred to a conciliation board.

According to the Food and Allied Workers Union, about 55 workers at Candy Tops decided to ban overtime in support of a demand for a wage increase of R1.50 an hour, refused by management on the grounds that the company was under judicial management.

Sweet workers bitter about pay

The union's compromise offer of 50c an hour had also been refused, a Fawu spokesperson said.

Instead, management had forbidden night-shift workers to talk while working and on Friday had issued workers on the shift with dismissal notices.

"We have seen this as a means of dividing the workers," said the union.

"The management wants the workers to start asking why others have not been issued with those kind of letters. We strongly condemn this action."

Workers were "dissatisfied about the provocative attitude of the employer, which will force them to take industrial action".

Fawu said management had offered different

amounts as increases, "confusing the workers with grades. The workers saw this as a method of dividing them and therefore rejected it, saying the two issues must be separated."

Fawu asked for the dispute to be referred to mediation, but the firm would not accept and it had been referred to the conciliation board.

Despite repeated attempts to contact management, no comment could be obtained from Candy Tops. — Elnews

(4) yes, telephonically on 30 November 1987 and in writing on 2 December 1987.

(a) and (b) fall away;

(5) yes.

(a) all (24).

(b) all except 3 who exercised their option of retirement;

(6) a media announcement was released on 8 December 1987.

Agricultural colleges

9. Mr R J LORIMER asked the Minister of Agriculture and Water Supply:

(1) How many students (a) applied for admission to and (b) were enrolled at each specified agricultural college under the control of his Department in 1987;

(2) whether any applications by suitably qualified persons for admission to agricultural colleges were turned down in 1987; if so, (a) how many and (b) for what reasons in each case;

(3) how many students (a) graduated from and (b) failed to complete the relevant diploma courses at each specified agricultural college in that year?

THE MINISTER OF AGRICULTURE AND WATER SUPPLY:

Agricultural College

	(1)(a)	(1)(b)	(3)(a)	(3)(b)
Potchefstroom	142	142	57	0
Glen	123	140	60	0
Cedara	152	128	55	18
Grootfontein	89	106	49	12
Eisenburg	204	186	75	32

(2) Yes.

(a) 177.

(b) Insufficient training facilities. Does not comply with entrance requirements.

Member of Inspectorate: daily subsistence allowance

10. Mr D J N MALCOMMESS asked the Minister of Education and Culture:

What was the daily subsistence allowance paid to an employee who was a member of the inspectorate of the Cape Education Department and earned R20 000 per annum as at (a) 30 April 1983, (b) 31 July 1987 and (c) 31 January 1988?

THE MINISTER OF EDUCATION AND CULTURE:

No superintendent of education receives a remuneration of R20 000 per annum. (a), (b) and (c) fall away.

†Indicates translated version.

For oral reply:

General Affairs:

Questions standing over from Tuesday, 16 February 1988:

*1. Mr D J DALLING — Justice. [Reply standing over.]

Persons under 18: awaiting trial

*11. Mrs H SUZMAN asked the Minister of Law and Order:

How many persons under the age of 18 years were held awaiting trial in police cells in 1987?

†The MINISTER OF LAW AND ORDER:

63 360 persons

NOTE: These persons are youths who were arrested in connection with ordinary crime. In terms of the provisions of section 50 of the Criminal Procedure Act, 1977 (Act 51 of 1977) they may not be detained for a period exceeding 48 hours, unless they are brought before a lower court and their further detention is ordered for the purpose of trial for any offence.

I wish to emphasize that where possible shortly after their arrests the South African Police place these youths in the custody of their parents or guardians, release them on their own recognizance or, where circumstances permit, release them on bail. When their further detention is essential in the interest of the administration of justice, they are referred to places of safety as defined in the Childrens Act, 1960 (Act 33 of 1960). In very exceptional instances their detention in police cells may, however, be authorized.

I also refer the hon member to my reply to oral question No 5 which I will reply to hereafter.

Group Areas Act: complaints regarding offences

*14. Mr S S VAN DER MERWE asked the Minister of Law and Order:

(a) How many complaints regarding offences in terms of the Group Areas Act were investigated by the South African Police in the Republic in 1987 and (b) what was the outcome of these investigations?

THE MINISTER OF LAW AND ORDER:

(a) 1 243 complaints

(b) 3 persons were charged and tried

357 complaints were false

330 complaints were withdrawn

100 case dockets are presently with various Attorneys-General for their decisions

453 complaints are still being investigated

Mr D J N MALCOMMESS: Mr Speaker, arising out of the reply of the hon the Minister, may I ask him whether he does not consider the answer which he has just given us to demonstrate clearly the waste of police time involved in the following up of group areas cases such as the ones he has mentioned?

†The MINISTER: Mr Speaker, the South African Police are bound by law to investigate a matter if complaints are lodged that a contravention has been committed. That is exactly what we do.

Mr D J N MALCOMMESS: That is not a reply to the question.

†Mr J H VAN DER MERWE: Mr Speaker, further arising out of the reply of the hon the Minister, I want to ask him whether there are any guidelines for or instructions to the SA Police not to investigate contraventions relating to the Group Areas Act.

†The MINISTER: Mr Speaker, the answer is "no".

†Mr SPEAKER: I put question . . . [Interjections.] Order! The Chair will not allow interjections to be made while the presiding officer is talking.

†Mr J H VAN DER MERWE: Mr Speaker, on a point of order: You were looking at me when you gave the admonition, but the hon the Minister of National Education started the interjections. Therefore he is guilty . . .

(1) Yes.

(a) (i) On 7 February 1988.

(ii) At approximately 19h05 in the prison hospital.

(b) A post-mortem examination was conducted on 9 February 1988 at which a private medical doctor who was appointed by the family was present. The results are not yet known. Apparently the results of laboratory tests are awaited.

(c) A sentence of 4 years imprisonment.

(d) W. Ndumjuna.

(2) According to the members who were on duty at that stage he was apparently short of breath. The question of whether it was an asthma attack will be answered by the results of the post-mortem examination.

(3) He regularly received medication as prescribed by a medical practitioner and at the time he was treated by a registered nursing sister who consulted a medical practitioner telephonically in this regard.

(4) Yes. His medical history was on record and available and he was under regular care of medical practitioners whose prescriptions were adhered to.

(5) Yes, in terms of the deconcentration policy whereby prisoners are transferred to other prisons to keep the population of all prisons as low as possible.

Bophuthatswana: secondment of personnel of SADF

*30. Prof N J J OLIVIER asked the Minister of Defence:

(1) Whether any personnel attached to the South African Defence Force were on secondment to the Bophuthatswana Defence Force in February 1988; if so, what specified personnel:

(2) whether any such personnel were (a) killed and (b) detained while on secondment; if so, (i) how many in each case and (ii) what were the circumstances surrounding these events:

(3) whether the Defence Force has contemplated taking any steps to ensure the security of such personnel in the future; if not, why not; if so, what steps?

The DEPUTY MINISTER OF DEFENCE:

(1) Yes, I, however, do not consider it of public interest to divulge this information, but am prepared to give it to the hon member in confidence.

(2) (a) No.

(b) Yes.

(i) 7.

(ii) Three members had been summoned to the Parliament Building where they were arrested and detained at the Independent Stadium in Mmabatho with the President of Bophuthatswana and members of his Cabinet. The other four members were apprehended at Malopo Base when they reported for duty.

(3) As in any other independent country where RSA citizens serve, the safety of foreign nationals is the responsibility of the host government. Particulars about measures which have been instituted can, however, not be supplied, as this would reduce the effectiveness thereof.

Bophuthatswana: munitions of SADF expended in February 1988

*31. Prof N J J OLIVIER asked the Minister of Defence:

Whether the South African Defence Force expended any ammunition or other specified munitions in the Republic of Bophuthatswana in February 1988; if so, (a) on what dates, (b) what were the circumstances surrounding these events, (c) what types of munitions were expended and (d) what was the outcome of this action?

The DEPUTY MINISTER OF DEFENCE:

Yes.

(a) 10 February 1988 to 22 February 1988.

(b) The hon member is referred to the statement made by the State President in this Parliament on 10 February 1988.

(c) Five 5.56 mm rounds.

(d) The rebels surrendered and the hostages were freed.

Bophuthatswana: troops of SADF deployed

*32. Prof N J J OLIVIER asked the Minister of Defence:

(1) Whether any troops of the South African Defence Force were deployed in the Republic of Bophuthatswana on or about 10 February 1988; if so, (a) how many troops were deployed, (b) under whose command did these troops fall and (c) what was the total cost of the operation:

(2) whether the Defence Force suffered any casualties during this operation; if so, what were the circumstances surrounding these casualties:

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

The DEPUTY MINISTER OF DEFENCE:

(1) Yes.

(a) and (b) It is not policy to divulge personnel strengths or names of personnel involved in operations.

(c) As at 15 February 1988 the cost for fuel, rations, ammunition and salaries was R58 588,48.

(2) No.

(3) No.

Teachers' salaries: meetings

*33. Mr R M BURROWS asked the Minister of National Education:

(1) Whether he or his Department has met with representatives of the organized teaching profession since October 1987 in connection with salary matters; if not, why not; if so, (a) on what dates, (b) with what organizations and (c) what was the outcome of the meetings:

(2) whether representatives of any other Government Departments were present at these meetings; if so, of which Departments:

(3) whether he has received documentation regarding a backlog in teachers' salaries at such meetings; if so,

(4) whether an evaluation of this documentation has been undertaken; if not, why not; if so, what was the outcome of the evaluation:

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

The MINISTER OF NATIONAL EDUCATION:

(1) Yes.

(a) Meetings were held on:

3 December 1987

21 January 1988

4 February 1988

10 February 1988

22 February 1988

(b) These meetings have taken place with the Teachers' Federal Council.

(c) Facts and points of view that have a bearing on the issue were noted by both parties. There is a need to continue the discussion. Further discussions with other components of the organized teaching profession have already been arranged or are in the process of being arranged.

(2) Yes, the Department of Education and Culture (Administration: House of Assembly).

(3) Yes.

(4) Yes. A preliminary evaluation has been completed. The determination of the salary position of educators relative to other comparable occupational groups in the public sector has now been referred to CES/RECES for further investigation. This investigation will lead to final evaluation of this documentation.

(5) No.

Mr R M BURROWS: Mr Speaker, arising out of the reply of the hon the Minister concerning the evaluation of the documentation received from the Teachers' Federal Council, would he agree that the teaching profession is in a backlog position vis à vis the balance of the Public Service?

The MINISTER: Mr Speaker, I am in discussion now with the teaching profession in this regard. A committee on which they and all other interested parties serve, is considering the report which has been submitted to me and also the preliminary evaluation. It would be incorrect to start debating this now in public. We must give the interested parties the opportunity to use the machinery

Handed

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which has been specially created for negotiation in this regard.

Teachers: general registration

*34. Mr R M BURROWS asked the Minister of National Education:

- (1) Whether he or his Department has been involved in any discussions concerning the general registration of teachers; if not, why not; if so, (a) (i) with whom and (ii) on what dates were these discussions held and (b) what was the outcome in each case;
- (2) whether he or his Department has taken any steps to promote the general registration of all teachers under a single registering authority; if not, why not; if so, (a) what steps, (b) what bodies or persons were involved and (c) what was the result;
- (3) whether he will make a statement on the matter?

The MINISTER OF NATIONAL EDUCATION [Reply laid upon the Table with leave of House]:

Since Question No 35 of 16 June 1987 the position is as follows:

- (1) Yes.
 - (a) (i) Committee of Education 3 August 1987
 - Ministers
 - Teachers' Federal Council 2 September 1987
 - Representatives of the 14 September 1987
 - Teachers' Federal Council 14 September 1987
 - and the Department of Education and Culture (House of Assembly)
 - Teachers' Association of 16 September 1987
 - South Africa
 - Joint Committee of Education Ministers 6 November 1987
 - Teachers' Federal Council 3 December 1987
 - Teachers' Federal Council 21 January 1988

- (b) The bodies in (a) support the establishment of a general registration body for teachers in principle.

- (2) Yes.

HOUSE OF ASSEMBLY

- (a) and (b) A draft Bill was made available for comment to the Teachers' Federal Council, the Teachers' Association of South Africa, the African Teachers' Association of South Africa and the Union of Teachers' Associations of South Africa. The draft Bill was discussed with the Joint Committee of Education Ministers.

- (c) The comments of the African Teachers' Association of South Africa and the Union of Teachers' Associations of South Africa are being awaited. The other bodies in (a) and (b) support the establishment of a general registration body for teachers in principle.

- (b) No. Since the process of consultation has not yet been finalized, further details are not being disclosed.

Own Affairs:

Principal of Winburg High School: meeting of MP announced on intercom

*1. Mr A GERBER asked the Minister of Education and Culture:†

- (1) Whether the principal of a high school in the Orange Free State, the name of which has been furnished to the Minister's Department for the purposes of his reply, (a) gave information about a meeting of the local member of Parliament, (b) invited the pupils of certain classes to attend the meeting and (c) furnished information on where written invitations to the meeting could be collected, on or about 22 October 1987 by means of the school's intercom system; if so, (i) what is the name of the (aa) school and (bb) principal concerned, (ii) (aa) who requested the principal to give the above-mentioned information and (bb) of which political party is this person a member, (iii) under the auspices of which political party was this meeting held and (iv) what are the further particulars of the case;

- (2) whether any action has been taken or is envisaged against the principal concerned; if not, why not; if so, (a) what action and (b) when;

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

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The MINISTER OF EDUCATION AND CULTURE:

- (1) (a), (b) and (c) yes,

- (i) (aa) Winburg High School, (bb) Mr J A M Volschenk,

The matter is currently being investigated by the Director of Education, OFS in accordance with the stipulations of the Ordinance:

- (1) (ii) (aa), (1) (ii) (bb), (1) (iii) and (1) (iv) fall away;

- (2) (a) and (b) fall away;

- (3) yes, if necessary.

†Mr J H VAN DER MERWE: Mr Speaker, arising out of the hon the Minister's reply, if it is a fact—and the hon the Minister admitted—that this principal made political propaganda, does he intend taking disciplinary steps against him?

†The MINISTER: Mr Speaker, if the hon member had only listened carefully to what I said, he would not have needed to waste the House's time. I did say that the matter is being investigated at the present moment, after which we shall, if necessary, make a statement. I cannot furnish further answers at the present moment.

†Mr J H VAN DER MERWE: Mr Speaker, further arising from the hon the Minister's reply, he admitted in his reply that the event about which the question was put, did take place. Political propaganda was therefore made over the intercom. Can he tell us whether it was made for the NP and whether he envisages any action being taken in that connection?

Principal of Laerskool Sanddrift: election agent for NP

*2. Mr A GERBER asked the Minister of Education and Culture:†

- (1) Whether the principal of a school under the control of his Department, about whom particulars have been furnished to the Minister's Department for the purposes of his reply, acted as an election agent for a candidate of a political party during the general election for the House of Assembly in 1987; if so, (a) (i) who is the principal concerned and (ii) to which school is he attached and (b) to which political party does this candidate belong;

- (2) whether any action has been taken or is envisaged against the principal concerned; if not, why not; if so, (a) what action and (b) when;

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

The MINISTER OF EDUCATION AND CULTURE:

- (1) Yes,

- (a) (i) Mr M H O Kloppers, (ii) Laerskool Sanddrift,

- (b) NP;

- (2) the department is investigating this matter that has just come to its attention;

- (3) Yes, if necessary.

†Mr J H VAN DER MERWE: Mr Speaker, arising out of the hon the Minister's reply, I want to ask him what action he intends taking apart from that which he has already mentioned, because it is quite clear from the replies to Questions one and two that teachers are actively misusing their school careers for the NP.

†The MINISTER: Mr Speaker, I shall let my reply suffice, but I should like to add that people who live in glass houses should not throw stones. [Interjections.]

Technikons: race quotas/restrictions

*3. Mr R M BURROWS asked the Minister of Education and Culture:

- (1) Whether, with reference to his reply to Question No 3 on 2 September 1986 and Question No 7 on 16 June 1987, any amendment has been made since September 1986 or is intended to be made to the policy of race quotas or restrictions in regard to the admission of students to technikons; if not, why not; if so, (a) what is the present policy regarding such admissions, (b) when was the amendment made and (c) who participated in the decision to amend this policy;

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

The MINISTER OF EDUCATION AND CULTURE:

- (1) Yes.

HOUSE OF ASSEMBLY



MWASA ?

PATCH, TUESDAY, FEBRUARY 23, 1988 — 9

D/D 22/2/88
Newspaper groups settle dispute

JOHANNESBURG — The Media Workers' Association of South Africa (Mwasa) and the two major English language newspaper groups — Times Media Limited (TML) and Argus — yesterday settled their dispute over wages and working conditions for 1988.

TML's group personnel manager, Mr Pru Peake, said the agreement provided for an across-the-board 17 per cent increase for weekly paid workers and others earning less than R1 000

a month.

Salaried staff will receive a guaranteed increase of eight per cent, plus another eight per cent to be distributed according to merit.

Women with at least five years' service who take maternity leave, will be entitled to four weeks' pay and the night shift allowance has been increased from 15 per cent to 17,5 per cent.

Mr Peake said the settlement, based on a management offer made late last year before dispute was declared, had not been easily reached.

355

Teachers' Council to discuss salary backlog

By Zenaide Vendeiro,
Education Reporter

22/1/88

The Teachers' Federal Council (TFC), which represents 75 000 white teachers, will meet the Minister of National Education, Mr F.W. de Klerk, and the State President, Mr P.W. Botha, tomorrow to appeal to them to eliminate, or at least reduce, the salary backlog of the teaching profession.

The TFC and its five-member associations are of the view that the provision of education at all levels is in jeopardy because of the weak salary position of teachers.

A survey it commissioned recently found that the mean income of teachers was at least 11 percent lower than for comparable posts in the public sector, which itself had a salary backlog of at least 20 percent against the private sector.

The TFC blames this backlog for the loss of key personnel in the Transvaal, where the tempo of resignations has reached its highest level since 1981. Last year, 454 male teachers in the province resigned to pursue other careers.

Although the position is stable in the Cape, provincial educational authorities in the Free State and Natal are having difficulty filling vacancies for mathematics and physical science teachers.

TFC chairman Mr Dudley Schroeder says that if salaries are not adjusted this year, more teachers will be lost to the private sector, where increases of between 12 percent and 19 percent have already been granted.

Despite what the TFC calls its "justified and well-motivated case", it is doubtful whether Mr Botha will respond satisfactorily to its demands. Several meetings held with Mr De Klerk have produced no results. The TFC was told that nothing had changed, that the picture remained bleak and that the Government was not yet "receiving its share of the overall improvement in the economy".

Even if the State President's position on the salary freeze for the public sector is not as implacable as he has indicated, he will also face pressure from the representatives of other public service trade unions and professional associations he is meeting tomorrow.

The Government has set aside funds for "occupational-specific" adjustments but it is believed that even if they all applied to the teaching profession, it would represent no more than "a drop in the ocean".

355

B/day 22/2/88

NO PROGRESS ON PAY

NEITHER Pick 'n Pay nor the Commercial, Catering and Allied Workers' Union has made any significant revision to its wage proposals for 1988 in seven days of meetings in the last month.

The outcome of these negotiations is seen as an important precedent for wage increases in the retail sector generally.

Pick 'n Pay's Frans van der Walt said on Friday the only change the union had made was to drop demands for a fourth week's annual

ALAN FINE

leave, provided management agreed to an additional monthly day off — the equivalent of 12 days a year.

Pick 'n Pay has offered an across-the-board monthly increase of R100 in response to union demands for R366. Other proposals for improvements in working conditions are also on the table.

Further negotiations are scheduled for today.

355 8/20/88 23/2/88

GOVERNMENT'S freeze on wages and salaries in the public service is fast developing into a political hot potato. To any reader of an elementary economics textbook this would have been entirely predictable. What is not, however, is the final outcome.

While government refuses to back down on its decision not to grant a general increase in wages and salaries, and the public service digs in, the situation will be inherently unstable.

And as the pressure mounts, there exists the real danger that government may turn its jaw-boning into a fully-fledged incomes policy — drawing in the private sector — simply to avoid an ugly political showdown.

In public, officials are at pains to point out that, rather than being an incomes policy, the wage freeze is a measure to enforce fiscal discipline and that the rough guidelines for the private sector are just that.

But behind closed doors deputy Ministers are warning businessmen that if they do not apply self-restraint, government will do it for them.

Already there is talk of government publishing notices detailing price increases, and by implication exhorting consumers to vote with their feet.

Has government's freeze on wages put us on the slippery slope to a formal incomes policy? What exactly does government want? Is it fighting inflation or its own level of spending?

All this has left the private sector thoroughly confused. On the one hand, organised business is becoming increasingly edgy about the implications for labour relations of restraining wages while turnover rises.

On the other, there is an uneasy feeling that, should business not reciprocate by issuing policy guidelines to employers in harmony with the State President's plan, government's policy could fail, ushering in a more formal approach.

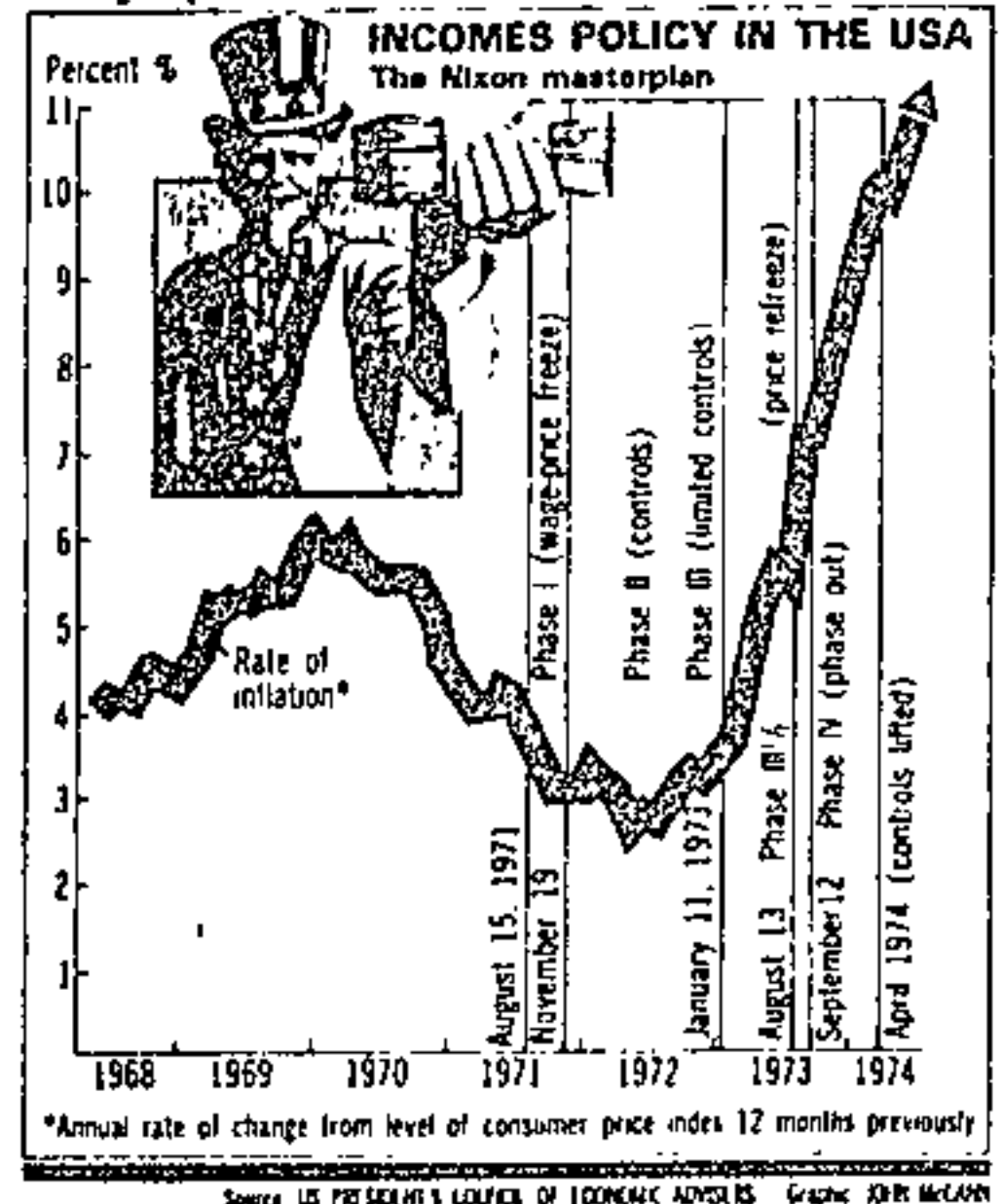
At present, behind-the-scenes private sector activity is intense. Boardroom huddles and organised commerce are busy formulating their own guidelines and campaigns of moral suasion.

They will take their cue from yesterday's monetary targets and wage and tariff increases in this week's railways budget.

What is disturbing is that little is being said — in public, anyway — about the wisdom of a wage freeze in the first place.

A wage freeze could lead to a fully-fledged incomes policy. Both were rejected by the Economic Advisory Council's recent report on inflation. Both have been judged harshly by history as mere political window-dressing.

It was US President Richard Nixon who learnt the hard way



Incomes policy? There is a better way

GERALD PROSALENDIS/Financial Editor

that abolishing inflation by edict merely hid the problem; it did not solve it. These policies have been rejected by US President Ronald Reagan and UK Prime Minister Margaret Thatcher.

For SA, both are inappropriate — and a waste of valuable management time. A freeze on wages, coupled with inflation, merely skews the distribution of wealth. And for a country that imports a large part of its GNP, a freeze on

prices, coupled with a depreciation of the currency, could lead to massive bankruptcies.

Once this realisation sinks in it could pave the way for even more interventionist economic policies, including attempts to fix the rand either by using up valuable reserves, rationing its availability or imposing strict import controls.

Controls beget controls. One could be forgiven for suspecting that this policy was foisted

on public servants in a fit of pique — that it was not thought through.

The result is that government is being driven into the invidious position of seeing its present "non-incomes policy" succeed, or else having to resort to the real thing.

Hopes for its success are being pinned to a lower rate of inflation and a March Budget which provides sufficient tax relief to offset the effects of an across-the-board wage freeze.

But as things stand there are three possibilities. Government wins, the public service wins or the private sector loses.

That this is not what government originally intended but has crept upon us inadvertently is irrelevant.

Yes, government's heart is in the right place — its commitment to fiscal restraint is correct. But for a policy to succeed it is essential that realistic targets are set so that they can be seen to be achieved.

What is needed is a rethink and a solution that is consistent with the needs of both the public and private sector.

There is another way. Rather than focus on wages and salaries of individual public servants, government should set a limit to growth in its total wage and salary bill.

This will provide enough flexibility to reward those who deserve it, and will focus attention on the need to reduce the size of the public service.

For the private sector, perhaps an appeal to reduce its wage bill as a percentage of turnover would be more appropriate.

Both will have the effect of raising efficiency while allowing government to demonstrate its ability to balance the books.

This would merely reflect a revision of government's modus operandi, rather than a rescinding of its commitment or failure of its policy.

The success of any price and wages policy depends to a large extent on psychology and its effects and perceptions.

It can only work if it convinces the market that the underlying forces that have given rise to inflationary expectations in the first place can be subdued.

Given the past failures of these policies, is there any chance of this happening?

Smuts 23/2/88

Labour Update

Unions say 'no' to Govt wage freeze

THREE unions yesterday rejected the Government's decision to impose a wage freeze in the public sector.

The unions are the Post and Telecommunications Workers' Association, South African Railway and Harbours Workers' Union and National Education Health and Allied Workers' Union.

The unions slammed the salary freeze, saying it was a "diversionary tactic."

The unions' statement said: "There are many evils of apartheid that have wrecked the economy of this country and left the wealth in the hands of very few individuals."

"Among these evils are the tricameral Parliament system; the bantustan system; duplication of facilities as enshrined in the Separate Amenities Act; the Regional Services

By **LEN MASEKO**

Councils and maintenance of separate educational institutions."

The unions said they could not accept reasons given by the Government for privatisation.

The unions demanded:

- Pay parity for all workers in the public sector;
- A living wage;
- Recognition of unions representing State

employees; and
• Proper bargaining structures to be set up.



PRESIDENT Botha ... announced pay freeze.

PW's 'friendly talks' anger workers

Political Staff

CAPE TOWN — The State President Mr P W Botha had a marathon session of what he later called "friendly and open-hearted" meetings with a vast range of public sector unions and associations yesterday to explain the Government freeze on general wage increases for public servants.

But representatives of teachers and South African Transport Services workers came away angry and frustrated.

He met bodies representing general public servants as well as specific occupations such as SA Transport Services, nursing and teaching.

The Star's Education Reporter says Mr Botha yesterday told teachers that he would not de-

viate from his position on the pay freeze for public servants. He talked for two hours to representatives of the Teachers' Federal Council (TFC), the Teachers' Association of South Africa (Tasa), the Union of Teachers' Associations of South Africa (Utasa) and the African Teachers' Association of South Africa (Atasa) at Tuynhuys.

In a statement afterwards, TFC president Mr Dudley Schroeder said the meeting was "merely an orchestrated occasion in the sense that the result had been predetermined".

He said that despite the fact that the President had granted that education had a case to put, the detailed and motivated standpoints of the teaching profession put forward "were not

judged on their merits and were apparently not taken into account".

The organised profession wishes to record the strongest possible objection to the way in which the matter was handled and which will harm both education and the country in the short and long term. The teaching profession disputes the Government's claims that it really wants to maintain quality education in South Africa and that education is still a matter of priority," said Mr Schroeder.

Following unsuccessful talks with the President yesterday morning, members of the Federation of Trade Unions of South African Transport Services (Sats) unanimously called for Mr Botha's resignation at a

meeting in East London last night.

Almost a thousand angry Sats workers met in the city hall to discuss the pay freeze. Members of the 40-man delegation from the federation which met Mr Botha in Cape Town yesterday morning to discuss the President's call for a pay freeze for civil servants reported that the talks were "fruitless".

The president of the federation, Mr Dudley Henn, said Mr Botha agreed that they deserved an increase, but said he was unable to give it to them.

In the face of this, the federation met with the Minister of Transport Affairs, Mr Eli Louw, whose resignation local members also called for, and asked for the appointment of a conciliation board.

Dr Colin Cameron, president of the Public Servants Association, said the Government had not budged from its determination not to grant general increases.

"Our main message was that public servants are apprehensive about the prospects of the wage freeze succeeding in the private sector."

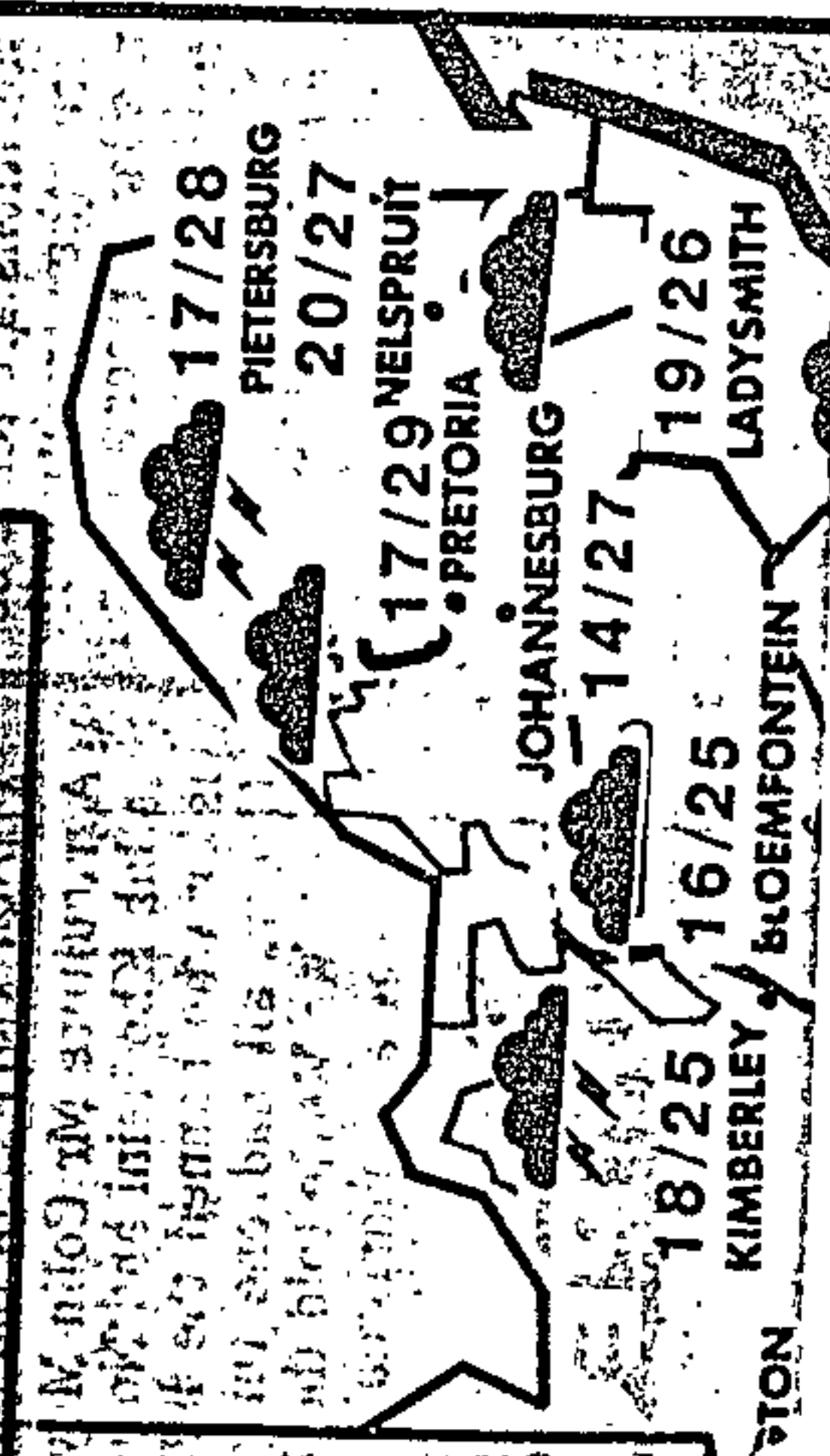
UN backs 'struggle'

GENEVA — The United Nations Human Rights Commission adopted a resolution yesterday backing armed struggle to eliminate apartheid in South Africa and demanded mandatory sanctions.

The United States, Britain and West Germany voted against the resolution, which was passed by 33 votes to three. Seven others abstained.

It also demanded that South Africa end its occupation of Namibia and pull its troops out of Angola. — Reuter.

THE WEATHER



PERSPEX

Teachers' *Call Times 24/3/88* 'amazing' *(355)* meeting *EE* with PW

Staff Reporters

THE standing committee of the white Teachers' Federal Council described their "disappointing" meeting with the State President, Mr P W Botha, yesterday to plead a better salary deal as "amazing".

The chairman of the TFC, Mr Dudley Schroeder, said the results of the meeting showed that it was "merely an orchestrated occasion" and that "the result was predetermined".

President Botha, he said, would not deviate from the announced salary freeze.

The council could not associate itself with measures which would perpetuate "the salary backlog of teachers, destabilize education, and which could not withstand the test of equal treatment" (to other sectors).

The TFC met Mr Botha and senior members of the cabinet, including the Minister of National Education, Mr F W de Klerk, at Tuynhuys.

Teachers unhappy after talks with Botha

Education Reporter

WIDESPREAD dissatisfaction about the outcome of talks with President Botha has been expressed by representatives of teachers associations in South Africa.

In a statement today the chairman of the Teachers' Federal Council, Mr Dudley Schroeder, said yesterday's talks had been "predetermined".

He said the teaching profession disputed the Government's claims that it wanted to maintain quality education and that education was still a priority.

The council was in favour of combating inflation but could not associate itself with measures which would perpetuate the salary backlog of teachers, destabilise education, and which could not withstand the test of equal treatment.

"The results of the interview showed clearly that it was merely an orchestrated occasion in the sense that the result had been predetermined," Mr Schroeder said.

"NOT SHARED"

Mr Pat Samuels, the president of the Teachers' Association of South Africa, said: "We understand the President's reasons for wanting to freeze increases for teachers but we told him we did not share his views."

The president of the African Teachers' Association of South Africa, Mr Frank Tonjeni, said that not one representative could have been happy with the meeting.

The Union of Teachers' Associations of Africa could not heed the Government's calls to forgo salary increases, its president, Mr Franklin Sonn, said.

He said the black community found it hard to accept appeals for tightening belts in the face of wastage in the name of apartheid.

Members of the Federation of Trade Unions of Sats unanimously called for the State President's resignation at a meeting in the East London City Hall last night.

Members of the federation's 40-man delegation which met President Botha in Cape Town yesterday reported that the talks had been "futile".

Teammates add voice to rejection of wage freeze

355
29/2/88
Sommerville

THE Teammates Union, which claims to have 7 000 members in the railway services, has added its voice in rejecting the Government's decision to impose a wage freeze in the public sector.

General secretary, Mr Mike Mohatla, said yesterday that shop stewards representing the 7 000 railway workers in the Southern Transvaal and the Free State decided at a weekend meeting to call on the State to privatise the public sector.

He said the union called on the Government to recognise independent unions and extend provisions of the

Labour Relations Act to public service workers.

Mr Mohatla said the wage freeze had brought black and white workers together because it would affect all workers in the sector regardless of colour.

The union was responding to the Government's decision to impose a wage freeze in the public sector.

Unions which have slammed the move include the Congress of SA Trade Unions, Post and Telecommunications Workers' Association and SA Railway and Harbours Workers' Union.

35) 0/2/88

Wage freeze: Govt won't budge

STATE President P W Botha had a marathon session of meetings with a vast range of public sector unions and associations on Tuesday to explain the Government freeze on general wage increases for public servants.

He met bodies representing general public servants as well as specific occupations such as SA Transport Services, nursing and teaching.

President Botha said the seven-hour series of talks had been "open-hearted and friendly."

Dr Colin Cameron, president of the public servants association, said that the Government had not budged from its determination not to grant general increases.

Message

"We did not expect them to do that. But we welcomed the opportunity to meet the State President face-to-face to present our views."

Dr Cameron said the PSA told President Botha that public servants were "disappointed but not resentful" about the freeze.

"But our main message was that public servants are apprehensive about the prospects of the wage freeze succeeding in the private sector."

"We recognise the need to combat inflation and we are prepared to play our part as long as we are not alone."

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355 269

BUSINESS DAY, Thursday, February 25 1988

3

GERALD REILLY

PRETORIA —

The Federal Council of Sats trade unions will defy State President Botha's plea for an acceptance of the wage and salary freeze in the public sector.

Sats unions defy freeze in salaries

At his meeting with the Federal Council in Cape Town on Tuesday, Botha appealed to Sats workers to set an example to the rest of the country and adhere to the government's freeze decision.

Council chairman Dudley Henn told Botha Sats workers could no longer carry on without increases to compensate for continually spiralling prices.

The council is to go ahead with its intention of contesting the freeze.

The conciliation board to be appointed to investigate the council's 17% claim is expected to meet early next month.

A council spokesman said the names of the council's five members had been submitted.

They included Henn, council secretary-general Abe Koekemoer and Artisan Staff Association secretary Willie van der Merwe.

Sats management has not yet nominated its five members.

The conciliation board's deliberations are not expected to last more than one or two days.

If the board's recommendation is unacceptable to the council, an arbitrator will be appointed.

His finding will be final and has to be accepted by all sides.

Meanwhile, the series of protest meetings will continue.

Henn addressed a meeting of railwaymen in Port Elizabeth last night and will address a final meeting in Kimberly tomorrow night.

2512-2/3/88
Santw

Crippled worker to take action against police

355

DURBAN - A farm worker has been crippled and may lose his leg after he was allegedly shot by police who were called in to evict workers from a Natal farm.

Management had called police to the farm to load workers onto buses which had been arranged to take all contract workers back to the Transkei.

The 23-year-old Mbangiswa Lugojo is unable to walk without a walking stick after the incident on the Crookes Bros Farm, near Stanger, on December 18 last year.

The entire labour force of 360 workers had been dismissed after a work stoppage on December 16 in protest against the detention of the Natal farm worker organiser, Mr Richard Gumede, and a shop steward.

Gumede and the shop steward had been trying to negotiate a wage increase when management complained to police that they were intimidating and harassing workers.

Lugojo said that on the day of the incident, he and another worker had gone to the shop when they heard that the workers had been instructed to get their belongings together and board the buses. They returned to the farm where

police allegedly opened fire on him with birdshot.

He said he was shot at without warning and for no reason, as he was walking back to get his belongings.

He said the police then took him to the local hospital where he received no medical treatment. He was given pain killers and ointment to rub on his leg and discharged after two days.

He then went to Durban's King Edward viii hospital where he was told they would not be able to remove the bullets, as there were too many of them and they may have to cut his leg off.

The personnel department of Crookes Bros have denied any knowledge of the incident.

Lugojo, a Transkei contract worker who had worked on the farm for three months, said he was worried as he did not know whether he would be able to work again.

He is living in a squatter shack now and is unable to go home as he has not been paid out. He worked nearly 12 hours a day as a sugarcane cutter, but earned only R100 a month.

Lugojo said he will be taking legal action against the police. Stanger police declined to comment.

Concorde

'Private sector likely to ignore freeze'

355

8/day 26/2/88

Public servants set to demand pay hike

PRETORIA — The Public Servants' Association (PSA) will make immediate demands on government for salary hikes if the private sector ignores President P. W. Botha's plea for moderation in granting increases.

This was decided at a meeting of the PSA's management board here last night.

If the disparity in earnings continued to increase, the drain of professional and skilled workers from the service would quicken to the detriment of the whole country,

GERALD REILLY

PSA president Colin Cameron said after the meeting.

Cameron said Botha was told by civil servants at a meeting on Tuesday that government workers were deeply distressed at the drastic resort to a salary freeze.

The PSA was sceptical that the move would succeed in curbing inflation. It could only work if it had the full support of the private sector.

It was known, Cameron said, the private sector had already granted substantial increases and this trend

was likely to continue for the rest of the year.

Cameron said the management board urgently requested government to monitor these increases closely and make the results known publicly.

The board resolved that government must, in co-operation with the PSA, put together an acceptable and effective system for negotiations on salary and service conditions.

Under current conditions, government was not obliged to consult the PSA before taking drastic actions such as the recent freeze.

Industry fails to agree on freeze

Own Correspondent

JOHANNESBURG. — A meeting of the presidents of Assocom, the FCI, the Chamber of Mines and the AHI failed to produce agreement on a joint statement regarding State President Mr P W Botha's appeal for private sector wage restraint.

However, Assocom said it reaffirmed its original support for the call for self-discipline in both the public and private sectors.

The FCI also repeated its view that its members should exercise restraint in terms of salary and price increases.

Director Mr Steve Anderson said the FCI regarded the monetary targets set by the Reserve Bank as a further guideline.

A money supply increase of 16% or less, together with a 3% growth rate for the economy, could be achieved only if inflation was kept below 13% for the year.

Average price and salary increases must therefore conform with this, he said.

The FCI said previously it was pleased no fixed percentage targets had been set for wages and prices because collective bargaining had to prevail and room had to be left for productivity bargaining.

Individual businesses had to determine these matters according to their own circumstances.

A spokesman for the Chamber of Mines said no statement on the matter would be released at this stage. The AHI could not be reached for comment.

● Public, private sector wage clash,
page 2

ary 26 1988

A MEETING of the presidents of Asso-com, the FCI, the Chamber of Mines and the AHI failed to produce agreement on a joint statement on the President's appeal for private-sector wage restraint.

However, Assocom said it reaffirmed its original support for the call for self-discipline in the public and private sectors, and regarded it as an essential element in the maintenance of a sound economy.

The FCI, too, repeated its view that its members should exercise maximum restraint in terms of salary and price increases.

No agreement on wage freeze

ALAN FINE

Director Steve Anderson said yesterday the FCI regarded the monetary targets set by the Reserve Bank as another guideline, in that a money supply increase of 16% or less, together with a 3% growth rate for the economy, could be achieved only if inflation was kept below 13% for the year.

He said average price and salary increases must conform with that.

The FCI said previously it was

pleased no fixed percentage targets had been set for wages and prices because collective bargaining had to prevail and room had to be left for productivity bargaining.

Further, individual businesses had to determine those matters according to their circumstances.

A chamber spokesman said no statement would be released on the issue at this stage.

The AHI could not be reached for comment.

Mr. Toms
Public *76/2/88*
private *355*
sector
wage clash

Own Correspondent

JOHANNESBURG. — The Public Servants' Association (PSA) will make immediate demands on government for salary rises if the private sector ignores President PW Botha's plea for moderation in granting increases.

This was decided at meeting of the PSA's management board here on Wednesday night.

If the disparity in earnings continued to increase, PSA president Mr Colin Cameron said after the meeting, the drain of professional and skilled workers from the service would quicken to the detriment of the whole country.

Mr Cameron said President Botha was told at Tuesday's meeting that government workers were deeply distressed at the drastic resort to a salary freeze.

The PSA was sceptical that the move would succeed in curbing inflation. It could only work if it had the full support of the private sector.

It was known, Mr Cameron said, that the private sector had already granted substantial increases and this trend was likely to continue for the rest of the year.

Mr Cameron said the board urgently requested government to monitor these increases and to make the results known publicly.

76/2/88

New protection for strikers

29/2/88

Court ruling outlaws race bias in pay

IN A KEY judgment, the Industrial Court has ruled that racial wage discrimination is an unfair labour practice and has given the offending company six months to eliminate it.

And, in ordering the reinstatement of several hundred workers, the court also appears to have potentially strengthened the right to protection from dismissal for workers involved in a "legitimate" strike.

The case of Nactu's SA Chemical Workers' Union (Sacwu) v Sentrachem, presided over by Dr D G John, arose out of a nine week wage strike by 3 000 workers between May and July 1986, at seven of the chemical giant's plants. Management had issued dismissal notices on July 7, with an offer of re-employment to those who returned by July 15.

About 400 to 500 workers were not taken back — most because management said a restructuring of operations meant they were redundant. Alleged disciplinary offences during the strike led to 17 not being rehired.

Six months of negotiations and the implementation of conciliation procedures failed to resolve the wage dispute in which — at the time of the strike — the union was demanding a R250 increase on the minimum R400 monthly wage, while management was offering a R470 a month minimum.

Sacwu also demanded the elimination of racial wage discrimination, which it said was prevalent in the company.

ALAN FINE

In the judgment delivered on Thursday, the court ordered Sentrachem to eliminate discrimination by August 31. The court defined discrimination as a situation where wages paid to black employees are lower than wages paid to other workers doing the same work — unless the difference is due solely to length of service in the job.

While there was some disagreement between Sacwu and Sentrachem on their definitions of the concept, evidence led by the company during the hearing was that it would cost R4m to eliminate discrimination fully.

During negotiations Sentrachem had agreed to set aside an immediate R1,5m as a first step towards eliminating wage discrimination over a period of time.

The court noted Sentrachem representatives had acknowledged discrimination existed and was morally indefensible. It said there should have been greater efforts by the company to remove it.

The court also ordered the reinstatement of 400 to 500 workers and payment to them of eight weeks backpay.

The most important and far-reaching reason given for this decision was that, since the law grants unions and lawful strikers immunity from penal and civil sanctions, "it would be anomalous if workers were nevertheless penalised by

● To Page 2 ➡

Court outlaws race bias in pay

dismissal for striking".

John also reaffirmed the view that "the employer should be prevented from applying selective dismissal, or selective re-employment, in the context of a strike".

The court added if a strike "was legitimate, this would go a long way towards finding that the dismissal of the workers was unfair and, likewise then, the failure to re-employ all of them".

The second reason given by the court was that, if the company — as suggested — had not re-employed workers, either because they were redundant or had committed disciplinary offences, it was obliged to follow the relevant retrenchment and disciplinary procedures. This had not been done.

Cape Town University-based labour lawyer Clive Thompson said this "sug-

gestive judgment" differed from previous cases where strikers had been reinstated in that the court had been concerned only with the legitimacy of the strike.

In this regard, the court had merely noted that the union had exhausted conciliation procedures and the strike had been conducted peacefully on the whole.

Unlike previous cases — including the ground-breaking 1985 case of NUM v Marievale — the court did not find it necessary to examine in detail the length of the strike and the nature of the union's demands.

Sentrachem MD Dave Marlow said he did not wish to comment until he had studied the judgment.

← ● From Page 1

Trouble forecast over wage freeze

GERALD REILLY

PRETORIA — There's trouble ahead for government unless it leans more heavily on the private sector to curb price rises and big pay hikes, sources said.

A swift and angry reaction from state department and Sats workers is certain if it cannot be clearly shown before mid-year that the private sector is co-operating.

Sats's 200 000 workers, particularly, are in a rebellious mood and are defiantly calling for strike action, although this is outlawed by legislation.

The Consumer Council said at the weekend that if the private sector was not prepared to discipline itself, government should activate a monitoring operation to see to what extent the State Presidents' plea for moderation was being heeded.

Neither the Public Servants' Association nor the federal council of Sats trade unions had any faith that commerce and industry would voluntarily hold back on price rises, a spokesman said.

They believed, too, that fear of clashes with trade unions and threats of strikes and work disruptions would eliminate the possibility of granting only limited salary and wage increases.

B/day 29/2/88 355

Sentrachem ^{B/Day} rejects ^{1/2/88} court race ruling ³⁵⁵

ALAN FINE

SENTRACHEM is considering taking last week's industrial court judgment — which ordered the company to eliminate wage discrimination and reinstate several hundred workers dismissed after a strike — on review to the Supreme Court.

The case was brought by the SA Chemical Workers' Union (Sacwu).

Sentrachem MD Dave Marlow said yesterday the company unreservedly rejected racial discrimination in any aspect of its operations.

Hence it rejected the court's finding that it had implemented any such practice, as well as the court's criteria for legal strike action and fair dismissal of striking employees. Marlow said these findings were cause for serious concern to the company.

A decision on review proceedings would be taken soon, he said.

Nactu, to which Sacwu is affiliated, described the judgment as a victory for unionism and a vindication of the Sentrachem workers' struggle.

By Mike Siluma

The South African Chemical Workers' Union (Sacwu) has won an order in the Industrial Court directing Sentrachem to eliminate pay disparities between workers of different races.

The outcome of the case has been described as a major victory in the struggle for racial pay equality.

The judgment in the case, presided over by Dr D G John, concluded a two-year wage dispute between seven divisions of Sentrachem and Sacwu, involving more than 2 000 workers.

The workers went on strike in May 1986 at factories in the Transvaal,

Sacwu wins Star 1/3/88 court order to 1802 355 bridge wage gap

the Free State and Natal, demanding an across-the-board R250-a-month increase, as well as the bridging of a wage gap between white and black workers.

In the judgment, the court found that wage discrimination "in the sense that wages paid to black employees ... are lower than wages paid to other workers doing the same work (unless this was due to length of ser-

vice) is an unfair labour practice".

The court ordered that Sentrachem redress such discrimination by August 31.

Finding as unfair the dismissal of strikers by the company on July 8 1986 and its failure to re-employ them on or after July 15 in the same year, the court ordered that employees so fired be re-employed on application before March 31 1988.

- discussed with the lecturers. Some staff members have already been appointed to other posts;
- (2) no, negotiations regarding the utilization of the buildings are still taking place;
 - (3) yes, but it was decided not to make the buildings and facilities available for this purpose;
 - (4) no.

Black employees: promotion

*10. Mr M J ELLIS asked the Minister of Agriculture and Water Supply:

- (a) What is the policy of his Department with regard to the promotion of Black employees and (b) what is the highest level to which Black employees can be promoted?
- †The DEPUTY MINISTER OF AGRICULTURE:

- (a) Promotion of Black employees in the Department is effected according to the approved rank structure for General Assistants Grades I to III in the Public Service. Promotions are considered according to merit, proven work achievements and skills.
- (b) The highest rank is that of General Assistant Grade III.

Schools: changes in financial assistance

*11. Mr K M ANDREW asked the Minister of Education and Culture:

With reference to his reply to Question No 6 on 16 February 1988, when were the schools advised of specific changes in the financial assistance that they would receive in respect of (a) 1987 and (b) 1988?

The MINISTER OF EDUCATION AND CULTURE:

- (a) The maintenance of sports fields: 14 April 1987.
the requests to effect savings:
textbooks: 15 January 1987
consumable items: 14 April 1987
water, electricity and telephone: 18 May 1987;
- (b) 100% on water and electricity in respect of sporting facilities and 10% on telephone calls: 15 January 1988.

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Mr K M ANDREW: Mr Chairman, arising out of the reply of the hon the Minister and particularly in respect of 1987, how could he reasonably expect the schools to make the cutbacks that were requested when they were advised at such a late stage in their own budgeting processes?

†The MINISTER: Mr Chairman, the hon member's question is a reasonable one. One would like to do that earlier as far as possible. As far as 1987 is concerned, it was already stated by 1 April 1987. One must also understand that the budgeting process is such that it is only at a fairly late stage that finality is reached on the particular budgeted amounts that is allocated to the various Education Departments. For that reason planning cannot take place far in advance. As far as general savings is concerned, that is done in the time we find for it and also in the process of rationalization. As far as particular items are concerned, it can really only be done after we have been notified of the budgeted amount.

College/school posts: structural/financial revisions

*12. Mr R M BURROWS asked the Minister of Education and Culture:

- (1) Whether his Department has undertaken structural and/or financial revisions of college/school posts under its control: if so, (a) what was the total cost of these revisions and (b) when were they implemented;
- (2) whether provision was made for the extension of salary parity to women in Post Level 1; if so, (a) in what qualification categories has parity been achieved, (b) what is the annualized cost of such parity and (c) when is it anticipated that parity will be extended to all qualification categories in Post Level 1;
- (3) whether, in the creation of new promotion posts for the college/school sector, a date for the final introduction of such posts has been given: if so, (a) what date and (b) for what reason;
- (4) whether back-pay is to be paid in respect of newly created promotion posts: if so, (a) retrospectively to what date, (b) for what reason and (c) on whose decision;
- (5) whether an increase in salary was paid to

under-qualified teachers; if so, to which qualification categories;

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

†The MINISTER OF EDUCATION AND CULTURE:

- (1) Yes, revised post level ratio norms have been approved.
- (a) the implementation of revised post level ratio norms has not yet been finalized and, as a consequence the total expenditure is not yet available.
- (b) the posts will be filled retrospectively as from 1 November 1987;
- (2) yes.
- (a) qualification categories E, F and G.
- (b) R12.5 million.
- (c) it is the policy of the Department to extend parity to all qualification categories. Implementation depends on the availability of funds;
- (3) yes.
- (a) and (b) the posts were established on 1 November 1987 and the policy is to fill the posts with retrospective effect from that date;
- (4) yes.
- (a) 1 November 1987.
- (b) and (c) in accordance with the above-mentioned policy;
- (5) no, no underqualified teachers for whom salary improvements have been announced are employed by the Department;
- (6) no.

For written reply:

General Affairs:

Jan Smuts Airport: improvement of terminal buildings

2. Mr P G SOAL asked the Minister of Transport Affairs:

- (1) Whether, with reference to his reply to Question No 113 on 17 February 1987, funds have as yet been made available for

the improvement of the existing terminal buildings at Jan Smuts Airport; if not, why not; if so,

- (2) whether tenders have been called for to carry out these improvements; if not, (a) why not and (b) when will tenders be called for; if so, (i) when, (ii) from whom were tenders received and (iii) what was the amount of each tender;
- (3) whether any tender has been accepted; if not, when is it anticipated that a decision will be taken in this regard; if so, (a) which tender and (b) when will work commence?

The MINISTER OF TRANSPORT AFFAIRS:

- (1) No, as the approval of the Treasury Committee for Building Norms and Cost Limits, to whom the matter has now been referred, is still being awaited.
- (2) and (3) Fall away.

Jan Smuts Airport: new control tower

3. Mr P G SOAL asked the Minister of Transport Affairs:

- (1) Whether, with reference to his reply to Question No 984 on 5 June 1985, the new control tower for Jan Smuts Airport has as yet been completed; if not, (a) why not and (b) when is it due to be completed; if so, on what date;
- (2) whether the mobile control tower is still in use at this airport; if not, (a) when was it closed and (b) what action has been taken in respect of the new runway;
- (3) whether he will make a statement on the matter?

The MINISTER OF TRANSPORT AFFAIRS:

- (1) No.
- (a) The electrical systems must still be installed; and
- (b) During August 1988.
- (2) No.
- (a) 11 January 1988; and
- (b) It is temporarily out of use.
- (3) No.

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ACCUS 1/3/88 (250) 355

Overspending 'caused by higher pay'

EFFORTS to close the wage gap without insisting on an increase in productivity was the main reason for Government overspending on the 1987/88 Budget, Mr Cas Uys (CP Barberton) said in the Assembly.

Speaking in the second-reading debate on the Additional Appropriation Bill, he said the National Party would accuse him of being a racist.

However, the fact remained that certain people were being paid increased salaries and wages in efforts to close the wage gap when they did not really earn the extra money.

Tightening belts

The stage was near when the wage gap would be closed but the question was how much longer white civil servants would have to continue "tightening their belts, and waiting still longer for increases while others catch up".

Mr Uys said the Conservative Party accepted that the Minister of Finance, Mr Barend du Plessis, was making genuine efforts to cut State expenditure, and wished him well.

"But we fear he has waited until it is too late. When we warned in the past, the honourable minister laughed at us and now, suddenly, we have this huge, desperate attempt (to cut expenditure)."

Mr Uys said the State President's opening speech to Parliament in which stringent economic measures were announced was an admission that mistakes had been made by the Government in the past few years.

Mr du Plessis had made much in his second-reading speech of the percentage cut in Government overspending since 1984/85, from 7,3 percent of the main Budget to 1987/88 when it was only 2,1 percent, but in reality State expenditure continued to increase at more than the inflation rate.

"The situation is that now we are paying the price for previous years of over-expenditure," Mr Uys said.

The CP could not give its unqualified support to the additional budget.

Mr Keppies Heyns (NP Vasco) said there was much that was positive to be said about the budget, but that Mr Uys had neglected this and concentrated on the negative.



Mr Uys



Mr Schwarz

The fact that over-expenditure as a percentage of the main Budget had been cut so much over a four-year cycle was evidence of an "unqualified success" by the Cabinet that deserved the praise of all.

If the CP objected to the additional budget, it should point out where it would not have approved the extra expenditure for various Government departments.

The Government's overspending on its 1987/88 Budget had been better than previous years, but it was still not good, Mr Harry Schwarz (PFP Yeoville) told the House.

He said that there were still important areas where there could be improvement.

He had "very real concerns" about the financing of the additional appropriation. According to figures issued in December and January, revenue collected to December last year was 13,4 percent higher than for the comparable period in the previous financial year.

State land

Expenditure on the other hand, was about 19 percent higher.

With a greater increase in expenditure than in revenue collected, the deficit before borrowing would be higher and more money would have to be raised from other sources.

The minister should say to what extent the deficit had already been financed.

The sale of State land to finance the additional appropriation was not a healthy situation. These land sales had already exceeded the amount budgeted for by R3-million.

Once the "kitty" of land, a non-recurring resource, had been used up, there would be nothing left in reserve, Mr Schwarz said. — Sapa.

65 DISMISSED AT OFS FIRM

Sowetan 2/3/88

152
355

SIXTY-five SA Chemical Workers' Union members have been dismissed after a strike at Protea Chemical Manufacturers in Bethlehem.

A Sacwu spokesman, Mr. Humphrey Ndaba, said union members employed by the company went on strike on February 15 after the union and management deadlocked over wage increases.

Sacwu members were demanding:

- Pay rises of R80 a week;
- Annual leave of 20 days;
- Annual bonus to be 13th cheque; and
- A 40-hour week.

Mr Ndaba said the State-appointed conciliation board has failed to resolve the dispute between the two parties. He said the company had offered R5 a week from February to August, and a further increase of R10 a week from September.

Protea Chemicals managing director, Mr Alan Cohen, disputed a claim by Sacwu that the company's employees

had downed tools after a wage deadlock between the two parties.

He said the workers had taken part in "wrongful industrial action" on February 1. A conciliation board was subsequently set up by the Minister of Manpower on February 5, and the workforce returned to work.

Mr Cohen said: "The employees' in one department subsequently

refused to work to agreed standards and after a series of disciplinary actions they were fairly dismissed on February 15.

"The remainder of the employees then went on an illegal strike demanding the reinstatement of dismissed workers. In doing so, they ignored agreed dispute procedures allowing for appeals, which were offered by management."

dards was handed over to the Cotton Board with effect from 1 November 1987.

(bb) The grading of butter and cheese was discontinued with effect from 1 January 1987 and is at present being undertaken by the industry.

(ii) (aa) R1 093 000.

(bb) 38.

(b) Various activities are at present being investigated with a view to privatization. The findings will determine if activities can be privatized during 1988.

(i) Falls away.

(ii) Falls away.

Religious objects: alternative service

353. Prof N J J OLIVIER asked the Minister of Manpower:

(1) Whether any consideration is being given to allowing religious objects to perform alternatives service in religious and community organizations; if not, why not; if so, (a) what specified changes are contemplated and (b) when will they be introduced.

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

The MINISTER OF MANPOWER:

(1) Yes.

(a) Consideration is being given at present to the possibility of extending the categories of employers which are referred to in section 72E(4) of the Defence Act, 1957.

(b) and (2) after the negotiations which have to take place in this regard have been completed, I shall in due course in consultation with my colleague, the Minister of Defence, make a statement on this matter.

Department of Justice: salary parity

358. Mr D J DALLING asked the Minister in the State President's Office entrusted with Administration and Broadcasting Services:

(1) In what categories has full parity been

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achieved in the salaries paid to officers of different race groups in the Department of Justice as at the latest specified date for which information is available;

(2) what is the total number of non-White officers in the said Department who enjoy full parity in salary;

(3) in what categories has full parity not been achieved in the salaries paid to officers of different race groups in that Department;

(4) what is the total number of non-White officers in that Department who do not enjoy full parity in salary;

(5) what progress has been made with the plan to eliminate disparity in salaries?

The MINISTER IN THE STATE PRESIDENT'S OFFICE ENTRUSTED WITH ADMINISTRATION AND BROADCASTING SERVICES:

Information as on 1 March 1988:

(1) All categories.

(2) 10 028.

(3), (4), and (5) Fall away.

Public Service: vacant posts

359. Mr R M BURROWS asked the Minister in the State President's Office entrusted with Administration and Broadcasting Services:

(a) How many posts were there in the Public Service as at the latest specified date for which figures are available, (b) how many such posts were vacant as at that date and (c) what percentage of persons employed in the Public Service are not White?

The MINISTER IN THE STATE PRESIDENT'S OFFICE ENTRUSTED WITH ADMINISTRATION AND BROADCASTING SERVICES:

Information as on 30 September 1987:

(a) 274 592.

(b) 25 742.

(c) 59%

State airports: privatization

384. Mr D J N MALCOMESS asked the Minister in the State President's Office entrusted with Administration and Broadcasting Services:

Whether the Commission for Administration has completed its investigation into the possible privatization of State airports; if not, (a) why not and (b) when is it anticipated that it will be completed; if so, (i) when was it completed, (ii) what were the findings and (iii) what action is to be taken as a result of these findings?

The MINISTER IN THE STATE PRESIDENT'S OFFICE ENTRUSTED WITH ADMINISTRATION AND BROADCASTING SERVICES:

No investigation into the privatization of State airports was or is being undertaken by the Commission for Administration.

(a) Falls away.

(b) Falls away.

(i), (ii) and (iii) Fall away.

Immigrants/emigrants

460. Mr P G SOAL asked the Minister of Home Affairs:

How many (a) Whites, (b) Coloureds, (c) Blacks and (d) Indians (i) immigrated to and (ii) emigrated from the Republic in 1987?

The MINISTER OF HOME AFFAIRS:

	(a)	(b)	(c)	(d)
(i)	7 459	146	77	75
(ii)	10 053	651	163	318

Unemployed persons

497. Mr P G SOAL asked the Minister of Home Affairs:

(a) How many Black persons were unemployed as at the date of the latest current population survey and (b) what is the date of this survey?

The MINISTER OF HOME AFFAIRS:

(a) Applications received

	University	White	Coloured	Indian	Black	Other	Total
Orange Free State	—	524	11	—	4	—	539
Witwatersrand	—	337	59	357	336	—	1 489
Pretoria	—	779	—	—	—	—	779
Stellenbosch	—	711	165	17	1	—	894
Cape Town	—	634	125	356	291	—	1 406
Total	—	—	49	601	329	—	979

(a) 922 000.
(b) November 1987.

Own Affairs:

High/primary schools: computers

30. Mr R M BURROWS asked the Minister of Education and Culture:

Whether, with reference to his reply to Question No 5 on 8 September 1987, a decision has as yet been reached on the supply of computers to, and maintenance of computers in, all high and primary schools falling under his control; if not, why not; if so, (a) what decision has been reached and (b) what time-table regarding supply has been set?

The MINISTER OF EDUCATION AND CULTURE:

(a) and (b) The Directorate of Education Technology is at present finalizing a system for lending educational computer software to schools. This service will be in operation by June 1988.

The provision of education computer hardware is being handled by the provincial education departments within the limits of the funds that are available. A working committee for computers in education is coordinating efforts in this regard.

Medical schools: applications for admission

33. Dr M S BARNARD asked the Minister of Education and Culture:

How many applications by students in each race group for admission to the first-year course were (a) received and (b) accepted in 1987 at each medical school falling under his Department?

The MINISTER OF EDUCATION AND CULTURE:

clone season and every
will be made to recover it.

355 Pick 'n Pay talks stalled

Star Labour Reporter 3/3/88

Wage talks between the Commercial, Catering and Allied Workers' Union (Ccawusa) and Pick 'n Pay — potentially affecting 13 500 of the retail chain's employees — have run into dispute.

A Ccawusa statement yesterday said the talks, which started about six weeks ago, stalled at a point where the union was demanding an across-the-board increase of R204 a month against the company's R120 offer.

At the start of the negotiations Ccawusa had demanded a monthly rise of R366, which would set the minimum wage at R856. Pick 'n Pay opened with a R100-a-month offer.

Ccawusa is also demanding a week's extra leave for workers with three years' service.

TALKS STALLED



THIBEDI... convenes branch congress.

PICK 'n Pay and the Commercial Catering and Allied Workers' Union of SA have deadlocked over wage increases and annual leave.

The two parties failed to reach agreement during their wage negotiations on Tuesday this week.

Ccawusa has declared a dispute with the retail chain, reiterating its demand for an across-the-board wage hike of R204,59 a month against

management's offer of R120.

Other union demands include annual leave of three weeks during the first three years and a four-week leave period thereafter. Pick 'n Pay has offered: three weeks' annual leave during the first four years and thereafter four weeks' leave.

Pick 'n Pay spokesman Mr Frans van der Walt said the union and

management were scheduled to hold further talks on March 10.

Ccawusa official Mr Johnson Mhlayivana said: "The union is not able to move from its demand of R204,59-a-month pay rise for all its members and regards the company's offer as unacceptable."

He said the two parties had already agreed on the question of staff accounts and the union

had dropped its demand for a 12 percent staff discount on goods purchased at the retail chain.

Meanwhile, strike balloting was in full swing at OK Bazaars' outlets throughout the country, a Ccawusa official said.

Mr Kaizer Thibedi said the union had resolved to conduct ballots after attempts to have 187 Roodepoort Hyperama employees reinstated failed.

The workers were dismissed after they had downed tools in protest against "management's continued failure to attend to employees' grievances," the official said. They were dismissed early last month.

"Balloting has been successful so far," Mr Thibedi said.

OK spokesman, Mr Keith Hartshorne, said the Roodepoort workforce was dismissed after they went on an illegal strike. An appeal by the sacked staff for reinstatement had been unsuccessful.

By LEN MASEKO

Unfair dismissal in King bakery

EAST LONDON. - The dismissal last week of 35 workers at the Anglo cafe and bakery in King William's Town has been called an unfair labour practice by the Commerical, Catering and Allied Workers Union (Ccawusa).

The union warned it would fight the dismissal to the "bitter end".

The action came after a certain Mrs Grabner was appointed as a manager in the take-away department.

A union spokesperson said the workers in this department were not happy about the way she treated them.

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According to the union spokesperson, the owner of the bakery, Mr Reno Psiloyenis, was approached by a workers' delegation earlier last week.

Psiloyenis said the workers had not followed the correct grievance procedure and no notice of dispute had been given.

"As far as I am concerned they dismissed themselves by walking out," he said. - ELNEWS

Signature: [Handwritten signature] (BSS)

Teachers: Motion of no confidence

Staff Reporter

REPRESENTATIVES of the country's 75 000 white teachers this week passed a motion of no confidence in the government's ability to handle the salaries of government employees satisfactorily.

At a meeting of the Teachers' Federal Council (TFC) in Pretoria on Thursday, delegates from the council's eight member organizations passed a unanimous motion which also expressed the "strongest opposition" to the fact that teachers' salaries had developed a comprehensive backlog compared with those in other sectors.

Mr Dudley Schroeder, chairman of the TFC, said in a statement issued yesterday that the motion described government's procrastination about both a maintenance investigation and a complete occupational adjustment for educators as "inexcusable".

The council also voiced its serious concern about the increased drain in teaching staff and about the negative influence on teachers' morale of the government's standpoint on salary adjustments.

Mr Schroeder said the council was at this stage asking for nothing more than what other sectors had already received.

Mamelodi: investigation into deaths on 21 November 1985

89. Mr P G SOAL asked the Minister of Law and Order:

- (1) Whether, with reference to his reply to Question No 268 on 8 September 1987, the further investigation by the South African Police into the deaths of persons killed in Mamelodi on 21 November 1985 has been completed; if not, why not; if so, (a) when, (b) what were the findings and (c) what action has been taken as a result of this investigation;

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

The MINISTER OF LAW AND ORDER:

- (1) Yes
(a) 27 October 1987
(b) and (c) The Attorney-General instructed that an inquest should be held.

- (2) No

Accident at Halt Road, Elsie's River: member convicted

90. Mr P G SOAL asked the Minister of Law and Order:

- (1) Whether, with reference to his reply to Question No 5 on 28 July 1987, any departmental action has been taken against the member of the South African Police convicted of culpable homicide as a result of an accident in Halt Road, Elsie's River, on or about 19 August 1986; if not, why not; if so, (a) what action and (b) when:

The MINISTER OF FINANCE:

- (2) what percentage of the (a) total State revenue, (b) total State expenditure and (c) gross domestic product does the total of the above-mentioned expenditure comprise in each of these financial years?

(1) (a) and (b)	1982/83	1983/84	1984/85	1985/86	1986/87	1987/88
	R'000	R'000	R'000	R'000	R'000	R'000

(i) Wages and salaries	3 964 882	4 561 731	5 876 099	6 478 157	7 905 088	9 715 013
(ii) Bonuses	216 341	255 597	341 379	277 375	411 270	594 971
(iii) Housing subsidies	92 447	158 444	277 190	339 294	392 931	449 069
(iv) Contributions to medical schemes and funds	71 643	92 348	123 031	173 525	278 462	215 254
(v) Contributions to pension schemes and funds	701 170	764 084	998 134	1 132 011	1 552 090	1 842 701
(vi) Motor-car schemes	8 284	10 817	11 005	16 487	15 582	21 573
(vii) Leave and retirement gratuities	36 076	34 585	57 673	64 238	73 684	109 084

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

The MINISTER OF LAW AND ORDER:

- (1) No. Because evidence could not be found that the member concerned made himself guilty of any contravention of the Police Act, 1958 (Act 7 of 1958), or the Regulations promulgated by virtue of the Act.
(a) and (b) Fall away.

- (2) No

Treasury: remuneration paid

304. Mr A E NOTHNAGEL asked the Minister of Finance:

- (1) What total amount (a) was spent in each specified financial year from 1982-83 up to and including 1986-87 and (b) is it estimated will be spent in the 1987-88 financial year on (i) wages and salaries, (ii) bonuses, (iii) housing subsidies, (iv) contributions to medical schemes and funds, (v) contributions to pension schemes and funds, (vi) motor-car schemes, (vii) leave and retirement gratuities and (viii) other forms of direct and indirect expenditure, in respect of persons whose remuneration is paid from the Treasury;

- (viii) Other forms of direct and indirect expenditure

TOTAL

	249 214	287 479	345 118	394 487	378 439	474 017
	5 340 057	6 165 085	8 029 629	8 875 574	11 007 546	13 421 682

(2)	1982/83	1983/84	1984/85	1985/86	1986/87	1987/88
	R'000	R'000	R'000	R'000	R'000	R'000
(a) Total State Revenue	28.8%	28.9%	31.9%	28.7%	31.6%	33.5%
(b) Total State Expenditure	26.7%	26.2%	28.7%	26.1%	26.4%	27.9%
(c) Gross Domestic Product	6.5%	6.7%	7.4%	7.1%	7.5%	7.6%

Remark: In terms of Resolution no 2, Second Report of the former Select Committee on Public Accounts, 1981 (2), detailed information regarding spending is no longer submitted to the Treasury and is therefore not available at a central point. The only source from which the information can properly be obtained, is the control pay sheets. In terms of Archive instructions these documents are kept for three years only, after which they are destroyed. Departments no longer have all the information at their disposal and calculations had to be made for the various items reflected in the question. Consequently the Treasury cannot unconditionally endorse the correctness of the information.

Sentenced prisoners: deaths from natural causes

332. Mr D J DALLING asked the Minister of Justice:

- (1) How many sentenced prisoners died of natural causes in 1987;
(2) how many of these deaths were due to pneumonia?

The MINISTER OF JUSTICE:

- (1) and (2) Of the one hundred and fifty (150) sentenced prisoners who died from natural causes during 1987, eighteen (18) died of pneumonia.

Offences against security of State: sentences served

335. Mr D J DALLING asked the Minister of Justice:

- How many (a) males and (b) females were serving sentences in 1987 for offences against the security of the State which exceeded (i) 10 years, (ii) 5 years and (iii) 2 years?

The MINISTER OF JUSTICE:

- (a) (i) 145
(ii) 95
(iii) 48
(b) (i) 1
(ii) 7
(iii) 3

Awaiting-trial prisoners in custody

345. Mr D J DALLING asked the Minister of Justice:

- What was the average number of awaiting-trial prisoners in custody on the last day of each month in 1987?

The MINISTER OF JUSTICE:

The figures concerning awaiting-trial prisoners who were incarcerated in South African prisons on the last day of each month during 1987, were as follows:

31 January 1987	21 829
28 February 1987	21 373
31 March 1987	20 668
30 April 1987	20 429
31 May 1987	20 501
30 June 1987	19 030
31 July 1987	18 603
31 August 1987	18 609
30 September 1987	17 727
31 October 1987	18 450
30 November 1987	19 508
31 December 1987	20 096

Crimes against security of State: sentences served

346. Mr D J DALLING asked the Minister of Justice:

- How many (a) White, (b) Coloured, (c) Asian and (d) Black persons were serving sentences for crimes against the security of the State as at

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the latest specified date for which figures are available?

The MINISTER OF JUSTICE:

On 31 December 1987 the figures were as follows:

- (a) Whites 10
- (b) Coloureds 11
- (c) Asians 5
- (d) Blacks 282

Crimes against security of State: sentences served

351. Mr S S VAN DER MERWE asked the Minister of Justice:

How many South West African/Namibian prisoners in South African prisons were serving sentences for crimes against the security of the State as at the latest specified date for which figures are available?

The MINISTER OF JUSTICE:

None.

I also wish to refer the hon member to my reply to question No 30 and No 210 of 18 March 1986 and 23 February 1987, respectively.

Land and Agricultural Bank: employees

635. Mr D J N MALCOMESS asked the Minister of Finance:

With reference to his reply to Question No 84 on 17 February 1988, (a) how many (i) White, (ii) Black, (iii) Indian and (iv) Coloured persons were employed by the Land and Agricultural Bank, (b) how many loans had been issued to employees in respect of each race group, (c) how many loans of (i) over R100 000 and (ii) between R50 000 and R100 000 had been made in respect of each race group, and (d) what rate of interest was being charged in respect of these loans, as at 31 December 1987?

The MINISTER OF FINANCE:

(a) (i) 1 010

(ii) 135

(iii) None

(iv) 27

(b) Whites — 511

Blacks — 7

Indians — None

Coloureds — 11

(c) (i) Whites — 1

Blacks — None

Indians — None

Coloureds — None

(ii) Whites — 297

Blacks — None

Indians — None

Coloureds — None

(d) 3%

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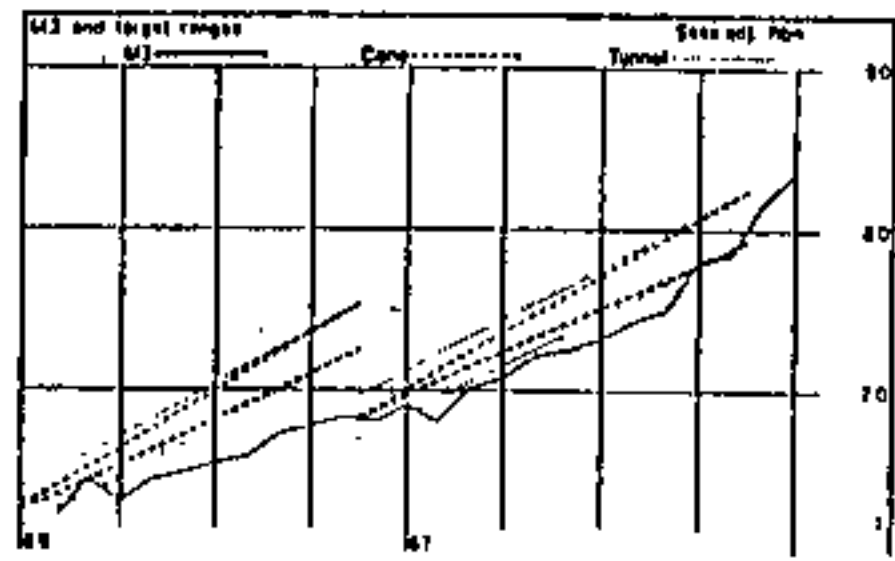
THE ECONOMY

If we must freeze wages, let's freeze from the top

BUSINESS BAROMETER

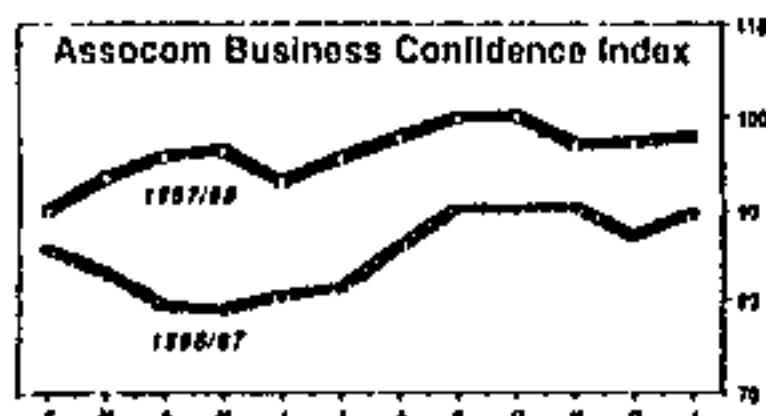
GENERAL INDICATORS

Money supply accelerates



MONEY SUPPLY

Money supply (M3) grew by 20,19 percent in the 12 months to January, following a 17,44 percent increase to December. These figures are above the Reserve Bank's 12 to 16 percent target range for money supply growth in 1988. They reflect increasing demand for credit from both consumers and investors. The Reserve Bank has brought its target range down from last year's 14 to 18 percent. Demand for credit for much of last year was so low that money supply growth was below the target. But as consumers and investors started to spend towards the end of last year, the amount of credit extended, and hence the money supply, grew faster. Now that economic growth has picked up, too fast an expansion of the money supply could be inflationary — hence the new targets.



BUSINESS CONFIDENCE INDEX

Assocom's business confidence index, which measures the movement of 15 economic indicators, registered a small increase to 98,1 in February, from 98 in January. According to Assocom, the business mood is responding to higher economic growth and lower inflation. While the economic upturn was until recently largely based on consumer demand and state spending, private fixed investment in manufacturing industry is now looking more positive. The state president's announcement of new economic measures also had a favourable impact on business sentiment, the association says. The economy is expected to grow by three percent this year but this level of activity may not be sustained into 1989.

Retail trade sales



TRADE CONDITIONS

Total retail trade sales for February are expected to be 17,2 percent higher than a year ago, according to the Central Statistical Services. But in real terms this is an increase of only 0,6 percent. Wholesale trade sales (excluding diamonds) for January are expected to be 7,4 percent higher in real terms than in the same month last year.

FINANCIAL INDICATORS

Johannesburg Stock Exchange Indices

JSE Indexes	1/3/88	WEEK AGO	% CHANGE
All Market Index	1518	1590	-4,5
All Gold Index	1212	1333	-9
Industrial Index	1429	1455	-1,8

Short-term interest rates

	1/3/88	WEEK AGO	YEAR AGO
Three-month bankers acceptances	10,45%	10,3%	9%
Prime overdraft rate	13%	13%	12,5%

Gold Price

	2/3/88	WEEK AGO	% CHANGE
	428,40	435,40	-1,6

Selling price: Major currencies against and

	2/3/88	WEEK AGO	% CHANGE
US dollars	2,1210	2,0877	+1,6
Pounds Sterling	3,7499	3,6896	+1,6
Deutsche Mark	0,7992	0,8105	-1,4
Yen	61,00	61,61	-1
Swiss Franc	0,6603	0,6664	-0,9

US Dollar against major currencies

	2/3/88	WEEK AGO	% CHANGE
Dm	1,6952	1,6921	+0,2
Sterling	1,7680	1,7673	+0,03
Yen	129,40	128,62	+0,6
SvFr	1,4005	1,3913	+0,6

Source: First National Bank

Where gold leads, the rand is sure to slither

The rand's downward slide 0.525 has followed the pattern of gold, but just a little later. KATE LAST reports

THE "new look" rand which appeared in our lounges this week may not hold up any better than the old one, which has been on a downward roller coaster since January.

The gold price and the level of the US dollar are the major influences on the level of the rand.

But gold and the dollar are not the only influences: politics have considerable impact.

According to the authoritative International Bank Credit Analyst South Africa remains a "risky place" for investors. The recent banning of key resistance organisations will fuel this negative sentiment and will certainly place downward pressure on the rand.

The rand's downward slide since January this year has followed a virtually identical set of movements in the gold price. As the graph suggests, the rand has been lagging the gold

price, following it down after a period of time.

The future direction of the gold price is thus likely to determine that of the rand to a significant extent.

But these movements are not independent of each other. A change in the external value of the dollar is an important determinant of the gold price. If global wealth is measured in terms of dollars (the unit in which gold is priced), a depreciating or appreciating dollar will automatically raise or lower the value of world wealth measured in this way. So the gold price tends to move inversely with changes in the value of the US dollar. A similar inverse relationship exists between movements in the dollar and those of the rand.

Several positive factors have emerged recently in support of the dollar. But it's too early to conclude that the US currency has reached bottom. Exports appear to have decreased and local US consumption spending is higher. This points towards an increasing trade deficit rather

than a narrowing one, and a dollar which will have to slide even lower in 1988 in order to resolve the problems created by the continuing international trade imbalances.

The relatively low inflation rates in the US do not yet fully reflect the impact of the dollar's depreciation because foreign producers have allowed their profit margins to be squeezed. These profit margins are no longer the cushion they were a year ago. In addition, full employment of certain sectors in the US is likely to push inflation upwards.

The world economy seems to be entering a phase of decelerating growth with rising inflation — trends which could be exacerbated if tensions in the Middle East increase and start to push the oil price upwards.

What all of this is telling us is that 1988 should be a year of a lower dollar and a higher gold price. And that implies the rand should strengthen.

But the question will be whether the rand can hold its own with political factors weighing heavily against it.

SINCE the state president announced his wage and salary freeze for public servants strong opposition has come from across the spectrum of the trade union movement.

Black and white public sector unions, as well as predominantly private sector federations like the Congress of South African Trade Unions and National Council of Trade Unions, have condemned the move.

Among the white unions, the 200 000-strong Federation of South African Transport Services Trade Unions has adopted the most militant stance of outright opposition to the freeze. Union president Dudley Henn has pointed out that since only about 30 percent of Sats workers qualify for incremental adjustments, most Sats workers face a total wage freeze.

The white civil servants' union, the Public Servants Association, has indicated that it will only support the freeze if the private sector heeds President PW Botha's plea for moderation in granting increases. The PSA's concern is that unless this happens, more and more professional and skilled public sector employees will leave the public service as the disparity between public and private sector incomes grows.

This is not a useful argument to make, since it assumes that the government does not want civil servants to leave the public sector, whereas the reverse is the case. The government has been cutting back on employment in the public sector and parastatals for the last three years at least and, in announcing his economic package, Botha made it clear that there would be a further "drastic reduction" in civil service jobs.

The government's intention in this regard was succinctly spelt out by Dr Azar Jammie of Econometrix: "Since salaries in the private sector will not be subject to quite the same discipline, it is probable that many public servants will leave the public sector to seek new posts in the private sector. So much the better, for it will reduce public expenditure."

The fact that this will also lead to a drastic decline in the range and standards of public services available to South Africa's vast underprivileged population does not seem to concern either Jammie or the government.

But perhaps the highlight of the past few weeks was Botha's full-page appeal to the nation which appeared in most newspapers. "Fellow South Africans", he wrote at the taxpayers' expense: "I have said that we will introduce economic reform. And we will. But we can't do it without the help of every man, woman and child in South Africa. Including you. We have to tighten our belts. We have to control government expenditure. We have to tackle inflation."

As a patriot, I thoroughly enjoy being exhorted to help save the nation, especially since I don't get asked very often. So it occurs to me in all humility to suggest that the state president might go even further and lead by example.

For a start, he could perhaps consider reducing his own annual salary of R151 137 by, say, half. I know it won't be easy for him to come out on only R75 000 a year but we all have to tighten our belts and, anyway, the fact that his salary is tax-free should help to cushion the blow.

Another nice gesture might be for cabinet ministers to follow their leader and cut their annual R122 000 salaries by half.

But the real injustice in the government's wage freeze is not just in the huge salaries ministers draw but rather in the fact that, while wages are frozen, prices go on rising.

Since the beginning of the year, prices of sugar, meat, beer, bricks and tyres have all risen by more than 10 percent, while milk prices are due to rise by about that amount shortly. Timber for use in home building has risen by between 16 and 30 percent, while paint has gone up by 8,5 percent. According to Samcor managing

If wage freezes are fine for nurses and teachers and airline pilots, there's no reason why they shouldn't be a blessing a little higher up the scale.

In the cabinet, say ...
DUNCAN INNES reports

director Spencer Sterling, the price of motor cars is expected to rise by 18 percent this year.

But the best of all was the statement by Minister of Transport, Eli Louw, (salary R122 000) that there would be no general increase in Sats tariffs and fares this year. The very next day one Sats division, South African Airways, (profit last year R109-million) announced a five percent increase in air fares to Europe.

Injustices such as these are leading some commentators to question the wisdom of the wages freeze. Although the private business sector originally came out strongly against a prices and incomes policy on the grounds that it would not bring inflation down, when they discovered that the state president intended freezing wages and not prices, organisations like Assocom changed their mind and supported the idea.

However, now that the government seems to have begun putting pressure on the private sector to exercise wage restraint in its negotiations with unions, it is having second thoughts. With turnover rising dramatically and many major companies currently reporting huge increases in earnings, companies know that trying to sell wage restraint to the unions will be no easy task.

In this context two arguments are relevant. One is that, while most commentators hailed Botha's economic package as an example of Thatcherite free market economics, his wage freeze is in fact an anti-free market policy. One does not free the labour market by arbitrarily freezing wages.

Strangely enough, those commentators who usually shout most loudly against government controls over companies have failed to pick up this point publicly.

Secondly, it has been pointed out that freezing public sector wages, at a time when the economy is relying on consumer expenditure to boost the recovery, is tantamount to the government shooting itself in the foot. The counter-argument to this is the government does not mind restricting consumer expenditure since it wishes to avoid the economy overheating.

While that latter argument had some validity earlier in the year, it is a dangerous argument to use today. Since January the gold price has fallen by \$70 an ounce and many analysts are talking it lower. If this kind of loss is maintained over the year, it could cost our economy around R3-billion in foreign exchange.

With the surplus on the current account of the balance of payments for 1987 estimated to be only about R6-billion, a loss of R3-billion from this year's gold exports could put an end to the fragile economic recovery.

If the government refuses to consider abolishing the wage freeze on the grounds of justice, perhaps it should consider doing so from the viewpoint of the growth prospects for the economy.

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What freeze?

Finance Minister Barend du Plessis' statement in parliament last Friday, that "it was not true that there was a freeze on salaries in the public sector" is of more than passing interest.

State President P W Botha announced the freeze in his opening-of-parliament address, but did qualify it by reminding us that internal increases could still be made.

The "freeze" — which could save R2bn in 1988-1989 — was made with an appeal for the private sector to follow suit.

So why Du Plessis' apparent about-turn? He explained: "People whose salaries were subjected to a scale could get increases if there were further notches they could climb to."

This implies that public servants could qualify for a host of other increments during the "freeze." That, indeed, is the case. Ignoring perks, there stands for general consumption:

- ☐ "Occupationally specific adjustments;"
- ☐ Promotions;
- ☐ "The creation and filling of senior positions;" and
- ☐ Changes in the nature of personnel, such as large growth in the number of "educators" employed, and low growth in numbers with few or no qualifications.



Du Plessis

In 1985-1986, the 10% "general" adjustment translated into a 16,5% overall increase in per capita salary. The gap was explained by notch increases and promotions (1,6%); educators with "low qualifications" (1%); nursing staff (3,1%) and labourers (0,8%).

The private sector is not unknown for using fringe benefits to give the same effect as a pay increase. Though these perks are now subject to various rates of tax, this card can still be played.

The only way Botha could have given

FINANCIAL MAIL MARCH 4 1988

some meaning to a pay freeze was by freezing remuneration, as defined in the Income Tax Act. Even that definition is not settled.

INDUSTRIAL COURT

Finding stings

Sentrachem, seriously concerned by the Industrial Court's finding that it was guilty of two unfair labour practices, looked like taking it on review to the Supreme Court.

The grounds had not been announced as the *FM* went to press, but the company seems stung by the finding — which it rejects — that it practised wage discrimination against blacks (see P59). It also rejects the court's criteria for legal strike action and fair dismissal of striking employees.

The SA Chemical Workers Union (Sacwu) alleged two main unfair practices: wage discrimination and failure to re-employ strikers in a strike the court found to be

procedures have been followed.

In this case, there was selective re-employment (an unfair practice) when the union rejected the company's terms of re-employment on July 15 1986. Since that date, selective re-employment changed in "a chame-

workers who take legal strike action — however much the strike may strain the employer's patience. The suggestion is that the employer may not terminate the employment relationship (as opposed to the contract) in such an event, unless the correct

leon way" to redundancy consequent on company reorganisation. The union is not happy about this.

The court decided that any retrenchment affecting the ex-employees or other black workers shall be conducted mainly in terms of procedures agreed on between the company and Sacwu last May. The union, which says it does not have confidence in the court, is also unhappy with the condition that ex-employees re-apply by March 31 because members are scattered and it will be difficult to contact them in time.

In explaining the re-instatement order, the court said that the question is *why* the employer terminated the employment relationship, not whether — objectively speaking — there were reasons for doing so. This distinguishes the position in labour law, from what it would be under the law of contract under common law. So the case had less to do with the legality of the strike (which was stoutly argued) and turned on the correctness of procedures of retrenchment and dismissal.

In terms of the court's ruling, those re-instated are entitled to eight weeks' back pay. It also means that although workers may since have become redundant, retrenchments must adhere to procedures agreed to by the parties last May.

If retrenched, the service of the employees shall be counted from the day they first started in that service. Their severance bene-

"legitimate." This is the first time wage discrimination has unequivocally come before the court. Dr David John, presiding, "required" the company to redress (before the end of August) the lower wages it pays black employees doing the same jobs as other workers — unless length of service is a factor.

Sacwu, an affiliate of the National Council of Trade Unions, described the order against Sentrachem as "a major victory against racism." Such discrimination on the shop floor, says secretary Humphrey Ndaba, means it is ridiculous to expect unions to remain aloof from politics.

The second order requires the company to reinstate workers who were sacked during a wage strike in 1986.

The court's rulings are not binding and, while there is no appeal, they may be taken on review to the Supreme Court. According to a labour lawyer, the Supreme Court doesn't like overturning industrial court findings.

The Sentrachem case stemmed from a nine-week wage strike that began on May 12 1986. The company issued dismissal notices on July 8 (terminating the employment contracts) and offered to re-employ any applicants by the deadline on July 15 (which marks the end of the employment relationship).

The re-instatement order reaffirms the principle of industrial court protection of

fits "shall be in accordance with the last offer by the company to the union on this subject." Thus, retrenched employees will:

- ☐ Be given formal notice in terms of the applicable statutory notice period, plus one month. They will be granted pay for that time;
- ☐ Be paid one week's wages for each completed year of service;
- ☐ Be paid their contributions to the pension fund, plus 6% compound interest, increased by 100%; and
- ☐ Their annual bonus on a pro rata basis.

The re-employment of the 17 applicants not re-hired for disciplinary reasons will be subject to hearings.

Meanwhile, Cosatu's lawyers are working flat out preparing a legal challenge to the restrictions government recently placed on the union federation. Papers could be in court before the weekend.

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FM 4/3/88

355

wage discrimination and in the course of negotiations proposed to use R1,5m towards removing it. During the hearings, the total cost of doing so was estimated at about R4m.

"If the company accepted that this was the cost of removing discrimination, it presumably recognised its existence without a formal definition of it," said the court.

The court says the company's approach appeared to be that the parties should investigate the matter at plant level and isolate cases of discrimination. The union, however, held that since wages were negotiated centrally, it was up to the company to instruct its plants to remove discrimination. "This is not an unreasonable approach," according to the court. It says, therefore, that the union was justified in regarding as a stalling tactic the company's insistence on a definition of wage discrimination.

The court reiterated: "There is no doubt that wage discrimination based on race, or any other differences between workers concerned other than their skills and experience, is an unfair labour practice."

The applicant's reference to the International Labour Organisation (ILO) Convention on this subject — on which the Wiehahn Commission based its guidelines that were accepted by government — was noted. "There are, however, limits," said the court and interestingly quoted Article 1 of the ILO Convention, which states: "Any distinction, exclusion or preference in respect of a particular job based on the inherent requirements thereof is not deemed to be discrimination."

The company contended that no order should be made on this aspect of the case, because no proof of discrimination had been submitted. And, indeed, it committed itself to removing discrimination in time.

The union, however, pressed for an order requiring the immediate elimination of discrimination and said it was prepared to take to arbitration any alleged breaches of that order. The union pointed out that it had been seeking an end to discrimination since negotiations began in 1984.

In finding for the union, the court felt "there should certainly have been greater efforts by the respondent to remove the discrimination which itself acknowledges to exist and which it would not be beyond the capabilities of its management to ascertain."

WAGE DISCRIMINATION

Plugging the gap

Great attention was focused on trying to define the meaning of wage discrimination or wage gap in the key industrial court case recently concluded between Sentrachem and the SA Chemical Workers Union.

For the company, which was given six months to eliminate racial wage disparities, the gap appeared to mean the difference in average between the wages of whites and of blacks, the court observes.

The union saw the wage gap as sometimes the same as wage discrimination and sometimes not. In evidence, the union's national organiser, Manene Samela, gave wage gap this meaning: the difference between the grades, that is, the difference between the minimum rate paid for grade 19, compared, for instance, with the minimum rate for grade 11.

Discrimination, he said, "is where you find that the workers are doing the same job, but they are not paid the same wage." Samela compared the position of black process operators at Newcastle, who were running the panel, with the senior process controllers, who were supervising but not operating, and the difference in wages between the two was between R400 and R600, which the union regarded as discrimination.

The company made much of the need for a definition of wage discrimination before the issue could be properly tackled.

The union did not see the necessity for such a definition. Nor, said the court, did there appear to be a need for one if the company agreed (as it did) that there was

Govt spends R13bn on civil servants

Cape Times 4/3/88 355

HOUSE OF ASSEMBLY. — The government is to spend R13 000 million on state officials this year.

Making the announcement, Mr Albert Nothnagel (MP Innesdal) yesterday thanked state officials "for the positive role played by them in the administration of the country".

State employees were suffering due to the wage freeze, he said. Many of them were in a low-income class, earning under R10 000 a year.

"We must look at methods to help officials to buy their own houses."

● Mr Clive Derby-Lewis (CP nominated) said the motives of Mr Nothnagel in proposing the motion were "shallowly obvious".

Coming as he did from a Pretoria constituency, he was trying to blunt the consequences of the recent government freeze on civil servants' salaries.

● Civil servants were expressing their fears to the Conservative Party about intended privatization in certain government sections, Mr Chris Jacobs (CP Losberg) said yesterday.

"Why does the government not tell civil servants what will happen to them if their sections are privatized ... will they be retrenched, will they have new bosses, or what?" he asked.

● Mr Roger Burrows (PFP Pine-town) said it would take centuries before there was an equitable distribution of all population groups in state departments.

He said he accepted the government's assurances that the public service was open to all races.

● The time had arrived for state officials to be given the right to unionize and to negotiate on their service conditions, Mr Arrie Paulus (CP Carletonville) said yesterday. — Sapa

DON'T DESPAIR — after years of falling disposable income, pay rate rises are looking healthier for 1988.

Good news in wage packets

Wage and salary increases will reach their highest levels since 1982. This emerges from a nationwide survey of 461 companies undertaken by P-E Remuneration Services, a division of P-E Corporate Services.

"Increases in salaries this year will average 15 percent compared with 14 percent in 1987 and 11,8 percent in both 1986 and 1985," says Naomi Brehm, manager of P-E Remuneration Services.

According to Ms Brehm a number of factors affect salary increases. Among these are the Consumer Price Index (CPI), the state of the general economy, coupled with each company's ability to pay.

The State President's call for restraint in salary increases most probably came too late as more than 60 percent of the companies surveyed had already announced wage and salary increases at the time of the President's call.

The highest percentage increases are projected for the mining industry (16,2 percent) and for financial institutions (16 percent) while the lowest projected increases are in the construction industry (11,9 percent) and in non-profit organisations (12,8 percent) which are both suffering from a lack of available funds.

People working in Johannesburg will receive the highest projected increases at about 15 percent while the OFS/Northern Free State and Eastern Province can expect the lowest projected increases at 14,4 percent and 14,6 percent respectively.

Hourly paid black and data personnel staff can expect to receive the highest increases in all categories of staff — 16,3 percent and 15,4 percent respectively.

"This is a reflection of the need to close the wage gap and to improve minimum wage levels. The activities of trade unions also contributed to further improvements in this field," says Ms Brehm.

This is particularly evident in the mining industry and in service industries where increases of approximately 18 percent are forecast.

The increase in salaries for data personnel are a function of the supply/demand situation and the increasing awareness among all organisations, but particularly financial institutions, of the strategic importance of skilled personnel.

Ms Brehm said it was becoming increasingly clear that companies were employing remuneration policies as part of their strategic initiatives to improve competitiveness and productivity.

Left untold smaller investors

Govt's salary freeze draws teacher anger

B/day 7/3/88
 GERALD REILLY

PRETORIA — Teachers' anger at the salary freeze burst out at the weekend in a Teachers' Federal Council (TFC) statement strongly condemning government's inability to handle the salary problem.

TFC chairman Dudley Schroeder said the council was deeply concerned at the accelerating drain of high-level teachers into other occupations and the impact on teachers' morale of government's failure to get to grips with the problem.

National Education Minister F W De Klerk declined to comment on the statement at the weekend saying he would react after a further meeting with the TFC.

Schroeder said a huge backlog had developed in teachers' pay compared with other sectors. Delays in implementing occupation-specific adjustments were inexcusable.

Government had refused to commit itself to wiping out the backlog.

The R215m allocated for specific adjustments to the entire government sector was "a drop in the ocean". If the whole amount was used for increases for

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Govt's salary freeze draws teacher anger

teachers, salaries would rise by only 3.5%, he said.

Schroeder said the council would in future co-operate in negotiating structures only if they were meaningful. Council condemned the pre-determined outcome of the recent meeting with President P W Botha and rejected it "in the strongest possible language".

Council had grave doubts about whether government-repeated assurances

that education was a matter of priority and that standards would be maintained were still valid.

The council condemned the "disinformation and misrepresentation" which gave the impression that notch-increments were comparable with cost-of-living adjustments. The adjustments affected less than half the teacher corps.

● From Page 1

Labour Update

THE SA Chemical Workers' Union is considering conditions set down by Cremark Chemicals for the re-employment of 65 workers dismissed by the company after a strike.

Union takes stock

Any applications still vacant thereafter would be considered on merit.

Sacwu publicity secretary Mr Humphrey Ndaba said management submitted the conditions at a meeting between the two parties last week.

Bethlehem branch were fired on February 15 after they downed tools in protest against the dismissal of 10 workers. The 10 were allegedly involved in a go-slow in protest against a deadlock in wage talks between the union and management.

Mr Ndaba said: "The company said it would not re-employ employees dismissed as a result of disciplinary hearings. However, the company said it invited the employees concerned to appeal against the action taken and would hold appeal hearings if requested."

employees sacked as a result of the subsequent strike included that:

- The employees concerned agree to maintain normal working conditions and rates;
- Applications for re-employment would be received immediately;
- Re-employment would commence between March 7 and 11;

Cremark chief executive, Mr Allan Cohen, said this week that no recognition agreement had been signed with Sacwu at the Bethlehem branch, and no date had been set for wage increases.

The company was not negotiating with the union till the recognition agreement was signed.

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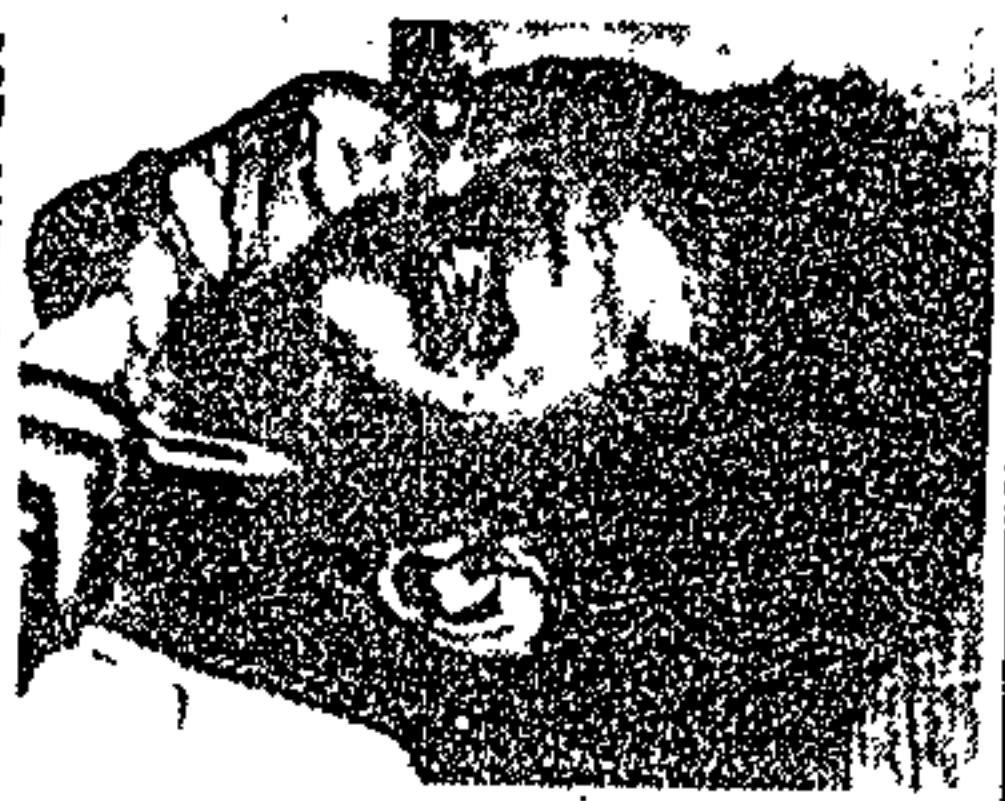
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The company was not negotiating with the union till the recognition agreement was signed.



MR NDABA... studying conditions set by management.

UNIONS SAY 'NO' TO BOTHA

Sowetan
9/3/88
355
KOP

TWO Congress of South African Trade Unions affiliates have turned down the State President's invitation to a meeting to discuss "salaries and wages."

The unions are the Transport and General Workers' Union and Chemical Workers' Industrial Union.

The meeting, scheduled to take place in Cape Town today, comes in the wake of the Government's decision to impose a wage freeze in the State sector.

A CWIU spokesperson confirmed that the union had received Mr P W Botha's invitation but said the Cosatu affiliate

By LEN
MASEKO

would not send any representatives to the meeting.

The TGWU said in a statement that it had decided not to attend the meeting for the following reasons:

'Timing'

- It was inappropriate for the State President to extend an invitation to a Cosatu-affiliated union when the Government had "just imposed restrictions on Cosatu's ability to participate around issues" directly affecting workers;
- The invitation was

"ill-timed" in the light of the Labour Relations Amendment Bill presently being discussed in Parliament. This Bill aimed to "severely restrict the scope of trade unions' activities and abilities" to serve their members effectively;

- Any discussion with the Government about wages and salaries would be "severely compromising" because the Government had already announced wage freezes on members of other unions.

The State President's office had not responded to the *Sowetan's* inquiries about the meeting at the time of going to press.



PRESIDENT Botha.

Govt staff pay fears 'confirmed'

9/3/88
355 GERALD REILLY 8/8011

PRETORIA — Recent surveys have confirmed the fears of public sector workers that commerce and industry will pay only lip service to President P.W. Botha's appeal for moderation in salary, wage and price rises.

P.E. Remuneration Services found after a recent poll among 500 companies that the average salary and wage hike this year was expected to be 15%.

Federal Council of Sats Trade Unions general secretary Abe Koekemoer said: "Government can appeal until it is blue in the face, but market forces will determine earnings levels in the private sector. And this is what we are asking for — market-related salaries."

Public Servants Association president Colin Cameron said the survey supported the fear that Botha's appeal for curbs on big salary hikes would be ignored by commerce and industry.

DD 9/13/88

Unions expect a pep talk from PW today

Daily Dispatch Correspondent

JOHANNESBURG — The State President, Mr P. W. Botha, has invited the entire spectrum of South African trade unions to meet him at Tuynhuis today for what unionists expect will be a pep talk on the need to exercise restraint in wage demands this year.

The discussions come amid growing fears by the public sector unions that the private sector will pay no more than lip service to President Botha's appeal for restraint, and that they will be the only ones to suffer in any anti-inflation campaign.

Unions on the invitation list include affiliates of the mainly black Congress of South African Trade Unions (Cosatu) and National Council of Trade Unions (Nactu), the right wing South African Confederation of Labour as well as non-aligned artisan and other unions such as the South African Boilermakers' Society, the Amalgamated Engineering Union and the South African Electrical Workers' Association.

However, Nactu and the Cosatu unions said yesterday they would not be attending the gathering.

The invitation was not specific on the agenda for the meeting, stating merely it was "for a discussion on salaries and wages".

Unionists who will be attending were reluctant to comment on the stance they would adopt.

One said, though, he

was expecting President Botha to appeal to their sense of patriotism, and to make financial sacrifices to reduce the inflation rate.

However, he said, unionists recalled a similar prime ministerial appeal in the mid-seventies to which they adhered. But prices had kept on rising leaving them the losers, and they were likely to be more sceptical about the expected appeal today.

He added that it was possible President Botha would threaten them with a wage freeze if they did not co-operate.

He said he did not believe this was a real possibility as the Minister of Finance, Mr Barend du Plessis, had already assured them and businessmen that the government would not interfere with the collective bargaining process.

One Cosatu unionist speculated, though, that Mr Botha could be planning something dramatic for today given that it was the first time he had ever invited Cosatu unions to meet him.

Spokesmen for Nactu and four Cosatu unions which could be contacted yesterday con-

firmed they would not accept the invitation. Only one, Cosatu's Transport and General Workers' Union (TGWU), gave reasons for this decision.

A spokesman said in the light of recent government attacks on Cosatu's activities, particularly through the restrictions imposed two weeks ago, the union was amazed Mr Botha had even considered such a meeting with them.

His invitation was therefore totally inappropriate.

It was also ill-timed in the light of the Labour Relations Amendment Bill, now before parliament, which aimed further to restrict union activities.

Furthermore, discussions around wages and salaries would be severely compromised by the fact that the government had already announced wage freezes on members of other unions.

A spokesman for the office of the state president confirmed that President Botha would be meeting "a few trade unions" today, but declined to comment further.



MR BOTHA

Strike after R14 ³⁵⁵ monthly wage ~~10~~

GRAHAMSTOWN. - Workers at a clothing factory in Peddie went on strike at the end of last month after some of them received as little as R14 a month for their work. 10-16/3/88

Workers at Kei Carpets in Peddie were paid R100 a month, or alternatively R80 if the payday was on the 25th of the month.

A white supervisor introduced a new payment procedure. She said each worker had to produce a complete jersey before getting R14 for it.

Ms Nkosazana Nonyukela said the supervisor told some workers to re-knit a jersey because it was not good enough.

"Sometimes we would make only one jersey a month, so we would only be getting R14 a month," said Nonyukela.

Workers then decided to leave the factory.

The owner of Kei Carpets, a Mrs Cutler, said they had introduced piecework only paid workers for each item they finished.

"Most of our workers make about ten to 12 jerseys a month, and only those who are weak do not measure up," said Cutler.

She said not all of the workers who left the factory had done so because of the strike. - ANA

Recruits 'In a million' abscond

South 10-16/3/88

By KURT SWART

THE Cape Town City Council is believed to have spent more than a million rand on a recruiting drive for white immigrant staff, a SOUTH investigation has found.

A SOUTH probe into racial discrimination in City Council employment also revealed that many white Zimbabweans were allegedly recruited in positions that could have been filled by existing "coloured" staff, and that few "coloured" employees occupy highly-paid positions in the council hierarchy.

A council official involved in recruitment, Mr Charles Egner, confirmed that of 11 senior accountants recruited, only three are still in the employ of the council.

Moving

Also revealed is that of a total staff complement of about 15 000, only about 150 are African.

In 1981 the council allegedly spent more than R500 000 to recruit staff in the United Kingdom, sources say.

A further R500 000 is believed to have been spent on moving the employees, their families and belongings to South Africa.

The employees, mostly professional staff, were given six months to find permanent housing.

The council paid all their accommodation costs in the six months they were given to find permanent accommo-



Cape Town Civic Centre ... A bastion of white privilege

dation, according to sources.

These employees were allowed to visit the UK once a year - again at the council's expense.

Most of the staff recruited then no longer work for the council. A few of the recruits "absconded" by not returning from their overseas holidays.

Whites, who had moved to South Africa after Zimbabwe's independence, were employed by the council in the lower administrative positions.

Council employees interviewed this week claimed there was a pool of "coloured" messengers with matric who could

have been upgraded into these positions.

In response to the allegations, the Town Clerk Dr S Evans confirmed that a recruitment project was undertaken in the United Kingdom but said calculating the cost was "complex".

Attract

He said the recruitment was to attract highly-specialised staff whose skills were in short supply in South Africa.

Local and national recruitment and advertising campaigns for staff in these occupations failed.

"It's very difficult to attract people for these positions," he said.

Less than seven percent of staff recruited overseas had absconded, according to Evans.

"It's of little concern that many are no longer with this Council as 93 percent completed their three-year contract thus fulfilling the basic objective of the project."

He said the conditions of these contracts were considered confidential.

"During this period the recruited employees also trained local staff and made valuable contributions to the needs of the city."

All appointments were based primarily on merit

and the council was opposed to all forms of racial discrimination. There was equal pay regardless of sex or race, he said.

However, a survey of council employment statistics shows that of the total "coloured" staff of about 11 000, 9 846 or 81 percent earn below R15 000 a year, whereas of the approximately 4 000 whites employed, 1 032 or 26 percent earn below R15 000.

Of those earning above R25 000, 1 140 are white, 117 are "coloured" and three are African. Of the 150 African employees only 29 earn above R15 000 a year.

Experienced

Asked why the number of African employees was so low, Evans said "coloured" and white persons had traditionally supplied council's need and Africans had not applied in great numbers.

Only 19 percent of "coloured" staff earned above R15 000 because the council had to take into account the required qualifications and experience when appointments or promotions were made.

"The council, and myself, personally resist any form of racial discrimination where merit prevails. Qualification alone in many cases is not sufficient when others have the appropriate experience needed.

"We have to have people to do the job in the best way we can get it done," Evans said.

Labour Update

TOUGH GOING IN PAY TALKS

Sowetan 10/3/88

By LEN MASEKO

WAGE negotiations in the metal industry are expected to be "extremely difficult" this year, say employers.

The Steel and Engineering Industries Federation of SA (Seifsa), which represents 9 000 firms employing about 320 000 workers, is bracing itself for tough negotiations with 15 trade unions on March 15.

Seifsa executive director, Mr Brian Angus, says: "Seifsa is nevertheless determined to reach a fair settlement with the unions. One of

the key factors in determining the outcome of this year's proceedings will be whether the trade unions — and in particular the National Union of Metalworkers of SA (Numsa) — will be prepared to negotiate in good faith."

Seifsa hoped that confrontation would be avoided on either side "as this is counter-productive and even dangerous."

The International Metalworkers' Federa-

tion of SA (IMF) will table at the coming wage talks demands jointly formulated by — among others — the Steel Engineering and Allied Workers' Union and Numsa.

IMF official, Mr Brian Fredericks, was not available for comment yesterday.

A Numsa spokesman said they would demand, through the IMF, a minimum wage of R5 an hour and an across-the-

board increase of R1,50 an hour.

He said: "The manufacturing side of Seifsa increased profits by 56 percent during the 1986/87 period. So it is quite clear that the employer body is in a position to grant substantial wage increases which will go above the cost of living."

Mrs Jane Hlongwane, Seawu general secretary, said her union had formulated joint demands with other IMF affiliates participating in the metal industry's industrial council.

South 10-16/3/88

Samwu official killed in accident

A PROMINENT member of the National Executive Committee of the South African Municipal Workers' Union (Samwu), Mr Elias Molema, was killed in a car accident on the road between Klerksdorp and Potchefstroom in the early hours of Monday, 19 February.

The deceased and four fellow unionists were on their way-home from the first NEC meeting of Samwu.

Molema had been a leading member of the Transport and General Workers Union (TGWU) and played an important role in the formation of a national union for Municipal Workers. He helped to launch Samwu in October 1987.

His funeral will take place at Pietersburg on Saturday, March 12.

South 10-16/3/88

Big increase for knitting workers

WORKERS at an Atlantis factory are to get an increase which is 37 percent higher than their Industrial Council minimum.

The increases were negotiated by the Amalgamated Clothing and Textile Workers Union of SA (Actwusa) for workers at the Rotex knitting company.

Lowest paid workers are to start with R85, which is R23 more than the Knitting Industrial Council rate.

Last year, Actwusa took the Rotex management to court when their recognition agreement was cancelled in favour of the then Garment Workers Union.

Council messengers protest over promotion

MANY employees of the Cape Town City Council are angry with their present salaries and slow rate of advancement. Many believe they are victims of subtle racial discrimination.

Staff with matric qualifications and years of experience at the council are often overlooked when higher posts become available, employees say.

"White matriculants from outside the council are often employed despite the fact that some of us have been applying for these positions for many years."

Others said many whites, who had moved to South Africa after Zimbabwe's independence, were employed by the council in the lower rungs of the administration ahead of lower-earning "messenger" staff who could have been upgraded into these positions.

"Some have been applying for about five years for promotion when posts become available. They are interviewed but an outside person always gets the job," a staffer said.

It is claimed an administrative officer told an employee that messengers were not

capable of doing clerical work.

Last year a group of messengers petitioned the Town Clerk, Dr Stanley Evans, to address their grievances.

In documents in SOUTH's possession, messengers expressed concern about their promotion prospects.

They said they had been consistently overlooked for promotion despite their in-house training and experience.

Costs ineffective

"We are convinced, because matriculants from outside the service with no municipal experience are appointed to more senior posts than ours, that sufficient grounds exist for us to be more gainfully employed."

"Since newcomers to council still have to undergo a period of orientation, it's both cost ineffective and morale destructive for matriculants within the council's service to be treated with such disdain," the documents state.

Employees had the necessary qualifications and others had gained qualifications

in the hope of promotion.

Most of the petitioners had been awaiting promotion for about four years. But, in a period of only six months last year, no less than 83 people were recruited from outside the council to fill the posts in question.

"The net result of such treatment is frustration, demotivation and demoralisation," the petition stated.

The documents contain a list of 83 names of staff recruited externally between January and June last year.

In his reply to the messengers, Evans admitted the figure of internal candidates promoted in contrast to outside appointments "may look a bit low".

"But it does depend on the variety and depth of experience offered as well as the matriculation or any post-matriculation qualifications."

He said he would ask the personnel office to remind heads of departments that where qualifications and experience were equal, preference should be given to internal promotion rather than new appointments.

Council's jobs racist?

Smr 10-16/3/88

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SHOCK claims of racist employment practices in the City Council have been made by staffers interviewed in a SOUTH probe.

Also revealed this week are that:

- Council is believed to have spent more than a million rand on recruiting immigrant white staff from Britain;
- Immigrant staff are believed to have visited the UK once a year at council's expense;

Full story page 2

- Some of the whites recruited later absconded;
- Only about 150 Africans are employed out of a total staff complement of 15 000;
- Angry "coloured" messengers petitioned the Town Clerk on the lack of promotion; and
- Many other "coloured" staffers say they have been overlooked in favour of new white recruits.



Trojan claim shock

By AVESHA ISMAIL

THE families of two boys killed in the Trojan Horse incident in Athlone in October 1985 will be making a civil claim only for funeral costs — which may be less than R1 000 in each case.

Lawyers are preparing the claims after an inquest court in Wynberg found last week that police had been negligent and consequently responsible for the death of Shaun Magomed, 16, Michael Miranda, 11, and

Jonathan Claasens, 21.

The three died after police hidden on the back of an unmarked truck opened fire on a group on the corner of Thornton Road and St Simon Street.

No action has yet been taken against Lt Douw Vermeulen or the eight men who were under his command at the time of the incident.

Lt Attie Laubscher, the Western Cape police liaison officer, said the matter had been referred to the At-

tonney-General

"We cannot comment on whether the policemen would be charged with murder or culpable homicide," Laubscher said.

A lawyer acting for the families of Michael Miranda and Shaun Magomed said they could claim for funeral costs only because the two were minors.

No claim was being prepared for Claasens because his family was not represented at the inquest.

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CHRIS CAIRNCROSS

CAPE TOWN — President P W Botha yesterday warned trade union leaders to "guard against excessive wage and salary" demands this year and appealed for co-operation in the battle to combat inflation.

He delivered his warning at a meeting at Tuynhuys in Cape Town — held at his request — with the representatives of 22 SA trade unions.

Several unions (mainly black), including Cosatu, did not attend the gathering because it was alleged the meetings were to be split in two, one for predomi-

PW cautions union leaders

nantly white unions and the other representing blacks.

During the meeting Botha also called on the union representatives to assist in overcoming excessive price increases by "cultivating a spirit of price awareness among their members".

In a statement released after the meeting Botha said he had informed

● To Page 2

10/3/88

PW warns unions against excessive demands

trade union leaders that government was preparing legislation to provide increased powers to organisations such as the SA Consumer Council to act in the interest of the consumer.

Referring to those trade union leaders who refused to accept his invitation to attend yesterday's meeting, Botha stressed the issues on the agenda had

concerned matters of vital economic importance in the interest of SA.

Botha said those who did not attend the meeting missed the opportunity of making a contribution towards maintaining a sound SA economy.

D/D 10/3/88

Botha warns unions

CAPE TOWN — President P.W. Botha yesterday warned trade union leaders to "guard against excessive wage and salary" demands this year and appealed for co-operation to combat inflation.

Mr Botha's warning was delivered at a meeting with the representatives of 22 South African trade unions.

The meeting was boycotted by several, mainly black unions. It was understood the meeting was to be split in two, one for predominantly white unions and the other for blacks.

Mr Botha also called on the unions to assist in overcoming excessive price increases by "cultivating a spirit of price awareness among their

members".

Mr Botha indicated that he had informed the trade union leaders that the government is preparing legislation to provide increased powers to organisations.

Mr Botha said that those who did not attend missed the opportunity of making a contribution towards maintaining a sound economy. — DDC

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PUBLIC SERVANTS

First figures

Barend du Plessis has revealed that public sector remuneration is expected to cost R13,4bn in 1987-1988, 34,9% of total estimated State revenue.

The figure, coming months ahead of official statistics, shows that about 700 000 employees in the "exchequer personnel corps" cost R9,7bn in wages and salaries, R594m in bonuses, R449m in housing subsidies, R215m in medical aid contributions, R1,8bn in pension fund contributions and R605m in other benefits.

The R13,4bn total is 153% more than five years ago, when R5,3bn amounted to 28,8% of total State revenue.

The exchequer personnel corps, which excludes public corporations such as Sats and Posts and Telecommunications, employs

NO NON-RESIDENT TAX

The *FM* last week wrongly said that non-residents' tax is payable on interest on Eskom stock. The error is regretted.

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about 50 000 who are classified as teachers, nurses and labourers.

Du Plessis was replying to a question from Albert Nothnagel, NP (Innesdal).

PW's warning to unions

Political Staff

CM 17/10/88 10/3/88 10/3/88

PRESIDENT P W Botha yesterday warned trade union leaders to "guard against excessive wage and salary" demands this year and appealed for co-operation in the battle to combat inflation.

His warning was delivered at a meeting at Tuynhuys in Cape Town — held at his request — with the representatives of 22 trade unions.

The meeting was boycotted by several, including Cosatu. One of the reasons, apparently, is that it was understood the meeting was to be split in two, one for predominantly white unions and the other representing blacks.

During the meeting Mr Botha also

called on the union representatives to assist in overcoming excessive price increases by "cultivating a spirit of price awareness among their members".

In a statement released after the meeting, Mr Botha indicated that he had informed the trade union leaders that the government is preparing legislation to provide increased powers to organisations such as the SA Consumer Council to act in the interest of consumers.

Mr Botha said the issues on the agenda had concerned matters of vital economic importance. Those who boycotted the meeting, had missed the opportunity of contributing to maintaining a sound economy, he said.



Sowetan 11/3/88

THERE is still hope, say the Sacwu workers dismissed by Sasol.

SCARRED... THEY WAIT IN POVERTY

ON October 1 1987 about 2000 workers at Sasol in the Free State went on strike over wages. The next day they were dismissed. Six months later — and still out of work — many bear the scars dating back to the day they made their demands.

Mr Clean Gungubele (38) walks with the aid of crutches. Although he broke his right ankle on October 2 last year, he still needs those crutches. His doctor says the ankle will take a long time to heal.

Mr Gungubele, a soft-spoken man who started working for Sasol in 1976, told the story as it happened on October 2 when about 20 armed men attacked him and his comrades at Hostel 4, at Zamdela township in Sasolburg.

"They came there armed with an assortment of weapons and we formed a human wall to defend ourselves. We had to retreat and run for it as a shot was heard.

FOCUS

By **THEMBA MOLEFE**

"I saw Ngceto Sexabaxi fall. He was shot in the eye. He has since lost sight of the eye.

"They trampled on my body as I fell and I broke my leg," Mr Gungubele said.

Mr Gungubele is perhaps one of the lucky few who escaped with minor injuries.

One of the 2000 members of the South African Chemical Workers Union (Sacwu) at Sasol, Mr Ndiko Marune, died inside a police van at the height of vigilante activity which followed the strike action.

The police confirmed that he collapsed and died while being transported to the Sasolburg police station. The cause of death was unknown, they said.

Sacwu shop stewards interviewed in Zamdela said the vigilantes who

were bent on "hounding Sacwu" out of the township," were stopped when the union's lawyers intervened and the South African Police took action.

Sacwu officials said the events which led up to the violence which also saw ordinary Zamdela residents caught in the middle as petrol-bomb attacks escalated and houses were destroyed because they accommodated dismissed workers, began with a 2 pm return-to-work deadline issued by management on October 2.

The workers had downed tools after deadlock was reached over wage demands.

Bail

The workers demanded a R200 across-the-board increase after moving down from R300. Management's offer was R100 across-the-board. Workers said they earned a minimum R470 a month.

A dispute was declared and the workers went out on strike.

Since that day many union members were detained, others were arrested and charged with intimidation and later released on bail.

The union, an affiliate of the National Council of Trade Unions, said it paid R1200 to secure the release of four of its members. One of them is a widow, Mrs Florina Nketu.

On February 3 this year, two shop stewards, Mr Michael Magazi and Mr Edward Kau were released from state of emergency detention. They were detained on November 10 and November 7 respectively. Meanwhile, the workers, still hoping that all



MR CLEAN Gungubele... broken ankle.

channels to have their jobs back have not been exhausted, wait as Sasol continues with recruiting new workers.

They say they have since been evicted from the two hostels owned by the company and had to move into the squalor of the accommodation rented from the council of Zamdela.

On January 27, the workers say, they received letters from Sasol inviting them to reapply for their jobs. Those with experience and who had worked for the company before would be given preference.

Hope

This was not to be as many of them who bothered to apply were replied by telegrams. They would regretfully not be given jobs. However, their interest in the company was appreciated, the telegrams said.

On March 16 and 17 a conciliation board appointed by the Minister of Manpower will sit to hear the dispute.

This is one thread of hope which many of the 2000 Sacwu members are clinging to.

Meanwhile, many had had to return to their homes in the homelands and wait in poverty there.

The Sowetan found others at a bar in Zamdela, drinking their sorrow away.

As one of the workers put it: "Our sin was to demand better living wages. Now we live like helpless humans with nothing to depend on except handouts."

• Sasol management yesterday confirmed a conciliation board meeting with Sacwu was scheduled for later this month.

A spokesman said it was committed to resolving the matter but said the company expressed its dismay at Sacwu's "steadfast refusal to accept the Sasol offer to fill some vacancies at their plants with dismissed Sacwu members."

"Some of the vacancies had therefore of necessity been filled by recruiting from sources other than dismissed workers.

"The union throughout these negotiations not only rejected all the proposals for the employment of dismissed workers but also insisted that Sasol fire newly-recruited workers," management said.

The company said the demand was unrealistic and would have been grossly unfair to the new employees.



Political comment in this issue by J Latakgomo and A Klaaste. Sub-editing, headlines and posters by S Matlhaku. All of 61 Commando Road, Industria West, Johannesburg.

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Ccawusa demands a R700 minimum wage

355 8/00 11/3/88
BRONWYN ADAMS

THE Commercial Catering and Allied Workers' Union (Ccawusa) has demanded an across-the-board wage increase of R300 — advancing minimum wages from R400 to R700 — from OK Bazaars in the annual wage talks which began this week.

A union spokesman said other proposals included a five-hour reduction in the working week to 40 hours, an increase in commissions from 3% to 10% and a basic salary of R650 per month for commission-earners, a doubling of staff discounts from 12% to 25%, a full 13th cheque, and no PAYE deductions.

OK Personnel director Keith Hartshorne would not comment on the union demands.

Straight talking at the Tuynhuys

B/daw
11/3/88
(155)
(155)

Unions seem set to hold firmly to course



PRESIDENT P W Botha's appeal to trade unions for wage restraint was unlikely to change the unions' approach to collective bargaining, SA Boilermakers' Society president Ike van der Watt said yesterday.

Van der Watt, who was present at the meeting with Botha at Tuynhuys on Wednesday, said the union representatives had told the President they had always acted responsibly and with restraint.

They had pointed out that increases won by their members in recent years had failed to keep pace with inflation.

ALAN FINE

Unless there was some method of curbing price increases they would be forced to continue to try to keep pace with cost of living increases, he said. Van der Watt said if unions did exercise greater restraint the proceeds would merely end up in the pockets of shareholders.

Nactu statement

Another source said a speaker had told Botha his call for restraint had merely given employers a new weapon with which to beat the unions. Botha reportedly responded that this was not the intention and he would tell employers so.

The meeting was attended by 22

unions, of which the Boilermakers was the largest. It is believed 46 had been invited but a number, mostly the Cosatu and Nactu unions, had refused to attend.

Nactu said yesterday it would have nothing to do with government as long as apartheid existed. Further, there was no way in which Nactu could talk to the State President while Nactu members were in detention and action had been taken against legitimate people's organisations and their members.

In addition, the Labour Relations Amendment Bill now before Parliament, which aimed at seriously restricting trade union activities, made the whole idea of meeting the State President a futile exercise.

Cape Times 11/3/88
Teachers on wages *222* *35*

PRETORIA. — Teachers believe that progress has been made in negotiations for better salaries, and the Teachers' Federal Council is prepared to co-operate with the government "to ensure the final and urgent elimination of the present backlog".

Mr Dudley Schroeder, TFC chairman, said the council appreciated the confirmation by the Minister of Education, Dr G Viljoen, that there were shortcomings in the negotiation mechanisms, but that these would be identified and corrected.

He said the agreement reached provided "a satisfactory basis for the continued co-operation of the council in existing structures". — Sapa

The council secretary, Mr Cas Naude, reported pected that the council conducted inspections of dairies supplying

D/D 12/3/88

Fort Jackson limpet blast: responsibility not claimed

Daily Dispatch Reporter

EAST LONDON — No-one has claimed responsibility for the three limpet mines that exploded at a Fort Jackson electrical substation five days ago.

spokesman, • Colonel G. A. Ngaki, said it was not known who had planted the mines that destroyed a prefabricated shed and slightly damaged another building.

planted, three exploded destroying the roof, an iron door and most of the wall panels of the pre-fabricated shed.

No-one was injured during the incident, which occurred on Monday night.

A Ciskei Police Of the four mines

D/D 12/3/88

King workers walk out after dispute with management

Daily Dispatch Reporter

EAST LONDON — Workers at the Anglo Cafe and Bakery in King William's Town staged a walkout this week after declaring a dispute with management over the mistreatment of workers.

The regional organiser of the Commercial Catering and Allied Workers' Union of South Africa (Ccawusa), said a

worker in the take-away department had complained to the owner of the bakery, Mr Reno Psiloyenis, of verbal abuse.

He had been told to sort out the problem with the manager concerned.

The manager, he added, then ordered a few of the take-away workers off the premises and 31 workers had walked out in sympathy.

Mr Psiloyenis, who said he had laid charges of intimidation of customers and employees with police, denied that any of his staff had been fired.

He said the workers had not followed the correct grievance procedure and no notice of dispute had been given.

"As far as I am concerned they dismissed themselves by walking out," Mr Psiloyenis said.

Advocate W Schreiner, SC, is the adjudicator. Mr John Myburgh is appearing for the Anglo mines — Vaal Reefs Exploration and Mining Co Ltd, Western Deep Levels and Free State Consolidated Gold Mines.

Mr Martin Brassey, assisted by Mr J Strauss, is appearing for the NUM.

The applicant is suing on its behalf and those of its members who were dismissed between August and September last year. Altogether 38 000 workers were involved.

Unrest

In the statement of the case, it is submitted that in and during September the dismissed employees tendered to return to their employment but the respondents (AAC) refused to reinstate, alternatively re-employ them before September 12.

It further states that because of the dismissal and failure to reinstate the employees they had been adversely affected.

The employment opportunities, work security, economic and social welfare of the employees had been prejudiced or jeopardised.

Labour unrest had been or may be created and the relationship between the applicant, its members and the dismissed employees on the one hand and the respondents on the other hand had been or may be detrimentally affected.

"In consequence, by dismissing the employees, alternatively by failing to reinstate or re-employ them before

SAPA

September 12, the respondents have committed unfair labour practices," the statement said.

On January 5 this year the applicant and the respondents submitted the dispute to adjudication.

The respondents admitted yesterday that during August 18 to September 1987 about 38 000 employees were dismissed at the three mines.

Refused

"During May, 1987 the applicant and the Chamber of Mines commenced their annual negotiations on the question of wages and other conditions of employment.

The parties were unable to reach an agreement on wages and hours of work and the applicant declared a dispute and applied for the appointment of a conciliation board.

"A conciliation board was appointed but was unable to resolve the wage dispute, the applicant having refused the final offer on wages and other conditions of employment.

"The applicant gave notice of its intention to call for a strike of its members in order to induce the Chamber to accede to its wage demands.

"After holding a ballot among its members the applicant instructed its members to commence a strike on August 9 at the mines administered by Anglo American Corporation."

(Proceeding).

NUM Strike: Hearing begins

THE hearing in terms of the December 21, 1987 agreement between the National Union of Mineworkers and mines administered by the Anglo American Corporation following the dismissal of workers during the strike last year, opened in Johannesburg yesterday.

500000 15/3/88

355

14/1/88



Sowetan 15/3/88

FLASHBACK: Miners during a wage strike last year.

355

Mobil in dispute

TALKS on wages and working conditions between 236 Johannesburg Chemical Workers' Industrial Union members and Mobil Oil SA have broken down with the union declaring a dispute with the company, CWIU organiser, Mr B K Mosley, said in a statement yesterday.

These annual negotiations on substantive issues are national and involve 24 depots.

Workers are demanding a monthly increase of R200 across-the-board and a minimum of R910 a month.

Disturbing

They are also demanding that the company back-date the increases to March 1, this year, as well as offering a service

allowance of R5 a month for each year of service.

"CWIU finds Mobil's attitude in the negotiations extremely negative and disturbing. The company's present offer of R155 a month has been rejected by members who say they cannot accept the same increase that they won last year.

"CWIU further believes that Mobil is not sincere in its attempt to reduce the salary-gap that exists between itself, Shell and Caltex."

Shell pays a minimum monthly salary of R780 a month and Caltex pays R735, both of these being above Mobil's minimum wage.

"These companies are also in line for negotiations this year which

could further widen this salary gap," Mr Mosley said.

CWIU will have a

dispute meeting with Mobil this Friday in an attempt to resolve the impasse.— Sapa.

Wage

Sowetan

talks

15/3/88

set to

start

today

By LEN
MASEKO

THE metal industry's wage talks, which affect about 320 000 workers, are scheduled to take place today.

The employer body, the Steel and Engineering Industries' Federation of SA (Seifsa), will negotiate for a wage settlement with 15 trade unions.

Among unions to be represented at today's talks are the National Union of Metalworkers of SA, the Steel Engineering and Allied Workers — who will table joint wage demands through the International Metalworkers' Federation of SA.

A Numsa spokesman said their demands included a minimum wage of R5 an hour and an across-the-board increase of R1,50 an hour.

Fourteen of the 15 trade unions involved in the industry's collective bargaining process agreed to wage increases of 17,7 percent "at general labourer level" last year, according to Seifsa.

Numsa rejected the employer offer last year and refused to sign the wage agreement. The Metal and Allied Workers' Union (now Numsa) has constantly refused to sign the agreement since joining the industrial council in 1983.

D/D 15/3/88

CWIU talks break down

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JOHANNESBURG — The Chemical Workers' Industrial Union (CWIU) has declared a dispute with Mobil Oil SA after talks on wages and working conditions broke down, a spokesman for the union, Mr

B. K. Mosley, said yesterday.

The negotiations concerned workers at all Mobil plants throughout the country.

"At issue are members' demands for a

R200 a month across-the-board increase with the minimum monthly pay increased to R910, a service allowance of R5 a month for each year of service, and the back-dating of the increases to March 1, 1988," Mr Mosley said.

"The company's present offer of R155 a month has been rejected.

"The Durban branch of CWIU negotiating with Mobil Oil Refinery (Pty) Ltd are also in dispute with the company.

The company's public relations manager, Mr Barry Hurt, said the union had demanded an increase of R200 a month, and the company had offered R155.

"Our offer represents an average increase of 18 per cent. This is well above the forecast inflation for 1988.

"Our minimum wage is R710 a month and the total monthly remuneration package for any employee will equate to R1 014, if we include other benefits such as housing subsidies and education assistance."

The talks are to continue. — DDC

AR645 15/3/88

NATIONAL

5,8-m working days lost to strikes

PRETORIA. — The number of working days lost because of strikes rose to 5,8-million last year from 1,3-million in 1986, said the Director-General of Manpower, Dr P. J. van der Merwe.

The increase was attributable to the large mining strike, he told a labour relations training programme organised by the research unit for labour relations of the University of Stellenbosch's management school.

Total trade union membership last year exceeded 2,1-million, or 24 percent of the labour force, Dr van der Merwe said.

Unions achieved relatively high wage settlements in the second half of last year, averaging just under 20 percent — well above the inflation rate.

Nominal

This was made possible by a conscious union push for higher wages and increased corporate profits.

But most strikes ended with unions winning at best nominal improvements over pre-strike employers' offers.

A higher level of confrontation, violence and intimidation was discernible last year. Employers were more prepared to lock out and dismiss workers.

Managements "seem to have acknowledged the strength of particularly organised black labour and appear to have been prepared to pay a premium on wages as a cost of labour peace," he said.

But employers indicated there was a limit to the amount they were able or prepared to pay in this way.

Productivity

He reiterated National Productivity Institute findings that South Africa's gross national product per capita decreased by 2,05 percent between 1981 and 1985, while that of its trading partners was increasing.

Labour productivity in the manufacturing sector decreased by 0,2 percent during the period 1982 to 1985. — Sapa.

Teachers moonlighting to stretch 'pathetic' salaries

The Argus Correspondent

DURBAN. — Many teachers are eking a living by moonlight while their pupils are doing their homework.

After the bell goes, they no longer trundle off to mark books or prepare the next day's lessons, but take on a second job, because they say they cannot survive on the "pathetic" salaries the Government pays them.

Education is the loser, as demoralised staff find they have little energy or time left to dedicate to their profession.

Those who teach have found they can also do, and have turned their hands to, jobs as varied as knitting jerseys, playing the piano for caba-rets, fixing cars, making kitchen cupboards and even compiling crossword puzzles.

Many teachers take extra lessons after school where there is a big de-

mand, particularly for maths and science and some get more money this way than through their pay packets.

Teachers are livid that in spite of their training and dedication they are not paid a fair wage. Even secretaries earn more than them.

In Durban, a newly qualified executive secretary can land a R1 450-a-month job. Yet a new teacher, with a three year degree and a teaching diploma will be paid less than R1 300.

A dedicated history teacher, who asked not to be named for professional reasons, said he had taught for 15 years after graduating from university and was still earning less than R2 000 a month.

"My wife, who is a secretary, earns more than I do, and she did a six month secretarial course," he said.

To keep their heads above water he has found a novel outlet: he compiles crossword puzzles in his free time which he markets to newspapers.

This allows him to continue teaching, he said. Most of his male colleagues who graduated with him had left the profession for better-paid jobs in commerce, he said.

The brain drain to greener pastures is alarming. At the end of last year 37 percent of male teachers in the Transvaal resigned and 10 percent in Natal.

A bitter teacher said: "We are expected to teach because we have a calling. But we still have to live."

For many, the spiralling cost of living has forced them to moonlight.

A teacher with 40 years' experience puts down his marking at the end of each day to take up knitting!

He sits at a knitting machine for about four to five hours after school churning out jerseys.

He said teachers had a raw deal, because although it appeared their hours were short, extramural activi-

ties took up a lot of time. "I'm virtually on a six-day week, five teaching and one day of sport. Three afternoons a week I stay on late and if we have a rainy Saturday I'm absolutely thrilled."

"Holidays are fine but you can't do much if you haven't the money to go anywhere," he said.

One teacher said: "To do your job properly, you need to spend a lot of time keeping up to date to make lessons relevant and exciting. Obviously, if you have an extra job, this all goes by the board."

Legally, teachers are allowed to take on extra work only if they get permission from the department. However, going through the correct channels would mean telling the taxman how much extra they make and, for some teachers, this would be financially counterproductive.

OK in wage talks

THE Commercial Catering and Allied Workers' Union of SA and OK Bazaars are scheduled to meet next week for further wage talks which will centre on — among other things — the union's demand for a R300 across-the-board increase.

OK Bazaars is expected to respond to Ccawusa's wage demands at a meeting between the two parties on March 23.

The union's demands include:

- A minimum wage of R700 a month;
- A 25 percent staff discount;
- June 16, May 1 and March 21 be regarded as paid holidays;
- Recognition of "traditional doctors";
- A 40-hour week;
- No Pay-As-You-Earn tax deductions; and
- Payment of 1987 bonuses to workers who were involved in the wage strike at the retail chain's outlet two years ago.

OK spokesman Mr Keith Hartshorne confirmed that the company would respond to the union's proposals next week.

Meanwhile, wage negotiations between Ccawusa and Pick 'n Pay are continuing, a union spokesman said yesterday.

Ccawusa has declared a dispute with Pick 'n Pay over — among other demands — wage increases of R204.59 a month, against management's offer of R120.

Source: 16/3/88

Cutback essential

SALARY increases for the civil service this year would have meant "considerable and wide-ranging" tax increases, Finance Minister Barend du Plessis explained yesterday.

Government's controversial decision had been incorrectly branded a wage freeze by the "ill-disposed and the ill-informed" and had been dragged into the political arena.

But, he said, the cutback had been absolutely essential.

He pointed out too that no civil servants had been retrenched or had lost their jobs, as had happened in the private sector, and job security with the state was therefore a "valuable asset".

Government had tried in the past few "extremely difficult" years to achieve specific objectives through increased state expenditure on

12/3/88 Political Staff Bldg

growth, job creation, housing, disaster relief and others matters.

Once the goals had been achieved, government had to reduce its economic activity in favour of the private sector.

"Failure to do this would have brought the risk of overheating the economy," said Du Plessis.

If a general salary increase had had to be financed from loans it would have meant:

- ☐ Creating money, which would have been highly inflationary;
- ☐ Current expenditure having to be financed from borrowing, to which the government was opposed; and
- ☐ An exceptionally large deficit before borrowing placing a strong upward pressure on interest rates.

Wages indaba

Sawet
17/3/58
355

THE metal industry's wage negotiations resumed this week with unions tabling demands for at least 20 percent pay rises.

The first round of annual wage talks between the Steel Engineering Industries' Federation of SA (Seifsa) and 15 trade unions took place on Tuesday. The parties failed to reach agreement and will meet for further talks on April 12.

Seifsa spokesman Mr Hendrik van der Heever

said the employer body received wage demands from — among others — four unions affiliated to the International Metalworkers' Federation (IMF) and seven unions who belong to the Confederation of Metal and Building Unions (CMBU).

The IMF unions demand across-the-board increases of R1,50 an hour for labourers, a minimum wage of R5 an hour (an increase of 91 percent) and R1,50 for artisans. Mr van der Heever said.

The IMF unions include the National Union of Metalworkers of SA and Steel Engineering and Allied Workers' Union.

Demands

The CMBU affiliates as well as the Mineworkers' Union and the SA Iron, Steel and Allied Industries Union proposed increases ranging from 52 cents an hour for labourers (20 percent hike) to R1,31 an hour for artisans (20 percent).

Other union demands were:

- Increased overtime rates;
- Reduced hours of work without loss of pay;
- Six months' paid maternity leave; and
- Fourteen days' paid paternity leave.

Seifsa has offered wage increases ranging from 21 cents an hour for labourers to 52 cents an hour for artisans. In addition, the employer body has — among other things — agreed to an increase in annual leave bonus payments and guaranteed minimum rises for apprentices.

Strike halts Mercedes production

By LOUISE FLANAGAN,
East London

MERCEDES-BENZ South Africa, which last year suffered the most expensive strike in South African history, has been brought to a halt again after a dispute over an hour's wage.

The strike started late on Thursday in the paint shop and rapidly spread throughout the factory.

A representative of the National Union of Metalworkers of South Africa said employees slowed down after they reached the target of 66 cars per shift, while the company has accused the group of stopping work early. They were clocked off early, losing an hour's wage.

The union claims the entire workforce of about 3 000 is on strike, while management has said that only 1 000 are involved.

A nine-week strike over a minimum wage demand of R5 per hour, settled in October last year, cost the company about R300-million. Workers lost about R5-million in wages.

Now the stage seems to be set for another costly deadlock. The company has accused the shop stewards of not using the correct grievance procedures and said the union was not prepared to change its demands or allow its members back to work until they had been met.

Negotiations are continuing. — El-news

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W/moul
18-24/3/88

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100

Oil companies skid over labour relations

WAGE talks involving some 1 600 workers in the petroleum industry this week ground to a halt as the Chemical Workers' Industrial Union (CWIU) declared a number of disputes that could lead to widespread work stoppages.

CWIU branch organiser Pat Horn told the *Weekly Mail* deadlocked wage negotiations are fuelling worker dissatisfaction at plants owned by Shell, British Petroleum and Mobil in the Durban area, the Transvaal and the Eastern Cape.

About 30 workers have voted in favour of strike action at Vee-tech Oil, a Shell subsidiary, where the union is demanding a minimum wage of R700 a month and a 13th cheque as an annual bonus.

Horn said talks deadlocked after the company offered a minimum of R690 and refused the bonus demand.

Shell had insisted on treating Vee-tech as an autonomous plant so that it could pay wages lower than the minimum in the Shell group, she said. "Shell spends a lot of money on advertising their commitment to social responsibility but workers feel that charity begins at home and that the company should sort out relations with its own workers."

At the large Sapref refinery in Durban, owned jointly by Shell and BP, the union has applied for a conciliation board on behalf of some 700 workers after the company offered an across-the-board increase of 14,25 percent or R142 a month in response to the union's demand for 16 percent or R180.

The CWIU has declared a dispute at Shell Chemicals, which employs 80 workers in Durban, claiming the company is refusing to negotiate

Social responsibility should begin at home, say workers at three major petroleum companies who have declared disputes over wages. By EDDIE KOCH

wages on the grounds that a full agreement with the union has not yet been signed. Horn said the union had applied for a conciliation board last month and the workers would consider legal strike action if the board did not meet within 30 days.

A media representative for the company said: "Shell maintains good and stable relationships with all the unions with which it deals. Of these, the CWIU is one of the most important. It has already negotiated a number of substantive agreements with them amicably."

"Like any employer, however, it reserves the right to resist unreasonable demands when negotiating on wages and other substantial issues. It would not be fair to expect any employer to 'belly up' every time a union makes a demand."

"Shell maintains an excellent wage policy and employee benefits package and will continue to do so. Any dispute which currently exists is taking place in the normal course of industrial relations interaction and collective bargaining procedures."

Meanwhile labour relations at Mobil Oil's refinery in Durban and its petrol depots around the country also ran into a slippery patch this week.

Horn said Mobil's refinery refused to meet the union's demand for 16,5 percent or R215 per month increase across-the-board, offering 14 percent or R135. The union claims Mobil has

also refused to provide information on wages necessary for negotiations and has applied for conciliation over both issues.

Talks to resolve a dispute with Mobil's depots in the Transvaal and Eastern Cape, where the union is demanding across-the-board hikes of R200 a month in response to an offer of R155 a month for some 360 workers, are due to take place today. CWIU's education secretary Blake Moseley has accused Mobil of paying wages below those of the other big petroleum companies.

Asked to comment, Mobil Oil's public relations manager, Barry Housdon, confirmed that disputes had been declared by the union.

He said Mobil was unable to comment on wages paid by other companies but his group undertook regular salary surveys and offered a total package that was very competitive. Mobil's minimum wage was R710 a month and housing subsidies and educational assistance were available to employees.

Housdon added that Mobil believed it had supplied the union "with adequate information to proceed with negotiations".

D/P 18/3/88
Union signs with King company ~~SECRET~~

EAST LONDON — The South African Textile and Allied Workers' Union (Satawu) has signed an agreement on health and safety with a King William's town company, the union said in a statement.

A spokesman for King

Tanning Company, Mr Brian Blumrick, confirmed Satawu's statement.

Satawu said they viewed the agreement as "a development of mutual understanding" between the company and the union to maintain

health and safety of the workers.

"We hope that other companies will follow on the footsteps of King Tanning Company and build a worker-management relationship."

DDR

3SS

Employers reject demands

METAL industry employers this week rejected trade union demands at the start of annual wage negotiations and deferred further talks until April.

Employers are offering wage increases from 21c per hour for labourers to 52c per hour for artisans.

Trade unions affiliated to the SA Council of the International Metalworkers' Federation — the National Union of Metalworkers' of South Africa is the largest of these — are demanding a minimum wage increase from R2,61 to R5 and an across-the-board increase of R1,50 an hour.

Affiliates of the Confederation of Metal and Building Unions as well as the white Mineworkers' Union and

Weekly Mail Reporter

the SA Iron, Steel and Allied Industries Union want increases ranging from 52c per hour for labourers to R1,31 for artisans.

IMF union demands include shorter hours, increased employer contributions to industry pension funds and six months' paid maternity leave.

Employers have agreed to adjust specific wage categories: the IMF unions are demanding that anomalies in the wage curve, a legacy of job reservation in the industry, be eliminated.

Employers have agreed to CMBU unions demands for guaranteed minimum increases for apprentices.

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W/Mail

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P/D 18/3/88

New bid today to end MBSA strike

355

Daily Dispatch Reporter

EAST LONDON — There were no negotiations between Mercedes-Benz of South Africa (MBSA) management and the National Automobile and Allied Workers Union (Naawu) yesterday toward ending the strike at the MBSA factory here.

MBSA management yesterday expressed disappointment at the failure to reach a settlement to the strike, which began at the weekend, adding that negotiations would continue today.

Mr Viwe Gxarisa, the local secretary of the National Union of Metalworkers of South Africa (Numsa), which is affiliated to Naawu, could not be contacted for comment yesterday.

Production at the MBSA plant here has been suspended since the weekend when 1 000 hourly-paid workers downed tools after a pay dispute.

The MBSA public relations officer, Mrs Delene MacFarlane, said the dispute arose when a "small number" of employees in the paint shop refused to complete the last hour of the afternoon shift on March 10.

"The employees maintained that they had reached their production target for that particular shift although management had clearly informed them that they had incorrectly perceived the production target," Mrs MacFarlane said in a press statement issued yesterday.

Management could not persuade the employees to work the full shift, so they applied the principle of "no work, no work pay".

"As a result of this, unlawful industrial action was taken by employees in the paint shop," Mrs MacFarlane said.

On behalf of the striking workers, Naawu said they would not return to work until they were paid for the time not worked on March 10.

Mrs MacFarlane said that, as a result of the strike, production was suspended in the entire plant from March 15.

She said the company offered to refer the dispute to arbitration during the initial negotiations, but Naawu requested that the dispute be treated by management as a grievance.

"In an attempt to resolve the dispute without prejudice to its rights, management agreed to these requests but stated that any monetary advances would be made under protest and recoverable from the employees in the event of the grievances being found to be invalid."

"It further required an immediate return to work by all striking employees," she said.

Mrs MacFarlane said Naawu indicated that the proposed agreement was acceptable but, after a report-back, stated that they were not prepared to sign the agreement.

"Management hopes to resolve the dispute as soon as possible as it affects the whole work force, the majority of whom are keen to work."

Anglo, union negotiate SA's largest dismissal settlement

JOHANNESBURG — Anglo American and the National Union of Mineworkers (NUM) yesterday agreed on the reinstatement and compensation of 9 500 dismissed workers, and at least 18 weeks pay for 6 000 workers who will not be re-hired, in South Africa's largest dismissal settlement.

Anglo estimated the monetary cost of the package at R35 million. The NUM valued the deal, which came in the midst of private adjudication over the dismissals, at R60 million.

The workers are among 19 600 gold and coal miners who were dismissed during last August's wage strike and not subsequently re-hired.

Non-transferable job offers will be made to gold miners in three 3 000 strong groups over the next three three-month periods. The job offers will preserve the ratio of NUM to non-NUM membership existing at the time of the strike. All will receive "compensation" of at least 10 weeks pay.

Amcoal will re-hire 500 of 1 600 dismissed coalminers within the next three months.

About 6 000 workers not re-employed due to the restructuring of mining operations will receive at least 18 weeks pay.

Another 2 600 workers facing disciplinary inquiries will participate in an "inquisitorial" process. If their dismissals are found to be unfair they will receive the same payments as their redundant colleagues. — DDC

DID 18/3/88
355
MBSA and union reach agreement

Daily Dispatch Reporter

EAST LONDON — An agreement was reached between Mercedes-Benz of South Africa (MBSA) management and the National Automobile and Allied Workers Union (Naawu) yesterday, and production will resume on Monday.

The MBSA public relations officer, Mrs Delene MacFarlane, said the agreement made provision for monetary advances to the employees who had part of their wages deducted for stopping work before the end of their shift last Thursday.

The signed agreement makes further provision

for an internal grievance procedure to be followed to investigate the dispute.

"If it is found that the employees concerned acted incorrectly, the monetary advance will be reclaimed," Mrs MacFarlane said.

The local secretary of the National Union of Metalworkers of South Africa (Numsa) — who are affiliated to Naawu — Mr Viwe Gxarisa, was in Queenstown and could not be contacted for comment yesterday.

Another union spokesman, who did not wish to be named, confirmed that an agreement had been reached.

PRETORIA — A showdown between the government and public sector workers' staff associations looms as evidence mounts that the private sector is ignoring the State President Mr P.W. Botha's plea for moderation on salary and wage increases.

Senior public servants said at the weekend that it was becoming more and more apparent that the pay freeze sacrifice, forced on them by the government in the name of inflation, would be in vain.

A Public Servants As-

DID 28/3/88 (35) Showdown looms as private sector salaries rise (35)

sociation spokesman said surveys made by consultants clearly indicated the average rises in the private sector this year would be around 17 per cent.

He claimed this is supported by the findings of a Stellenbosch Economic Bureau (SEB) survey of 1 000 manufacturers, that rises this

year would range between 15 and 20 per cent.

It is pointed out that the 730 000 (CSS figures) working for the central government and provincial administrations would have earned around R1,2 billion more in the current financial year if they had been granted even a 12

per cent rise.

This morning the conciliation board appointed by the Transport Minister, Mr Eli Louw, will attempt to resolve the pay dispute between 200 000 Sats workers and management.

The SEB finding will be used with other arguments by the federal council of Sats unions to support its demand for 17 per cent pay increases.

The Federal Council chairman, Mr Dudley Henn, said the council would not compromise on its demand. — DDC

Triangle workers go on strike

By Mike Siluma, Labour Reporter

About 450 workers are on strike at 12 stores and other concerns owned by Triangle Furnishers after a breakdown of wage negotiations between the Commercial, Catering and Allied Workers' Union (Ccawusa) and management, the union said.

In a weekend statement, a Ccawusa spokesman said talks had broken down after management had rejected a revised package of demands and ruled out a union suggestion of mediation.

The workers downed tools on March 8 at Johannesburg stores in Doornfontein, Harrison Street, Park Station and Wynberg.

Also affected were stores in Pietersburg, Pretoria, Uitenhage, Lichtenburg, Rustenburg and White River. The furniture chain's Johannesburg warehouse workers were also on strike, said the spokesman.

Triangle spokesman Mr Tom Roux could not be reached for comment at the time of going to press.

21/3/88
The union spokesman said workers had voted in favour of strike action after the failure of three conciliation board meetings following a declaration of a dispute by the company. The parties first met in July 1987.

The union's revised demands include:

- A R90 across-the-board monthly increase from January 1987 to June 1987, with a further R80 increase from July 1987 to December 1987.

- A guaranteed minimum wage of R600 a month.

- A 13th cheque and 12.5 percent commission for sales staff.

Ccawusa says Triangle's present and final offer includes an across-the-board monthly increase of R50 from January 1987 to June 1987, followed by another rise of R50 for the period between July 1987 and June 1988.

The company has also offered a 10 percent bonus for each year of service to a maximum of 50 percent.

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D/D 21/3/88 (355) (182) (182)

MBSA to resume production today

EAST LONDON — Production is due to resume as normal at the Mercedes-Benz of South Africa (MBSA) plant here today after the week-long strike was settled on Friday.

Work at the plant had been suspended since March 10 when 1 000 hourly-paid workers downed tools after a pay dispute.

An agreement was signed on Friday between management and the National Automobile and Allied Workers Union (Naawu) which made provision for monetary advances to the employees who had part of their wages deducted for stopping work before the end of their shift on March 10.

The signed agreement makes further provision for an internal grievance procedure to be followed to investigate the dispute.

Naawu confirmed that the agreement had been signed and MBSA management said work would resume this morning. — DDR

D/D 22/3/88
**MBSA
strikers
return
to work**

Daily Dispatch Reporter
EAST LONDON — Workers at the Mercedes Benz of South Africa (MBSA) plant here returned to work on schedule yesterday, ending a four-day strike.

Production was back to normal when 1 000 hourly-paid workers returned to work yesterday, after downing tools last week in support of paint-shop workers whose pay had been docked.

The workers had part of their wages docked when they stopped working after completing their daily target one hour before their shift ended.

Successful negotiations between MBSA management and the National Automobile and Allied Workers' Union (Naawu) ended last week, with management agreeing to make provision for monetary advances to the employees who had part of their wages deducted for stopping work early.

The MBSA public relations officer, Mrs Delene MacFarlane, said from Johannesburg yesterday that production had returned to normal.

Asked if there was 100 per cent worker attendance, she said there had been the normal absentee rate.

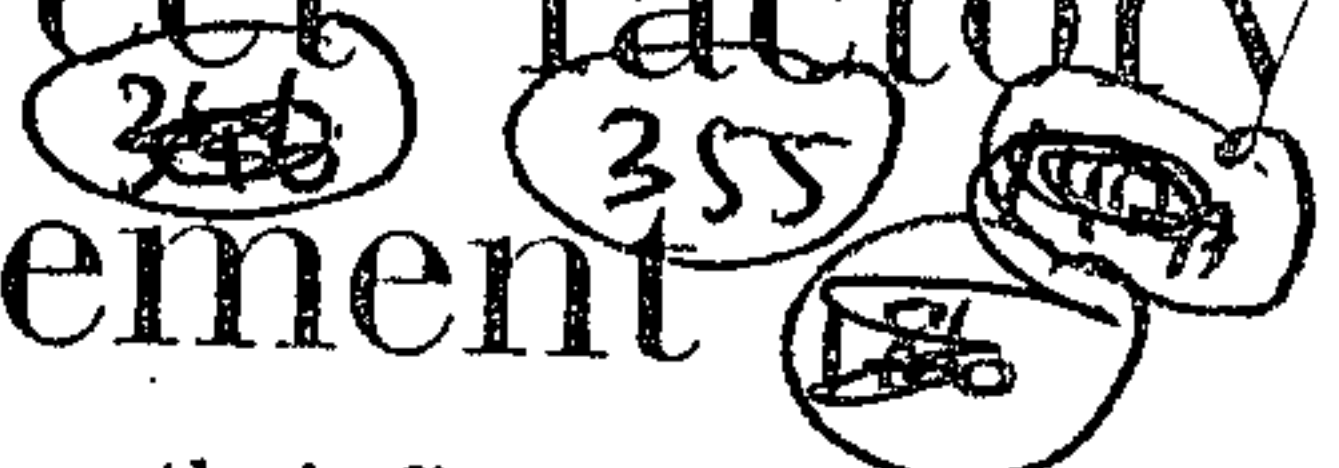
There had not been any stayaway relating to Sharpeville Day, although workers had held a meeting during the course of yesterday morning.

"After both the tea-break and lunch-break, production was normal," Mrs MacFarlane said.

Mr Viwe Gxarisa, local secretary of the National Union of Metalworkers of South Africa — which is affiliated to Naawu — could not be contacted for comment.

210 23/3/88

Employees at sweet factory return after settlement



EAST LONDON — Employees at the Candy Tops sweet factory here returned to work yesterday after signing a document accepting company proposals for wage increases and dispute procedures.

A lock-out was implemented at the factory, which is under judicial management, on Friday and some 60 members of the Food and Allied Workers Union (Fawu) were given notice of termination of employment unless they accepted the company proposal by 4 pm on Monday.

The chairman of the Fawu shop stewards at the factory, Mr Tobile Maninjwa, said although the workers had signed the document, they were not entirely satisfied with the settlement — which raised the minimum wage on the lowest grade from R58 to R80 a week — and regarded the issue of back pay as unresolved.

The workers originally demanded a R1,50 an hour across-the-board increase, but later compromised to 50c

an hour as their final demand.

Mr Maninjwa said it was unfair for employees to be expected to make sacrifices to meet the financial situation at the company, which had come about through no fault of theirs.

Employees were receiving a wage far below the minimum set for the the industry in the East London area.

A spokesman for Candy Tops, Mr St. Elmo Wilken, confirmed that workers were paid below the industrial council minimum recommendation, but said a special exemption had been granted for the company while it was under judicial management.

He said the wage proposals accepted by Fawu members this week, had first been made at the end of last year, but had been rejected.

The issue was referred to the industrial council in February and the company declined a proposal by the union for voluntary arbitration after negotiations deadlocked. — DDR

□ □ □
OK BAZAARS management
has offered employees a R56
across-the-board monthly
wage increase, or an R80 a
month increase achieved in
two stages over the next seven
months, OK personnel director
Keith Hartshorne said yester-
day.



OK BAZAARS



35/3/88



OK rejects union demands for rises

OK Bazaars has rejected demands by the Commercial, Catering and Allied Workers' Union (Ccawusa) for increases in monthly wages for non-managerial staff by R300 a month and an end to pay-as-you-earn deductions.

In a statement after two days of talks, OK personnel director Mr Keith Hartshorne said the company had rejected the union's R300 demand with an offer of R80 a month, payable in two stages over the next seven months.

"The company pointed out that the union demands, if accepted, would represent an additional cost of over R100 million — more than six times the company's total profits for 1987," Labour Reporter.

Easter Egg Hunt" at Gold Reef City this weekend (10) will line up to welcome everyone seeking the the R15 000 in prizes — all for a good cause, Disabilities Week.

Dunhill King Size

Known to be the finest cigarette

Handwritten notes: 25/3/88, 15%, and a circled scribble.

A NATIONWIDE survey of manufacturing firms, conducted after President P W Botha's appeal for private sector wage restraint, has found industry expects salary and wage increases in 1988 to average 15%.

The survey, involving more than 1 000 firms, was conducted by Stellenbosch University's Bureau for Economic Research (BER).

BER director Ockie Stuart said yesterday that in 15 of 20 manufacturing sector categories most firms expected to pay average increases of 15% to 20%. This expectation

Industry expects salaries to rise 15%

Business Day Reporter

was highest in the food, footwear, textile, plastics and paper sectors.

In five categories — clothing, knitwear, transport, basic metal and fabricated metal — most respondents expected to pay increases of 14% or lower.

Stuart said many firms had committed themselves to paying increases in advance of Botha's call, and were now unable to

lower these increases.

Another important finding was that productive capacity was increasing through an increase in employment. A further positive aspect was, in spite of the rise in the number of employees, the average labour cost per unit of production remained roughly unchanged and was not expected to increase in the next quarter.

Stuart said it should be noted that the manufacturing industry was handicapped by a disturbing shortage of skilled labour.

Captain absent: evidence

SUE RUSSELL

A social worker employed at the Johannesburg Magistrate's court testified yesterday that murder accused Sergeant Robert van der Merwe told him his co-accused Captain Jack La Grange was not there at the shooting of three men.

La Grange, the suspended head of the East Rand Murder and Robbery unit, and Van der Merwe have both pleaded not guilty to the murder of two alleged drug dealers and the attempted murder of a third.

It is alleged they murdered Bennie Ogle in Ennerdale on September 28 last year and attempted to murder Ernest Malakoane in the early hours of the next day. The State also alleges the pair murdered Peter Pillay on October 4.

La Grange has denied any involvement in the killings.

The social worker who is employed by the Department of Health and Welfare said he met Van der Merwe at court in December. He said van der Merwe told him he was going to be a State witness.

Theunissen said as a "reality test" he had said to Van der Merwe: "You and Jack jumped into a car and shot those 'ouens' and Van der Merwe's response was 'the captain was not there.'"

The sergeant testified that he did not know Theunissen and the conversation between them had not taken place.

Van der Merwe said he did not know why Theunissen should fabricate evidence against him but could only comment that La Grange was an officer and been around the magistrate's court longer than he had.

The trial continues before Mr Justice Irving Steyn and two assessors today.

Optimism growing among employers, labour

Manufacturing is poised for boom

MICK COLLINS

THE manufacturing sector is poised for a boom with organised industry reporting a new wave of optimism sweeping through employer and labour ranks.

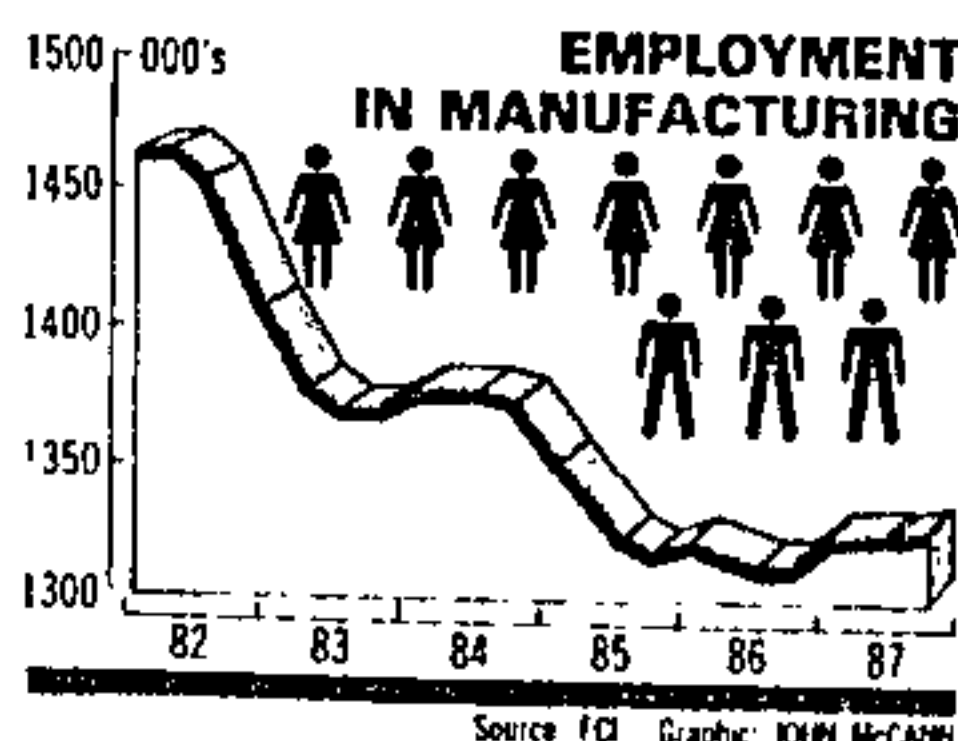
But, the Bureau for Economic Research (BER) and the Federated Chamber of Industries (FCI) have warned that low stock levels and a shortage of skilled staff could inhibit growth later in the year.

The BER said yesterday sales were expected to rise in the coming months with industry taking on more factory workers in expectation of more growth.

Although the economy was not expected to grow as rapidly as forecast late last year, manufacturers were registering first-quarter confidence at a level not seen in SA since 1982.

BER director Ockie Stuart said: "A high level of business confidence, expressed by way of satisfaction with prevailing conditions and expectations of sales levels during the coming quarter, is the order of the day in the manufacturing industry."

Outlining results of the BER's latest quarterly analysis of the



sector based on 1 096 firms, Stuart said 70% of manufacturers surveyed reported satisfaction with business conditions.

He said: "The net majority expect an increase in tempo of business while only about 5% expect business to decline in the next quarter. Growth in the sector has, in recent times, been constrained by a lack of confidence, but this has now clearly been reversed."

Stocks of finished goods had been reported on net balance to be too low to meet expected demand, which meant delivery periods could be expected to lengthen with some companies already facing problems in fulfilment of orders.

Particularly vulnerable areas included the wood industry, fur-

niture, rubber and the motor industries.

Stuart said: "A disturbing result was the extent to which the shortage of skilled labour was causing certain industries serious problems. Sectors most hit included machinery, paper, textiles, clothing, wood and transport equipment."

"As far as sanctions are concerned, these have had the most noticeable negative effect in the textile and footwear industries." However, after government's announcement of a wage freeze for the civil service, the GDP was not as likely to be as strong as originally forecast.

The FCI said an air of optimism and expectancy boded well for the economy during the next 12 months.

It said: "There is definite optimism in the industrial place. This is supported by a considerable number of companies with expansion plans. Performance in the manufacturing industry is higher generally — specifically in the electrical and metal sectors."

Almost all reports from members indicated an improvement in performance with expectations running high and more confidence engendered.

Life industry payouts top R5bn

HELENA PATTEN

BENEFITS paid out by the life insurance industry in one year passed the R5bn mark for the first time in 1987, the Life Offices' Association (LOA) said in a statement yesterday.

LOA reported a total benefit payout of R5,33bn in 1987, an increase of almost exactly 33,33% compared with 1986. They say in the second-half of

1987 alone, more benefits were paid out than during the whole of 1985.

The investment income earned on behalf of policyholders was R4,92bn, an increase of 16% over the investment income earned in 1986.

Total premium income in-

creased 56% to R13,6bn, while total assets increased 20,7% from R54,5bn to R65,8bn in the 1987 year.

The industry held 39% of its assets, or R25,7bn, in public sector securities, reflecting the important role the industry played in providing loan capital for the public sector.

9861 25/3/88
It assumes that in the only to 10 year olds trying bishop urged.

Daily Dispatch Reporter
EAST LONDON — Striking Border Wire and Metal Works employees were dismissed this week after demanding a R1,50 an hour across-the-board wage increase, a regional organiser of the South African Allied Workers' Union (Saawu), Mr Lawrence Tuluma, said

Some 56 workers represented by a workers' committee had been gathering at the works since a strike began on Friday last week, were given a statement of dismissal by management on Tuesday.

Those who reported for work on Wednesday were told that they were no longer employed there, he said.

Mr Tuluma added that the union, which is presently involved in negotiations for a recognition agreement, had contacted management to find out why they had not been informed of the decision to fire the workforce.

Workers fired after striking

"The strike was organised by the workers' committee, which felt it had a right to negotiate on behalf of the workers until the company had recognised Saawu."

A spokesman for Border Wire and Metal Works, Mr L. Burgess, confirmed yesterday that the workers had been dismissed "after protracted attempts to resolve the dispute over a R1,50 an hour increase had failed".

Workers who ignored the call to stop work had been intimidated by striking employees, although he said no charges had been laid.

Mr Burgess added that wages for the industry were presently being negotiated at industrial

council level and the minimum wage agreed to there would apply to Border Wire and Metal Works.

The chairman of the Border Wire and Metal Works workers' committee, Mr Elliot Ganati, said in an earlier statement that Friday's strike had followed two unsuccessful meetings to discuss the wage increase demand.

The minimum wage at the plant was R2,34 an hour and workers were demanding a R1,50 an hour increase.

"Management refused to negotiate with the workers' committee, saying wages were negotiated at a national level, through the national industrial council for the steel, engineering and metallurgical industries.

"From March 18 to 22, the workers reported at the premises, but did not resume work while waiting for management to concede to negotiation," he said.

GERALD REILLY

PRETORIA — A showdown between government and public sector workers staff associations looms as evidence mounts that the private sector is ignoring President P W Botha's plea for moderation on salary and wage increases.

Senior public servants said at the weekend it was becoming more and more apparent that the pay freeze sacrifice forced on them by government in the name of inflation would be in vain. A Public Servants' Association spokesman said surveys made by consultants clearly indicated average rises in the private sector this year would be about 17%.

He says that to have given the 1,2-

Public sector pay row looms

million central government, provincial, Sats and Post Office workers a 12% pay rise would have cost only a fraction of the total increases in the private sector this year. The 730 000 working for central government and provincial administrations would have earned about R1,2bn more in the current financial year if they had had a 12% rise.

□ Today the conciliation board appointed by Transport Minister Eli Louw will try to resolve the Sats pay dispute.

Strike at hospital

Sowetan 29/3/86
MORE than 500 National Education Health and Allied Workers' Union members employed at the Garankuwa Hospital yesterday went on strike over demands for better pay.

The striking workers consist of laundry and kitchen workers, cleaners, gardeners and handymen. They said they would not return to their posts until management has addressed their problems.

According to a shopsteward the decision to down tools was taken after some employees' salaries were increased by an average of R110 last week. He said workers would not accept the management's "divide and rule" way of

By ALINAH DUBE

running the hospital.

"Workers were supposed to have gone on strike on Friday (March 25) but did not do so after a planned meeting with the superintendent failed to materialise. They have voiced dissatisfaction over management's action and have called on the authorities to treat

them fairly," he said.

He added that workers were also demanding R420 as a basic salary.

When the *Sowetan* arrived at the hospital yesterday, members of the white staff, matrons and other personnel were down at work cooking in the hospital's main kitchen. Dirty linen was seen piling near the wards as security guards were also helping carry

out other duties.

Dr A van Niekerk, a medical superintendent, told the *Sowetan* that workers were complaining about the parity in salaries which was effected recently. He said others did not understand why their colleagues received increases.

He would not say how much the workers were being paid and said the matter was still being looked into.

**Win a trip
to the FA
Cup — P31**

REPORTS, pictures and comment in this edition may be censored in terms of the Government's state of emergency.

PRESIDENT P W Botha has written letters to a number of top businessmen as part of the campaign to win support for the wage and price restraint envisaged in the Budget.

A spokesman for the President's office said yesterday they could not disclose how many letters had been sent out as it was policy not to give information on Botha's correspondence.

In the letter, Botha says SA is experiencing a gradual economic recovery, as indicated by higher company profits, but monetary and fiscal discipline is needed to combat inflation.

"I, therefore, appeal to you as an influential businessman to exercise the utmost discipline and caution in decisions

PW letter pleads for pay restraint

8/20/88
ROGER SMITH 355

pertaining to increases in salaries, wages and especially prices."

He appealed for companies to use increased profits to keep prices down.

"The purpose of my appeal is not to increase profitability by curbing salary and wage increases, but to minimise price increases."

The letter follows controversial Bureau for Information advertisements placed in the national media.

THE MINISTER OF EDUCATION AND DEVELOPMENT AID:

None, as the South African Development Trust does not operate in the industrial sector within the borders of the self-governing territories. The South African Development Corporation (STK) however operates in the industrial area at Botshabelo, which was incorporated into Qwaqwa on 2 December 1987. The figures in respect of the STK's activities in Botshabelo as at 2 December 1987 were as follows:

- (a) (i) 68.
(ii) 12 000.
(b) R102 990 000.

Self-governing territories: housing

586. Mrs H SUZMAN asked the Minister of Education and Development Aid:

What was the total (a) number of houses built, and (b) amount spent on providing housing for Blacks, by the (i) State and (ii) private sector in the 1987-88 financial year in each of the (aa) urban and (bb) non-urban areas of each self-governing territory?

THE MINISTER OF EDUCATION AND DEVELOPMENT AID:

In the light of my answer to Question No 171 asked on 10 February 1988 the expression "State" in this Question is interpreted as meaning the Central Government in which case the answer is Nil.

Christmas cards sent out

612. Mr P G SOAL asked the Minister of Foreign Affairs:

- (1) Whether (a) he and/or (b) his Department sent out Christmas cards in 1987; if so, (i) what total number of cards was printed, (ii) to whom were they sent, (iii) what was the total cost of producing and distributing these cards, and (iv) who was responsible for printing them, in each case;
(2) whether postage stamps were used to send out these Christmas cards; if not, how were they distributed?

THE MINISTER OF FOREIGN AFFAIRS:

- (1) (a) and (b) Yes. I myself as Minister of Foreign Affairs and the sixty Heads of South Africa's Missions in other countries.

THE MINISTER OF EDUCATION AND DEVELOPMENT AID:

The North Zululand Medunsa Vista			
(a) (i)	32	19	178
(ii)	3	2	3
(iii)	3	13	51
(iv)	6 533	4 157	1 156
(b) (i)	1	2	—
(ii)	2	1	—
(iii)	3	7	18
(iv)	2 970	1 647	327

***ADDITIONAL INFORMATION**

There were also 1 Asian, 5 Coloured and 9 494 Black students who, by means of television, followed first year courses at Vista University.

Universities: *per capita* expenditure on students

627. Mr K M ANDREW asked the Minister of Education and Development Aid:

What was the *per capita* expenditure in 1987 on students attending each specified university falling under the control of his Department?

THE MINISTER OF EDUCATION AND DEVELOPMENT AID:

The North	R7 510.00
Zululand	R8 987.00
Medunsa	R28 908.00
Vista	R2 204.86

NOTE: *Per capita* expenditure is calculated as expenditure per full-time equivalent student.

Announcement of wage/salary restrictive policy: consultations

658. Mr R M BURROWS asked the Minister in the State President's Office entrusted with Administration and Broadcasting Services:

- (1) Whether any consultations were held between representatives of the Commission for Administration and staff associations prior to the announcement of a wage and salary restrictive policy for the 1988 financial year; if not, why not; if so, (a) with which organizations and (b) on what dates did these consultations take place;

- (2) whether the Commission for Administration is required to consult with any staff associations prior to the amendment of conditions of service; if so, in terms of what statutory provisions:

- (3) whether any representations have been received from staff associations concerning this amendment of the conditions of service for the Public Service; if so, (a) from which organizations and (b) with what result;

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

THE MINISTER IN THE STATE PRESIDENT'S OFFICE ENTRUSTED WITH ADMINISTRATION AND BROADCASTING SERVICES:

- (1) No; the Government's decision in the matter was taken immediately prior to the announcement.

- (2) (a) and (b) Fall away.

- (3) Falls away — no conditions of service were amended.

- (a) and (b) Fall away.

- (4) No.

Land acquired from State/White farmers in Natal

665. Mr R W HARDINGHAM asked the Minister of Education and Development Aid:

- (1) (a) How many hectares of land have been acquired from (i) the State, (ii) White farmers and (iii) any other specified sources to fulfil the requirements of the Development Trust and Land Act, No 18 of 1936, in Natal and (b) in respect of what date is this information furnished;

- (2) (a) how many hectares of land in excess of the land referred to in paragraph (1) of this question had been acquired for consolidation purposes in Natal as at the above date and (b) at what total cost?

THE MINISTER OF EDUCATION AND DEVELOPMENT AID:

- (1) (a) (i) 66 603 hectares.

- (a) (ii) and (iii) Details of land acquired from White farmers and other sources are not kept apart in a register and the information is consequently not readily available. The total amount of land acquired is 505 895 hectares.

Star 30/3/88

Chamber president 'optimistic' on wage talks

By Mike Siluma, Labour Reporter

The president of the Chamber of Mines Mr T I Steenkamp yesterday called on the Government to resolve South Africa's political problems, and expressed optimism that an "amicable" settlement would be reached in this year's mining industry wage talks.

Mr Steenkamp was addressing a gathering of the SA Federation of Civil Engineering Contractors in

Johannesburg.

Welcoming the Government's "continued faith in collective bargaining", Mr Steenkamp pointed out that political developments in South Africa had lagged behind progress in the industrial relations field. Employers were required "to deal with industrial relations challenges that are heavily distorted by political frustrations".

He commended the Government for largely staying out of last year's miners' strike, despite the occurrence of unrest.

"That the Government — under these circumstances — did not intervene says a great deal for its restraint and also for its faith in the industrial relations system and in the parties involved.

"A point not always appreciated is that the strike was in the end resolved through agreement and settlement, not

Mines chief urges Govt to solve problems

355

through force or curtailment of the parties' freedom," said Mr Steenkamp.

The future direction of industrial relations in South Africa would be determined by whether employers and unions were willing to protect the industrial relations system "against intrusion from the outside — be it intrusion by the liberation movements or by the Government".

The role of the State, said Mr Steenkamp, is primarily "to provide a framework in which collective bargaining can operate freely and demo-

cratically with minimum interference".

However, the deliberate abuse of the system would lead to Government intervention.

"There has already been a clampdown on Cosatu — luckily not on the Cosatu affiliates with whom the employers must negotiate. I am prepared to read this as a welcome sign that the authorities still have faith in the collective bargaining process as such, and I hope we will prove that faith to have been justified," Mr Steenkamp said.



Chamber president Mr T I Steenkamp.

While understanding the existence of "legitimate grievances among the black workforce which need redressing", and the political pressures on black union leaders, management had to call 'foul' when the rules of the game are blatantly broken in order to appease extremists.

Turning to this year's wage talks for mine-workers, Mr Steenkamp said he had "confidence in the good sense of people" and was "optimistic that wisdom will prevail within the union" (the National Union of Mine-workers).

20/2/78

Wage talks concluded

Wage negotiations between the Commercial, Catering and Allied Workers' Union (Ccauwusa) and Pick 'n Pay were concluded yesterday with the company agreeing to increase wages for non-managerial staff by R140 a month, a company statement said.

According to the statement, workers would now be entitled to four weeks' leave from the fourth year of continuous service, rising progressively for workers with more years of service.

The agreement covers the period from April 1 to February 28 next year.

UNION STRIKES DEAL

Sowetan 31/3/88
THE Commercial, Catering and Allied Workers' Union of South Africa and Pick 'n Pay group this week agreed to a wage increase of R140 across the board effective from April 1.

BY LEN MASEKO

In terms of the agreement, Ccawusa members employed by the retail chain will receive the pay hike over a 11-month period.

• The National Union of Wine, Spirits and Allied Workers is scheduled to meet managements in the liquor industry today for further wage negotiations.

Bosses

Numsaw president, Mr November Nkosi, said the employers are expected to respond to the union demands. Numsaw members have rejected an undisclosed management offer.

• The Chemical Workers Industrial Union has applied for the appointment of a conciliation board to resolve the dispute between the union and Mobil Oil.

The dispute revolves around the union's demand for a wage increase of R180-a-month across the board, against management's offer of R155 a month.

The union also demands an allowance of R5 a month for a year's service, and that the increases should be back-dated to March 1.

A Mobil spokesman confirmed yesterday that the two parties had reached deadlock over wage increases.



RAYMOND Ackerman
... boss of Pick 'n Pay.

The two parties also agreed on a four-week leave to apply from the fourth year after a continuous service; an additional week in the 10th year; two extra weeks in the 15th and 20th years.

Union dispute at Rex

ABOUT 3 000 members of the Garment and Allied Workers Union have declared a dispute with one of the country's biggest independent clothing companies, Rex Trueform.

The workers, at factories in Salt River, Atlantis and Wynberg, are demanding negotiations at plant level, a R15 across the board increase, a long service allowance of one rand a week and an increased transport allowance.

The dispute was declared last Monday. If not

settled within 30 days, workers can take legal industrial action.

An Industrial Council meeting to discuss the dispute will be held on April 20.

GAWU media officer Ronald Bernickow said machinists were paid between R62 and R94 a week in terms of the Industrial Council agreement.

"We see the Industrial Council rates as a minimum for the industry and workers have a right to negotiate for increases above this minimum," Bernickow said.

He said the dispute had started in the Rex Trueform cutting room in Salt River and soon involved more than 2 500 workers at the factory and more than 300 other workers in Atlantis and Wynberg.

Port Elizabeth

A similar dispute had been declared in Port Elizabeth where the union's 4 000 members demanded a R30 across the board increase. Management had offered a 15 percent increase, Bernickow said.

proposed amendments to the Labour Act and attempts by the government to freeze wages.

This was decided by about 400 shopstewards who attended Gawu's first regional shopstewards council last week.

The union said the Labour Law Amendment Bill would "take away all the rights workers have won over the years".

Paul Adams, former president of the Garment Workers Union of the Western Province, was elected Gawu regional chairperson.

31/3-6/4/88

1050

1059

355

P 10 31 13188 113 255

Drivers still on strike

CAPE TOWN — A wage strike involving 170 drivers and co-drivers of Transkei Blue Line Transport entered its sixth day yesterday.

The Brackenfell and Welkom depots of the company are affected by the strike.

A spokesman for the Transport and Allied Workers union (Tawu) said the drivers and co-drivers, respectively

earning weekly minimum wages of R60 and R45, were demanding a weekly minimum wage of R200. The company offer was R120 and R100 respectively.

A company spokesman, Mr. R. Wiehahn, said Tawu's information was "inaccurate" and that they had broken an agreement with the company "not to talk to the media". He declined to comment further. —DDC

D/D 1/4/88

Pick 'n Pay, union reach agreement

EAST LONDON — Agreement has been reached between Pick 'n Pay and the Commercial Catering and Allied Workers' Union of South Africa (Ccawusa) on wage and employment amendments.

A spokesman for the supermarket chain, Mr Frans van der Walt, said in a statement the terms of the agreement, which covered the period from April 1, 1988, to February 28, 1989, included a wage increase and an amendment to the annual employee leave allowance.

"Wages are to be increased by R140 per month for the 11-month duration of the supplementary wage agreement. This is equivalent

to R128,33 per month over a 12-month period." Mr Van der Walt added that four weeks' leave would apply from the fourth year of continuous employment, with an additional week of long service recognition leave in the 15th, 20th and 25th year of continuous service.

The union's position on wage increases prior to the settlement was a demand for an increase of R1,05 for hourly paid staff, R47,22 for weekly paid staff and R204,59 for salaried staff.

The company had indicated it would be prepared to grant increases of 62c per hour, R27,69 a week and R120 a month. — DDR

R809-a-month 'living wage' deduced after survey

UNION demands for a "living wage" aren't going to disappear simply because the Government has its own ideas about how the economy should be restructured and is urging pay restraints.

But the question of just what is a living wage is one with profound economic and moral dimensions. It's also riddled with variables, not the least of which is that perceptions of a good wage depend a lot on how much a worker is getting paid at present.

For someone earning R280 a month, a wage of R600 sounds like something worthwhile. For another earning R550 it doesn't sound so wonderful, but R900 wouldn't sound altogether unattainable,

while for the first worker it would seem like the promised land — something to dream about, but hardly worth contemplating seriously.

Given these differing perceptions, it's little wonder that there is some floundering round the "living wage" concept when it comes to negotiations.

But, with all the debate, one industrial relations consultancy has taken the bull firmly by the pointed bits and put a figure of R809 a month to it.

"This," says Stewart Pennington, a partner in I R Information Surveys, "is what's needed to support a modestly low standard of living for a black family of five". The estimate is based

on a recent survey of township living conditions undertaken by the consultancy in 1987 and published in *South African Township Manual*.

It allows for food, cleaning materials, personal hygiene, fuel, medical expenses, clothes, rent, schooling, transport, hire purchase instalments and discretionary expenditure.

According to Pennington, much of the confusion attendant upon wage negotiations happens because many employers have no real idea (as opposed to far-cical misconceptions) of what conditions are like in the areas where their employees live.

And, lacking this, few are able to make informed decisions about their employees' cir-

cumstances and find themselves at a disadvantage at the bargaining table.

He stresses that "while the survey arrives at a suggested wage level of R809, it in no way attempts to moralise and tell employers what they should pay. It merely sets out what is required to sustain a modestly low level standard of living."

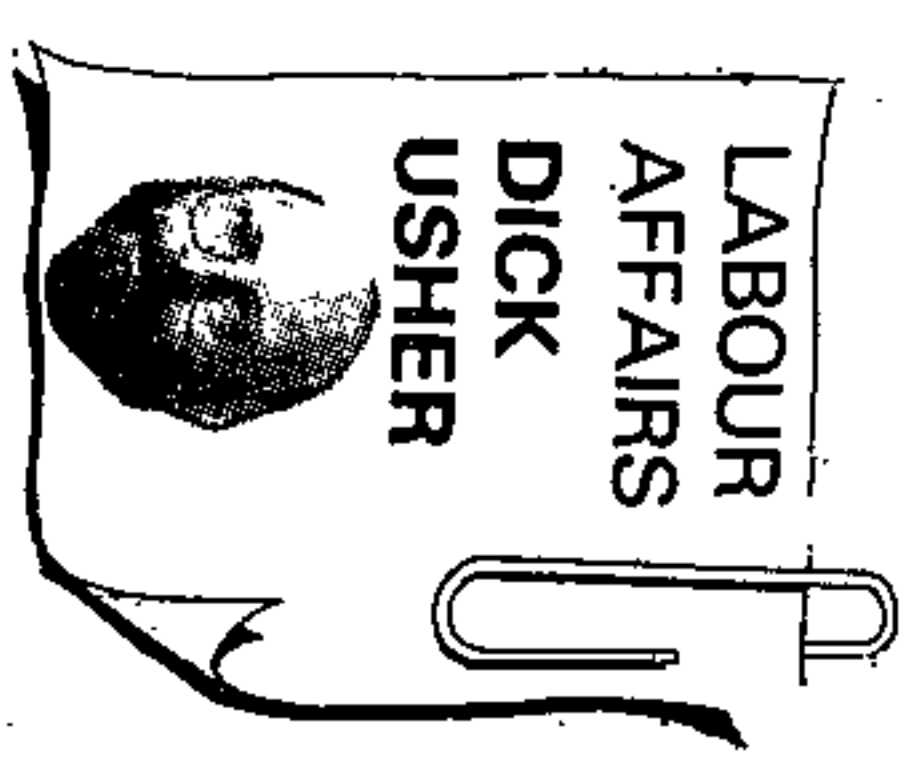
Importantly, though, it does make allowance for discretionary expenditure. He says this benefits society as a whole because disposable income enables people to participate in improving their standard of living.

It also benefits employers. "Many who are paying more than R600 a

month are experiencing greater productivity, less absenteeism, greater commitment to company objectives and greater co-operation when overtime and weekend work is called for," said Pennington.

The survey from which the R809 figure was derived covered 20 townships serving major industrial areas and included four Western Cape areas — Guguletu, Khayelitsha, Mitchell's Plain and Atlantis.

"For the first time employers have, in a readily available form, information on the number of houses and the number of people per household, facts and figures on schools, an idea on the amenities and medical services available as well as the



number of shops, post offices and police stations in each area," Pennington said.

"The aim of *Township Annual* is to provide a document which will assist employers at wage negotiations and in other situations to make sensitive and appropriate decisions — based on a fuller understanding of the circumstances facing workers outside the workplace."

aving

figures show increase in total hotel in-
Some Cabinet Ministers paid less

R391 000 for SA's two top civil servants

355 B/ADW
7/4/88

GOVERNMENT'S two top civil servants are set to earn R391 000 between them this fiscal year.

This is the sum set aside in the Estimates of Expenditure of the Budget for the two statutory posts of the Commission for Administration, held by commission chairman J de Beer and commission member J E du Plessis. The sum represents a 12,5% increase compared with the 1987/1988 fiscal year.

The commissioners, who are responsible for the employment and conditions of service of all civil servants, would appear to be two of three civil servants noted in the Estimates with salaries of more than R120 000 a year.

The breakdown of the Estimates is such that it is not easy to identify the third civil servant.

The top earners' salaries exceed that of some Cabinet ministers, including the now-retired Minister responsible for the Commission for Administration, Alwyn Schlebusch, who had a salary of R104 850, plus a reimbursive allowance of R31 839.

The Estimates reveal 3 563 civil servants earn more than R50 000 a year.

Commission Secretary Ian Robson said the figure of R391 000 comprised the commissioners' salaries, plus fringe benefits such as the car scheme and operating expenses such as subsistence and travel costs.

He said the state contributions for

ROGER SMITH

their pension fund and medical aid were not reflected in that figure and were contained in other Budget votes.

He said the ministers' other benefits were also not reflected in the commission's budget and were contained elsewhere.

PFP MP Roger Burrows said the figures would appear to agree with his own estimate that top civil servants were receiving perks of between R40 000 and R50 000.

He said the breakdown showed that besides the three civil servants earning more than R120 000, there were about 20 director-generals earning about R119 000.

He did not think it was unreasonable, "in terms of what a top CE earns", for the most senior civil servant, with 1,6-million civil servants under him, to earn such a high figure.

Burrows expressed greater concern with the disparity between the incomes of those in the higher bracket and those at the bottom.

He said the lowest labourer earned about R177 a month and that could not be increased unless everybody received an increase or posts were collapsed.

The Estimates showed there were about 290 000 civil servants earning less than R6 001 pa. And 13 335 of those were earning less than R2 001 pa.

SA's total popu-
homes.

Bus workers back after increases

7-13/4/88 South
355

ABOUT 200 workers of the Transkei Blue Line Bus Service in Cape Town and Welkom went on strike last week demanding a wage increase.

Following negotiations, a settlement was reached and workers returned to work last Thursday.

The workers, members of

the Transport and Allied Workers Union (Tawu), demanded a minimum wage of R200 a week. They had refused management's offer of R100 for an assistant driver and R130 for a senior driver.

Assistant drivers were being paid about R44 a

week, while senior drivers were paid R62 a week and were not recognised as permanent employees.

A union official said negotiations for wage increases had been under way since October last year.

The negotiations between shop stewards and management reached deadlock on March 25. After this workers told management to reconsider their demand or face a strike, a shop steward said.

The strike ended when workers accepted management's offer of R160 a week.

A driver with nine years' experience said the increase was long overdue. He said he had to support his wife and three children in Transkei, as well as his sister and her five children on the money he earned.

"Drivers work seven days a week. Sometimes we have to drive up to 16 hours at a time without a co-driver," he said.

Five workshop workers said they had to work seven days a week and were not paid for overtime.

Union office burgled

South
11/4/88
7-13/4/88

EAST LONDON - Burglars who broke through the asbestos roof of the Construction and Allied Workers Union (Cawu) offices last week are still unknown.

The union's branch chairperson, Mac Kebeni, said the damage was discovered when the office was opened on March 28.

Nothing was removed and the break-in was not reported to the police.

"We think whoever broke in only wanted to steal information," said Kebeni. - ELNEWS

Hex-tex dispute ends

355

A WAGE dispute at Hex-tex Pty (Ltd), a textile company in Worcester, was averted when 1 200 workers agreed to accept wage increases offered by management.

The workers, all members of the Amalgamated Clothing and Textile Workers Union of South Africa, accepted increases of between R20 and R25.

A union official said an agreement on wages and paid holidays on May 1 and June 16 would be signed this week.

None of the workers would now earn less than R100 a week. The previous minimum was R80.

Hextex personnel manager, Mr JM Marx, said the agreement would be signed in the Industrial Council this week.

South
7-13/4/88

Civil service elite given huge payouts

CNT 11/15 1/4/88

355

Own Correspondent

JOHANNESBURG. — Two of the government's top civil servants are to get remuneration packages of about R195 000 a year each.

The Estimates of Expenditure budget R391 000 for the two statutory posts of the Commission for Administration held by commission chairman Dr J de Beer and commission member Dr J E du Plessis.

The commissioners, who are responsible for the employment and conditions of service of all civil servants, would appear to be two of the three civil servants noted in the estimates with salaries of more than R120 000.

The breakdown of the estimates is such that it is not possible easily to identify the third civil servant.

The estimates show that 3 563 civil servants earn more than R50 000 a year.

The very top earners' salaries exceed that of some cabinet ministers, including the Minister responsible for the Commission for Administration, Mr Alwyn Schlebusch, who is to get a

salary of R104 850, plus a reimbursive allowance of R31 839.

Secretary for the Commission Mr Ian Robson said the figure of R391 000 comprised the commissioners' salaries, plus fringe benefits such as the car scheme, and operating expenses such as subsistence and travel costs.

PFP MP Mr Roger Burrows said the figures would appear to agree with his own estimate that top civil servants were receiving perks of between R40 000 and R50 000.

He said the breakdown showed that beside the three civil servants earning more than R120 000, there were about 20 director-generals earning about R119 000.

He did not think it was unreasonable, "in terms of what a top CE earns", for the most senior civil servant, with 1,6m civil servants under him, to earn such a high figure.

He expressed greater concern with the disparity between the incomes of those in the higher bracket and those at the bottom.

He said the lowest-paid labourer earned about R177 a month.

Saawu in wage deadlock

Sowetan 8/4/88

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THE South African Allied Workers' Union and Bergvlei Chicks have deadlocked over wage increases, a Saawu spokesman said yesterday.

Saawu official Mr Shadrack Mkhwanazi said the union demanded a minimum wage of R500 a month and an additional increase of 49 cents an hour.

He said the company, a subsidiary of the Premier Group, had offered a monthly increase of R31,54 (lowest category) and R33,84 (highest).

Bergvlei Chicks' managing director, Mr A J Saunders, referred the *Sowetan* to the Premier Group. By late yesterday, Premier had not responded to our enquiries.

8/4/55
Mwasa declares dispute

THE Media Workers Association of South Africa had declared a dispute with Perskorporasie after a deadlock in wage talks.

This was said yesterday by Mwasa's organiser, Mr Basner Ngceba on behalf of the Southern Transvaal region of the union.

Mr Ngceba said Mwasa was demanding a minimum wage of R180 a week while the company had offered a R20 increase to the staff, some of whom were earning about R70 a week.

The dispute has been referred to the Industrial Council.

MS (S) 355

Double pay for homelands' six

9/4/88 CHRIS CAIRNCROSS 2/5 8/10/88

CAPE TOWN — SA's six Commissioners-General, who provide political liaison between government and the country's self-governing homelands, had their incomes almost doubled by last month's Budget.

The Budget estimates indicate that the salaries of these six incumbents are expected to total R640 000 over 1988/9, against only R350 000 earned in the previous year.

A spokesman for the Department of Development Planning, under whose wing these officials fall, said the substantial increases were merely to remove the disparity that had occurred between their earnings and those earned by MPs.

It means, however, that the net salaries of these six — whose precise job-definitions remain imprecise — will have increased from R46 200 to R64 242 a year since 1986.

In addition, they also qualify for a reimbursement allowance, which in the two years has shot up from R12 000 to R25 000 a year each.

Not on this balance sheet is a motor vehicle allowance, offered for the first time this year, and the free or highly subsidised accommodation accorded our representatives in these homelands.

Dispute takes ^{Southern} a new ^{11/7/58} turn ³⁵⁵

THE dispute between the Commercial, Catering and Allied Workers' Union (Ccawusa) and Pietersburg Wholesalers took a new turn at the weekend when the union filed papers in the Industrial Court applying for the reinstatement of 69 dismissed workers.

The dispute started on March 9 when workers downed tools and demanded that the company, owned by an Indian family in the town, should recognise the union, stop alleged dismissals and open talks with the union on wages.

Wages

The applicants allege that the respondent also violated basic minimum wage levels set by the Department of Manpower, forced workers to work overtime without pay, used racist swear words in his dealings with workers, assaulted workers and refused to discuss worker grievances with their representatives.

The applicants have asked for the appointment of a conciliation board or immediate and unconditional reinstatement of the workers. The company has until April 21 to file replying affidavits.

Pay increase talks resume

Star 12/4/88
By Mike Siluma,
Labour Reporter

Negotiations aimed at setting 1988 wage increases for more than 320 000 metal industry employees resumed yesterday.

The Steel and Engineering Industries Federation (Seifsa) met representatives of the National Union of Mineworkers, the SA Iron, Steel and Allied Industries' Union, affiliates of the International Metalworkers' Federation (IMF), and the Confederation of Metal and Building Unions (CMBU).

IMF unions have demanded a R1,50 across-the-board hourly increase plus a minimum wage of R5 an hour for labourers and a R1,50 an hour rise for artisans.

The rest of the unions proposed increases ranging from 52c an hour for labourers to R1,31 an hour for artisans.

The employers offered increases in hourly pay for labourers of 21c and 52c for artisans.

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Labour Update

DEMANDS NOT MET - UNION

WAGE talks between the United African Motor and Allied Workers Union of South Africa and Isando-based MAN Truck and Bus have deadlocked, a union spokesman said yesterday.

UAMWUSA official Mr Peter Makgathulela, Mr Peter Makgathulela said the stalemate revolved around the union's demand for a wage increase of R1,50 an hour, against the company's offer of 45 cents an hour.

The union also demands recognition of May 1 and June 16 as paid holidays and reduction of working hours from 45 to 40 hours.

- The Media Workers Association of South Africa (Mwasa) and Perskor have referred their wage dispute to the industrial council after talks broke down last

By LEN
MASEKO

week.

Mwasa Southern Transvaal organiser, Mr Basner Nceba, said the union declared the dispute with management after the company refused to accede to the workers' demand of a R180 a week minimum but instead stood on its R20 increase a week offer.

- The Commercial Catering and Allied Workers Union of South Africa and Triangle Furnishers meet on Thursday in an attempt to resolve a month-old wage strike by the company's employees.

The union demands — among other things — an across-the-board increase of R90 a month retrospective to January 87, a minimum salary of R500 and a further increase of R80 to be backdated to July 1987.



MR Daniel Dube . . .
Numsa president.

Deadlocked wage talks resume again

Sowetan
12/4/68

ANOTHER round of wage negotiations in the metal industry is scheduled to resume today.

The talks will focus on a deadlock reached by metal industry employers and unions at a previous industrial council meeting. Participating in the negotiations are the Steel Engineering Industries Federation of SA (Seifsa) and 15 trade unions.

Four unions affiliated to the International Metalworkers Federation (IMF) demand — among other things — a minimum wage of R5 an hour. The IMF affiliates include the National Union of Metalworkers of SA (Numsa) and Steel Engineering

and Allied Workers Union.

Also taking in the industrial council are seven unions affiliated to the Confederation of Metal and Building Unions, which have proposed increases ranging from 52 cents an hour for labourers to R1,31 an hour for artisans.

Seifsa, which represents 9 000 firms employing about 320 000 workers, has offered wage increases ranging from 21 cents an hour for labourers to 52 cents an hour for artisans.

Meanwhile, Numsa has tabled a number of wage proposals to the motor industry's industrial council, including a minimum rate of R4,50 across-the-board.

Numsa also demands six months' paid maternity leave, 14 days' paternity leave and a 40-hour week.

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B/day 13/4/88

Blacks are still worse off — govt

HOUSE OF ASSEMBLY — Those who claimed that the real income of whites had declined because of President P W Botha's policy of power-sharing and that blacks were doing better should remember that the average income of a black man was now R500, as against R1 732 for a white, Deputy Finance Minister Org Marais said yesterday.

He said government believed all races were totally economically interdependent and that equal economic opportunities should be created for all.

Those who were not in a position to enjoy these opportunities should be trained to make use of them.

A black man who knew he could progress in his profession, own a house and a car and educate his children would understand what capitalism and the free enterprise approach were.

Only then would whites be able to feel safe.

He said political freedom together with economic chaos offered nothing for the future of whites. — Sapa.



Wage talks: no agreement

Employers and trade unions in the metal and engineering industries failed to reach agreement by the close of the second round of annual wage negotiations yesterday.

The Confederation of Metal and Building Unions, the Mineworkers' Union and the SA Iron, Steel and Allied Industries Union proposed increases from 34 cents an hour for labourers to 85 cents an hour for artisans.

Employers have offered increases from 32 cents an hour for labourers (a R2,99 an hour minimum rate) to 66 cents an hour for artisans (a R7,19 an hour minimum rate).

WAGE negotiations between employers and trade unions in the metal and engineering industries deadlocked again this week.

A spokesman for the employers said the talks, which took place on Tuesday, "showed progress with movement on both sides of the negotiating table."

Among those participating in the annual negotiations are the employers body, the Steel Engineering Industries Federation of SA, four unions belonging to the SA Council of the International Metalworkers' Federation (IMF) and seven affiliates of the Confederation of Metal and Building Unions (CMBU).

The Seifsa spokesman said the IMF and CMBU affiliates as well as the Mineworkers' Union and the SA Iron, Steel and Allied Industries Union

Wage talks stall again

Source
14/4/88

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presented revised wage demands at the talks.

The IMF unions demanded across-the-board increases of R1 an hour for all categories of employees and a minimum wage rate of R4 an hour. The IMF affiliates include the National Union of Metalworkers of SA and the Steel Engineering and Allied Workers' Union.

The two parties will resume further negotiations on May 10.

kwaNdebele consultant to be paid R343 000

By Patrick Laurence
The kwaNdebele government has hired a former mayor of Atteridgeville as a consultant at a fee of R34 300 a month, more than half of an MP's salary in a year.

One of the duties of the consultant, Mr Joe Tshabalala, a Pretoria-based businessman, is to motivate the Ndebele people to "look forward" to the realisation of independence.

kwaNdebele's Chief Minister, Mr Majosi Mahlangu, has insisted the majority of Ndebele back his decision to opt for independence, blaming opposition to it on a small band of "agitators".

The Star has a copy of a letter sent to Mr Tshabalala advising him of his appointment. Dated March 15, it is signed by Mr Fanie Mahlangu, Minister of Citizen Liaison and Information.

Mr Tshabalala's tasks include "dissemination of political information to the Ndebele nation, organisation of meetings to be addressed by kwaNdebele Cabinet Ministers and motivation of the Ndebele people to joyous anticipation of independence."

The letter reads in part: "It is confirmed that the all-inclusive fee will be R343 000 (three-hundred and four-thousand rand) payable in equal monthly instalments

as from 1 April 1988 over a period of 10 months."

Mr Tshabalala told The Star that he had been appointed as a consultant to "conduct a survey" on Ndebele attitudes towards independence, saying he had conducted similar surveys for Transkei and Venda.

No fee had been fixed as the amount would be determined by the cost of the exercise, he said.

After The Star obtained a copy of the letter, Mr Tshabalala denied he had received the letter, insisting that both the terms of appointment and his fee had still to be negotiated.

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50% drop in real earnings — union

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8/20/88
19/4/88

Transport wages being reviewed

REAL wages for transport workers have dropped 50% over the past 13 years, Transport and General Workers' Union (TGWU) information officer Kally Forrest said yesterday.

The union has presented written submissions to the Wage Board, which is considering a new determination for the 150 000 employees in the goods transport sector.

Forrest said increases between 36% and 170% were needed for wage rates to return to the real levels of 1975.

She also said urban/rural wage differentials for drivers had widened over the same period.

The TGWU was suggesting the geographic wage differential be abolished. Wages should be increased across-the-board to 12% above the present Trans-

BRONWYN ADAMS

vaal industrial council level to keep abreast with inflation.

Forrest said an equitable system could best be achieved through the formation of one industrial council for the industry.

Cargo Carriers industrial relations manager Nic Pretorius agreed one council would certainly "make life easier". He said to extend the present council — covering 100 000 workers — to include the 180 000 workers country-wide now falling under wage determinations would save on administrative costs.

Pretorius said he would like to see a smaller disparity in the wage differential for urban and rural workers.

Deadlock looms in wage talks

A NATIONAL wage settlement has been reached between Pick 'n Pay and the Commercial, Catering and Allied Workers Union of South Africa (Ccawusa), increasing monthly wages by R140 across the board and raising the minimum wage to R632.

The union is still locked in negotiations with two other major supermarket chains, Checkers and OK Bazaars.

Negotiations with OK Bazaars appear to be heading towards a dispute following the company's offer of a R50 increase and a minimum wage of R400.

The offer has been described as an "insult" by union members, who said they would almost certainly

14-20/4/88
declare a dispute.

The union is demanding an across the board increase of R330 and a minimum wage of R700.

Negotiations with Checkers have been clouded by the company's plan to retrench about 1 600 workers.

Mr Humphry Oliphant, human resources manager at the Checkers head office in Johannesburg, confirmed the planned retrenchment.

"The union has notified us that they will be making their wage demands. If they want to talk about the retrenchments as well, they have the right to do so," he said.

—Concorde

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— Community projects — including housing	able funds for the special short-term employment creation programme for which the Department of Manpower is responsible are not divided amongst the four population groups concerned. Funds are allocated to employers in the private sector who are free to employ unemployed persons from all population groups. No record of the population groups involved are kept.
— Protection of the earth's surface	
— Nature conservation	
— Development of training facilities	
— Improvement and beautification of environment	
— Development and/or maintenance of sports and recreational facilities	
— Home industry and self-help projects	(a) (ii) Falls away.
— Replacement of machine labour with manual labour	(b) (ii) Falls away.
— Informal sector	(c) (ii) Falls away.
— Culture and heritage preservation	(d) (ii) Falls away.
(ii) 1985/86 and 1986/87 financial years	Trade unions: salary increases negotiated with employers
Projects for which funds were allocated	881. Mr A GERBER asked the Minister of Manpower:†
Employers involved	What are the average salary increases negotiated by trade unions with employers in 1986 and 1987, respectively?
Unemployed persons employed	30 121
Man-days worked	4 142 135
1987/88 financial year	
Projects for which funds were allocated	151
Employers involved	97
Unemployed persons employed	10 988
Man-days worked up to 17 March 1988	1 272 393
(c) 1985/86, 1986/87 and 1987/88 financial years.	
Information on the number of permanent posts created is not readily available.	
(2) (a) (i) (b) (i), (c) (i), and (d) (i) Avail-	

The MINISTER OF MANPOWER:

No record of salary increases negotiated by trade unions with individual employers is available in the Department of Manpower and the required information can therefore not be furnished. The average increases in minimum wages, percentage-wise, negotiated in 1986 and 1987 by trade unions and employers' organizations for skilled, semi-skilled and unskilled workers at industrial council level, the agreements in respect of which were published in the Government Gazette, are as follows:

1986	12,7 per cent
Skilled	12,9 per cent
Semi-skilled	14,4 per cent
Unskilled	
1987	
Skilled	15,5 per cent
Semi-skilled	16,9 per cent
Unskilled	19,6 per cent

HOUSE OF ASSEMBLY

QUESTIONS UNDER NAME OF MEMBER

Abrahams, Mr T	Own Affairs:
General Affairs:	Education and Culture, 214, 425
Agriculture, 939	
Constitutional Development and Planning, 953, 954	
Andrew, Mr K M—	Burrows, Mr R M—
General Affairs:	General Affairs:
Constitutional Development and Planning, 335	Administration and Broadcasting Services, 60, 212, 849
Defence, 102, 184, 185, 186, 206	Constitutional Development and Planning, 715, 784, 987
Education and Development Aid, 10, 11, 13, 58, 160, 161, 163, 469, 573, 580, 581, 582, 583, 584, 585, 601, 786, 848, 849, 911, 912, 913	Defence, 11, 101
Finance, 774	Education and Development Aid, 577, 613, 843
Home Affairs, 334	Finance, 338
Justice, 335	Home Affairs, 789
Law and Order, 347, 348, 778	Justice, 371
National Education, 604	Law and Order, 12, 253, 465
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Barnard, Dr M S—	Own Affairs:
General Affairs:	Budget and Welfare, 478
Constitutional Development and Planning, 404, 690, 691, 693, 704, 721, 725, 726, 727, 729, 730, 902, 903, 910, 950, 984, 989, 994, 997	Education and Culture, 20, 21, 22, 70, 72, 119, 120, 121, 122, 124, 125, 133, 135, 136, 171, 176, 191, 194, 214, 236, 345, 346, 479, 482, 615, 794, 796, 918
Defence, 285	Chetty, Mr K—
Education and Development Aid, 416	General Affairs:
Home Affairs, 415	Economic Affairs and Technology, 968, 969, 970
Justice, 381, 533, 534, 627	Law and Order, 875, 877
Law and Order, 838, 839	Transport Affairs, 543, 941
National Health and Population Development, 396, 435, 436, 441, 442, 443, 445, 447, 448, 749, 752, 753, 754, 755, 757, 842, 945	Own Affairs:
	Education and Culture, 558, 674, 743, 744, 883, 884
	Health Services and Welfare, 595, 974, 975, 976
	Housing, 646, 975

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Labour Update

OK, union to meet again

Sowetan 15/4/88

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THE Commercial Catering and Allied Workers Union of SA and OK Bazaars — currently locked in a stalemate over wage increases — meet for further talks on April 25.

Ccawusa has reduced its original demand of R300 across-the-board wage increase to R223 a month. The union also demands a minimum wage of R623 a month and recognition of March 21, May 1 and June 16 as paid holidays.

A spokesman for the union said the retail chain had offered a wage increase of R72 a month across-the-board and alternative offer of R102 a month split into two instalments — R51 in April and a further rise in November 1988.

The Ccawusa spokesman said: "The company has also offered a minimum wage of R410 in April, but only for existing employees. Their alternative offer is R450 a month, but without adjustments to the minimum wage in



CCAWUSA'S general secretary Vivian Mtwa. April."

He said the current minimum wage at OK was R400 and that this excluded employees who joined the company after "the 1987 wage strike." He said these workers earned less than R400 a



OK's managing director Gordon Hood. month."

"The most contentious of the union's demands are the commemorative days and the payment of the 1987 bonus withheld from those who went on strike," the union spokesman said.

Oil strike ends in big pay deal

By EDDIE KOCH

A FOUR-WEEK strike at Shell's Veetech Oil Company in Durban ended yesterday after management agreed to increase the minimum wage from R558 to R700 a month and pay an annual bonus of 25 per cent to all workers.

However wage disputes at major oil refineries in the Durban area threatened to escalate this week as members of the Chemical Workers' Industrial Union (CWIU) met to consider holding strike ballots at Mobil Oil, Shell Oil and Sapref Refineries. Wage talks with the union have deadlocked at the three plants.

CWIU organiser Pat Horn said a meeting of the union's shop stewards' council for the petroleum sector last week decided to deal with the disputes on a joint basis. As a result workers from all three refineries had attended joint meetings over the past three days in an attempt to take a united decision on whether to hold strike ballots.

In the Transvaal, the union is involved in a separate wage dispute with Mobil's oil depots, which employ some 200 workers. Annual wage talks for workers in the Caltex and BP depots in the Transvaal are also due to take place in the next few weeks.

15-21/4/88

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Employers, unions disagree over minimum wages

15-21/488
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W/maile

THE second round of metal industry wage negotiations has ended with some compromise on both sides, but no agreement between employers and unions.

The four affiliate of the SA Council of the International Metalworkers' Union made revised demands, for across the board increases of R1 per hour and a minimum hourly wage of R4 for labourers (up 53 percent) and R7,96 for artisans (22 percent).

The seven member unions of the Confederation of Metal and Building Unions, the white Mineworkers' Union and the Iron, Steel and Allied In-

dustries Union demanded 13 percent increases for both labourers and artisans.

Employers offered to increase labourers' hourly minimum wage by 12 percent to R2,93 and that of artisans by ten percent to R7,19.

In the motor industry industrial council, which covers motor workers other than those in vehicle manufacturing, employers and unions have failed to reach agreement on wages and working conditions.

The National Union of Metalworkers, which represents most of the industry's semi-skilled and unskilled

workers, is demanding a minimum hourly wage of R4,50. Employers have offered minimums ranging from R2,30 in big cities down to R1,26 in small country towns.

Employers have agreed to transfer auto workers' pension funds to provident funds but have rejected Numsa's demands for a 40 hour working week. In response the union's demand for six months' paid maternity leave, they have offered six months unpaid leave.

Metal industry wage talks continue on May 10 and motor industry talks on April 18.

(b) On the authority of the Deputy Minister of Information with the co-operation of the relevant authorities.

Removal of Lawaalkamp community to Sandkral

*5. Mr C J DERBY-LEWIS asked the Minister of Constitutional Development and Planning:

- (1) Whether the removal of the Lawaalkamp community to Sandkral has been completed; if not, when is it envisaged that this removal will be finalized;
- (2) whether the removal of this community was effected or is being effected on a voluntary basis; if not, (a) why not and (b) on what basis was it effected or is it being effected?

†The DEPUTY MINISTER OF DEVELOPMENT PLANNING:

- (1) No, the target date is 31 May 1988.
- (2) Yes.
- (a) and (b) Fall away.

Communist/Communist-aligned countries: trade relations

*6. Mr C J DERBY-LEWIS asked the Minister of Economic Affairs and Technology:

- (1) Whether the Republic maintains trade relations with Communist and Communist-aligned countries; if so,
- (2) whether such trade has any detrimental effects on local industries; if so, (a) what are these effects, (b) how are they justified and (c) what steps are being taken in this regard;
- (3) what is the Government's policy in regard to such trade?

†The DEPUTY MINISTER OF ECONOMIC AFFAIRS AND TECHNOLOGY (Dr T G Alant):

- (1) No. The Republic of South Africa does not maintain formal trade relations in the form of bilateral trade agreements or other arrangements with the countries in question.
- (2) No, not as far as is known.
- (a), (b) and (c) Fall away.
- (3) The Government's policy is not to pre-

HOUSE OF ASSEMBLY

scribe to the private sector with which countries trade may be conducted. This principle is also applied in the granting of import and export permits.

Booklet *Face to Face with the ANC*

*7. Mr P G SOAL asked the Minister of Defence:

- (1) Whether he or any member of the South African Defence Force was in any way involved in the compilation, printing and/or distribution of a booklet entitled "Face to Face with the ANC"; if so, (a) who, (b) what was the nature of the involvement, (c) how many copies of this booklet were produced, (d) to whom were copies of the booklet sent and (e) what was the total cost of this involvement;
- (2) whether he will make a statement on the matter?

†The DEPUTY MINISTER OF DEFENCE:

- (1) Yes.
- (a) An officer of the South African Defence Force.
- (b) Fully involved in the compiling and printing of the booklet.
- (c) 60 150
- (d) The booklet was not distributed.
- (e) The cost was included in the amount referred to in my reply to question number of 10 of 23 February 1988.
- (2) The original booklet contained certain shortcomings, as a result of which it was not distributed. After the shortcomings had been rectified, it was distributed under the title "ANC — The Inside Story".

*8. Mr T Langley — Law and Order.† [Reply standing over.]

Members: meeting attended at Standerton

*9. Mr J H VAN DER MERWE asked the Minister of Law and Order:†

- (1) Whether any members of the South African Police attended a meeting a Standerton on 25 February 1988, further particulars of which have been furnished to the Police for the purpose of the Minister's reply; if so, how many;

- (2) whether the Police made use of any official vehicles on this occasion; if so, what was the total cost involved?

†The MINISTER OF LAW AND ORDER:

- (1) Yes. An adequate number of members to deal with the given situation.
- (2) Yes. The cost involved cannot be ascertained, because these duties were performed during normal police activities.

Uprising against town council of Lekoa

*10. Mr J H VAN DER MERWE asked the Minister of Constitutional Development and Planning:†

- (1) Whether an uprising against the town council of Lekoa occurred recently; if so, (a) (i) who rose up against the town council and (ii) when and (b) what were the circumstances surrounding the incident;
- (2) whether any action was taken against the persons concerned; if not, why not; if so, (a) when and (b) what was the nature of this action?

The DEPUTY MINISTER OF DEVELOPMENT PLANNING:

No uprising occurred recently against the City Council of Lekoa.

*11. Prof N J J Olivier — Foreign Affairs. [Withdrawn.]

*12. Prof N J J Olivier — Defence. [Withdrawn.]

Special constables: alteration of salary scales

*13. Mr R M BURROWS asked the Minister of Law and Order:

- (1) Whether the salary scales of special constables have been altered at any time since the introduction of the system of special constables; if so, (a) why and (b) what alterations were effected;
- (2) whether he will furnish the House with the salary scales for special constables; if not, why not?

The MINISTER OF LAW AND ORDER:

- (1) No
- (a) and (b) Fall away.
- (2) Yes. Special constables are occasional workers who receive a remuneration of

R13,00 per day for each day they perform duty. In addition, they are granted eight paid rest-days per month.

Scheme for buying back service in Government Service Pension Fund: alterations

*14. Mr R M BURROWS asked the Minister of National Health and Population Development:

- (1) Whether any alterations have been effected since 21 September 1987 to the scheme for the buying back of service in the Government Service Pension Fund; if so, (a) what alterations and (b) what effect will these alterations have on the (i) buy-back scheme and (ii) debt position of the Government Service Pension Fund;
- (2) whether he will make a statement on the matter?

The MINISTER OF NATIONAL HEALTH AND POPULATION DEVELOPMENT:

- (1) Yes.
- (a) Amendment of the formula for the calculation of the cost of buying back service.
- (b) (i) An increase in the cost of buying back service.
- (ii) The buying back of service will no longer be a contributing factor to the actuarial shortfall in the Fund as the weighted formula will have the effect that the Fund will in future be fully compensated for the cost involved in the buying back of service.

(2) No.

KTC squatter camp: wire fences on western southern sides

*15. Mr J VAN ECK asked the Minister of Law and Order:

- (1) Whether a wire fence has been erected on the western, southern and eastern sides of the KTC squatter camp at Nyanga, Cape Town; if so, (a) what type of wire fence and (b) when;
- (2) whether, prior to the erection of this fence, any discussions were held with the (a) residents and/or (b) members of the Masincedane Committee of this Squatter

HOUSE OF ASSEMBLY

More pay for
the unskilled

UNSKILLED workers achieved the highest salary increase rates as a result of negotiations by trade unions and employers at industrial council level over the last two years, the Minister of Manpower, Mr Pietie du Plessis, said yesterday.

Last year, increases of 19,6% for unskilled workers, 16,9% for semi-skilled workers and 15,5% for skilled workers were negotiated at industrial council level.

Mr Du Plessis said no record of salary increases negotiated by trade unions with individual employers was available.

However, average percentage increases had been published in the Government Gazette.

Racism claims at Groote Schuur

By SIPHO VANGA

WORKERS at Groote Schuur Hospital have accused the hospital administration of practising job racism and classifying workers on the basis of their skin colour.

A worker with 12 years service is employed as a laboratory assistant and earns R441 per month. He is classified as a "Non-European labourer", he said.

"I tried to improve my qualifications hoping to get a better position. Early last year I applied for a job as a receptionist, but was told there was no vacancy," he said.

The worker said he intended to leave the hospital as there was no hope of conditions changing at the hospital.

He was not sure if he was a permanent or temporary worker.

Chief medical superintendent of Groote Schuur, Dr J Kane-Berman denied that workers were classified on the basis of their skin colour.

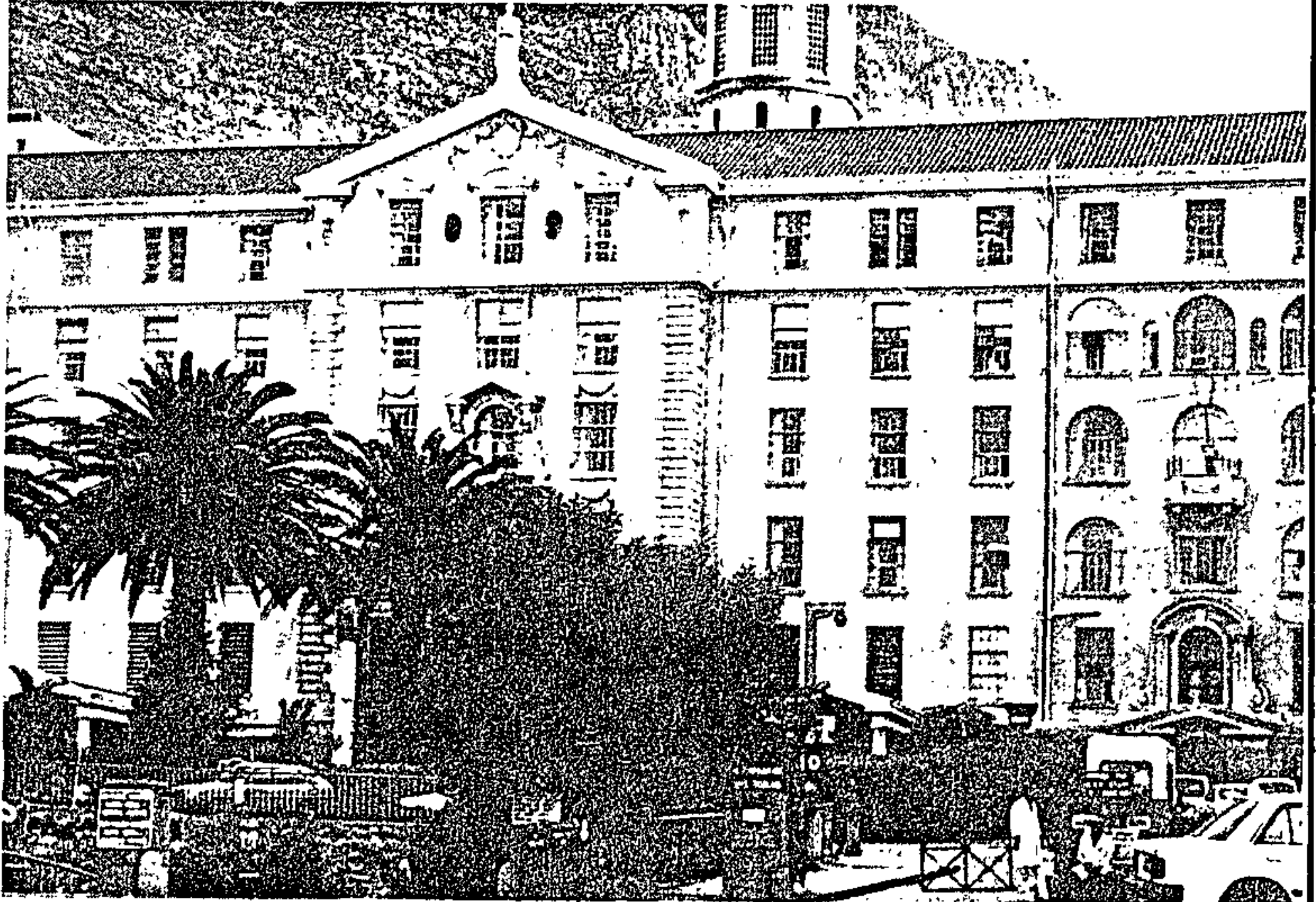
"General assistants perform unskilled and semi-skilled work under the supervision of a qualified person.

"General assistants whose educational qualifications meet hospital requirements are encouraged to apply for higher posts," she said.

Some workers spoken to said they were dissatisfied about wages and racism.

Workers doing work of junior pharmacists and laboratory assistants were not paid for these jobs. Despite performing duties of qualified workers, laboratory assistants were classified as labourers.

Whites and coloureds were employed as porters while Africans were not considered for the job. Although a minimum qualification for the job is Std 6, Africans with matric



Racism is rife at Groote Schuur, workers claim

sweep floors, workers said.

"Semi-literate whites are permanently employed and their basic salary is R700 upwards. Meanwhile, there are matriculants who sweep floors and are paid peanuts."

Some workers with many years' service are still classified temporary and are not aware of it.

The hospital forced workers to join the Public Servant's League, a "sweetheart union", which was not recognised by workers. They were dissatisfied with the League. Management

discouraged an alternative union.

Kane-Berman said salary discrimination had been abolished on March 1 this year.

The Commission for Administration was reviewing the temporary appointment of general assistants, she said.

"Groote Schuur Hospital is governed by State legislation and public service regulations.

"The hospital defined grievance procedures and copies are given to new employees. These procedures allow workers to bring grievances to

management to be remedied."

There were staff associations who met with management regularly on their own request.

Groote Schuur was

committed to the elimination of discrimination, equal opportunity, and the improvement of labour relations and conditions of service for all employees, Kane-Berman said.

'Govt incensed over lack of restraint'

CMT Times 19/4/88
Own Correspondent

JOHANNESBURG. — Government is becoming increasingly incensed that the private sector is not responding to the appeal made by President P W Botha to use restraint in establishing wage and price increases — in line with the "freezes" imposed on the public sector.

This much was indicated by Finance Minister Barend du Plessis in replying to the debate on his Budget in the House of Assembly yesterday.

Du Plessis observed critically that there were almost daily notices in the media of wage and price increases now being set in the private sector since President Botha announced his economic package.

Singling out retailers, Du Plessis warned that government would be provided with more muscle.

Ccawusa strike

Sowetan 20/4/88
ABOUT 100 members of the Commercial Catering and Allied Workers Union at Empisal in Village Deep have been on a wage strike for the past three weeks.

Organiser Mr Abe Ramalope said yesterday that the workers were demanding a minimum of R600 a month and an across-the-board increase of R300 a month.

They also demand a 13th cheque, extra week's leave, 35 hours a week without loss of pay, housing subsidy and May 1; March 21 and June 16 as paid holidays.

Resolve dispute

Mr Ramalope said the strike began after mediation talks to resolve the dispute failed in December.

The company yesterday said it was firm on its R80 across-the-board offer and a monthly minimum R450 a month.

A company spokesman said yesterday that Empisal offered Ccawusa members 7,5 percent for every year of service in respect of the union's demand for a 13th cheque.

The company also said it also offered workers one day in May with regard to the paid holiday demand.

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Teachers' pay is a high Govt priority — De Klerk

Teachers should rest assured that the Government would eliminate any comparative backlogs in their remuneration packages in the shortest time possible, the Minister of National Education, Mr F W de Klerk, said yesterday.

LAGGING BEHIND

He was replying during the committee stage debate on his budget vote to statements by opposition speakers that teachers and other educators were, relatively speaking, about 11 percent behind in their salaries when they were compared to the rest of the public sector.

The opposition speakers appealed to the Government to correct the situa-

tion in spite of its decision not to grant civil servants salary increases this year.

Mr de Klerk said that he had had many discussions with teachers' representatives and was negotiating at the moment with some of his Government colleagues.

"Educators' can, however, rest assured that any backlogs will be eliminated in the shortest possible time."

Teachers' remuneration was one of the Government's highest priorities at the moment and urgent attention was being given to the matter.

The Government's sincere intentions in the interests of teachers should be accepted, he said.

SPM 20/4/88



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LECTURERS

THE Frame Group would retrench 1 850 employees — about 9% of its 21 000-strong workforce — as

part of a programme of reorganisation to become competitive in local and international markets, it said yesterday.

Frame human resources director Peter Richardson said the need for the layoffs arose out of a legacy of benign neglect in which the group lost its ability to perform efficiently.

Richardson said: "The group's operating company, Consolidated Frame Textiles, has an abysmally low return on capital compared with other industries and competitors."

An Amalgamated Clothing and Textile Workers' Union of SA (Actwusa) spokesman said retrenched workers would receive compensation of at least one week's pay a year of service or part

Frame plans big retrenchment

ALAN FINE

thereof. In addition, they would receive their and employer contributions to the company's provident fund, plus interest.

The retrenchment programme has been discussed at length with Actwusa. No date has been set for the implementation of the job cuts.

KAY TURVEY reports the retrenchments follow massive restructuring of the group since new management took over in 1986.

A complete reorganisation has simpli-

● To Page 2

Frame plans big retrenchment programme

fied the complicated system of cross holdings and interlocking minority shareholdings of the various companies making up the group.

The group's return on capital is 10,3% at historical costs, or 5,7% allowing for depreciation of plant and machinery. This compares unfavourably with competitors' returns at 34,3% for Mooi River and 33,9% and 31,8% for Da Gama and Romatex respectively.

Financial director Stephen Leggat said yesterday the group aimed to

achieve a 25% return on capital in the next two years. Given Frame's R300m property portfolio, this would enable it to compete effectively, as property tends to hold or appreciate in value.

Tight cost controls and the introduction of a new management team in 1986 have already been showing benefits. At the interim stage for the 1988 financial year, pre-tax profits were up 27% to R14,9m, in spite of the Natal floods which disrupted production.

● From Page 1

Security guards demand raise

SOUTH
21-27/4/88
35

SECURITY guards have called for higher wages and better working conditions, and have called for the alleged sexual harassment of women workers to be investigated.

This was decided at a regional conference of the Vukani Guards and Allied Workers Union attended by more than 100 representatives in Cape Town last week.

The union, which has 10 000 members, is demanding a R300 minimum salary and a new national minimum hourly rate of R2,00.

Demand

Representatives were from Pritchards, Coastwatch, Securitight, Table Bay Security, Fidelity, Security Action Services, Key Guards, Peninsula Security Guards and Lodge and other companies.

Other demands were a 40 hour work week, and double pay on Sundays for shifts longer than four hours. Workers asked to be given off on May Day and other public holidays.

Casual workers had to be registered and receive higher wages, but should not be allowed to replace permanent workers. Hiring casual workers for R10,00 a weekend had to be scrapped.

Harassment

They asked that sick leave be increased to 14 days a year, a revised register and personal record book be introduced to prevent underpayment, a special allowance for night shift be paid and all forms of discrimination and sexual harassment be stamped out in the industry.

A union spokesperson, Mr. Derek Naidoo, said many of the women were afraid to report cases of sexual harassment.

The union would investigate cases of sexual harassment and inform management about it.

PW hits out at business community

CME Times 22/4/88 (152/100) 355

Staff Reporter

PRESIDENT P W Botha yesterday expressed strong displeasure with the business community for failing to respond to his appeals for wage, salary and price restraint in an effort to combat inflation.

In view of the apparent absence of voluntary co-operation from the private sector on this score, Botha stressed government had no alternative but to consider imposing "other mechanisms" via legislation to compel the business community to toe the line if it would not do so through persuasion.

He indicated that one of these legislative instruments was the draft Control of Harmful Business Practices (HBP) Bill now being circulated for comment.

Speaking during his Budget vote in the House of Assembly, Botha said this legislation would make it possible to take fast and effective action against persons guilty of harmful business practices, thus protecting the consumer against exploitation.

Botha said that the reaction from the private sector since he made his appeal in February had been disap-

pointing. Although he had received a few letters of support for his economic initiative, it seemed from media reports that the private sector would be granting general pay increases of 15% to 16%.

Botha added: "I also find it strange to receive a letter from a leading businessman in which he declares his whole-hearted support for combating inflation and (then) to read in the financial press afterwards that he granted salary increases of up to 28%."

"In spite of the positive letters received from businessmen, the question arises unvoluntarily whether this is all just lip-service?"

Botha said that in letters he had also received from the general public serious doubt was expressed about the willingness of the private sector to truly co-operate.

"An evident and concrete quid pro quo is demanded from the private sector in exchange for the sacrifice by, among others, public servants," Botha said.

"To my disappointment it is becoming increasingly evident that this quid pro quo will not come about by means of persuasion or voluntary teamwork," he concluded.

hare — they closed on a bit of a

R35-to-R105 workers demand higher wages

STimes
24/4/88

By Robyn Chalmers

MORE than 6-million black farm workers and their dependants are living on a monthly wage of between R35 to R105.

This is disclosed in a Nation Union of Farm and Agricultural Workers of SA (Nufasa) demand to the Government for an improvement in wages.

Nufasa general secretary Sam Moswane says blacks employed in agriculture in the Transvaal and Highveld areas earn from R35 a month for ploughmen to R150 for those on vegetable farms.

SA Agricultural Union deputy director Kobus Kleynhans says at least 6-million blacks and their dependants work and live on white-owned farms.

Mr Moswane says that if the demand is not met, "the union will decide what action to take".

But there is little room for employees' action. Mr Kleynhans says that although the right to strike is inherent in common law, "if people walk out they are breaking their contract with their employer".

"The employer has the right to terminate the contract and order them off the land."

Mr Moswane says there is "no legislation to protect dismissed farm workers, accommodation is generally poor and most of them are illiterate".

Farm workers are excluded from:

- The provisions of the Labour Act, which means they cannot use the collective bargaining or dispute resolution machinery provided by the Act.

- Protection afforded under the Basic Condi-

tions of Employment Act, so their conditions of employment are governed only by common law.

- The Unemployment Insurance Fund.

- Legal protection from victimisation for trade union activities and the right to form registered trade unions.

- Minimum safety regulations governing working conditions.

A National Manpower Commission was appointed in 1982 to look into the working conditions of farm and domestic workers, and handed its findings to the Minister of Manpower on July 3, 1985.

The report has not been released. Manpower Minister Piet du Plessis said in a parliamentary reply that "consultations with organised agriculture are still in progress".

The discussions began in June last year.

Union rejects Frame retrenchment

355 BLOW 25/4/88

THE Amalgamated Clothing and Textile Workers Union of SA (Actwusa) has rejected the Frame group's decision to retrench 1 850 workers as "fraudulent".

Shop stewards rejected the retrenchments at a national council on Saturday and resolved to oppose the plan vigourously.

The 1 850 workers to be entrenched represent about 9% of the Frame group's 21 000 strong work force.

The group's human resources director Peter Richardson was reported as saying last week the re-

SUE RUSSELL

trenchments arose from a legacy of benign neglect in which the group had lost the ability to perform efficiently.

Actwusa general secretary John Copelyn said yesterday the problem was not that Frame was not making profits but rather they were not making sufficient profits.

"It is not a matter of life or death for Frame," he said. "It is a matter of them being jealous of the position of the other manufacturers in the industry."

"We do not believe the prestige which the group is trying to elicit is a sufficient reason to justify this kind of suffering."

"The jobs of these workers are going to have to be done by the remaining workers."

Copelyn said in the absence of an agreement between them, Frame had threatened to conduct the retrenchments without the union.

"That will be Frame's biggest mistake," he said. "They do not realise the anger and bitterness which is boiling up inside of people."

Cosatu reject wage freeze plan

THE Congress of South African Trade Unions rejected the State President, Mr P W Botha's plan to impose a general wage freeze, Cosatu said yesterday.

It was alarmed that Mr Botha intended to enforce a wage freeze in the private sector, a statement from Mr Frank Meintjies, Cosatu's information officer, said.

Government attempts to bully employers demonstrated that Mr Botha was prepared to bulldoze those who stood in the way of his solutions.

Employers will have to decide whether they will be brow-beaten or use their clout to oppose the wage freeze.

For it is they who will have to deal with consequences on the shopfloor.

Employers must realise if a wage freeze were implemented, the exercise of labour relations could easily become meaningless.

"Because recognition agreement will be worth little if unions are unable to negotiate on wages, by far the most pressing issue facing our members," the statement added.

Cosatu lashes out at 'threat of wage freeze'

The Congress of South African Trade Unions (Cosatu) yesterday rejected the State President, Mr P W Botha's threat to impose a wage freeze.

Cosatu was alarmed that he intended to enforce a wage freeze in the private sector, said a statement from Cosatu information officer Mr Frank Meintjies.

Government attempts to bully employers demonstrated that Mr Botha was prepared to bulldoze those who stood in the way of his solutions.

"Employers will have to decide whether they will be browbeaten or use their clout to oppose the wage freeze. For it is they who will have to deal with consequences on the shop floor," the statement said.

Cosatu rejected the view that wage increases were inflationary.

"The basis of our arguments in most negotiations is not that management should give money which they do not have. Rather unions take pains to analyse company statistics in order to prove that the demands we make can be easily met," the statement said. — Sapa.

LIVES ON

they belted old tunes during the ceremony.

UNION TAKES OFFER

50mefan
26/4/58

Q2

355

THE majority of National Union of Wine, Spirits and Allied Workers (Numsaw) members has accepted a wage increase offer of between R27 and R30 per week from the employers' association.

Workers who fall under grades one up to four have their wages increased by R27 a week, while those who fall under grade five by R28 a week and those on Grade six by R30 a week.

In addition to the increases, employers increases, employees with five to nine years service will receive an additional two-and-a-half percent increase on their wages and members with 10 and more years of service will receive an additional five percent increase on the wages they earn.

OP cures blind man

A BLIND man whose hands used to sweat so much he could not read braille, has undergone an operation free of charge at a Durban hospital.

Mr Bobby Pillay (33), of Tongaat, spoke yesterday from his bed at Entabeni Hospital: "Feel my hands — they are dry."

"Shortly after I became blind four years ago, my hands would drip with sweat. — Sapa.

Wage rise for the ~~newspaper~~ paper men

Star 26/4/68
A new wage agreement giving Transvaal employees in the newspaper distribution industry a minimum wage of R600 a month has been reached between Allied Publishing and the Commercial, Catering and Allied Workers' Union, an Allied spokesman said yesterday.

The managing director of Allied, Mr J C Mould, said in a statement that as part of the settlement, employees will receive an across-the-board increase of 17 percent.

A similar agreement was signed last week with the United Workers' Union. Sapa.

Control rejected

ATTEMPTS to control wages through price controls as envisaged by the State President would be rejected in every way possible by the National Congress of Trade Unions, a statement from Nactu said yesterday.

"These attempts are a negation of the principle of voluntarism accepted by the Wiehahn Commission.

"We reject any attempt to control wages

directly or indirectly. We will fight this attempt at every factory in every industry.

"Nactu has consistently warned that the State's interests lie in control of every facet of life."

The business community was itself facing this crisis of control, the statement said.

"In the past it has been ineffective, and unwilling to fight the State. If

might now find that having compromised so often in the past it may be impotent to do anything against this onslaught by the State."

Over the past 12 years Nactu affiliates have organised, negotiated and conducted agreements with more than 800 at industry and plant level being made among their affiliates, the statement pointed out. Sapa.

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27/4/88

Bl day

Pay freeze angers Sats artisans' association

355

GERALD REILLY

THE Federation of Sats Trade Unions was upset by the "double talk" of President P W Botha, Artisan Staff Association (ASA) president Hugo van Dyk said in Maritzburg yesterday.

He told the ASA congress it had become plain SA workers were being used as pawns to further the ends of politicians.

The time had come for Sats unions to unite — and for the first time there was solidarity in the federation.

If the current salary dispute could not be satisfactorily settled through official channels, the congress should give direction on possible reaction.

Van Dyk said after the ASA had lodged a moderate 16,2% increase demand with Transport Minister Eli Louw in September last year, Botha had made a "dictatorial" announcement freezing public-sector pay.

To add fuel to the fire, Louw had told the federation "in a very meek and mild manner" he had to abide by Botha's announcement.

"This is the sorrowful situation the federation found itself in, and it had no option but to declare a dispute and the outcome of conciliation proceedings is now awaited."

On privatisation, Van Dyk said although the De Villiers report had not yet been accepted by the Cabinet and no White Paper had been tabled, the Transport Minister and Sats management had gone ahead with reorganisation and decentralisation.

Van Dyk said the ASA, through the federation, would have to have discussions with Louw to determine in which direction privatisation was heading. There was "total uncertainty" among Sats workers.

DID 2714188 355

Settlement in Queenstown dispute

Daily Dispatch Reporter

EAST LONDON — Settlement has been reached in the dispute between a Queenstown company, Baldwin's Steel, and the National Union of Metalworkers of South Africa (Numsa), a union spokesman said yesterday.

The regional secretary of Numsa, Mr Viwe Gxarisa, said 24 employees who were dismissed on March 9 and 10, would be reinstated as a result of the agreement.

The workers had refused to work overtime after the company would not negotiate with them on their demands of a R4,50 per hour wage and a means of transport after work, he said.

A spokesman for the holding company that negotiated on behalf of Baldwins Steel Company, Mr Neville Jordan, was not available for comment yesterday.

Mr Gxarisa said the reinstatements would not entail any monetary compensation and would be in effect from May 2. The replacement workforce would be given notice to shorten their contract of employment from June 17 to June 1, while 25 would be employed at the company permanently.

The rest of the workforce would be given first preference if the company were to employ additional labour, he said.

"The reduction of working hours as well as an overtime ban is one of the union's resolutions with the aim of creating more jobs for the unemployed.

"Management saw the ban on overtime by the workers as a strike, while it was not necessarily a strike action from the union's point of view."

The dismissed employees had a period of grace until June 1 to return to work, Mr Gxarisa added.

D10 28/4/88

OK Bazaars declare dispute with union

Daily Dispatch
Correspondent

JOHANNESBURG — OK Bazaars declared a dispute with the Commercial Catering and Allied Workers' Union (Cca-wusa) after annual wage negotiations became deadlocked yesterday, the OK personnel director, Mr Keith Hartshorne, said here.

He said the company regretted this development, but it was left with no option after the union's refusal to move significantly from a set of demands that would cost the company six times the value of its entire profit for the pre-

vious financial year.

He said the union's demands included an across-the-board increase of R218 per month, a doubling of commission on furniture sales, and 20 per cent staff discount.

The OK proposed a single monthly increase of R110, or two increases of R77 at six-monthly intervals, and a 15 per cent increase on minimum wages.

Mr Hartshorne said Cca-wusa refused to accept the declaration of a dispute; the parties would meet again on May 10.

Labour Update

OK declares dispute

355 (100) (100)
Somelen 24/4/88

By JOSHUA RABOROKO

THE OK Bazaars has declared a dispute with the Commercial Catering and Allied Workers' Union following several weeks of negotiations on wages and working conditions for 1988.

The company's spokesman, Mr Keith Hartshorne, yesterday said the company regretted the move, but was left with no option after the union refused to move significantly from its demands.

He said the demands would cost the company R110 million in the next 12 months or six times the company's entire profit for the previous financial year.

Union's demands

"The company therefore believes that there is little point in continuing with the current negotiations and it is now appropriate to commence using dispute-resolving (mechanisms) in an effort to reach settlement," Mr Hartshorne said in a statement.

The union's current demands include:

- an across-the-board increase of R218 a month;
- 20 percent discount; and
- doubling commission for furniture salesmen.

The company's current offer includes an across-the-board increase of R110 a month in two branches or R77 a month backdated to April; a new agreement on June 16 and 15 percent increase in minimum wages.

A union spokesman yesterday said they did not want to comment on the dispute at this stage.

LABOUR BRIEFS

thousands of employees.

The parties agreed on:

- An across-the-board wage increase to all employees. Workers will get a pay rise of R25,00 a week from July 1.
- May 1 and June 16 as paid public holidays, provided that these days fall within a normal working week.
- Women getting six months unpaid maternity leave with a guarantee of re-employment within the six-month period.
- Eight or four days paid leave for shop stewards attending seminars and training sessions organised by the union.

29/4/65
THE National Union of Furniture and Allied Workers of South Africa has concluded negotiations with two industrial councils for better working conditions in the furniture manufacturing and bedding industries. (SSS)

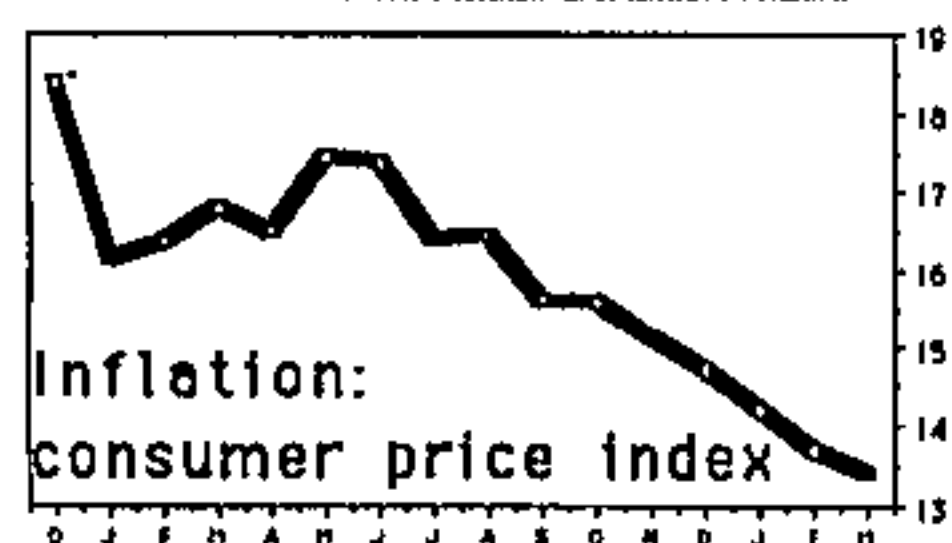
In a statement the two industrial councils — the Transvaal Furniture and Upholstery Manufacturer's Association said the agreement would improve social and economic conditions for

THE ECONOMY

Volunteer, says PW. It's now compulsory

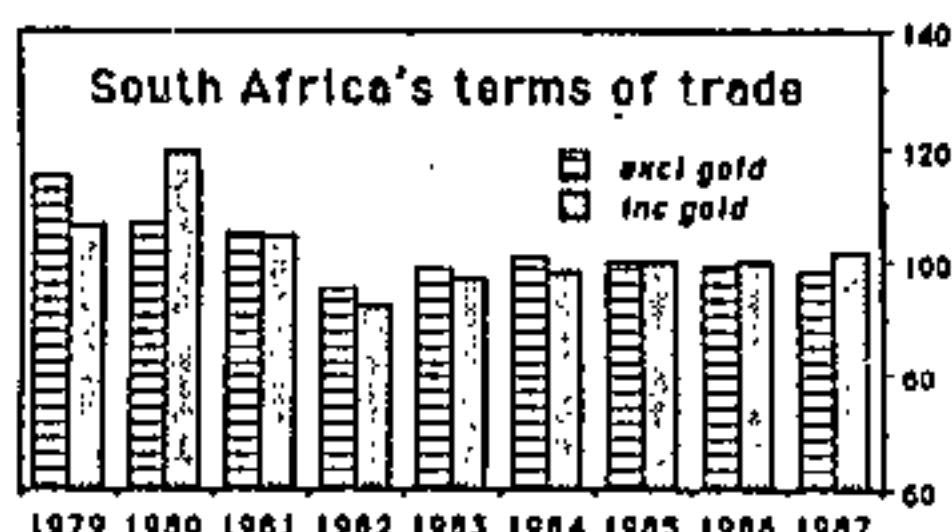
BUSINESS BAROMETER

GENERAL INDICATORS



CONSUMER PRICE INDEX

Inflation, as measured by the consumer price index, dropped to 13.4 percent in March from 13.7 percent in February and 14.2 percent in January. Food price inflation was unchanged in March at 17.1 percent. The CPI showed a year on year increase of 13.8 percent for the lower income group and 13.4 percent for middle and higher income groups.



ECONOMICS OF GOLD MINING

Reserve Bank governor Gerhard de Kock outlined changes in the economics of gold mining in South Africa in a speech he made at the opening of Anglo American's Eastern Gold Holdings project last week. Between 1970 and 1987 the US dollar price of gold increased on average by 16 percent a year (from \$36 in 1970 to \$447 in 1987) and the rand price by 23 percent per year. Average cost per metric ton increased over this period at an average annual rate of about 16 percent in rand terms. The rise in the gold price was accompanied by a 40 percent decline in South Africa's physical gold production — from 1 002 tons in 1970 to 605 tons in 1987. This was partly because the average grade of ore mined dropped from 13.3 grams per ton milled in 1970 to 5.3 grams per ton in 1987. The net result of the rise in price and the decline in output was gold mining became even more important to the South African economy than before, De Kock said. Measured at current prices, the "value added" by gold mining as a percentage of gross domestic product increased from 5.5 percent in 1970 to 9.1 percent in 1987. Gold exports as a percentage of total exports increased from 30 percent in 1970 to 37 percent in 1987. At current production levels and at the present rand-dollar exchange rate, each \$50 per ounce change in the gold price means a change of about \$1-billion or more than R2-billion in the value of South Africa's annual gold output.

SOUTH AFRICA IN WORLD GOLD MINING

In 1986 South Africa's output represented about 50 percent of gold production in the non-communist world and 39 percent of total world production. This is a substantial decline in South Africa's relative share of world gold production since 1970, when its

output was 79 percent of non-communist and 68 percent of total world production.

PRIVATE CONSUMPTION EXPENDITURE

South Africa's real economic growth rate averaged 5.8 percent annually in the 1960s, 3.3 percent in the 1970s and 1.8 percent between 1980 and 1987. Economic growth in this period became more and more attributable to private consumption expenditure and less and less to investment and exports, according to Sanlam's April Economic Survey, published this week. The average contribution of private consumption expenditure to economic growth rose from 42 percent in the 1960s to 52 percent in the 1970s to more than 80 percent in the first eight years of the 1980s. Consumer spending has been growing much faster than disposable income, indicating people are drawing on their savings or using credit to finance purchases. The financial position of consumers has been weakened by inflation and rising taxes. The personal savings rate has declined from average 11.3 percent in 1960-69 to 10.2 percent in 1970-79 to only five percent in 1980-87.

FINANCIAL INDICATORS

Johannesburg Stock Exchange Indices

JSE Indexes	27/4/88	WEEK AGO	% CHANGE
All Market Index	1585	1649	-3.9
All Gold Index	1191	1273	-6.4
Industrial Index	1488	1514	-1.7

Short-term interest rates

	26/4/88	WEEK AGO	YEAR AGO
Three-month bankers acceptances	11.75%	11.10%	9.8%
Prime overdraft rate	14%	14%	12.5%

Gold Price: dollars

	26/4/88	WEEK AGO	% CHANGE
	447	456.90	-2.1

Gold Price: rands

	26/4/88	WEEK AGO	% CHANGE
	965.52	976.31	-1.1

Selling price: Major currencies against rand

	27/4/88	WEEK AGO	% CHANGE
US dollars	2,1525	2,1380	+0.6
Pounds Sterling	4,0316	4,0526	-0.5
Deutsche Mark	0,7794	0,7769	+0.3
Yen	58,46	57,96	+0.2
Swiss Franc	0,6420	0,6453	+0.5
Financial Rand	2,84	2,8333	+0.5

US Dollar against major currencies

	27/4/88	WEEK AGO	% CHANGE
Dm	1,6777	1,6610	+1
Sterling	1,8730	1,8955	-1.2
Yen	124,97	123,92	+0.8
SwFr	1,3890	1,3726	+1.2

Source: First National Bank

PRESIDENT PW Botha's recent threat to impose a prices and incomes policy on the private sector has been strenuously opposed by trade unions, business leaders and Reserve Bank Governor Gerhard de Kock.

The Congress of South African Trade Unions (Cosatu) has stated that it "completely rejects the state president's plans to impose a general wage freeze" while the National Council of Trade Unions (Nactu) has promised to "fight this attempt at every factory in every industry".

Pick 'n Pay's Raymond Ackerman, who seems to have been indirectly singled out by Botha for special attention because his company recently agreed to pay wage increases between 12 and 25 percent, has called the proposal "totally unrealistic". Ackerman's views have been endorsed by economists within Anglo American, Rand Merchant Bank and Volkskas.

Significantly, too, Gerhard de Kock saw fit to respond almost immediately to Botha, arguing that "such direct controls would create more problems than they solve".

Clearly, Botha's outburst has not won him many friends. This must come as a bit of a disappointment to Finance Minister Barend du Plessis, who is particularly keen to cultivate the business community. The loud silence currently emanating from our finance minister over this issue suggests he wishes he were minister of something else just at the moment.

After being regularly condemned over the past umpteen years for his lack of economic understanding, Botha only recently managed to become the blue-eyed boy of the business community when he announced at the opening of parliament that the government was to freeze public servants' wages and launch a massive privatisation campaign.

Here at last, wrote Econometrix director Azar Jammie, was a "coherent philosophy in support of free enterprise". "As an exercise in orthodox Thatcherism", raved a Johannesburg daily, "President Botha's speech could hardly have been improved upon."

In reality, freezing public sector wages has as much in common with Thatcherism as bath water has with knitting needles.

But because so many in the business community and the press liked both the idea of freezing public sector wages and that of privatising state assets they ignored the contradiction. Privatisation promotes market forces

After years of being derided for lack of economic understanding, the state president at last won the approval of business, only to tarnish his record last week. **DUNCAN INNES reports**

but Botha's wage freeze does the reverse: it subordinates the wage market to the arbitrary dictates of those in power.

Further evidence of the government's desire to keep important sections of the market under its control was provided by its commitment to push ahead with the Labour Relations Amendment Bill. What this Bill does in part is to restrict the rights of workers and trade unions in collective bargaining, thereby interfering in the functioning of the labour market.

However, because so many employers see this Bill as an opportunity to break the power of the unions they have not in general campaigned against it.

They failed to see that the government's commitment to union bashing, embodied in this Bill, also represented a continued commitment to the policy of directly controlling markets.

This point was hammered home to the business community a few weeks ago when the government circulated the draft of the Control of Harmful Business Practices Bill.

This Bill effectively gives the minister of economic affairs the power to fix prices, declare certain business practices unlawful, dissolve businesses, terminate agreements and fine offenders R200 000 or jail them for five years.

This time the business community rose to the occasion, attacking the "arbitrary powers" the Bill conferred on the minister and criticising the use of "price controls" which, the Association of Chambers of Commerce (Assocom) pointed out, ran counter to the idea of free enterprise.

And then came the Botha bombshell: because the private sector had not voluntarily responded to his proposal that it should exercise wage and price restraint, he would consider using legislation to compel private businesses to toe the line.

His statement raises questions about what precisely Botha means when he uses the word "voluntary". When he first announced his public sector wage freeze he called on the private sector "voluntarily" to exercise similar restraint in its negotiations around wages. Now he says because they failed to do so he will compel them to toe the line.

The indirect reference to Raymond Ackerman is ominous, coming so soon after the public pillorying of Chris Ball. Should we assume that every time a leading businessman does something the state president dislikes that businessman can expect to be hauled over the coals?

Nactu recently pointed out that in the past the business community has been ineffective and unwilling to oppose the government. "It might now find that, having compromised so often in the past, it may be impotent to do anything against this onslaught."

Perhaps some might find this warning extreme. Others might feel it provides food for thought.

Old wounds re-open in Samcor dispute

By EDDIE KOCH

THE reasons why more than 3 000 workers shut down the SA Motor Corporation (Samcor) assembly plant last week in protest at their union's involvement in the company's share ownership scheme are not easy to unravel.

The National Union of Metalworkers of South Africa (Numsa) agreed in November last year to set up a trust in which workers would hold 24 percent of the company's shares on condition that the dividends be used for community projects.

At the time the agreement was seen by Numsa as a victory for the union. Numsa had opposed Ford's original plan to give shares to workers on an

individual basis.

The union saw the Samcor share ownership scheme as going some way to meeting Congress of South African Trade Unions policy that disinvestment should take place in such a way "that the social wealth of the country remains the property of the people of South Africa for the benefit of all".

So why did the work force object so vehemently to a seemingly sound agreement? Reasons put forward by workers so far don't help to clarify the issue.

Press reports have quoted striking workers as saying they did not want

was the main cause of the dispute.

Fred Sauls, national secretary for Numsa's motor section, said the group had been campaigning against the agreement for more than four months.

The dissident group, he said, was made up of former members of the Motor Assembly and Component Workers' Union of South Africa (Macwusa) who were reluctant to accept the merger between Macwusa and other metal and motor unions last year that led to the formation of Numsa.

Three weeks after the agreement was signed, he said, the rival group announced its opposition to the fund and in February this year "instructed

R187-million and that if this amount were divided among the 4 000 workers it would give each worker at least R40 000, said Sauls.

"Workers did not realise that for this to happen the company would have to sell its entire plant and stock. In their minds it was a chance to get R40 000 and the idea spread like wildfire.

There has been a long history of rivalry in the Eastern Cape between Macwusa and the National Automobile and Allied Workers Union (Naawu), the biggest motor workers' union to join Numsa.

Asked if the Samcor strike had undermined the ability of Cosatu unions



W/maail
29/4-4/5/88

WAGES - 1988

MAY - DEC

STEEL and engineering companies around the country are bracing themselves for a massive wage strike that could erupt before the end of the month, as four unions representing 130 000 black workers announced plans to begin holding strike ballots in the industry.

More than 500 shop stewards from unions affiliated to the International Metalworkers' Federation (IMF), who have deadlocked with the steel employers in annual wage talks, met this week to plan a possible legal strike.

A statement issued after the meeting said the National Union of Metalworkers of South Africa (Numsa), the Engineering and Allied Workers' Trade Union of South Africa (Eawusa), the Steel Engineering and Allied Workers' Union of South Africa (Seawusa) and the Engineering and Allied Workers' Union (Eawu) had set up joint shop steward coun-

Steel industry braces as four unions warn of strike ballots

clis to plan for the stoppage.

Ballots are due to begin on July 20 and votes will be counted three days later. The unions said preparations would include discussions with their members about IMF strike rules which "forbid intimidation ... and call for maximum discipline at all times".

A wage strike in the industry was aborted last year after manpower minister Pietie du Plessis extended the life of the old wage agreement, effectively making the strike illegal.

At the time, the metal industry employer body, the Steel and Engineering Industries Federation (Seifsa), justified the move on the grounds that Numsa was the only union which

By EDDIE KOCH

was unwilling to settle.

But during this year's wage talks, Eawusa, Seawusa and Eawu, which are affiliated to the National Council of Trade Unions, have sided with Numsa, a member of the Congress of South African Trade Unions.

"The four IMF unions are indisputably representative of most workers in the industry and it will thus be difficult for the minister to arbitrarily extend the agreement this year," said Numsa representative Bernie Fanaroff.

Seifsa executive director Brian Angus told the *Weekly Mail* that unions

in the Confederation of Metal and Building Unions (CMBU), which represent some 90 000 mainly "coloured" and white workers, had indicated they would accept the employers' final wage offer.

He confirmed that both Seifsa and the CMBU would apply for the minister to apply the agreement only to workers who were not members of the IMF unions.

He denied claims by the IMF unions that Seifsa and the CMBU were planning to extend the existing agreement for three months after it expires in July. This would make strike action during that period illegal.

"The IMF has made it clear that it

will oppose the extension of any agreement in the industry that has been agreed to by a minority," the IMF unions' statement said.

At the time of deadlock, the IMF unions were demanding a minimum wage increase of R1,04 per hour (40 percent) that would take the minimum rate to R3,65.

The four unions also want the working week to be gradually reduced from 45 hours to 40 hours; increased overtime rates; recognition of March 21, May 1 and June 16 as paid holidays; six months' paid maternity leave; 14 days' paid paternity leave; and increased vocational training for workers.

Seifsa's final offer was for wage increases that ranged from 41 cents an hour (15,7 percent) for labourers to 70 cents an hour (11,6 percent) for artisans. The employer body agreed to meet the unions over the demand for more technical training.

REVISED OFFER AS A STRIKE LOOMS

EMPLOYERS in the metal industry made a revised offer to four International Metalworkers' Federation unions on Tuesday as the D-Day towards a possible strike by about 120 000 employees approached.

Indications yesterday were that the IMF affiliates, who last night

were expected to release the outcome of a ballot which could pave the way for the workers in the metal industry to go on strike, could withhold the results pending further talks with the employers.

The employer body, the Steel Engineering Industries' Federation of SA (Seifsa), and the IMF unions are scheduled to meet for another round

of wage negotiations tomorrow.

The four IMF affiliates are the National Union of Metalworkers of SA, Steel Engineering and Allied Workers Union, Engineering and Allied Workers Union, and Electrical and Allied Workers' Trade Union of SA.

They have rejected Seifsa's final offer of 17,4 percent in favour of their demands for a pay rise of about 40 percent.

Mr Brian Fredericks, general secretary of the SA Council of the IMF, was not available for comment yesterday.

Exchange

A Seifsa spokesman said employers, in the revised offer, had proposed recognition of May 1 as a paid holiday "in exchange for one of the existing public holidays."

This proposal was conditional upon the acceptance by IMF unions of the employers' final wage offer, he said.

Additional demands tabled by the unions include:

- A minimum wage of R5 an hour.

- May 1, March 21 and June 16 be regarded as paid holidays;
 - Six months' paid maternity leave and 14 days' paid paternity leave; and
 - A 40-hour week.
- The Confederation of Metal and Building Unions has accepted the employers' final offer.

Big clash looming

THE wage dispute in the metal industry has taken a new dimension with employers considering, as a possible counter-action, lock-outs to pre-empt a strike by more than 120 000 workers.

This move has set the stage for a head-on clash between the employers and four International Metalworkers' Federation (IMF) affiliates, whose members may soon go on strike in support of their wage demands.

Locked in this wage dispute are employer body, the Steel Engineering Industries' Federation of SA (Seifsa), and the four IMF affiliates — National Union of Metalworkers of SA, Engineering and Allied Workers' Union, Steel Engineering and Allied Workers' Union and Electrical and Allied Workers' Trade Union of SA.

Seifsa has indicated that it is seeking opinion, in a ballot, from its more than 3 000 members whether to effect lock-outs to pre-empt a strike by the IMF unions. This move is apparently based on a 1948 Supreme Court case which ruled that a strike and lock-out cannot be held over the same issue.

The outcome of the ballot would be made available this week, a spokesman for the

employer organisation said yesterday.

Mr Brian Fredericks, a general secretary of the SA Council of the IMF, said union members were undaunted by the threat of a lock-out from employers. The IMF would this week release ballot results which might pave the way for a strike by its members, he said.

The wage dispute between the two parties was sparked by the IMF union's rejection of a Seifsa offer of 17,4 percent wage increase in favour of their demands for a pay rise of about 40 percent.

IMF affiliates' demands include:

- A minimum wage of R5 an hour,
- May 1, March 21 and June 16 be regarded as paid holidays,
- A 40-hour week, and
- Six months' maternity leave and 14 days' paid paternity leave.

Meanwhile, Seifsa and the four unions are scheduled to meet soon in fresh attempts to resolve the dispute. Last Friday's meeting between the two parties was postponed after the unions requested time to consult their members.

The wage talks will focus on a revised offer made last week by Seifsa in a bid to avert a strike by IMF members. Seifsa has offered to recognise May 1, in exchange for one of the existing public holidays.

'Major' reduction in wage demands

8/2/75
ALAN FINE

TRADE unions affiliated to the International Metalworkers' Federation (IMF) have "substantially" reduced their wage demands following weekend membership meetings, IMF local secretary Brian Fredericks said yesterday.

The new demands are to be presented to Seifsa at a meeting tomorrow and for this reason he declined to detail them.

He also said the "majority" of workers in eight regions where ballot results are available had indicated their willingness to take industrial action.

It had been decided to extend the balloting period until the end of this week to facilitate voting in areas where it had not yet been conducted.

Ballot replies

Seifsa director Brian Angus said the employer organisation had been receiving replies to the ballot it was conducting on the question of a lock-out. However, counting had not yet begun.

Meanwhile, the Industrial Court has granted interim interdicts to two large metal industry groups — Barlow Rand and Haggie Rand — restraining the National Union of Metalworkers of SA (Numsa) from inciting industrial action at any of its plants.

Although the court gave no reasons, a company spokesman said they had argued such action would be illegal or in breach of recognition agreements because of the existence of in-house agreements between them and Numsa.

355 b/day 7/7/88

Unions bid to resolve wages row

ALAN FINE

UNIONS affiliated to the International Metalworkers' Federation (IMF) yesterday submitted revised demands to Seifsa aimed at resolving the industry's wage dispute.

Seifsa said it had told the unions it was "highly likely that employers would make further concessions on substantive issues".

However, negotiators undertook to refer the new proposals back to members for consideration.

The unions proposed wages for employees in several of the semi-skilled and unskilled categories be increased by 60c an hour. This represents a 23% increase for employees on the present minimum rate of R2,61.

The unions also proposed May 1, June 16 and March 21 replace Workers Day, October 10 and any other public holiday respectively as paid holidays.

IMF regional secretary Tommy Olifant said the unions warned Seifsa that the implementation of new wage scales to non-members of the IMF unions would heighten conflict.

They also said in the absence of an agreement the Basic Conditions of Employment Act would technically apply.

DEADLOCK over wages in the steel and engineering industry dragged on this week as employers and four major metalworker unions failed to come to any agreement in mid-week talks.

Four unions linked to the International Metalworkers' Federation (IMF) told employers at the meeting they were prepared to reduce substantially the size of the wage hike they are demanding.

The Steel and Engineering Industries Federation (Seifsa) has undertaken to refer the offer back to its members, but after the talks issued a press statement saying it was "highly unlikely that employers would make further concessions on substantive matters".

The dispute appears to be on the verge of developing into either a huge legal strike or a nation-wide lock-out.

Wage negotiations in the metal industry are characterised by fierce collective bargaining as some of the most experienced and militant unions in the country size up to a tough group of employers.

For the first time rival unions affiliated to the two biggest trade union federations in South Africa have coordinated their demands and tactics in the negotiations while Seifsa members have shown an increasing willingness to explore get-tough methods, like the lock-out, to induce members of the recalcitrant unions to accept their conditions of employment.

The four unions have been conducting a strike ballot among their members and interim results have indicated a massive vote in favour of strike action; Seifsa has asked its members

Metal dispute in stalemate ^{8-14/78 w/ News} and a strike looms ³⁵⁵

The metal unions have agreed to reduce their demands, but employers have said they are unlikely to accept. Now the industry faces possible strikes or lockouts. EDDIE KOCH reports

to vote in a ballot on whether to preempt the strike by locking out the 120 000 IMF union members.

The IMF unions will finish counting their votes and announce the official result of the ballot at a meeting tomorrow. But a representative for the biggest IMF affiliate, the National Union of Metalworkers (Numsa), told the *Weekly Mail* that the four unions would first discuss tactics before deciding whether to strike.

Seifsa has circulated a confidential document which argues that a lock-out would make the looming strike illegal, in terms of South Africa's labour laws, if employers took the initiative by closing the factory gates before the strike starts.

But sources within the metal industry say Seifsa is having trouble getting all of its 3 000 member companies to take part in the lock-out ballot. According to the Labour Relations Act, the employer federation must get a 50 percent poll for its ballot to be

valid. Many of the members are small firms who are reported to have no interest in the dispute because the IMF unions have no presence on their factory floors.

Numsa representative Bernie Fanaroff also claims that a number of big companies have begun to offer wage increases higher than those made by Seifsa. "Indications are that some major employers are becoming disillusioned with Seifsa's intransigence."

Seifsa director Brian Angus acknowledged that many employers paid wages above the minimum laid down in the agreement for the industry but said he had received no indications of dissatisfaction from member companies about Seifsa's stance on the wage talks.

He said Seifsa had extended the deadline for employers to complete their ballot forms and these were still being processed by his office.

The IMF unions decided at a mass

meeting of shop stewards from around the country last weekend to reduce its demand for a wage hike of 76c an hour across-the-board to 60c an hour.

The unions also revised their demand for May 1, June 16 and October 10 to be public holidays by offering to swap these days for other public holidays. Their insistence that Seifsa withdraw its support for the controversial Labour Relations Amendment Bill was modified to a demand that it publicly endorse the suspension of the Bill and discuss proposals for an internal dispute procedure that will by-pass its contentious clauses.

The IMF unions also urged Seifsa's member companies to undertake to end racial discrimination in the industry before September this year.

According to a Seifsa press release, the employer body "informed the IMF that it was highly unlikely that employers would make further concessions on substantive matters."

"Seifsa nevertheless said that the revised demands would be referred to its members for consideration."

Both parties have agreed to a further round of talks on Wednesday next week.

The four IMF unions are Numsa, the Steel Engineering and Allied Workers' Union of South Africa, the Engineering and Allied Workers' Union of South Africa and the Engineering and Allied Workers' Trade Union.

Numsa is an affiliate of the Congress of South African Trade Unions; the other three are members of National Council of Trade Unions.

Metalworkers might call strike over wages

By Mike Siluma
Labour Reporter

With further wage talks due tomorrow between metal unions and employers, results of balloting among members of the biggest union involved have shown most want strike action if no agreement is reached with employers.

A statement released by the International Metalworkers Federation (IMF) said 87 percent of eligible workers in the National Union of Metalworkers of SA had voted in favour of industrial action in a 60 percent bal-

lot. Numsa is the biggest IMF affiliate, claiming to represent about 80 000 metalworkers.

The IMF, which claims to represent 129 000 of the industry's employees, said it was awaiting results from the Electrical and Allied Workers Trade Union of SA, Steel Engineering and Allied Workers Union, and Engineering and Allied Workers Union.

The employer body, the Steel and Engineering Industries Federation (Seifsa) is yet to release results of balloting among about 3 500 member-firms on whether to lock out the strikers to induce them to accept employers' final wage offer.

Last week, wage talks aimed at staving off a strike or lock-out in the industry were postponed to tomorrow, when employers will respond to a revised set of demands from the IMF unions.

Employers' final offer

is based on increases of 17,4 percent on bonus and wages.

The unions have demanded an increase in basic wages ranging from 14 percent to 23 percent for labourers and that Seifsa publicly support the suspension of the Labour Relations Amendment Bill and discuss an internal dispute procedure for the industry.

INCREASES

They also demand that Workers' Day be replaced by May 1 and that workers be entitled to choose to observe June 16 instead of October 10, and either March 21 or another public holiday. The IMF also wants Seifsa to accept equivalent increases for employees not covered by the main agreement, or that unions bargain on behalf of such employees at plant level.

The unions have also demanded, by September, an end to racial discrimination in the industry.

DEMANDS REVISED

July 1988

1404
(355)

FOUR unions affiliated to the International Metalworkers' Federation this week tabled revised demands in a fresh bid to break the stalemate between them and employers in the metal industry.

The revised wage demands, submitted at the two parties' meeting in Johannesburg on Wednesday, include increases ranging from 14 percent for artisans to 23 percent for labourers.

The employer body

By LEN MASEKO

the Steel Engineering Industries' Federation of SA (Seifsa), has agreed to consider the wage demands and is to report back to the IMF unions on July 13.

The IMF-affiliated unions are the National Union of Metalworkers of South Africa, Steel Engineering and Allied Workers' Union, Engineering and Allied Workers' Union and Electrical and Allied

Workers' Trade Union of South Africa. Their demands included:

- May 1 to replace Workers' Day as a paid holiday;

- June 16 to be recognised as a paid holiday in exchange for October 10 and March 21 (Sharpeville Day) in exchange for another public holiday;

- Seifsa to publicly endorse the suspension of the controversial Labour Relations Amend-

- Seifsa to call on its members to give an undertaking to end racial discrimination in the industry before September 1988.

In their campaign against the Bill, the IMF affiliates have proposed an internal dispute procedure for the industry. This move, if agreed to by Seifsa and the four unions, would nullify State interference in the collective bargaining process in the industry.

since the old agreement expired on July 1.

A union source points out, though, that their entire "package" would have to be accepted by Seifsa in order to stave off strike action, for which balloting has been extended until Saturday.

Aside from the reduced wage demand, the unions want to parley over public holiday concessions. Using the "same criteria" on which Seifsa last week based its offer to grant May Day as a paid holiday in lieu of another paid holiday, the unions now also wish to explore the possibility of swapping say, Settlers Day (April 6) for Sharpeville Day (March 21), and, similarly, being granted June 16 instead of Kruger Day (October 10).

The package (unofficially) would also require:

- ☐ Seifsa to publicly endorse the call for the Labour Relations Amendment Bill to be suspended, at least until Cosatu and the minister have met to discuss it;
- ☐ An "interim agreement" whereby the metal sector would agree to "address" contentious clauses of the Bill;
- ☐ Seifsa to accept that the unions may bargain on behalf of "non-scheduled" employees;
- ☐ A joint investigation into the question of paternity leave, producing a recommendations in three months' time; and
- ☐ Seifsa to call on all its members to end "discrimination" within four months.

Meanwhile, employer responses to Seifsa's ballot on a possible lockout of the unionists in dispute are coming in and the result (as well as that of the unions' strike ballot) was expected this Saturday.

Three forms

A lockout, in terms of the Labour Relations Act, is a refusal by an employer to employ his or her workers unless they collectively accept certain conditions — in this case, Seifsa's 1988 wage offer. It is a form of economic pressure invoked when collective bargaining reaches deadlock.

Lockouts can take one of three forms: excluding the workers from the factory premises; the total or partial discontinuance by the employer of the business or of work provision; and the breach or termination of the contracts of certain employees. In order for a lockout to be legal, it must carry with it the employer's demand; where employer bodies are concerned, they also require secret balloting to decide whether a majority is in favour of closing the factory gates, so to speak.

Whether a lockout and a strike (or a go-slow) can occur at the same time is unclear, although one precedent suggests that the party which initiated the action determines its nature. From the employers' viewpoint, a legal lockout could well induce the union to settle since it is not able to resort to legal remedies via the industrial court if the dispute is unresolved. It is not clear whether a legal lockout exempts the employer from paying the workers affected. ■

METAL INDUSTRY

New IMF package

Signs of new room to manoeuvre out of the wage deadlock between Seifsa and the four International Metalworkers' Federation (IMF) unions emerged on Monday.

But whether the employers, who seem to have the upper hand, would play ball over a fresh package of proposals bounced off the union membership last weekend awaited Wednesday's meeting between the parties.

The FM understands the IMF unions have significantly reduced their main wage demand from 40% to 23%. This would mean a rise from R2,61 an hour to R3,21 — down from last week's R3,65 and not too far off Seifsa's R3,02 offer which the employers say is "final." They have already asked the Minister of Manpower to implement their offer,

4 UNIONS DISCUSS PAY OFFER

Seifisa 2/11/88 355
 FOUR unions affiliated to the International Metalworkers Federation are to hold a meeting today to discuss metal companies' final wage offer.

BY LEN MASEKO

The meeting comes in the wake of reported strikes at eight metal factories on the Reef this week.

The four IMF affiliates are in dispute with the employer body, the Steel Engineering Industries Federation of South Africa (Seifisa), which represents more than 3 000 firms.

South Africa.

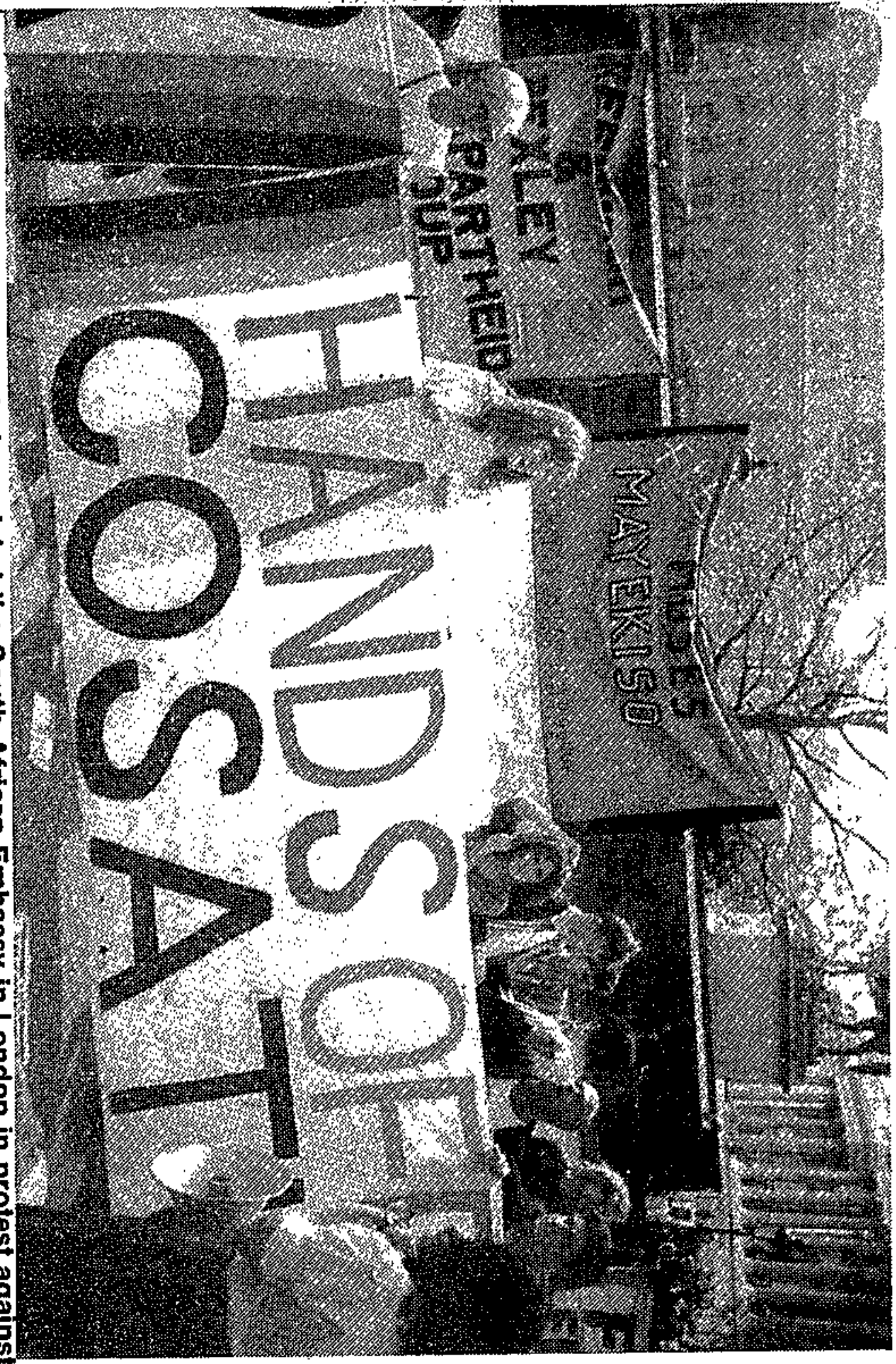
The four unions also demand recognition of May 1 and June 16 as paid holidays. Seifisa has offered to recognise the two days in exchange for the existing public holidays.

Demands

The IMF unions demand — among other things — a minimum hourly wage of R3,21 while management's final offer stood at R3,02 an hour.

The IMF affiliates are the National Union of Metalworkers of South Africa, Steel Engineering and Allied Workers Union, Engineering and Allied Workers' Union and Electrical and Allied Workers Trade Union of

ANTI-apartheid demonstrators picket the South African Embassy in London in protest against restrictions placed on the Congress of SA Trade Unions. The demonstrators belong to various British organisations.



29/1-4/10/00 (355) W/MAIL

On the edge: Metal industry hovers close to strike blow-up

THE simmering wage dispute in the giant metal industries came to the boil this week as trade unions representing the majority of organised workers in the sector moved decisively towards large-scale industrial action.

At the same time, the metal industries' employer body, the Steel and Engineering Industries Federation (Seifsa), issued strike guidelines to its members.

Seifsa director Brian Angus told the *Weekly Mail* that employers were adamant there would be no improvement in their wage package.

"All the indications are that a substantial proportion of workers do not support the proposed union action and that they have undertaken not to support strike action if employers implement their final offer," he added.

At a meeting on Wednesday, four union affiliates of the International Metalworkers' Federation, representing 125 000 workers, most of them black, voted to recommend "strategic" industrial action to meetings of IMF shop stewards at the weekend.

Metal companies mainly on the Reef have already been hit by selective industrial action, and the first dismissals arising from the strikes were due to take place yesterday.

By DREW FORREST

However, the decision of the IMF negotiating committee indicates a move to more systematic and widespread action.

Seifsa's Angus said he knew of six companies where members of the National Union of Metalworkers of SA (Numsa) were on strike, and three others where strikers had returned to work after accepting the employer offer.

According to Bernie Fanaroff, engineering sector secretary of Numsa, the largest IMF union, strikes have taken place at four plants of National Bolts on the Reef and in Parys, Femco in Brits and three other Reef firms, Astas, Denver Metal Works and Tilley-MacMill.

The dismissals are reportedly threatened at a Dorbyl structural engineering site at Phalaborwa, where 240 workers are said to be conducting an overtime ban.

A Dorbyl spokesman was quoted as saying only 80 were union members and had followed the correct procedure for lawful industrial action. The rest faced dismissal today.

Commenting on the distribution of the strikes already undertaken, Fanaroff stressed that 270 000 of the industry's 320 000 production workers were concentrated in the Transvaal.

Although Eastern Cape workers were very militant, he said, most employers in the area had been amenable to plant-level negotiations.

The current dispute centres on annual negotiations for a minimum wage agreement covering the entire metal industry negotiated at the metal industrial council.

The IMF unions have rejected the employers' offer of a 15,7 percent increase which would bring the minimum wage for the lowest-paid workers to R3,02 an hour. Their most recent demand was for R3,21.

The remaining unions on the council – which represent mainly artisans – have, however, settled with Seifsa. The agreement has been forwarded to Minister of Manpower Pietie du Plessis with a request for the IMF union members to be excluded from its scope.

This is a significant departure from last year's negotiations, when the agreement was extended to all union members, effectively scotching legal strike action by Numsa.

Fanaroff revealed that a letter had been sent to the minister complaining that in requesting the exclusion of IMF members from the agreement, the council had acted "unconstitutionally".

Commenting on the charge, Seifsa's Angus said the council's actions reflected the wishes of employers and unions party to the agreement.

In the letter to the minister, the IMF also argues that because the unions party to the agreement are not representative of workers in the industry, the minister cannot gazette it.

A Numsa organiser, Jeff Schreiner, said legal action on the issue was being contemplated.

Schreiner also stressed that in the absence of a gazetted agreement, workers were entitled to conditions under the Basic Conditions of Employment Act – which in many cases were more favourable to workers than their current contracts.

Money was already owed to workers under the Act, and certain factories would be targeted for back pay.

This, he said, represented a form of pressure on employers "at least as significant as strike action".

In another development, Seifsa has circulated guidelines to its members on how to handle strike action.

These appear to take a cautious line on dismissals, advising members not to fire without a Seifsa directive and to be wary of falling foul of industrial court rulings on the issue.

UNIONS affiliated to the International Metal Workers Federation are expected to step up industrial action today in another bid to force metal companies to meet their wage demands.

IMF secretary Mr Brian Fredericks said "strategic strike action" would take place in major industrial areas, and at some of the influential companies affiliated to the employer body, the Steel and Engineering Industries' Federation of South Africa (Seifsa).

At the centre of the wage dispute between Seifsa and four IMF unions is the employer body's refusal to improve its final offer of R3,02 an hour minimum wage. The IMF affiliates demand — among other things — a minimum hourly wage of R3,21.

The IMF official said: "The IMF represents the majority of organised workers in the metal

New move on wage demands

By LEN MASEKO

industry and our members reject Seifsa's wage offer. The offer does nothing to reduce the wage gap in the industry.

"This gap is a result of job reservation, of the exclusion of African workers from collective bargaining in the past, and the continued practice of Seifsa to sign agreements with predominantly white minority unions," he added.

Sixty-six companies, the official said, had decided to "move away from Seifsa's rigid position". Wage increases close to the IMF's demands had been agreed to at most of these

companies, he said.

Mr Fredericks said: "The IMF remains open to negotiations, but Seifsa has not replied to the IMF's request."

A Seifsa spokesman referred the *Sowetan* to an earlier statement issued by the employer body in which it refuted some of the IMF claims.

He said employees at another company had already accepted the Seifsa offer, suggesting that some members belonging to one IMF affiliate did not support the union's stand.

At least 11 companies in the metal industry have had production affected as a result of

strikes by IMF unions in the past week

The IMF unions are the National Union of Metal Workers of South Africa, Engineering and Allied Workers Union, Steel Engineering and Allied Workers Union and Electrical and Allied Workers Trade Union of South Africa.

Meanwhile Seifsa is still awaiting response from its member companies whether lock-outs should be effected in the event of strike action by IMF affiliates, a spokesman for the employer organisation said.

Seifsa is conducting a ballot over the issue among its more than 3000 members

Seifsa
3/8/88

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35 17/9/88

Metalworkers discuss offer

By Adele Baleta

The International Metalworkers Federation (IMF) strike committee yesterday met local shop steward councils to discuss the offer made by metal industry employers at the weekend.

The Steel and Engineering Industries Federation of SA (Seifsa) package offer did not include an increase on their offer of a 17,4 percent rise.

An IMF spokesman said yesterday the shop stewards councils would report back today on meetings held with workers.

He refused to give details of the Seifsa proposals.

Seifsa director, Mr Brian Angus, said the employer federation was holding talks with trade unions represented on the Industrial Council for the industry.

A special meeting of the Industrial Council was scheduled for tomorrow morning when the industry's main agreement would be discussed.

The industry does not have a wage agreement following the expiry of the previous deal on June 30.

Mr Angus said 6 555 striking workers at 39 plants had returned to work and 10 650 members were still on strike at 95 companies.

Metal union may accept wage offer

By Adele Baleta

The two-week-old metalworkers' strike may be called off today.

The leader of the National Union of Metalworkers of SA (Numsa), Dr Bernie Fanaroff, said last night indications were that most union members had decided to accept the Steel and Engineering Industries Federation of SA (Seifsa) proposals.

He said Numsa was still waiting for report-backs from some members on the package deal which did not include an increase in the employer federation's wage offer of 17,4 percent.

MEETING

The strike committee had recommended at a meeting yesterday of regional and local shop steward councils that the offer made at the weekend be accepted, Dr Fanaroff said.

Both the employer federation and the union declined to give details of the offer.

A Seifsa spokesman said yesterday there had been no reports of employees returning to work.

However, he added there were indications that workers might return to work today.

Workers told to accept offer or go

By Adele Batela

Haggie Rand management has issued an ultimatum to striking members of the National Union of Metalworkers of SA (Numsa) to accept the company's final wage offer by 4.30 pm today or be dismissed. *for 20/10/88*

A Numsa organiser, Mr Tony Kgobe, said yesterday the 1 800 workers who went on a wage strike five weeks ago would not accept the offer.

He said that Haggie Rand had also threatened to evict 800 workers from the company hostel.

This was denied by a company spokesman, who confirmed that an ultimatum had been given to Numsa with a revised wage offer on Tuesday.

Mr Kgobe said workers would picket Anglo American and Gencor headquarters and the Johannesburg Stock Exchange today to protest against the wage offer.

He said sympathy action in the form of demonstrations and pickets had been staged by workers at Maksal Tubes in Springs, Denver Metals and Consolidated Wire Tubes in the Vaal Triangle.

Mr Kgobe said Numsa had also approached the National Union of Mineworkers over sympathy action.

The company spokesman said that the offer on Tuesday did not reflect movement on the basic wage offer of a 45 cents across-the-board increase and a minimum of R3,45 an hour. The union is demanding an hourly increase of 65 cents across-the-board, bringing the minimum wage to R3,65.

The company spokesman said there was an improvement on the total wage package, which was now 70 cents an hour or R136,50 a month.

In addition, an attendance bonus of 2 cents an hour (R5,18 a month) had been offered for the first time.

The total wage package would be retrospective to July 1. May 1 and June 16 would also be granted as holidays.

NUM bid for ³⁵⁵ ~~R350~~ minimum ^{Star 2-2-16/85} wage 'untenable'

By Adele Baleta

Annual wage talks between the National Union of Mineworkers (NUM) and the Chamber of Mines have broken down.

This was announced by the Chamber's negotiating team at a press conference in Johannesburg last night.

The Chamber recently reached a wage settle-

ment with the mainly white Council of Mining Unions (CWU).

Mr Pat Rogers, the Chamber's public affairs manager, said talks with the NUM had deadlocked. The union had declared a dispute and indicated that it would apply for the appointment of a conciliation board.

The union had demanded a 22 percent across-the-board increase, down from 40 percent.

The Chamber moved from 10,5 percent to a final offer ranging from 13 percent to 16,5 percent.

Among the NUM's demands were a minimum wage of R350.

The Chamber's chief negotiator, Mr Johann Liebenberg, said while the average miner's income was R700 a month, some surface employees were earning R239 a month.

"These jobs are held by novices who do not stay in their jobs very long."

He added that at some mines a R350 minimum, which was the equivalent of a 46 percent increase, would be untenable as it would distort the wage structure.

The NUM said when it rejected the offer, the Chamber threatened to withhold members' increases while granting them to non-members.

The union said it warned the Chamber that "punishing union members would be a recipe for massive, uncontrolled spontaneous conflict".

W/Mail 24-30/6/88

THE ECONOMY

Mine deadlock. But is a strike likely?

By EDDIE KOCH

WAGE talks between the Chamber of Mines and the National Union of Mineworkers (Num) deadlocked this week, opening the possibility of a national legal strike in the industry.

The union reports it has rejected a Chamber offer of wage increases ranging between 13 and 16,5 percent on behalf of its 200 000 members. Num's demand at the time of deadlock was for a 22 percent hike across the board.

Num now plans to take the dispute before a conciliation board. If this fails, the way is open for the union to ballot its members for a legal strike.

Observers believe the union is still trying to rebuild its strength in the wake of the mass dismissal of 40 000 members, including thousands of shop stewards, after the marathon stoppage by 300 000 miners last year and is reluctant to get embroiled in another damaging strike.

Chamber of Mines president Naas Steenkamp has also claimed recently that black miners have become indignant at disruption to their lives caused by strikes and disinvestment. He pointed to low numbers of black miners who took part in the recent three-

day stayaway.

However Num's assistant general secretary recently told the *Weekly Mail* his union has already managed to repair the damage caused by the dismissals and union members were displaying a new mood of militancy and self confidence.

Num also tabled demands for a minimum wage of R350; June 16 to be granted as a paid holiday; an increase in annual leave and in leave pay and for the establishment of a provident fund.

The talks deadlocked on every point. The union rejected a Chamber offer to hold separate talks about the provident fund and insisted the rules of and contributions to such a fund should be settled immediately.

Num said the Chamber had indicated it would grant managements' increases only to non-union members if agreement was not reached. "Punishing union members in such a way would be a recipe for uncontrolled spontaneous conflict," the union said.

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R350 per month. Available 18

Mines and workers play it cool this year

EVEN though deadlock has been declared in negotiations between the Chamber of Mines and the National Union of Mineworkers (Num), mining sources say neither party can afford another strike this year.

Last August's strike cost them both too much. Num declared an official dispute on the chamber's offer of increases of between 13% and 16,5% at a meeting on Wednesday. Num is demanding 22% across the board and is sticking to its R350-a-month minimum wage.

Highs and lows

There has been no agreement on Num demands that June 16 be a paid holiday, and that improvements be made to annual leave. Num general secretary Cyril Ramaphosa is to apply to the Manpower Minister for the establish-

ment of a conciliation board. Num, SA's largest trade union representing 250 000 workers in the coal and gold mines, put forward an interesting opening proposal for the vital wage negotiations.

The union came down from its opening demand of 55% across-the-board wage increase last year to 40% this year. More noteworthy, however, is the demand for a minimum wage of R350 a month.

The figure is way below the University of SA's 1987 minimum living level of R427,70. But Num has based its demand on the minimum which exists on the mines.

According to a research team, Anglo American and JCI are the highest payers at R289 for surface work and R330 for underground. Next is Rand Mines at R277 and R319, then Gencor at R252 and R300 with Gold Fields the lowest at R240 and R282.

The chamber argues that the average wage is about R500, including board and lodging worth about R150 a month.

The chamber responded to the 40% increase demand with a 10,5% offer which its spokesman, Johan Liebenberg, said was negotiable. Num rejected it.

Num assistant general secretary Marcel Golding said that not only was the chamber's offer less than the 12% it proposed last year, it was below the 13,5% inflation rate.

He argued that "effectively, this will mean that workers are going to take a cut in wages."

Costliest

After further negotiations, the offers narrowed to 27% by Num and 12% to 15% by the chamber.

The declared deadlock came as a surprise this week, as chamber sources have declared the talks to be "far more amicable this year than last".

Both Num and the chamber are playing it tough for the time being, but industry sources doubt that either will match words with action. After last year's strike, Mr Ra-

manphosa was quoted as saying it was "the costliest in the history of SA."

True enough. It cost the mines an estimated R400-million in forfeited gross revenue. Total SA gold production in 1987 fell to 605 tons from 640 in 1986, half of which loss can be attributed to the strike.

Labour accounts for about half of a mine's total costs. The chamber is constrained by a stagnant gold price and costs per ounce that now exceed certain Australian and North American mines.

The gold mines have turned in poor results this year, output by all producers falling.

If there is a strike this year, analysts believe the chamber will resort to dismissals.

Shaft stewards

The 1987 strike cost Num about 40 000 supporters, an estimated 4 000 of which were shaft stewards. A report at Cosatu's special congress in May shows that Num's



Cyril Ramaphosa ... softer line after last year's bruising

membership has declined by 60 000 since last July.

The union emerged battered and bruised. Reports of dissatisfaction among the ranks have abounded and many say Num has not sufficiently restructured and morale is low.

There is, however, still a good deal of militancy among Num ranks.

An economist believes Num will probably settle for a 20% increase, possibly going down to 18%.

Chamber, NUM agree

The Chamber of Mines and the National Union of Mineworkers had reached agreement on the 1988 review of wages and other conditions of employment, a Chamber spokesman announced last night.

The 250 000-strong union notified the Chamber yesterday of its acceptance of the Chamber's offer.

The spokesman for the Chamber of Mines said differences with the union, which led to the breakdown of negotiations on June 22, had been resolved without any changes in the 13 percent to 16,5 percent wage increases tabled by the Chamber.

At the end of the June 22 meeting, the union declared a dispute and announced it would seek the appointment of a conciliation board.

The Chamber spokesman said that after the breakdown of the negotiations, attention was focused on the union's provident fund demands.

Chamber negotiators submitted an offer which was accepted by the union.

The offer provided for the phased introduction of a contributory provident fund over the next three years.

"We are very pleased that we have been able to reach a negotiated settlement with the NUM," the spokesman said.

The spokesman said the agreement would cover all Chamber-affiliated gold and coal mines. — Sapa.

2000 lose their jobs

Suppl 7/7/88
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MORE than 2000 members of the Media Workers' Association of South Africa, who took part in a wage strike at Perskor plants last week, were dismissed and told to collect their pay yesterday, a Mwasa spokesman said.

Mr Sthembele Khala, Mwasa's general secretary, said union members had, however, ignored management's request to collect their wages. He said these workers were fired in spite of the fact that Perskor and Mwasa had reached a wage agreement — the issue that had sparked the strike. The dismissals followed a strike by about 3500 Mwasa members who downed tools after talks between the union and Perskor collapsed a week ago.

Agreement

The two parties have since reached agreement on across-the-board increases of R16, minimum pay of R109 for "factory aids" and a minimum weekly wage of R118.

Mr Khala said Mwasa had instructed its lawyers to challenge the dismissals.

Before the wage settlement, Mwasa had demanded a weekly wage of R180 while management offered R100. Perskor management has declined to comment.

Support

Meanwhile two international organisations have entered the fray, calling on Perskor management to reinstate the dismissed Mwasa members.

Mwasa's president, Miss Sandra Nagvaal, said the union had received messages of support from the International Confederation of Free Trade Unions and International Federation of Journalists. The two bodies, she said, had sent telexes to the newspaper group urging it to unconditionally reinstate Mwasa members.

Pay row in metal industry

Sowetan 17/5/88

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THE South African Council of the International Metalworkers' Federation is to meet this week over the wage dispute declared by its affiliates in the metal industry.

IMF local secretary, Mr Brian Fredericks, yesterday said a number of meetings were held over the weekend to discuss the intention to declare a dispute with employers in the metal

By LEN MASEKO

industry.

The IMF affiliates include the National Union of Metalworkers of South Africa, Steel Engineering and Allied Workers' Union and Electrical and Allied Workers' Trade Union of SA.

The IMF unions have rejected a wage offer by the employer group, The Steel Engineering Industries' Federation of South Africa (Seifsa).

Seifsa's executive director, Mr Brian Angus, said the dispute would be considered at the next round of wage talks on May 25.

Seifsa has proposed a final offer of increases ranging from 39 cents an hour for labourers to 72 cents an hour for artisans.

The four IMF affiliates have tabled revised demands of increases ranging from R1,19 an hour for labourers to R1,11 an hour for artisans.

On the other hand, the seven unions belonging to the Confederation of Metal and Building Unions (CMBU) have called for increases ranging from 37 cents an hour for labourers to 80 cents an hour for artisans. The CMBU affiliates are expected to respond to the employers' final offer at the next meeting.

- Wage negotiations between the Chemical Workers' Industrial Union (CWIU) and Shell's oil and chemical subsidiaries continue in Durban this week.

A spokesman for the union said the wage talks would affect about 160 workers.

"There still remains an unresolved wage dispute at Shell Oil in which a strike ballot also proved overwhelmingly positive."

Wage demands central to metal industry dispute

By Mike Siluma, Labour Reporter

The see-saw of wage demands and counter-demands between metal industry employers and trade unions continued yesterday, pushing the industry closer to possible industrial action.

Reacting to revised union demands tabled last week, the Steel and Engineering Industries Federation (Seifsa) said yesterday that it had made "important concessions".

It said it was prepared to backdate its final offer to increase bonuses and wages by 17,4 percent, but that the offer could not be reviewed. Its offer to recognise May 1 as a paid holiday in exchange for an existing public holiday still stood.

On the Labour Relations Amendment Bill, Seifsa said it supported the Government's decision to suspend the Bill pending the conclusion of present talks between employers and unions.

Seifsa also agreed to the appointment of a committee to investigate and report on paternity leave within three months.

The four unions in dispute with Seifsa are the National Union of Metal-

workers of SA, the Electrical and Allied Workers' Trade Union of SA, the Steel Engineering and Allied Workers Union and the Engineering and Allied Workers Union, all affiliated to the International Metalworkers' Federation.

IMF spokesman Mr Brian Fredericks said, based on the employers revised offer, the unions would make recommendations to members over the next week or so. The recommendations "will be fairly new", he said. He would not elaborate.

"We made the point last week that everything depended on the wage issue. The employers have not made a concession on wages," said Mr Fredericks.

He said the results of a strike ballot among members would be finalised today.

The IMF demanded, among other things, an increase in basic wages ranging from 14 percent to 23 percent for labourers and that the Government-declared Workers' Day be replaced by May 1 and that workers be entitled to choose to observe June 16 instead of October 10, and either March 21 or another public holiday.

Does NUM's militance match its muscle?

A CONFRONTATION between the National Union of Mineworkers (Num) and the mining industry is looming as annual wage talks between the parties, which began last week, show early signs of ending in deadlock.

The union last Friday tabled demands for a 40 percent wage hike, a minimum wage of R350 a month, 44 days of annual leave and a 100 percent holiday leave allowance.

Num also called for June 16 as a paid holiday, an 80-hour fortnight and a provident fund to be negotiated by the mining companies.

The Chamber of Mines, representing the major mining houses, made an offer of a 10,5 percent wage increase across-the-board and said it was prepared to talk about the provident fund outside of the wage negotiations. It made no response to the union's other demands.

At a round of talks this week there was no further movement and both parties agreed to meet again today.

Num assistant general secretary Marcel Golding immediately rejected the Chamber's offer, pointing out that it was less than the inflation rate of 13,5 percent and amounted to an effective wage cut for mineworkers.

He also noted that the Chamber's increase was less than the 12 percent offer it made at last year's negotiations, where deadlock sparked the biggest miners' strike ever in the world, with more than 300 000 workers staying out for over three weeks.

"Our offer was backed by documented evidence of the profitable performance by the mines over the last year and the offer of the Chamber seems to reflect the advice given by State President Botha that wage restraint should be applied in the private sector," said Golding.

The impending wage row comes at a time when the union is still licking the wounds it suffered during last year's strike, which ended with the sacking of about 450 000 miners. Those dismissed included a large proportion of the union's leadership. Some estimates have put the number of shaft stewards lost as high as 4 000.

In the wake of the strike, reports emerged of disaffection within the union as rank-and-file members faced the prospect of unemployment or disagreed with the decision to call off the strike.

Num's West Rand operation was apparently hard-hit by disillusionment after the dismissals; management of the Randfontein Estates gold mine reported that dissident union members threatened physical violence against senior union officials.

Naas Steenkamp, president of the Chamber of Mines, also refers, in an article published in the latest edition of *Inside South Africa*, to Num officials being "unable to resolve their internal conflicts".

Confrontation looms after the miners' rejection of the Chamber wage offer. But can the NUM, still licking its wounds after last year's strike, match its words with tough action?

By EDDIE KOCH

Disillusionment by workers who face sudden unemployment is a common feature of strikes that come close to success but end in mass dismissal.

However, Golding said the disillusionment was not widespread enough to prevent the union from reconsolidating its support so that it could conduct the current dispute with a new mood of confidence.

"The mass dismissals after the strike had the objective of breaking the unity of workers and of trying to rid the mines of the most militant and organised leadership," he says.

"But the union has been in existence for five years and in that period has built a broad layer of leadership that is made up of shaft stewards as well as health and safety stewards and education activists. This depth of leadership enabled us to rebuild our shop steward network very rapidly.

"The quality of this new leadership can be seen in the negotiating team which is handling the current talks which despite its youthfulness has shown itself to be as skilful as last

year's team."

Golding rejected reports of violence being directed at union leaders after the strike but acknowledged that there had been problems in dealing with the frustrations of workers who had just emerged from the bruising battle.

"After any strike, one experiences problems of rebuilding organisation ... Many workers have been frustrated in their attempts to get back on to the mines and have been discriminated against because of their role in the strike.

"In addition there are logistical problems in dealing with a migrant work force. The long distances between our offices and the workers' homes in rural areas poses problems in communication and since there is limited rural organisation there is an obvious element of neglect that makes workers frustrated with the union."

Golding points out that although Num has suffered an overall drop in membership from about 270 000 to 210 000, it has expanded on to previously unorganised mines and signed up 15 000 new workers since the strike. Three recognition agreements in the Goldfields group, where the union has failed to make any headway in the past five years, is crucial in this respect.

In April this year the Anglo American Corporation, faced with a supreme court challenge to the dismissals, was forced to accept an out-of-court settlement reinstating 9 000 of the sacked strikers and giving severance pay to the rest.

"Two factors are evident from this settlement," said Golding. "The first is that it is becoming increasingly difficult for employers to use dismissals as a way of dealing with legitimate strike actions — and it is becoming increasingly costly for them.

"The second is that it has been made clear to the mining houses that they are not going to break the union through such dismissals. Despite the sackings, Num members still have enough resilience and confidence to challenge the appalling conditions in the industry."

Estimates of the cost of the settlement to the mining giant range between R30 and R60-million and must be added to the R300-million that some analysts say was lost by the industry during the strike.

During arbitration hearings about the dismissal of 2 000 workers from the Western Deep gold mine, management gave evidence about the long-term disruption caused by the strike, pointing to a range of hidden costs the industry must have suffered.

These factors will obviously strengthen the hand of the union during the current negotiations.

Steenkamp has expressed concern at statements last year from Num that the strike was a dress rehearsal for 1988.

"If this was seriously meant — rather than as a mere rhetorical response to the disappointing culmina-

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How tough's NUM?

From PAGE 17
tion of the strike — it smacks of a predetermined agenda for confrontation rather than of a genuine intention to bargain in good faith."

Asked if Num was confident and its members militant enough to mount a legal strike on the scale of last year's if the current wage talks end in deadlock, Golding said: "The question is premature. We are committed to reaching a settlement with the Chamber of Mines. If this does not happen, then we will consider the options open to us."

But the unpredictable element in the situation is the mood of the workers on the mines. It is arguable that last year's strike, which included many more workers than the union's membership, was driven by the tenacity of the workers and complemented by Num's organisational strength.

If this mood still exists the industry could find itself faced with an explosive situation — regardless of what is happening within the structures of the union.

29/6/88

Mine wages dispute ends with increase way below last year

By EDDIE KOCH

THE National Union of Mineworkers (Num) has ended its wage dispute with owners of the country's major gold and coal mines by accepting an increase far below that which the union rejected before embarking on the huge mine strike last year.

Num this week agreed to the Chamber of Mines offer of wage increases ranging from 13,5 percent to 16 percent in exchange for an undertaking from the employer body to negotiate a provident fund for black miners.

Last year Num's refusal to accept the offer of a wage hike ranging from 17 to 23,5 percent sparked the biggest strike in South Africa's history — raising the obvious question of why the union settled so quickly for much less this time round.

Num's assistant general secretary, Marcel Golding, says union members felt the Chamber's agreement to introduce a system of payment for retired black miners in the form of a provident fund was a major breakthrough for workers.

"We are not happy with the level of wage increases but the provident fund was the principal item which precipitated a settlement," says Golding. "I don't think it reflects weakness on the part of the union or capitulation."

But the outcome of the dispute is bound to reinforce the Chamber's view that the mood of mineworkers this year is less militant and the union weaker than it has been in previous years.

Outgoing Chamber of Mines president Naas Steenkamp said in an address to the organisation's AGM last month that a groundswell of reaction to the defiant posture adopted by the union last year had set in among workers.

by the loss of jobs resulting from the strike and from sanctions ... these have developed a counter reaction with which management must deal."

Steenkamp said the relative lack of mineworker participation in last month's stayaway to protest against the Labour Relations Amendment Bill was further proof of a new mood of moderation among the workforce.

However, a more obvious reason for the settlement was Num's obvious desire to rebuild its organisation in the wake of the dismissal of 40 000 members, including an estimated 3 000 to 4 000 shop stewards, after last year's strike.

The mood of workers is difficult to judge but one trend in labour disputes is for the level of rank-and-file militancy to build up as the dispute progresses.

Although Golding refused to be drawn on the issue, it is possible that Num decided to settle as quickly as possible to pre-empt growing demands for a strike which would cut across the tactic of rebuilding union structures before seriously tackling the wage issue again.

However, it is clear that the introduction of a provident fund is a major gain for black miners and is not merely being used by the union as a



Naas Steenkamp

means of presenting its apparent strategic retreat as a victory.

For the first time most of the 750 000 workers employed in the mining industry, the largest industrial workforce in Africa, will have the right to regular remuneration after they retire.

The introduction of such a system in South Africa, where unemployment is high and workers enjoy minimal forms of social security, has been a major demand of organised workers in recent years.

The details of the fund still have to be worked out but the Chamber of Mines has committed itself to the phased introduction of a system whereby workers and mineowners will pay equal contributions to the fund. In the first year each party will contribute 1,5 percent of the workers wage. This will increase to three percent in the second year and five percent in the third year.

Details and rules of the fund will be negotiated by the union and the Chamber over the next three months and disagreements will be referred to a mutually acceptable arbitrator.

This represents a minor gain for the union in that the Chamber has tended to reject arbitration in the past and has preferred to follow the more cumbersome procedures laid down in the Labour Relations Act.

But it is employers who are most satisfied with an agreement in which they did not have to significantly boost the level of increases offered when the annual wage talks began.

"We are very pleased to that we have been able to reach a negotiated settlement with Num," said a Chamber representative. "Bargaining in good faith is so much more satisfactory than industrial action. This gives us a healthier basis for the future."

MINE WAGES

A deal is struck

The effective non-participation in last month's three-day work stayaway by members of the National Union of Mineworkers (NUM) seems, with hindsight, to reflect the generally less militant mood which enabled the union and the Chamber of Mines to clinch a wage settlement for 1988.

NUM's acceptance on Monday of the chamber's revised offer — which brought forward proposals to introduce a provident fund for workers (and which may also have been the union's face-saving device) — appears to vindicate last month's observations on mine labour relations by outgoing chamber president Naas Steenkamp. He detected "grounds for hope that the union leadership has sensed the mood of reaction prevailing in the work force, reflected by the relative peace enjoyed by the industry latterly..." Steenkamp also observed that negotiations with NUM on the 1988 review of wages and conditions had "progressed on more conventional lines." Welcoming the deal, the chamber said: "Bargaining in good faith is so much more satisfactory than industrial action. This gives us a healthier basis for the future."

Happily, the threat by NUM's Cyril Ramaphosa that last August's mine strike was a "dress rehearsal" for this year proved to be merely rhetorical. After the protracted strike, which left workers no better off financially, the appetite for another was lost.

Differences with the union, which led to NUM declaring a dispute on June 22 and applying for a conciliation board, were resolved without any changes to the chamber's wage offer of increases of between 13% for higher grades and 16,5% for lower-paid workers.

According to the chamber, acceptance of the union's demand for a provident fund will



**Ramaphosa ...
proved merely rhetorical**

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mean the phased introduction of a contributory scheme over the next three years. Contributions to the provident fund would be made by the employer and employees. In the first year, the chamber proposes, both would contribute 1,5% of the wage earned, increasing to 3% in the second year and 5% in the third. However, details of the fund are to be negotiated, with arbitrators brought in if necessary.

NUM originally demanded a 40% wage increase, while the chamber offered 10,5%. The union had dropped its demand to 22% when a dispute was declared. NUM also sought a minimum wage of R350 (rejected); June 16 as a holiday (rejected); 10 additional days' leave (the chamber offered to increase only certain surface workers' leave by seven days); holiday leave allowance increased by 100% (only 10% offered); and the establishment of a provident fund for all workers — which emerged as the bargaining chip that saved the day. ■

Miners' union seeks 40 pc rise talks adjourned

By Mike Siluma,
Labour Reporter

Annual wage negotiations between the National Union of Mineworkers (NUM) and the Chamber of Mines, which began on Friday, have been adjourned to June 1, with the union demanding a 40 percent increase and a R350-a-month minimum rate.

NUM general secretary Mr Marcel Golding said at the weekend that in addition to the wage demand, the union had asked for a 100 percent holiday leave allowance, 44 days of leave for all workers, June 16 as a paid holiday and a reduction in working time to 80 hours a fortnight.

The union also made proposals for a provident fund.

Mr Golding said the Chamber's opening offer was an across-the-board

10,5 percent increase on the minimum rates. The Chamber was willing to negotiate a provident fund separately from the wage talks.

No offers were made on other union proposals.

Mr Golding said: "The offer of the Chamber seems to reflect the advice given by President Botha that wage restraint should be exercised in the private sector. The opening offer of the Chamber is also asking workers to take a wage cut."

● The fight for the reinstatement of 340 members of the Paper, Printing and Allied Workers' Union (Ppawu) dismissed by Star Furniture in Johannesburg has taken on a new dimension, with union members at six Afcol plants voting in favour of strike action in solidarity with their sacked colleagues.

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Chamber increases pay offer to NUM

By Mike Siluma,
Labour Reporter

The Chamber of Mines, representing South Africa's major mining houses, has reached agreement with the mainly white Council of Mining Unions (CMU), but is still locked in negotiations with the National Union of Mine-workers (NUM).

The settlement at conciliation board between the chamber and the CMU, announced by a chamber spokesman, guarantees an across-the-board 12 percent increase for the CMU's 26 000 members.

The chamber spokesman said the increases would be effective from this month.

The CMU represents the Mineworkers' Union, the S A Engine Drivers' Foremans' and Operators' Association and six artisan unions.

Talks between the chamber and the NUM were adjourned yesterday after employers upped their pay offer to between 12 and 15 percent, after an initial opening offer of 10,5 percent for both gold and coal miners.

NUM general secretary Mr Cyril Ramaphosa said the union was demanding an across-the-board 27 percent increase, down from an original demand of 40 percent.

The parties will meet again for further discussions on June 15.

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Wage hikes likely in spite of PW's plea — consultants

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DURBAN Senior management was likely to receive salary increases of between 12 and 13 per cent this year in spite of the call by the State President, Mr P. W. Botha, for wage and salary restraints.

This is according to a South African management consulting group.

The managing director of PE Corporate Services, Mr Martin Westcott, said yesterday that, as South Africa remained short of management skills and companies continue paying a premium to attract talent, the call for restraints had to be seen in this perspective.

"Companies that have not reviewed salaries

will find it difficult to compete in the labour market," Mr Westcott said, adding that legislation, such as that applied through the force of the Control of Harmful Practices Bill, was difficult to enforce.

He said the most effective means of controlling salary and wage inflation was to continue bringing down the inflation rate because as salary and wage increases were raised in order to follow the Consumer Price Index.

"Keeping wages static has to be balanced against need to stimulate growth and job creation as our economic recovery is far from fully-fledged." — DDC

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PW rules out freeze on prices and wages

By DALE LAUTENBACH
Parliamentary Staff

THE Government was opposed to price and wage control and had no intention of implementing such measures, President Botha told the House of Delegates.

Speaking yesterday during debate on his budget vote, Mr Botha said his proposal to introduce legislation for the establishment of a business practice commission had been misinterpreted by some as a move towards total price control.

"I never spoke in terms of a total price control; I referred to excessive price increases," said Mr Botha.

The Government already had the legislative power to introduce price control but it did not intend using this expensive and ineffective measure, he said.

The Government remained committed to private enterprise and competition in a system which acted to protect the consumer against excessive price increases as opposed to a system of wage and price controls.

In certain instances it was necessary for the Government to make moves which furthered business competition and thereby strengthened the role of the consumer.

Competition

The role of a business practice commission would be to foster competition, said Mr Botha.

He expressed again his disappointment in the private sector's lack of response to his appeal for discipline in salary and wage increases and price increases.

He warned there was "strong public reaction to what is perceived to be unnecessary price increases".

● Certain "mischief-makers" in the Press had reported that Mr Botha and the head of the Reserve Bank, Dr Gerhard de Kock, were at loggerheads.

This was nonsense, said Mr Botha, quoting from a letter Dr de Kock had sent him following the reports in which the Reserve Bank head said the importance of President Botha's economic address at the opening of Parliament this year "could not be over-emphasised".

Salaries clash looming

4/1/88
3/1/88
GERALD REILLY

PRETORIA — The Public Servants Association (PSA) is on the verge of making new salary increase representations to government, Association GM Hans Olivier said here yesterday.

Salaries and wages for the nearly 1-million workers in the state and provincial departments were frozen for the current financial year.

Staff associations warned government at the time that State President P W Botha's appeal for moderation would be ignored by the private sector.

Resentment at the freezes had intensified as evidence piled up that big pay hikes were being given to private sector workers.

The associations welcomed an earlier announcement by President Botha that compulsory curbs might have to be placed on salary and price hikes.

But Botha has allegedly "climbed down" on the issue this week, firmly stating government had no intention of a freeze.

Work stoppage

WORKERS at a supermarket run by the Tongaat Hulett Group for its employees stopped work on Monday in support of their demands for more pay, but returned to work soon afterwards.

Mr Isaacs Ngcobo, a spokesman for the South African Allied Workers' Union, said the workers resumed their duties at 12.30pm after the management had agreed to meet union representatives tomorrow to discuss wage demands.

He said the union had requested an increase of R180 a month, but the company had offered one of R60 a month.

Mr Ron Phillips, a spokesman for the Tongaat Hulett Group, said wage negotiations were continuing.

He confirmed that there has been a work stoppage but added that all the workers were back at their jobs by midday.

About 40 workers were involved in the stoppage.

Sapa. Sowetan 4/5/88

Labour Upda

Workers are streaming back — Triangle

Sowetan 4/5/88
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(4000)

WORKERS at Reef branches of Triangle Furnishers, where a strike by members of the Commercial, Catering and Allied Workers Union has entered its ninth week, are drifting back to work, Triangle's managing director, Mr Tom Roux, told Sapa yesterday.

He said there were no figures for the return to work and the numbers would not significantly affect the estimate of 45 percent of the workforce reported last week to be out.

But, Mr Roux said, "there has been a drift back to work."

Stoppage

He added that some branches have experienced more workers returning than others, but declined to name them.

The stoppage came over Ccawusa demands for an across-the-board increase of R130 a month for the company's non-commission workers and a minimum basic salary of R500 and 10 percent commission for sales staff.

Triangle offered a R115 a month increase to non-commission staff, effective from January 1 for nine months after

which a new real would be negotiated.

Mr Roux said today his company had contacted Ccawusa on Friday on labour matters but had not yet received a reply from the union.

Union comment was not immediately available.

PSA calls for new salary rises

PRETORIA. — The Public Servants' Association (PSA) have submitted new demands for a general salary increase "in line with that given in the private sector".

They have also called on the Commission for Administration to re-examine the general salary clamp on the public sector in the light of evidence that massive salary and wage rises have been given in this sector.

The chairman of the PSA, Dr Colin Cameron, said here yesterday that the association had submitted factual evidence to the Commission for Administration that there had been salary rises of up to 20% over a wide spectrum in the private sector.

The clamp on salary increases in the public service was therefore unwarranted.

The PSA have demanded a percentage increase to bring salaries in line with the private sector. They have refused, however, to divulge the percentage.

Dr Cameron said the public service was forced to accept it when the State President announced there would be no general salary increases.

However, they reserved the right to reassess the situation if it was found that the private sector failed to comply with Mr Botha's call to help cut inflation.

Pay dispute referred to industrial council

somehow
5/5/88

THE wage dispute between the United African Motor and Allied Workers' Union of SA and MAN Truck and Bus company has been referred to the motor industry's industrial council for mediation, a union spokesman said yesterday.

Uamwusa official Mr Peter Makgathulela said the union was demanding a wage increase of R1,50 an hour across-the-board, against the company's offer of 45 cents an hour.

Other union demands, he said, included recognition of May 1 and June 16 as paid holidays; working hours to be reduced from 45 to 40 hours; annual leave to be increased to four weeks.

- The Building Industries Workers' Union of South Africa (Bifwusa) said yesterday it wished to thank its members for the support they gave at a May Day rally at Fun Valley, Johannesburg, last Sunday.

Union spokesman Mr Saul Tshabalala said about 1 500 members who came from Port Elizabeth, East Rand, West Rand and the Vaal, attended the rally.

He said those who did not show up, were invited to attend a meeting to be held at Bifwusa's head office in Johannesburg on May 29 at 9am.

Mr Tshabalala said all shop stewards of the union were invited to the meeting.

"The union wishes to say to its members that they should stand up and exercise their right in the struggle for a new Africa."

- The National Union of Metalworkers of SA has appealed to the public to help trace a union member, Mr Robert Mokobori, whose pension money has been sent to Numsa's Katlehong branch by his former employers.

Anyone knowing his whereabouts is asked to contact Ms Thoko Rampai or Lizzy Mathebula at Numsa's Germiston offices.

Workers not together

CO

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CO

Tell

MAK

WE

MEI
BIB
RG
RTD

Govt firm on public service wage freeze

Political Staff

The Government is standing firm on its policy not to grant pay increases to public servants — despite renewed demands from the Public Servants' Association (PSA).

Minister of Administration and Privatisation Dr Dawie de Villiers said yesterday that the Government's policy on pub-

lic service pay increases was well known and he saw no need to depart from it.

He was responding to renewed demands for a pay rise from PSA chairman Dr Colin Cameron.

Dr Cameron said the PSA was repeating its demands for a rise because the private sector had not honoured the Government's appeal for wage restraint.

Public servants renew pay demand

By Claire Robertson 355
Pretoria Bureau

The Public Servants Association has again approached the Government for a pay increase this year following the wage freeze instituted in the public sector.

Dr Colin Cameron, head of the 200 000-member PSA, said yesterday there were no signs that the private sector was heeding the Government's call for inflation-curbing measures and there was "major discontent" among PSA members that they were being "excluded from participation in the economic cycle" while salaries and prices rose in the rest of the country.

In accepting the wage freeze earlier this year, the PSA reserved the right to ask again for a pay increase should it appear that the private sector had not taken similar steps to curb inflation.

In a letter sent to the Commission for Administration this week the PSA pointed out there had been salary increases of up to 20 percent over a wide spectrum in the private sector. The clamp on salary increases in the public service was therefore unwarranted.

The PSA had asked for an undisclosed percentage increase to bring salaries in line with the private sector, Dr Cameron said.



A SECURITY guard on duty.

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for
R300 a
 10/5/88
 Soweto
month
rise

THE Vukani Guards and Allied Workers' Union have proposed wage increases of R300 a month across-the-board for security guards.

Vukani official Mr Sam Ndou said yesterday that this was one of the proposals submitted to a Wage Board hearing in Cape Town recently.

The union, which has about 10 000 members, proposed a new national minimum hourly wage of R2 to replace existing rates of 86 cents and R1,80 an hour.

Mr Ndou said these wage proposals would be discussed again at a Wage Board hearing in Johannesburg next month.

- The metal industry's wage negotiations — affecting about 320 000 workers — continue today.

At issue are wage proposals submitted by 15 trade unions in the industrial council.

The four unions belonging to the SA Council of the International Metalworkers'

By LEN MASEKO

Federation demand across-the-board increases of R1 an hour for all categories of employees and a minimum wage of R4 an hour for labourers and R7,96 an hour for artisans.

Increases

The seven affiliates of the Confederation of Metal and Building Unions have proposed revised increases ranging from 34 cents an hour for labourers to 85 cents an hour for artisans.

In response, metal employees — represented by the Steel Engineering Industries Federation of South Africa — have offered rises ranging from 32 cents an hour for labourers to 66 cents an hour for artisans.

The two parties failed to reach agreement at two previous meetings.

Labour Update

CLASHING VOICES



MR PIETIE du Plessis... the Minister of Manpower.

GALLO/CNA and the Commercial Catering and Allied Workers' Union are headed for a confrontation after reaching a stalemate in their dispute over wages and working conditions involving more than 5 000 workers throughout the country.

A spokesman for Cawusa, Mr Abgees, Ramalope, said yesterday that after a conciliation board hearing, appointed by the Minister of Manpower, Mr Pietie du Plessis, failed to settle the matter, after the union declared a dispute with the company on May 2.

Industrial Relations spokesman for Gallo/CNA, Mr Byron Zylinder, said yesterday declined to comment but said the company would issue a statement later.

Cawusa demands a R300 a month increase across-the-board and the company has stood firm on its offer of R100 a month across-the-board according to Mr Ramalope.

He said that Gallo/CNA which had

Union and Gallo/CNA

hit discord

291 stores countrywide had shown considerable profitability between 1986 and 1987 and that research had shown an upward trend in annual earnings.

Meanwhile, Cawusa said it would ratify a decision of about 100 members at Empisal, Village Deep, who accepted management's offer of a R110 a month increase which would be backdated to February.

The increase would bring the workers' monthly minimum to R460 a month.

Mr Ramalope said the workers at Empisal had downed tools after conciliation board hearings failed to

resolve a dispute in which they initially demanded a minimum of R600 a month and an across-the-board raise of R300 a month.

A spokesman for Empisal, Mr L Banducci, said yesterday that as far as the company was concerned the matter had been resolved following the workers' acceptance of the offer.

He denied that the company had acceded to a demand that May Day be declared a paid holiday because management was awaiting a Government's inquiry into public holidays, a report of which would be available next year.

Cawusa and Anbeeco in Denver yesterday signed a recognition and wage agreement which involves about 170 workers.

Mr Ramalope said the company agreed to give the workers a wage increase of R175 a month which would take the new monthly minimum to R520.

Personal disposable incomes increased

Finance Staff

Personal disposable income grew by 23,8 percent in the last quarter of 1987 says UBS economist Dr Hans Falkena.

Writing in the society's latest *Economic Monitor* he said the increase for the whole year was 19,3 percent, or three percent in real terms.

He states the most important reasons for the jump in income levels over the past year were:

- Mounting trade union demands.
- An increase of 20 percent in the public sector's wage bill.
- Improved agricultural conditions.

He expects an increase in personal disposable income of not more than 16 percent this year because of the civil service clamp-down on salaries. Given the temporary nature of this policy, however, Dr Falkena says that personal disposable income may well increase again by 18 percent in 1989.

Trade union activity will remain the main driving force behind higher income levels, especially for the black sector of the workforce.

Although he expects unemployment to decline in the next 18 months, he states the overall economic state will prevent any marked decline in the jobless figures.

"Moreover, factors such as the excess supply of unskilled labour, the country's population growth rate of some 2,5 percent and the hesitant pace of deregulation will all contribute negatively to the long-term downward potential of unemployment in our country," Dr Falkena says.

WORK STOPPAGE AT FOUR PLANTS

**Perskor
papers
forced
to come
to halt**

ABOUT 2000 black workers at four plants of Perskor on the Reef yesterday downed tools over wages, bringing a standstill to the production of several publications, including the Afrikaans daily newspaper, *Die Vaderland*.

Sowetan 11/5/86
The plants affected are at Doornfontein and

SOWETAN REPORTER

Bosmont in Johannesburg, Benoni and Pretoria. The workers are members of the Media Workers' Association of South Africa (Mwasa), an affiliate of Nactu.

Police arrived at Doornfontein and Pretoria after the workers downed tools but later left.

About 500 workers at the Doornfontein plant gathered in the basement of the Perskor building while Mwasa negotiators and management held talks to resolve the

dispute.

The workers later rejected management's offer of a weekly minimum wage of R100 and an across-the-board increase of R20. They are demanding a weekly minimum of R180 and an across-the-board increase of R100.

Meeting

The managing director of Perskor, Mr J N Buitendag, was not available for comment yesterday as he was said to be in a meeting.

A Mwasa spokesman said by late in the

afternoon that the workers had rejected management's offer and resolved to continue with the strike.

He said management said it regarded the stoppage as an illegal strike but that negotiations were continuing.

The workers are mainly machine operators, cleaners, drivers and inserters.

The stoppage could also affect the production of the Afrikaans morning newspaper, *Beeld*.

A worker said yesterday: "*Die Vaderland* was not even printed as a result of the action."

Stoppage is over

THE work stoppage by about 2000 members of the Media Workers' Association of South Africa at four plants of Perskor on the Reef, which took place this week, has been called off and negotiations between management and the union begin next Tuesday.

The wage protest involved workers at Perskor's plants in

Johannesburg, Benoni and Pretoria.

A Mwasa spokesman said a meeting to settle the dispute was agreed upon and workers returned to their posts on Wednesday.

The workers are demanding a R260 weekly minimum wage and an across-the-board increase of R100. They rejected management's offer of R100 a week

minimum and an across-the-board increase of R20. (355)

The stoppage on Tuesday brought to a standstill the production of several publications, including the Afrikaans newspaper, *Beeld*.

Black workers employed by Perskor comprise mostly machine operators, inserters, cleaners, drivers and general staff.

Wage dispute tests their mettle

WAGE DISPUTES between the International Metalworkers' Federation (IMF) unions and Seifsa, such as the one informally declared this Tuesday, are a regular part of the industrial relations calendar. But this one is complicated by the Labour Relations Amendment Bill issue.

IMF local secretary Brian Fredericks said the demand that Seifsa withdraw its support of the legislation and agree to negotiate alternative dispute and strike procedures was one of the "priority demands" of the unions. However, Seifsa has refused the former and, he said, has agreed to address the latter only once the final version of the Bill is published.

This could become the least resolvable aspects of the dispute.

310 18/5/88

Garment workers support strike action to back wage demands

(152)
(153)
(355)

Daily Dispatch Reporter

EAST LONDON — Ballots conducted at garment factories in the city had revealed overwhelming support for strike action to back wage demands, the local branch secretary of the Amalgamated Clothing and Textile Workers' Union of South Africa, Mr Jabu Gwala, said yesterday.

He said the workers had taken a stand during negotiations this year because the garment industry had been "plagued for too long by sweat-shop conditions and extremely low wages".

"It is abundantly clear that they are unwavering in their resolution to ensure decent wages in their industry," he said.

A spokesman for the union negotiators, Mr John Eagles, said wage increases for garment workers in East London and Port Elizabeth had been delayed since May 1 because of a deadlock in negotiations at industrial council level.

The negotiations had been marked by joint action between Actwusa, representing some 1 500 East London workers and the Garment and Allied Workers' Union of South Africa, representing some 3 000 Port Elizabeth workers, he added.

They are demanding an R8,50 a week increase for six months and a further R8,50 a week increase for the second six month period, for labourers.

In addition, they are demanding an increase of R9,50 a week for six months and a further R9,50 a week for the second six month period, for experienced machinists.

Mr Eagles said the current starting wage was R43,89 a week for labourers in the industry and R76,23 for experienced machinists.

"The dispute arises out of the employers' final offer of R6,50 a week for labourers for both six month periods, and R7,50 a week for machinists."

THE

Mwasa, Perskor meet

THE Media Workers Association of South Africa and Perskor management yesterday began talks to resolve a wage dispute involving about 2000 workers in Pretoria, Johannesburg and Benoni.

The talks, which began late yesterday afternoon, are a sequel to a one-day

stoppage by the workers at Perskor's four plants last Tuesday over a demand for a R260 a week minimum and a weekly increase of R100 across-the-board.

Management is offering R20 across-the-board and a minimum of R100 a week.

355

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5032

MRA workers strike

EMPLOYEES of Market Research Africa, in Johannesburg have downed tools over wages after mediation talks between their union and management reached a deadlock.

A spokesman for the Commercial Catering and Allied Workers Union said the stoppage began on Monday afternoon.

The workers are demanding a R360 across-the-board increase, a new monthly minimum of R760, a 13th

By THEMBA MOLEFE

Sowetan 18/5/88
cheque, improvement to the housing loan scheme and double pay for overtime.

The spokesman said both parties were awaiting the establishment of a conciliation board in an attempt to resolve the dispute.

• Ccawusa is also still locked in wage disputes with Triangle Furnishers, Empisal, Gallo/CNA and OK Bazaars.

355

Study shows black-white wage gap is wider than ever

By Michael Chester

In all the fanfare about socio-economic reform in recent years, has the black/white wage gap been shrinking or growing still wider? The answer might depend on the angles used to focus on the issue.

An analysis by the stockbroking firm of Max Pollak & Frementille, probing deep into shopping patterns in the retail trade, proves that perceptions about trends in white and black income comparisons might be altered according to which microscope one uses.

Optimists setting out to prove that the gap is closing can focus on statistics that measure trends in terms of percentages.

Here, one finds that while average black earnings equalled less than

22 percent of average white earnings in 1976, the ratio moved to nearly 25 percent by 1980 — and to almost 27,5 percent by the latest full spread of statistics covering 1986.

The shrinkage in the gap was caused by the pattern of increases in pay packets, which in percentage terms grew far faster for black workers than for white workers.

The Max Pollak & Frementille researchers track events since 1973 and show that the compound growth in earnings has been 17,9 percent a year for black workers, 16,5 percent for Indian workers, 14,4 percent for coloured workers and only 13,2 percent for white workers.

The average rate of inflation over the period was 13,3 percent.

Pessimists, however, look at the ab-

solute difference between an increase of 10 percent on R100 a week (equal to R110) and an increase of 10 percent on R500 a week, which jumps to R550. And they will underline the tables that concentrate on actual rands and cents.

Here, one discovers that, whatever the trends in percentages and ratios, the black/white wage gap is wider than ever in terms of hard cash.

In 1976 average black earnings stood at R1 284 a year. The total accerated to R2 268 by 1980 and had climbed to R5 808 by 1986.

Over the identical time-span, the average earnings of Indians jumped from R2 340 to R11 043 and the coloured average from R1 908 to R7 617.

White average earnings, though climbing at a slower pace in percentage terms, rose from R5 892 in 1976 to

R9 204 in 1980 and on to R21 152 in 1986.

Thus the black/white annual wage gap, in actual hard cash, raced from R4 608 to R15 344 over the 10 years.

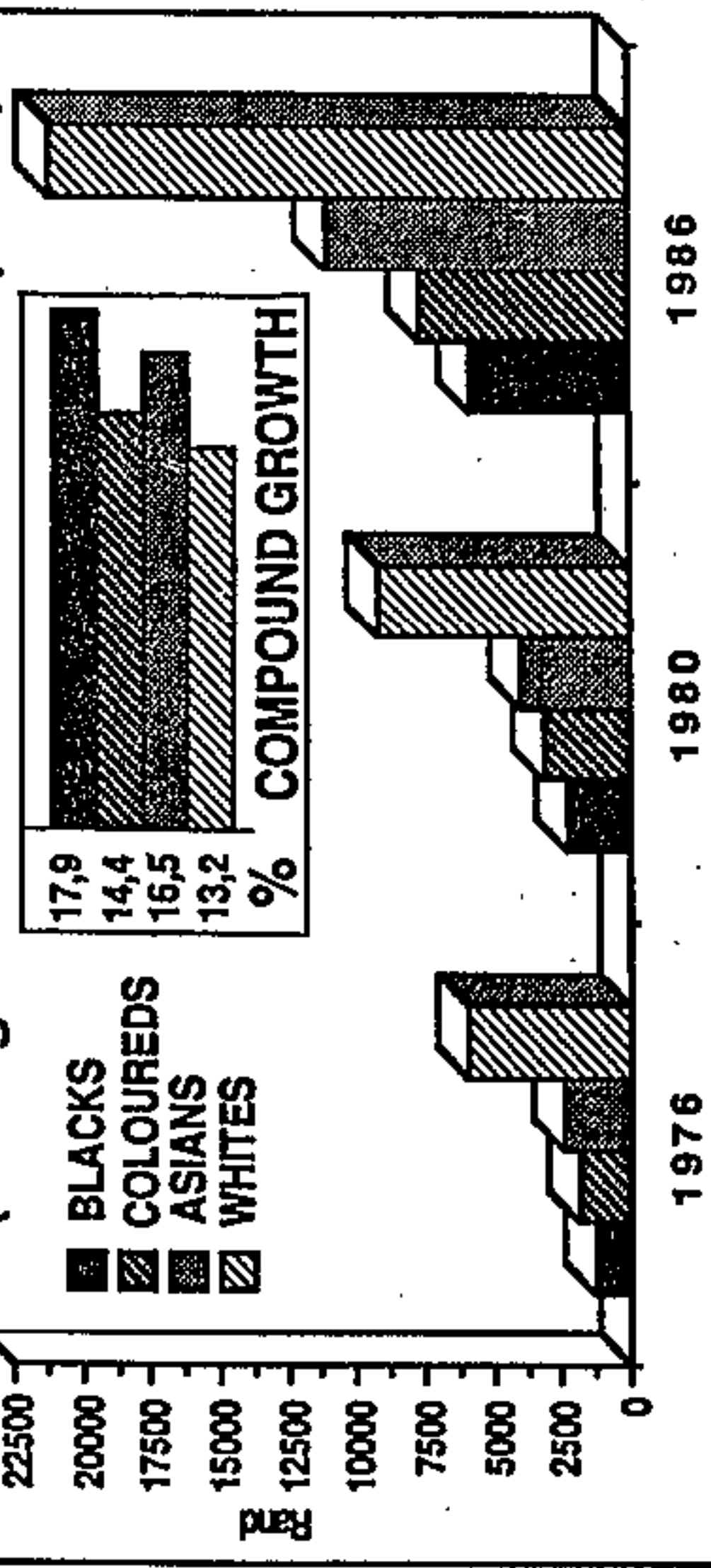
Economists will go on arguing forever about fair play in shifting the angles of perspective.

Even so, overall black spending power in the consumer market is growing by leaps and bounds.

Boosted by far larger numbers, the total earnings of black workers as a whole soared from R3 282 million in 1976 to R15 745 million in 1986 — from 27,3 percent of the national total to 30,7 percent.

And, assuming wage increases continue the pattern set in recent years, the black population will overtake the white population in total consumer spending power inside two decades.

AVERAGE EARNINGS PER WORKER
(Non-agricultural sectors at current prices)



Sowetan 19/5/88

'No comment'

MARKET Research Africa has yet to comment on a four-day work stoppage over wages by its 100 employees.

The workers, members of the Commercial Catering and Allied Workers Union (Cawusa), are demanding a R360 a month across-the-board increase, a R760 monthly minimum, a 13th cheque, improvement of the housing loan scheme and double pay for overtime.

A spokesman for MRA yesterday said that the company had resolved not to comment on the dispute.

A Cawusa official, Mr Amos Mothapo, said this week that management had refused to negotiate further with the union and said that both parties were awaiting the establishment of a conciliation board in an attempt to resolve the dispute.

355

Such courses could include the community and its needs, income-generating projects, ru-

which will enable them to contribute to a shared and happy future for all," she said.

shop window for industry in Ciskei as a whole." — DDR

900 workers allegedly dismissed

DI 19/5/88
Daily Dispatch Reporter

EAST LONDON — Some 900 workers have allegedly been dismissed from a Fort Jackson clothing factory after stopping work to back demands for increased wages.

The management of Steed Enterprises has refused to comment on the claims.

The workers are not members of any trade union. Unions are prohibited under Ciskei law.

The workers claim that weekly wages of less than R25 are being paid to unskilled labourers at the factory.

It is believed that a counter-offer by management was rejected by the workforce before the mass dismissal.

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'We are watching the economy'

Govt hints at pay rise for public servants

STW 19/5/84

(355)

By Peter Fabricius,
Political Staff

Cape Town

There are indications that the Government is considering giving public servants a general pay rise this year after all.

Minister of Administration Dr Dawie de Villiers hinted at a possible pay rise earlier this week in Parliament.

He told the House of Representatives that the Government was watching the economy very closely and if the economy allowed it, it would give high priority to a "meaningful general increase".

Mr Roger Burrows, the Progressive Federal Party spokesman on the public service, said today: "I think they are going to make some announcement. They seem to be preparing the ground for it."

He said he based his prediction on statements by Dr de Villiers and on the improvement in the economy and on information from public service contacts.

Mr Burrows said Dr de Villiers's statement, taken with the fact that the economy had grown about 4 percent in the first quarter, indicated the Government might make an announcement.

Another indication was that President Botha had expressed his unhappiness that the private sector had not followed suit by restricting its salary increases.

Demands

The Public Servants' Association — which originally accepted no pay rise this year — renewed its demands for an increase when it became apparent that the private sector was not playing along.

Political observers have also suggested that an increase now would be good politics for the Government before the October 26 general municipal elections.

Mr Burrows also said that contacts in the education field had told him that the negotiations with National Education Minister Mr F W de Klerk for a teachers' selective increase to make up their 11 percent pay backlog, had got "caught up" with moves for a general pay increase.

CHT Times 20/5/88

Worker wage freeze resolve 'weakening'

Own Correspondent

PRETORIA. — The government is weakening in its resolve to freeze its workers' earnings until at least the start of the new financial year next April, according to sources.

This is strengthening speculation that increases will be granted to state department and provincial workers, and SATS and Post Office personnel, from October — the start of the second half of the financial year.

Senior government workers said the crucial municipal elections had become a factor in softening government attitude to the freeze.

There are, they say, upwards of 500 000 white workers — all voters — in the public sector, a formidable political force.

Sources said the government was aware that significant numbers of public sector workers were among the flood of defections to the Conservative Party in the past 18 months.

It was stated that to plug or slow this drain before the municipal elections in October would make good political sense.

The Minister of Administration and Privatization, Dr Dawie de Villiers, said that as soon as the state of the economy permitted, a high priority would be given to public sector pay rises.

Promise to bureaucrats

CAPE TOWN — Public servants, denied general salary increases this year, were promised yesterday they would be well rewarded for their sacrifices — in the next financial year.

Speaking in Parliament during his budget vote, Administration Minister Dawie de Villiers said the Commission for Administration had already started discussions and negotiations with staff associations.

He said government regarded a general salary increase as a high priority and it would not be considered a "Budget afterthought".

The extent of the increase would be determined by financial circumstances and the state of the economy. He said he

Bl day 20/5/88
CHRIS CAIRNCROSS 355

was optimistic these issues would not present problems.

This year's salary freeze should not be viewed as an indication government was neglecting the importance of the civil service, but it was for the longer-term interests of the country.

At the same time De Villiers warned that the continued growth of the public sector would have to be stopped.

He noted that the public service personnel complement had grown by 10,5%, from 650 000 to 718 000, in the past year.

● To Page 2 ➡

Public servants will be well rewarded

partly as a result of the assimilation of personnel from development boards and other parastatals.

Excluding these additions, growth would still have been about 7,2%, which was too high.

A total freeze had been put on more recruitment until all public service functions had been reviewed.

De Villiers said an investigation was under way to effect a major cut back in the public sector establishment. The

first step, now completed, had been the identification of vacant posts.

This had led to about 6 000 posts being abolished.

The next step would be to abolish all authorised posts which were vacant and which had not been budgeted for. A Cabinet decision had already been taken on that.

● From Page 1

MINE UNION DEMANDS MUCH MORE

Sowetan 29/5/88

355

Corner Wanderers streets, Johannesburg tomorrow.

By LEN MASEKO

THE Federated Mining Union has submitted its wage demands to the Johannesburg Consolidated Investments, proposing wage increases of 50 percent across-the-board.

The FMU regional organiser, Mr. Benertt Africa, said the wage proposals were for employees at JCI-controlled Rustenburg Platinum Mines.

Other demands were:

- May 1, June 16 and March 21 to be recognised paid holidays; and
- New death benefit and

provident funds.

Mr Africa said the two parties were scheduled to resume wage negotiations in a fortnight.

- The validity of an overtime ban by Laser group employees is to come under focus in the Pretoria Supreme Court on June 6.

Dozens of South African Scooter Transport and Allied Workers Union (Sastawu) members have embarked on an overtime ban at the company's plants on the Reef, according to the union.

Sastawu's general secretary Mr Kenny Sibuya said union members employed by the Laser group had banned overtime because the company had failed to provide them with transport at night.

The company, he said, was seeking a court interdict restraining the workers from continuing with the overtime ban.

- The Commercial Catering and Allied Workers Union charged that Market Research Africa was delaying the settlement of a wage dispute involving 100 workers.

Ccawusa official Mr Amos Mothapo said MRA was refusing to negotiate with the union on the issue which resulted in a work stoppage which began on Monday.

Dispute

MRA management told the *Sowetan* on Tuesday that it was not prepared to comment on the dispute.

Mr Mothapo said yesterday that both parties were awaiting the establishment of a conciliation board to resolve the matter.

The workers are demanding a R760 monthly minimum and an across-the-board raise of R360.

- Members of the Commercial Catering and Allied Workers Union employed by the First

National Bank will meet at the Wits Technikon House, Corner Plein and

The meeting which starts at 2pm is to focus on living wages and work-related issues.

Civil servants promised pay 'rewards'

Cape Times
20/5/88
355

Political Staff

PUBLIC servants — denied general salary increases this year — were yesterday promised that they would be well rewarded for their sacrifices in the next financial year by the Minister of Administration and Privatization, Dr Dawie de Villiers.

Speaking in Parliament during his budget vote, Dr De Villiers said the Commission for Administration had already started a process of discussions and negotiations with the various staff associations.

He emphasized that the government is regarding a general salary increase as a high priority that would not be considered as a "budget afterthought".

Dr De Villiers said the extent of the increase would be determined by the financial circumstances and the state of the economy, adding that he was optimistic these issues would not present any problems.

He said this year's salary freeze should not be viewed as an indication that government was neglecting the importance of the civil service but was for the longer-term interests of the country.

At the same time Dr De Villiers warned that the continued growth of the public sector could no longer be tolerated and it would have to be stopped.

He noted that the public service personnel complement has grown by 10,5% from 650 000 to 718 000 in the past year, partly as a result of the assimilation of personnel from the developments boards and other parastatals.

Excluding these additions, growth would still have been about 7,2% which was still too high, Dr De Villiers said.

He said a total freeze has been put on all further recruitment until all public service functions had been properly reviewed.

An investigation was now under way to effect a major cut-back in the public sector establishment. The first step, now completed, was the identification of vacant posts. Dr De Villiers confirmed that this had already led to some 6 000 posts being abolished.

He said the next step would be to abolish all authorized posts which were vacant and which had not been budgeted for. A cabinet decision has already been taken on this.

Dr De Villiers said all other vacant posts in the public service would be thoroughly examined after six months. Unless strong motivation was provided for their retention they would also be abolished.

He stressed that essential services, the protection services, education and justice were excluded from this major rationalization.

Mineworkers and De Beers are deadlocked over wages

8-23/5188
Negotiations between the National Union of Mineworkers (NUM) and De Beers reached deadlock after a meeting last week, the union says in a statement issued at the weekend.

NUM assistant general secretary Mr Marcel Golding says the company made a 9 percent wage offer but the union is demanding a 40 percent wage hike and improvements to working conditions. These include:

● Reduction of working hours to

40 hours per five-day week.

● Annual leave of 44 days.

● Danger pay.

● Improved service increment, standby allowances and production bonuses.

Mr Golding says De Beers has refused to address the union's other demands.

The deadlock has, in terms of a recognition agreement, been referred to their principals for consideration. The parties have agreed to meet next month to continue negotiations.

BCAWU

Sowetan 23/5/88

members return

ABOUT 97 members of the Building Construction and Allied Workers Union who last week downed tools over wages at Brickor Precast in Alrode, have returned to work while the union is negotiating with management.

BCAWU official, Mr Andrew Morifi, said the union had given management a new demand of a 35 percent increase after moving down the 50 percent. He said management also moved up to 14,5 percent from an initial offer of 13 percent.

Mr Morifi said management refused to recognise March 21 and June 16 as paid holidays but instead agreed that it would apply the no-work, no-pay principle and also undertook not to victimise workers who stayed at home on those days.

Management spokesmen could not be reached for comment.

Public servants want 30% more

GERALD REILLY

PRETORIA — Civil servants will have to get increases of at least 30% in April next year if they are to be brought into line with private-sector workers, Public Servants' Association (PSA) GM Hand Olivier said at the weekend.

He was reacting to the announcement by Administration and Privatisation Minister Dawie de Villiers that "very favourable" consideration would be given to a general pay rise in the new year "if the economy permits".

Olivier said: "It's no big deal that we might get increases next April.

"That's the least we expect and why government cannot make a positive statement is causing serious concern among public-sector workers."

The Minister's statement appeared to be a rejection of the recent urgent plea made by the PSA for increases before the close of the current financial year.

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Olivier said: "It's no big deal that we might get increases next April.

"That's the least we expect and why government cannot make a positive statement is causing serious concern among public-sector workers."

The Minister's statement appeared to be a rejection of the recent urgent plea made by the PSA for increases before the close of the current financial year.

OK, union in dispute

THE Commercial Catering and Allied Workers' Union of South Africa is to seek a new mandate from union members employed by OK Bazaars following the failure by the two parties to reach an agreement over wage increases.

A spokesman of the union said Ccawusa demanded an across-the-board increase of R150 a month while the com-

pany offered R88 a month. Initially the union had demanded a rise of R218 a month.

OK Bazaars has declared a dispute with the union, saying Ccawusa's demands would cost the company over R100 million over a 12-month period.

The dispute will be discussed at a meeting of OK employees in Middelburg on May 29.

NUM, DE BEERS IN DEADLOCK

Labo

By LEN MASEKO

THE National Union of Mineworkers has reached deadlock with the De Beers Diamond company over wage increases.

NUM officials, Mr Marcel Golding, said the union had rejected a nine percent pay offer from the company in favour of workers' demand for a wage increase of 40 percent across-the-board.

Other NUM demands are:

- Reduction of hours of work to 40 a week;
- Danger pay; and
- Improved service increases, "standby" allowances and production bonuses.

Mr Golding said: "The deadlock, in terms of the recognition agreement between the two parties, has been referred to their principals for consideration."

The NUM official said the company had refused to address other workers' demands except wage increases.

The two parties continue with their wage

Meanwhile, the NUM and the East Rand Gold and Uranium Company (Ergo) have resumed wage negotiations.

The union demands a 30 percent wage increase and improved working conditions while the company is offering — among other things — a 12 percent rise.

Mr Golding said: "Ergo's wage proposals seem clearly in line with the wage freeze announced by the Government. The company is also requesting workers to take a wage cut."



NUM official Mr Marcel Golding.

Sowetan
24/5/88

355

While bearing public interest in mind.

PSA seeks 30% wage increase

Cape Times 24/5/88
220 355

Own Correspondent

PRETORIA. — Public servants will have to get increases of at least 30% from April next year if they are to be brought into line with the private sector or workers, a Public Servants Association (PSA) spokesman, Mr H Olivier, said at the weekend.

He was reacting to the announcement by Mr Dawie de Villiers in Parliament this week that "very favourable" consideration would be given to a general pay rise in the new year "if the economy permits".

Too late for classification

DEATHS

JACOBS — Arthur (Boy), passed away peacefully on 20th May 1988. Great is the pain of parting without farewell, but the love we shared will be forever. Deeply mourned by his loving wife Hilda, children and grandchildren. Service at St Paul's Church, Bree St, Cape Town on Wednesday 25th May at 2pm. Thence to Maitland Crematorium for service at 3.20pm. In lieu of flowers donations to Church Fund.

FOUND

FOX TERRIER Male, found Maitland (Bally factory area) 23 May. Phone 689 8122 a/h.

Test for PW's call for a freeze in salaries

Close watch kept on Seifsa wage talks

IN the light of President P W Botha's call for a salary freeze in the private sector, employer bodies will be keeping a sharp watch on the outcome of today's wage negotiations between Seifsa and the metal industry unions.

The metal industry employs more than a third of SA's manufacturing workforce.

Seifsa executive director Brian Angus said last night the International Metal Workers Federation (IMF) — of which Numsa is the major member union — had already indicated it had taken a decision of dispute with Seifsa on its 15% offer.

"On the other hand, the Confederation of Metal and Building Unions (CMBU) has indicated that it has referred our offer to members and

would be coming to discuss it."

Angus said the Seifsa offer at the bottom end of the scale was the 15% rise plus annual bonus and pension fund increases. The offer to the more skilled workers was about 11% with the same bonus and pension benefits.

"Even before the President made his appeal we realised that inflation had to be controlled. The perception then in the industry was that wage restraint would be necessary. We believe the offer we have made is more than fair and we will be trying to reach consensus."

Other employer bodies, including Assocom and the Federated Chamber of Industries (FCI), have already indicated a keen interest in the negotiations.

Referring directly to today's

Seifsa wage talks, Assocom said it remained to be seen whether Botha's appeal would have any effect.

The association also expressed grave concern about the possibility of a mandatory extension of the public sector wage freeze into the private sector.

"Unfortunately, it is easier to accommodate such appeals in times of recession than in times of an economic upswing, when skill shortages and competitive pressures become more severe.

"Wage and salary negotiation by decree is not that easy in the private sector."

The FCI said while it supported government's initiatives to reduce inflation it must be pointed out that, as businesses were subject to different pressures for various reasons, no general limit could be set.

been decided upon; if not, (a) why not and (b) when is it anticipated that they will be decided upon; if so, how many private schools have been granted subsidies of (i) 45 and (ii) 15 per cent?

THE MINISTER OF EDUCATION AND CULTURE:

A similar question was asked by Mr D J DALLING as question 11. The hon member is therefore referred to the answer given on 1988-03-01.

Sex education in schools: policy

*7. Mr R M BURROWS asked the Minister of Education and Culture:

Whether he has, further to Recommendation 14 in the Report of the President's Council Committee for Social Affairs on the Youth of South Africa (PC 2/1987) regarding the teaching of sex education in schools, adopted a policy on this matter; if not, why not; if so, (a) what is this policy and (b) when was it made public?

THE MINISTER OF EDUCATION AND CULTURE:

No, since the matter is dealt with within the family guidance programme of the provincial education departments.

Mr R M BURROWS: Mr Chairman, arising out of the hon the Minister's reply, can he give us an indication as to whether the whole context of the dangers of Aids is being handled in schools falling under his department?

THE MINISTER: Mr Chairman, the whole question of sex education is handled by the various education departments. I was given no information about the specific question the hon member has now asked me, and if the hon member wants to know, he can telephone me later and I shall give him the information.

Mr R M BURROWS: Mr Chairman, further arising out of the hon the Minister's reply, can he give us an indication as to whether there has been any communication between his Department and the Department of National Health and Population Development in the context of the Aids programme?

THE MINISTER: Mr Chairman, from time to time there is close liaison between the departments which deal with community matters.

HOUSE OF ASSEMBLY

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Mr R M BURROWS: Mr Chairman, arising out of the hon the Minister's non-reply to the question I have just asked, could I ask the hon the Minister once again whether there has been any contact between his Department and the Department of National Health and Population Development on the handling in schools of the question of Aids?

THE MINISTER: My reply will suffice, Mr Chairman.

Technical colleges: non-White students

*8. Mr R M BURROWS asked the Minister of Education and Culture:

Whether there is a policy for the admission of non-White students to technical colleges falling under the control of his Department; if so, what is this policy?

THE MINISTER OF EDUCATION AND CULTURE:

Yes, in terms of the policy it is the primary responsibility of the technical colleges of my Department to train those students who are the responsibility of the Department according to the Constitution. In addition the Department renders services to students of other population groups who are admitted to advanced courses on the N4 - N6 level if institutions of the education department of the particular group do not offer the specific course and if such enrolment is acceptable to the college council and the education departments concerned. This facet of education is dealt with in accordance with Items 2 and 14 of Schedule 1 of the Constitution.

Private commercial colleges

*9. Mr R M BURROWS asked the Minister of Education and Culture:

(1) Whether the registration of private commercial colleges, popularly known as "cram colleges", falls under his Department; if not, under which State Department does it fall; if so, (a) how many such colleges are registered with his Department, (b) what total number of pupils is enrolled at these colleges and (c) in respect of what date is this information furnished;

(2) whether there is a policy for the admission

of non-White pupils to these colleges; if so, what is this policy;

(3) whether all pupils admitted to such commercial colleges are required to write the examinations of the provincial education departments under which they fall; if not, why not?

THE MINISTER OF EDUCATION AND CULTURE:

(1) The terms "private commercial colleges" and "cram colleges" are not legally defined. Should certain colleges or a specific type of college be clearly identified the required information could be furnished;

(a), (b), and (c) fall away;

(2) falls away;

(3) falls away.

For written reply:

General Affairs:

Five most junior posts: salary scales

688. Mr C J DERBY-LEWIS asked the Minister in the State President's Office entrusted with Administration and Broadcasting Services:

(a) What are the salary scales attached to each of the five most junior posts in his Department, (b) how many of these posts are filled by Whites, Coloureds, Indians and Blacks, respectively, and (c) in respect of what date is this information furnished?

THE MINISTER FOR ADMINISTRATION AND PRIVATISATION:

To question 688 as well as on behalf of the Ministers concerned to the similarly phrased questions concerning General Affairs Nos 689, 690, 691, 692, 693, 694, 695, 696, 697, 698, 699, 700, 701, 702, 704, 705, 706, 707, 710, 711 and 712 and concerning Own Affairs Nos 69, 70, 71, 72, 73 and 80.

General Affairs

Office of the Commission for Administration (Question No 688)

(a) (i) R4 701-7 725

(ii) R5 397-7 551

(iii) R5 397-9 507

(iv) R6 095-10 371

(v) R6 789-8 694

(b) (i) 2 Black persons

(ii) 4 Coloured persons

(iii) 1 White person

(iv) 1 Coloured person

(v) 19 White and 3 Coloured persons

(c) 1 March 1988

Department of Development Planning (Question No 689)

(a) (i) R6 093-10 371

(ii) R6 093-10 803

(iii) R6 789-10 803

(iv) R7 551-11 667

(v) R7 932-13 395

(b) (i) 41 White persons

(ii) 6 White persons

(iii) 1 White person

(iv) 3 White persons

(v) 31 White persons

(c) 1 March 1988

Department of Foreign Affairs (Question No 690)

(a) (i) R6 030-9 600

(ii) R6 093-9 939

(iii) R6 093-10 371

(iv) R6 093-10 803

(v) R7 932-13 395

(b) (i) 3 White persons and 4 Black persons

(ii) 25 White persons

(iii) 90 White persons, 6 Coloured persons and 1 Indian person

(iv) 14 White persons and 1 Coloured person

(v) 24 White persons

(c) 1 March 1988

Department of National Education (Question No 691)

(a) (i) R6 093-9 507

HOUSE OF ASSEMBLY

1603

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(ii) R6 093-10 371

(iii) R6 093-10 803

(iv) R6 789-11 667

(v) R7 170-10 803

(b) (i) 1 Black person

(ii) 47 White persons, 2 Coloured persons and 1 Indian person

(iii) 7 White persons

(iv) 1 White person

(v) Posts are vacant

(c) 1 March 1988

Department of Education and Training (Question No 692)

(a) (i) R5 049-7 932

(ii) R6 093-9 507

(iii) R6 093-10 371

(iv) R6 441-7 932

(v) R7 551-11 667

(b) (i) 152 Black persons

(ii) 1 Black person

(iii) 2 Black persons

(iv) 2 Black persons

(v) 15 White persons and 5 Black persons

(c) 1 March 1988

Department of Manpower (Question No 693)

(a) (i) R5 049-7 932

(ii) R6 093-7 932

(iii) R6 093-9 507

(iv) R6 093-10 371

(v) R6 093-10 803

(b) (i) 3 White persons

(ii) 2 White persons and 3 Black persons

(iii) 4 White persons

(iv) 580 White persons, 101 Coloured persons, 61 Indian persons and 362 Black persons

(v) 28 White persons and 1 Coloured person

(c) 1 March 1988

HOUSE OF ASSEMBLY

Department of Justice (Question No 694)

(a) (i) R2 925-5 745

(ii) R5 049-7 932

(iii) R6 093-10 371

(iv) R6 093-10 803

(v) R8 694-10 371

(b) (i) 24 White persons, 22 Coloured persons, 4 Indian persons and 65 Black persons

(ii) 25 White persons and 2 Black persons

(iii) 1 303 White persons, 154 Coloured persons, 109 Indian persons and 346 Black persons

(iv) 24 White persons

(v) Posts are vacant

(c) 1 March 1988

Department of Agricultural Economics and Marketing (Question No 695)

(a) (i) R4 701-8 694

(ii) R6 030-9 600

(iii) R6 093-7 932

(iv) R6 093-9 507

(v) R6 093-10 371

(b) (i) 1 Black person

(ii) Posts are vacant

(iii) Posts are vacant

(iv) 1 White person and 1 Black person

(v) 175 White persons and 1 Coloured person

(c) 1 March 1988

Department of Trade and Industry (Question No 696)

(a) (i) R6 093-9 507

(ii) R6 093-10 371

(iii) R7 551-11 667

(iv) R7 932-12 243

(v) R7 932-13 395

(b) (i) 1 White person

(ii) 227 White persons

(iii) 5 White persons

1605

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1606

(iv) 1 Coloured person

(v) 62 White persons

(c) 1 March 1988

Department of Finance (Question No 697)

(a) (i) R6 093-8 694

(ii) R6 093-10 371

(iii) R6 093-10 803

(iv) R6 789-11 667

(v) R7 551-11 667

(b) (i) 7 White persons

(ii) 43 White persons

(iii) 20 White persons

(iv) 1 White person

(v) 32 White persons

(c) 1 March 1988

Department of Home Affairs (Question No 698)

(a) (i) R4 701-8 694

(ii) R6 093-8 313

(iii) R6 093-10 371

(iv) R6 789-10 803

(v) R7 551-11 667

(b) (i) 1 Black person

(ii) 37 White persons

(iii) 691 White persons, 6 Coloured persons, 7 Indian persons and 328 Black persons

(iv) 1 White person and 2 Black persons

(v) 11 White persons

(c) 1 March 1988

Department of Transport Affairs (Question No 699)

(a) (i) R6 093-9 507

(ii) R6 093-10 371

(iii) R6 093-10 803

(iv) R6 093-13 395

(v) R6 441-8 313

(b) (i) 5 Black persons

(ii) 371 White persons and 2 Black persons

(iii) 23 White persons

(iv) 3 White persons

(v) 29 White persons

(c) 1 March 1988

Department of Environment Affairs (Question No 701)

(a) (i) R5 049-6 441

(ii) R6 093-7 932

(iii) R6 093-10 371

(iv) R6 093-10 803

(v) R6 441-8 313

(b) (i) Posts are vacant

(ii) 8 White persons, 14 Coloured persons and 8 Black persons

(iii) 269 White persons, 13 Coloured persons, 1 Indian person and 41 Black persons

(iv) 12 White persons

(v) 9 Black persons

(c) 1 March 1988

Bureau for Information (Question No 702)

(a) (i) R6 093-10 371

(ii) R6 093-10 803

(iii) R7 551-11 667

(iv) R7 932-10 371

(v) R8 694-13 395

(b) (i) 30 White persons, 9 Coloured persons, 3 Indian persons and 20 Black persons

(ii) 4 White persons

(iii) 8 White persons

(iv) 1 White person, 1 Coloured person and 2 Black persons

(v) 5 White persons

(c) 1 March 1988

Department of Development Aid (Question No 704)

(a) (i) R5 049-7 932

(ii) R6 093-9 507

(iii) R6 093-10 371

HOUSE OF ASSEMBLY

1607

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1608

- (iv) R7 551-11 667
(v) R7 932-13 395
- (b) (i) 33 Black persons
(ii) 2 Black persons
(iii) 170 White persons and 197 Black persons
(iv) 10 White persons and 5 Black persons
(v) 5 White persons
- (c) 1 March 1988
- Department of Public Works and Land Affairs
(Question No 705)
- (a) (i) R6 093-7 932
(ii) R6 093-9 939
(iii) R6 093-10 371
(iv) R6 093-10 803
(v) R6 441-9 507
- (b) (i) 1 White person
(ii) 74 White persons and 7 Coloured persons
(iii) 341 White persons, 1 Coloured person, 1 Indian person and 1 Black person
(iv) 29 White persons
(v) 170 White persons and 1 Coloured person
- (c) 1 March 1988
- SA Prisons Service (Question No 706)
- (a) (i) R6 093-10 371
(ii) R6 708-10 371
(iii) R7 551-11 235
(iv) R7 932-13 395
(v) R8 694-13 395
- (b) (i) 46 White persons and 3 Coloured persons
(ii) 42 White persons
(iii) 4 White persons, 6 Coloured persons and 13 Black persons
(iv) 128 White persons and 1 Black person
(v) 121 White persons, 1 Coloured person and 2 Black persons
- (c) 1 March 1988
- Department of Mineral and Energy Affairs
(Question No 707)
- (a) (i) R6 093-9 507
(ii) R6 093-10 371
(iii) R6 093-10 803
(iv) R6 789-10 803
(v) R7 551-11 667
- (b) (i) 4 Black persons
(ii) 105 White persons
(iii) 4 White persons
(iv) 9 Black persons
(v) 2 White persons
- (c) 1 March 1988
- Department of Water Affairs (Question No 710)
- (a) (i) R6 093-9 507
(ii) R6 093-10 371
(iii) R6 789-10 803
(iv) R7 551-11 667
(v) R7 932-12 243
- (b) (i) 2 Coloured persons and 7 Black persons
(ii) 215 White persons, 3 Coloured persons and 8 Black persons
(iii) 12 White persons, 34 Coloured persons and 54 Black persons
(iv) 6 White persons and 1 Coloured person
(v) 4 White persons, 35 Coloured persons and 28 Black persons
- (c) 1 March 1988
- SA Police (Question No 711)
- (a) (i) R5 049-7 932
(ii) R6 093-10 371
(iii) R6 789-11 667
(iv) R7 551-11 235
(v) R10 371-22 224
- (b) For security reasons the information cannot be supplied
- (c) 1 April 1988

HOUSE OF ASSEMBLY

1609

THURSDAY, 26 MAY 1988

1610

- SA Defence Force (Question No 712)
- (a) (i) R3 195-4 353
(ii) R3 735-5 049
(iii) R4 353-5 745
(iv) R5 049-7 932
(v) R5 049-9 939
- (b) It is not policy of the SA Defence Force to announce its personnel strength
- (c) 1 March 1988
- Own Affairs
- Administration: House of Assembly
- Department of Budgetary and Auxiliary Services (Question No 69)
- (a) (i) R6 093-9 507
(ii) R6 093-10 371
(iii) R6 789-10 803
(iv) R7 551-11 667
(v) R7 932-12 243
- (b) (i) 3 White persons
(ii) 45 White persons and 1 Black person
(iii) 2 Black persons
(iv) 2 White persons
(v) Posts are vacant
- (c) 1 March 1988
- Department of Health Services and Welfare
(Question No 70 and Question No 80)
- (a) (i) R5 049-7 932
(ii) R5 049-10 371
(iii) R6 093-10 371
(iv) R6 789-10 803
(v) R7 932-12 243
- (b) (i) 66 White persons and 3 Black persons
(ii) 13 White persons and 4 Black persons
(iii) 234 White persons
(iv) 10 White persons
(v) 11 White persons
- (c) 1 March 1988
- Department of Education and Culture (Question No 71)
- (a) (i) R4 005-7 170
(ii) R5 049-7 932
(iii) R6 093-7 932
(iv) R6 093-9 507
(v) R6 789-10 803
- (b) (i) 40 White persons
(ii) 54 White persons
(iii) 1 White person and 13 Coloured persons
- (c) 1 March 1988
- Department of Local Government, Housing and Works (Question No 72)
- (a) (i) R6 093-9 507
(ii) R6 093-10 371
(iii) R6 789-10 803
(iv) R7 551-11 667
(v) R7 932-12 243
- (b) (i) 46 White persons
(ii) 125 White persons
(iii) 2 White persons
(iv) 2 White persons
(v) 29 White persons
- (c) 1 March 1988
- Department of Agriculture and Water Supply
(Question No 73)
- (a) (i) R5 049-7-932
(ii) R6 093-9 507
(iii) R6 093-9 939
(iv) R6 093-10 371
(v) R6 441-8 313
- (b) (i) 10 White persons
(ii) 1 Coloured person and 11 Black persons
(iii) 7 White persons
(iv) 171 White persons
(v) 2 White persons
- (c) 1 March 1988

HOUSE OF ASSEMBLY

Five most junior posts: salary scales
689. Mr C J DERBY-LEWIS asked the Minister of Constitutional Development and Planning:

- (a) What are the salary scales attached to each of the five most junior posts in his Department,
(b) how many of these posts are filled by Whites, Coloureds, Indians and Blacks, respectively, and (c) in respect of what date is this information furnished?

The MINISTER OF CONSTITUTIONAL DEVELOPMENT AND PLANNING:

(See reply to Question No 688 on Thursday, 26 May 1988 in column 1601.)

Five most junior posts: salary scales

690. Mr C J DERBY-LEWIS asked the Minister of Foreign Affairs:

- (a) What are the salary scales attached to each of the five most junior posts in his Department,
(b) how many of these posts are filled by Whites, Coloureds, Indians and Blacks, respectively, and (c) in respect of what date is this information furnished?

The MINISTER OF FOREIGN AFFAIRS:

(See reply to Question No 688 on Thursday, 26 May 1988 in column 1601.)

Five most junior posts: salary scales

691. Mr C J DERBY-LEWIS asked the Minister of National Education:

- (a) What are the salary scales attached to each of the five most junior posts in his Department,
(b) how many of these posts are filled by Whites, Coloureds, Indians and Blacks, respectively, and (c) in respect of what date is this information furnished?

The MINISTER OF NATIONAL EDUCATION:

(See reply to Question No 688 on Thursday, 26 May 1988 in column 1601.)

Five most junior posts: salary scales

692. Mr C J DERBY-LEWIS asked the Minister of Education and Development Aid:

- (a) What are the salary scales attached to each of the five most junior posts in the Department of Education and Training, (b) how many of

these posts are filled by Whites, Coloureds, Indians and Blacks, respectively, and (c) in respect of what date is this information furnished?

The MINISTER OF EDUCATION AND DEVELOPMENT AID:

(See reply to Question No 688 on Thursday, 26 May 1988 in column 1601.)

Five most junior posts: salary scales

693. Mr C J DERBY-LEWIS asked the Minister of Manpower:

- (a) What are the salary scales attached to each of the five most junior posts in his Department,
(b) how many of these posts are filled by Whites, Coloureds, Indians and Blacks, respectively, and (c) in respect of what date is this information furnished?

The MINISTER OF MANPOWER:

(See reply to Question No 688 on Thursday, 26 May 1988 in column 1601.)

Five most junior posts: salary scales

694. Mr C J DERBY-LEWIS asked the Minister of Justice:

- (a) What are the salary scales attached to each of the five most junior posts in the Department of Justice, (b) how many of these posts are filled by Whites, Coloureds, Indians and Blacks, respectively, and (c) in respect of what date is this information furnished?

The MINISTER OF JUSTICE:

(See reply to Question No 688 on Thursday, 26 May 1988 in column 1601.)

Five most junior posts: salary scales

695. Mr C J DERBY-LEWIS asked the Minister of Agriculture:

- (a) What are the salary scales attached to each of the five most junior posts in his Department,
(b) how many of these posts are filled by Whites, Coloureds, Indians and Blacks, respectively, and (c) in respect of what date is this information furnished?

The MINISTER OF AGRICULTURE:

(See reply to Question No 688 on Thursday, 26 May 1988 in column 1601.)

Five most junior posts: salary scales

696. Mr C J DERBY-LEWIS asked the Minister of Economic Affairs and Technology:

- (a) What are the salary scales attached to each of the five most junior posts in the Department of Trade and Industry, (b) how many of these posts are filled by Whites, Coloureds, Indians and Blacks, respectively, and (c) in respect of what date is this information furnished?

The MINISTER OF ECONOMIC AFFAIRS AND TECHNOLOGY:

(See reply to Question No 688 on Thursday, 26 May 1988 in column 1601.)

Five most junior posts: salary scales

697. Mr C J DERBY-LEWIS asked the Minister of Finance:

- (a) What are the salary scales attached to each of the five most junior posts in his Department,
(b) how many of these posts are filled by Whites, Coloureds, Indians and Blacks, respectively, and (c) in respect of what date is this information furnished?

The MINISTER OF FINANCE:

(See reply to Question No 688 on Thursday, 26 May 1988 in column 1601.)

Five most junior posts: salary scales

698. Mr C J DERBY-LEWIS asked the Minister of Home Affairs:

- (a) What are the salary scales attached to each of the five most junior posts in his Department,
(b) how many of these posts are filled by Whites, Coloureds, Indians and Blacks, respectively, and (c) in respect of what date is this information furnished?

The MINISTER OF HOME AFFAIRS:

(See reply to Question No 688 on Thursday, 26 May 1988 in column 1601.)

Five most junior posts: salary scales

699. Mr C J DERBY-LEWIS asked the Minister of Transport Affairs:

- (a) What are the salary scales attached to each of the five most junior posts in the Department of Transport, (b) how many of these posts are filled by Whites, Coloureds, Indians and

Blacks, respectively, and (c) in respect of what date is this information furnished?

The MINISTER OF TRANSPORT AFFAIRS:

(See reply to Question No 688 on Thursday, 26 May 1988 in column 1601.)

Five most junior posts: salary scales

701. Mr C J DERBY-LEWIS asked the Minister of Environment Affairs:

- (a) What are the salary scales attached to each of the five most junior posts in his Department,
(b) how many of these posts are filled by Whites, Coloureds, Indians and Blacks, respectively, and (c) in respect of what date is this information furnished?

The MINISTER OF ENVIRONMENT AFFAIRS:

(See reply to Question No 688 on Thursday, 26 May 1988 in column 1601.)

Five most junior posts: salary scales

702. Mr C J DERBY-LEWIS asked the Deputy Minister of Information:

- (a) What are the salary scales attached to each of the five most junior posts in the Bureau for Information, (b) how many of these posts are filled by Whites, Coloureds, Indians and Blacks, respectively, and (c) in respect of what date is this information furnished?

The MINISTER OF INFORMATION, BROADCASTING SERVICES AND THE FILM INDUSTRY:

(See reply to Question No 688 on Thursday, 26 May 1988 in column 1601.)

Five most junior posts: salary scales

704. Mr C J DERBY-LEWIS asked the Minister of Education and Development Aid:

- (a) What are the salary scales attached to each of the five most junior posts in the Department of Development Aid, (b) how many of these posts are filled by Whites, Coloureds, Indians and Blacks, respectively, and (c) in respect of what date is this information furnished?

The MINISTER OF EDUCATION AND DEVELOPMENT AID:

(See reply to Question No 688 on Thursday, 26 May 1988 in column 1601.)

Five most junior posts: salary scales

705. Mr C J DERBY-LEWIS asked the Minister of Public Works and Land Affairs:

- (a) What are the salary scales attached to each of the five most junior posts in his Department, (b) how many of these posts are filled by Whites, Coloureds, Indians and Blacks, respectively, and (c) in respect of what date is this information furnished?

The MINISTER OF PUBLIC WORKS AND LAND AFFAIRS:

(See reply to Question No 688 on Thursday, 26 May 1988 in column 1601.)

Five most junior posts: salary scales

706. Mr C J DERBY-LEWIS asked the Minister of Justice:

- (a) What are the salary scales attached to each of the five most junior posts in the Prisons Service, (b) how many of these posts are filled by Whites, Coloureds, Indians and Blacks, respectively, and (c) in respect of what date is this information furnished?

The MINISTER OF JUSTICE:

(See reply to Question No 688 on Thursday, 26 May 1988 in column 1601.)

Five most junior posts: salary scales

707. Mr C J DERBY-LEWIS asked the Minister of Economic Affairs and Technology:

- (a) What are the salary scales attached to each of the five most junior posts in the Department of Mineral and Energy Affairs, (b) how many of these posts are filled by Whites, Coloureds, Indians and Blacks, respectively, and (c) in respect of what date is this information furnished?

The MINISTER OF ECONOMIC AFFAIRS AND TECHNOLOGY:

(See reply to Question No 688 on Thursday, 26 May 1988 in column 1601.)

Five most junior posts: salary scales

710. Mr C J DERBY-LEWIS asked the Minister of Water Affairs:

- (a) What are the salary scales attached to each of the five most junior posts in his Department,

- (b) how many of these posts are filled by Whites, Coloureds, Indians and Blacks, respectively, and (c) in respect of what date is this information furnished?

The MINISTER OF WATER AFFAIRS:

(See reply to Question No 688 on Thursday, 26 May 1988 in column 1601.)

Five most junior posts: salary scales

711. Mr C J DERBY-LEWIS asked the Minister of Law and Order:

- (a) What are the salary scales attached to each of the five most junior posts in the South African Police, (b) how many of these posts are filled by Whites, Coloureds, Indians and Blacks, respectively, and (c) in respect of what date is this information furnished?

The MINISTER OF LAW AND ORDER:

(See reply to Question No 688 on Thursday, 26 May 1988 in column 1601.)

Five most junior posts: salary scales

712. Mr C J DERBY-LEWIS asked the Minister of Defence:

- (a) What are the salary scales attached to each of the five most junior posts in the South African Defence Force, (b) how many of these posts are filled by Whites, Coloureds, Indians and Blacks, respectively, and (c) in respect of what date is this information furnished?

The MINISTER OF DEFENCE:

(See reply to Question No 688 on Thursday, 26 May 1988 in column 1601.)

Consumer Council: privatisation

995. Mr C J DERBY-LEWIS asked the Minister for Administration and Privatisation:

- Whether it is the intention to privatise the South African Co-ordinating Consumer Council, if not, why not?

The MINISTER FOR ADMINISTRATION AND PRIVATISATION:

- No. The South African Co-ordinating Consumer Council is an institution not for gain and the privatisation thereof is not at present being considered.

Competition Board: cartels

1006. Mr C J DERBY-LEWIS asked the Minister for Administration and Privatisation:

- (1) Whether it is the policy of the Competition Board to (a) discourage and/or (b) prohibit cartels;
(2) whether an exemption was granted to the cement industry in this regard, if so, (a) why, (b) when and (c) in terms of what statutory provisions and/or regulations;
(3) whether a further exemption of this nature has been granted to this industry, if so, (a) why, (b) when and (c) in terms of what statutory provisions and/or regulation?

The MINISTER FOR ADMINISTRATION AND PRIVATISATION:

- (1) (a) Yes, see (b).
(b) Yes; a prohibition on collusion on prices and conditions, market sharing and tender practices was published in Notice No 801 of 2 May 1986.

(2) Yes, a temporary exemption was granted.

- (a) To enable the Competition Board to conduct an in-depth investigation into the application for exemption of the cement industry and to make a recommendation to me.
(b) Until 2 May 1988.
(c) In terms of section 14(5) of the Maintenance and Promotion of Competition Act, 1979 (Act 96 of 1979).

(3) Yes.

- (a) To enable the Board to complete its investigation (see (2)(a) above) and to make a recommendation to me.
(b) Until 30 September 1988.
(c) In terms of section 14(5) of the Maintenance and Promotion of Competition Act, 1979 (Act 96 of 1979).

Pensionable service: buying back

1096. Mr D J N MALCOMES asked the Minister of National Health and Population Development:

- (a) On what date did the buying back of

- pensionable service come into effect, (b) how many public servants who bought back pensionable service have retired since that date, (c) what total amount, excluding any interest on the amounts outstanding, did these persons pay to buy back such service, (d) what total amount was received by these persons in increased gratuities in respect of such service, (e) what total additional amount in monthly pensions is paid to them as a result of their having bought back pensionable service and (f) in respect of what date is this information furnished?

The MINISTER OF NATIONAL HEALTH AND POPULATION DEVELOPMENT:

- (a) 22 June 1955 — to the age of 25 years, 26 August 1966 — to the age of 18 years, 5 December 1980 to 20 September 1987 — to the age of 16 years.

- (b) to (e) The information is not readily available.
(f) Falls away.

SADF: amounts spent on ammunition

1045. Mr C J DERBY-LEWIS asked the Minister of Defence:

- Whether he will furnish information on the amounts spent on ammunition by the South African Defence Force in the latest specified three financial years for which information is available; if not, why not; if so, what amount was spent in each of these financial years on ammunition (a) for training and demonstration purposes and (b) in actual combat?

The MINISTER OF DEFENCE:

(a)	(b)
1985/86 RM163.289	RM172.548
1986/87 RM298.914	RM136.827
1987/88 RM228.389	RM328.742

SADF: chaplains

1076. Mr W J D VAN WYK asked the Minister of Defence:

- (a) Which denominations are represented by chaplains in the service of the South African Defence Force and (b) how many chaplains represent each denomination?

Metal worker unions end talks with dispute

By Mike Siluma,
Labour Reporter

The fourth round of negotiations to set 1988 wage increases for South Africa's more than 300 000 metal workers ended yesterday with some unions declaring a dispute with employers.

Seifsa executive director Mr Brian Angus, describing the discussions as "brief", said unions belonging to the Confederation of Metal and Building Unions (CMBU) had rejected the employers' final wage offer, made during the last round of talks two weeks ago.

CMBU unions also questioned employers' proposals regarding adjustments to anomalies in the wage curve, as well as suggesting that employers' offer to increase

pension contributions be re-appropriated as an increase in wages.

Mr Angus said employer representatives were not in a position to respond to union demands yesterday and that a further meeting would be held on June 3.

The IMF unions have demanded increases of between R1,11 an hour for artisans and R1,19 an hour for labourers, while the CMBU unions want across-the-board increases ranging from 37c an hour for labourers to 80c an hour for artisans.

● The National Union of Mineworkers and the management of Anglo American's Simmergo plant in Germiston will meet today to resolve a recognition dispute which sparked a stoppage by 800 workers.

Platinum theft: arrest likely

SO
PA

NUM declares first dispute with Ergo

Star 27/5/88 355

By Mike Siluma,
Labour Reporter

The National Union of Mineworkers (NUM) declared its first wage dispute yesterday with the owners of the East Rand Gold and Uranium Company (Ergo) a day before commencing annual industry-wide pay talks with the Chamber of Mines.

NUM assistant general secretary Mr Marcel Golding said the union had declared a dispute and had applied for a conciliation board after rejecting an Ergo final wage increase offer of between 11,5 percent and 13 percent.

The NUM is demanding:

- A 27 percent wage increase.
- The provision of transport for commuting to and from work.
- Improvements to the employee housing scheme.

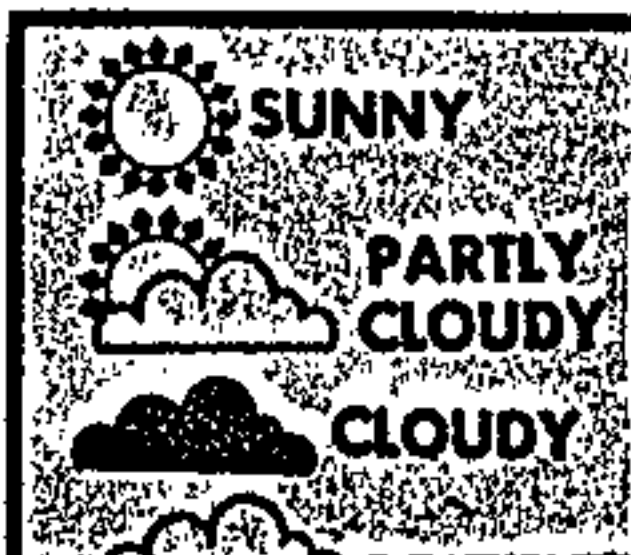
- An improved shift allowance,

When meeting the Chamber today in talks that could affect up to 500 000 gold and coal miners, the NUM is expected to demand an across-the-board 40 percent increase.

Referring to the Ergo dispute, Mr Golding said: "Ergo's offer only compensates workers for what they have lost (through) inflation. There has been no real increase in workers' standard of living."

About 1 800 workers are affected by the Ergo talks, according to NUM, which claims a paid-up membership of 220 000 in the rest of the industry.

- NUM is already in deadlock with De Beers Consolidated Ltd, the world's largest diamond mining company, over wages and working conditions.



THE WEATHER

PIETERSBURG
● 9/24

Cap Times 30/5/88

No pay hikes for workers in public sector

Own Correspondent

PRETORIA. — The government is wary of giving public sector workers a definite undertaking on pay rises — even from the start of the new financial year next April.

A deputation from the Public Servants' Association (PSA) had discussions with the Minister of the Budget and Welfare, Dr Dawie de Villiers, in Cape Town last Friday, and, it is understood, came away with nothing more than a vague promise that increases would be considered next year.

Hopes of an across-the-board increase during the current financial year have now had to be abandoned, PSA officials said.

Last month the PSA pleaded for immediate increases on the grounds that the gap in wages between the private and public sectors was widening, because the private sector was ignoring the president's plea for restraint in salary hikes.

The PSA is expected to make further representations, under pressure from disgruntled members.

NUM report
on Ergo offer
'incorrect' (355)

A wage increase offer quoted as 11,5 to 13 per cent by National Union of Mineworkers (NUM) general secretary Mr Marcel Golding was incorrect, Anglo American spokesman Mr Mike Spicer said yesterday.

Mr Spicer said the East Rand Gold and Uranium Company (Ergo) had offered workers between 14,5 and 15 per cent.

NUM declared its first wage dispute with Ergo last week.

Wage negotiations in progress *Star 1/6/88*

Checkers will not retrench 1 600 staff

By Mike Siluma,
Labour Reporter

Checkers has decided not to retrench 1 600 workers after protracted negotiations with the Commercial, Catering and Allied Workers' Union (Ccawusa), says the union.

The retrenchments, announced in April, were said by management to have been necessitated by unsatisfactory profit margins.

A Ccawusa spokesman said that in dropping plans to retrench the company had stated that it reserved the right to re-consider laying off workers in the future,

subject to "progress being made to resolve problems with low profit margins."

"A number of problem areas were looked at during the course of negotiations. A major problem raised by the union was poor management attitude and the detrimental results to the company coming out of this.

"In the view of the union, the notice of retrenchment by Checkers was poor industrial relations practice and no solution to the problem," said the spokesman.

Checkers MD Mr Clive Weil, when asked to comment on the Ccawusa statement, confirmed that notices of retrenchment had been withdrawn and that negotiations were in progress with the union on wages.

● Annual wage talks between the Chamber of Mines and the National Union of Mineworkers (NUM) resume in Johannesburg today. NUM demands include a 40 percent, across-the-board increase and a R350 a month minimum rate, as well as various improvements to working conditions.

Mineowners have offered an across-the-board 10,5 percent increase on the minimum rates.

1683

FRIDAY, 3 JUNE 1988

HOUSE OF REPRESENTATIVES

Indicates translated version.

For written reply:

General Affairs:

Sheltered employment: salary parity

Mr T R GEORGE asked the Minister of Manpower:

- (1) What procedure is followed in determining the salaries of (a) White, (b) Coloured and (c) Indian persons employed in sheltered employment facilities;
- (2) whether salary parity has been attained in respect of Whites, Coloureds and Indians employed in such facilities; if not, (a) why not and (b) when is it anticipated that parity will be attained;
- (3) whether he will make a statement on the matter?

The MINISTER OF MANPOWER:

(1) (a), (b) and (c)

The salaries of employees who are employed under the sheltered employment scheme are coupled to the salary scales of the occupational class maintenance officer (post class factorium) in the Public Service on condition that the salaries for each population group must correspond with the gradings per population group for the post class factorium.

(2) No.

- (a) Attention is being given to the attainment of parity for employees under the sheltered employment scheme.
- (b) Once the necessary approval has been obtained and funds become available.

(3) No.

1684

1685

MONDAY, 6 JUNE 1988

HOUSE OF ASSEMBLY

Indicates translated version.

For written reply:

General Affairs:

Privatisation policy: reserve values

938. Mr C J DERBY-LEWIS asked the Minister in the State President's Office entrusted with Administration and Broadcasting Services:

Whether any reserve values are being placed on the assets of the State prior to selling them in terms of the current privatisation policy; if not, why not; if so, what formula is used in this regard?

The MINISTER FOR ADMINISTRATION AND PRIVATISATION:

The question bears on a policy matter concerning which decisions still have to be taken. Rest of question falls away.

Organization: criminal proceedings

1068. Mr R M BURROWS asked the Minister of Justice:

Whether, since 12 January 1987, any criminal proceedings have been instituted against a certain organization, the name of which has been furnished to the Minister's Department for the purpose of his reply; if so, (a) in which regions, (b) when, (c) on what charges, (d) with what results and (e) what is the name of this organization?

The MINISTER OF JUSTICE:

I caused enquiries to be made from all the attorneys-general and according to them no prosecutions in this regard have been instituted up to 26 May 1988.

Drug-related crimes: statistics

1150. Mr C J DERBY-LEWIS asked the Minister of Justice:

Whether his Department keeps statistics on drug-related crimes committed in the Republic; if not, why not; if so, what percentage of crimes committed by (a) Whites, (b) Coloureds, (c) Indians and (d) Blacks during the

Howard

MONDAY, 6 JUNE 1988

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latest specified period of 12 months for which statistics are available were drug-related?

The MINISTER OF JUSTICE:

No. Statistics regarding prosecutions for and convictions of offences are kept by the Central Statistical Services. The information is however not available there in the required form. The number of convictions for offences with regard to drugs and dependence-producing substances for the period 1 July 1986 to 30 June 1987 was however obtained and is as follows:

- (a) Whites: 2 965
- (b) Coloureds: 10 359
- (c) Indians: 1 676
- (d) Blacks: 21 777

Own Affairs:

Educational Institutions: properties purchased or expropriated

134. Mr R M BURROWS asked the Minister of Education and Culture:

(a) in respect of what schools or educational institutions were properties purchased or expropriated for educational purposes in each of the provinces in the 1986 and 1987 financial years, respectively, and (b) what sum was paid for each of the properties so purchased or expropriated?

The MINISTER OF EDUCATION AND CULTURE:

1986

Cape

(a)

(b)

R

De Grendel Special School,

Mlinerton

475 000

Beaconstur Primary School

2

Hudson Park High School

250 000

Victoria Girls High School

1

Dennecoord Primary School

25 000

Dennecoord Preparatory School

122 500

Diamantveld High School

2

Knysna Proposed High and Primary School

720 000

Dirkie Uys High School,

159 000

Moorreesburg

1

Swartland High School

1

HOUSE OF REPRESENTATIVES

HOUSE OF ASSEMBLY

11645 8/6/88

Pay us more and we'll stay, say teachers

Education Reporter

TEACHERS need a salary increase if the flow of high-quality manpower to the private sector is to be arrested, says Mr Dudley Schroeder, president of the 75 000 strong Teachers' Federal Council.

Teachers earning up to 40 percent less than their counterparts in the private sector were resigning in "alarming proportions" in industrialised areas such as Transvaal, he told a Press conference in Cape Town yesterday.

The resignations often set in motion a chain reaction which spread to other areas.

Economy upswing

The TFC supported the Government's drive to combat inflation, but it believed that circumstances, including an upswing in the economy, had changed to justify a general increase for teachers.

The TFC had expressed its concern

about rising resignations at a meeting today with the Minister of National Education, Mr F W de Klerk.

"I would not like to say we were encouraged by the response to our call for a salary readjustment."

The TFC was, however, pleased with its efforts to gain parity in salaries for teachers with other Government employees.

"We are satisfied with our progress to eradicate the disparity in salaries between teachers and other Government departments. Mr de Klerk is negotiating on our behalf to eliminate the backlog."

At another meeting yesterday the Minister of National Health and Population, Dr Willie van Niekerk, assured the TFC delegation that he would consider amendments to the formula for buying back pensionable service.

Mr Schroeder said Dr van Niekerk had undertaken to reply before the end of the month.

Seifsa and unions still in dispute

355

ALAN FINE

B/40W
6/6/88

A SPECIAL meeting of the metal industrial council held on Friday failed to resolve the wage dispute between Seifsa and unions negotiating under the umbrella of the International Metalworkers' Federation (IMF), leaving the way open to possible strike action in the industry next month.

Seifsa said it had turned down an IMF proposal that the dispute be referred to mediation or arbitration, because employers "were not in a position to improve on their final offer".

The current agreement expires on June 30, after which lawful strike action becomes possible once ballots have been conducted.

The Confederation of Metal and Building Unions (CMBU), which represents mainly skilled workers, has said it will recommend acceptance of the employer offer.

355

B/day 8/6/88

PARLIAMENT

Teachers call for govt rethink on salary hikes

GOVERNMENT should reconsider as a matter of urgency its decision not to grant general wage and salary increases to public sector employees this year.

This request was made to National Education Minister F W de Klerk in Cape Town yesterday by a delegation from the Teachers' Federal Council (TFC), which represents about 75 000 white teachers throughout the country.

TFC chairman Dudley Schroeder said after the meeting a review of the wage freeze was justified in view of the fact that President P W Botha's call to the private sector to make a contribution to the fight against inflation had not had the desired effect, and prices of goods and services continued to rise.

Schroeder said a more important request conveyed to De Klerk was for an urgent elimination of the salary back-

CHRIS CAIRNCROSS

log of teaching staff, compared with the rest of the public sector.

He said the delegation came away from the meeting satisfied with assurances given by De Klerk that any proven backlog would be wiped out as soon as possible.

Schroeder stressed that the plight of educators had become almost untenable, and they had become one of the worst-off segments of the public sector. Not only were they paid more poorly than others in this sector, but the salaries gap between the teaching profession and the private sector had widened to about 40%.

He said this excessive gap had become intolerable and clashed with the principle that government salaries should be moderately related to sala-

ries in the private sector.

This was also declared government policy, and deviations from this principle exerted unnecessary pressure on the system. An alarming consequence of this disparity had been the extent to which teachers of quality had left the profession for other employment.

The TFC delegation also had discussions with National Health and Population Development Minister Willie van Niekerk over problems experienced with the changes made to the pension buy-back provisions introduced on September 21 last year.

The representations dealt mainly with protecting the interests of those teachers who were applying to buy back service when the changes were made. It is understood that about 300 or more teachers may be involved.

According to Schroeder, Van Niekerk promised a decision on this soon.

No general rises for public sector

~~15~~ 15/8/88 GERALD/REILLY 9/4/88

PRETORIA — Public sector workers can expect no general increases this financial year.

This was told to the Public Servants Association by both the Commission for Administration and Administration Minister Dawie de Villiers.

Optimism — based on the Teacher Federal Council (TFC) meeting this week with National Education Minister F W de Klerk — that the government's attitude to the salary freeze imposed earlier this year was softening was unjustified, senior government sources said here.

The PSA stated earlier this year that the R250m set aside for specific adjustments this financial year was hopelessly inadequate. It indicated that the pay issue would top the agenda at the biennial conference of the PSA in September.

Extra R205-m — teachers may get pay rise after all

11645 14/6/88
Political Staff

HOPES are rising that schoolteachers are to get a salary increase this year after all.

The Minister for Administration and Privatisation, Dr Dawie de Villiers, announced that the Cabinet had approved an extra R205-million to "ease the most serious problems" in adjusting State-paid salaries for specific occupations.

He did not say which occupations were earmarked, but it is believed it is for teachers.

The teaching profession recently announced it was satisfied to leave salaries in the hands of the Minister of National Education, Mr F W de

Klerk, following apparently successful representations.

Neither Mr de Klerk nor Dr de Villiers were available to give details.

The R205-million approved by the Cabinet is in addition to the R250-million approved earlier in the budget for occupational adjustments.

This money is intended to correct imbalances in public-service salaries compared to the private sector. The Cabinet has ruled there should otherwise be no general salary increase for public servants.

Dr de Villiers said in his statement last night it should be emphasised that only the most urgent and serious problems could be addressed.

1807

TUESDAY, 14 JUNE 1988

1808

Handard

Richards Bay effluent pipe-line: monitoring of effluent

*9. Mr M J ELLIS asked the Minister of Water Affairs:

- (1) Whether effluent from the Richards Bay effluent pipe-line has been monitored since the pipe-line came into operation; if not, why not; if so, (a) in what manner and (b) by whom;
- (2) whether the findings of such monitoring show that (a) toxicity, (b) temperature and/or (c) solid levels are excessive; if so, what steps are being taken to prevent this in future;
- (3) whether the said findings are available to the public; if not, why not; if so, in what form;
- (4) whether monitoring is to continue in the future; if not, why not; if so, (a) (i) by whom and (ii) in what manner will it be undertaken and (b) who is responsible for financing such monitoring?

THE MINISTER OF WATER AFFAIRS:

- (1) Yes.
 - (a) Hourly samples of all effluent taken before discharge into the pipe-line. In addition the quality of seawater and the status of marine life is closely monitored at the point of discharge into the sea.
 - (b) The Mhlathuze Water Board and the Department of Water Affairs, as well as the institutions that discharge the effluent into the pipe-line. Sea monitoring is carried out by the CSIR.
- (2) (a) No.
- (b) No.
- (c) No.

The temperature and solid levels of one particular effluent before discharge into the pipe-line has on occasion exceeded permit levels, but the situation has since been rectified.
- (3) No. Analysis of the individual effluents are not available to the public for the following reasons:
 - (a) Effluent qualities can reveal trade secrets and is therefore considered to

be confidential information which can only be revealed with the concurrence of the producer of the particular effluent.

- (b) Without other parameters of the effluent pipe-line known (for example dilutions achievable) interpretation of individual effluent qualities in respect of toxicity and environmental impact will not be possible.

The operation of the pipe-line and the results of sea monitoring is being closely scrutinized by the Richards Bay Effluent Pipeline Research Coordinating Committee. Overall performance is reported to the public in the form of news releases.

- (4) Yes.
 - (a) (i) The Mhlathuze Water Board, the CSIR, the Department of Water Affairs and the institutions that discharge the effluent into the pipeline.
 - (ii) Individual effluents will be sampled on an hourly basis. Toxicity testing on grab samples will be taken from time to time. The CSIR will continue sea-monitoring.
- (b) Monitoring of individual samples are financed by the dischargers, the Mhlathuze Water Board and the Department of Water Affairs. From 1 April 1988 the Mhlathuze Water Board also finances toxicity testing by the CSIR, as well as sea-monitoring conducted by the latter.

*10. Mr P G SOAL — Education and Development Aid. [Withdrawn.]

Christmas cards sent out.

*11. Mr P G SOAL asked the Minister of National Education:

- (1) Whether (a) he and/or (b) his Department sent out Christmas cards in 1987; if so, (i) what total number of cards was printed, (ii) to whom were they sent, (iii) what was the total cost of producing and distributing these cards, and (iv) who was responsible for printing them, in each case;
- (2) whether postage stamps were used to send

1809

TUESDAY, 14 JUNE 1988

1810

out these Christmas cards; if not, how were they distributed?

THE MINISTER OF NATIONAL EDUCATION:

- (1) (a) Yes
 - (i) 1 200
 - (ii) Persons with whom I communicate frequently in my various capacities
 - (iii) R1 460
 - (iv) The Government Printer
- (b) Yes.
 - (i) 500
 - (ii) Persons with whom the Department communicates frequently
 - (iii) R251
 - (iv) Pretoria Office Supplies (Pty) Ltd

*The MINISTER OF NATIONAL EDUCATION:

- (2) Postage stamps were not used. The cards were distributed as official mail.
- May I add that this was done within the framework of prescribed guidelines affecting the rights and privileges of Ministers.

College/school educators: backlog position

*12. Mr R M BURROWS asked the Minister of National Education:

- (1) Whether he has been advised by the (a) Research Committee on Education Structures and (b) Committee on Education Structures on the matter of the backlog position of college/school educators in relation to a comparable group in the Public Service; if so, (i) when was he so advised, (ii) what were the main elements of the advice given and (iii) what was his response to this advice;
- (2) whether a percentage backlog has been identified by the said committees; if so, what was the percentage;
- (3) whether he has taken any action on the salaries of college/school educators since receiving the advice of these committees; if not, why not; if so, what action;
- (4) whether he will make a statement on the current position in regard to the salaries of college/school educators?

- (2) Yes. According to the said advice, the rest of the public sector had an average of 7 per cent advantage over educators as far as salaries were concerned as at 1 April 1988.
- (3) Yes. Negotiations are being conducted at present regarding an occupational specific salary adjustment for educators.
- (4) No.

Mr R M BURROWS: Mr Chairman, arising from the reply of the hon the Minister, with reference to the media release by the hon the Minister for Administration and Privatisation yesterday that an additional R205 million is being made available for occupational differentiation, can he indicate whether this will be for educators or not?

The MINISTER: Mr Chairman, I have also had enquiries from the Press in this regard. My reply to them and to the hon member is that in relation to the statement by the hon the Minister for Administration and Privatisation regarding the further disposal of occupational-specific investigations by the responsible authorities, I will shortly hold talks with the Committee of University Principals, the Committee of Technician Principals and the organised teaching profession. Speculation about how the conditions of service of educators could be affected would be inappropriate at this stage.

Salary raise for teachers on the cards

CAPE TOWN — National Education Minister F W de Klerk will meet representatives of the education profession shortly to finalise salary increases for teachers.

The Minister's statement to this effect yesterday follows an announcement by Administration and Privatisation Minister Dawie de Villiers that government had earmarked another R205m for specific salary increases for certain categories of public servants.

The R205m is in addition to the R250m initially allocated for this purpose.

Replying to a question from Roger Burrows (PFP Pinetown), De Klerk told the House of Assembly negotiations over a specific salary adjustment for educators were now being conducted.

He said he had received advice from the Committee on Education that educators were 7% behind compared to other sectors of the public service.

As a result, negotiations for specific occupational adjustments were now underway.

● See Page 4

Teachers' pay increases to be finalized soon

Political Staff

THE Minister of National Education, Mr F W de Klerk, will meet teachers shortly to finalize increases for the profession.

This statement by Mr De Klerk, made yesterday, follows an announcement by the Minister for Administration and Privatization, Dr Dawie de Villiers, that the government had earmarked another R205 million for increases in the salaries of certain categories of public servants.

This amount is in addition to R250 million initially allocated for this purpose.

Renee Moodie reports that Mr Dudley Schroeder, chairman of the Teachers' Federal Council (TFC), said yesterday that he stood by a recent statement that the TFC was satisfied with the progress being made in bringing teachers' salaries into line with those of equivalent public servants.

Mr Hans Olivier, general manager of the Public Servants' Association (PSA), said the PSA was "delighted" with the news of the R205 million awarded to public servants.

He said the executive commit-

tee of the PSA had recently asked the government to make more money available for career differentiation, which, he said, demonstrated the policy of linking public servants' salaries with salaries paid in the labour market.

He said it would not be fair to use the entire amount for one group, such as teachers, adding that he hoped the most urgent cases would be attended to.

He said the extra money would not, however, solve the real problem — which was that public servants needed raises to address the backlog in their salaries.

Pay rises for state doctors

GERALD REILLY

PRETORIA — The salaries of doctors doing specialist training as clinical assistants are to be raised, a Medical Association (Masa) spokesman said.

Masa said they were carrying an almost impossible patient-care load.

They had to work a minimum 56-hour week, but often this increased to 90 hours.

In addition, they taught and trained interns, students and nursing staff. They also had to find time for research.

Doctors working for the state received salary increases last year after Masa had warned repeatedly about the possible collapse of medical services if pay and conditions were not improved.

Masa federal council chairman Bernard Mandell said he hoped the increases for clinical assistants would alleviate the critical shortage of medical staff at hospitals.

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15/6/88

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Increase ⁽⁵⁾ inadequate — public servants

GERALD REILLY

PRETORIA — The additional R205m allocated for career-differentiation salary hikes for public servants was a drop in the ocean, senior government workers said.

The R205m is to be added to the R250m set aside in the Budget for raising the earnings of key personnel in the service to bring them closer to comparable occupations in the private sector.

Public Servants' Association (PSA) GM Hans Olivier said: "We don't want to look a gift horse in the mouth and we are not doing this, but although we are grateful for the additional amount, it will go nowhere near satisfying the need to raise the earnings of key personnel."

In his announcement Administration Minister Dawie de Villiers gave no details about how the R205m was to be spent.

Teachers said they did not know whether they would get a share of the R205m, nor did the PSA know in which areas of the public sector the funds were to be used.

A sum of R14,8bn was paid to the exchequer personnel corps in 1987.

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No protection for labour costs

THE Board of Trade and Industry (BTI) says it will not consider granting ever higher levels of protection to compensate for "unbridled demand for higher wages by trade unions".

In its review of economic conditions, contained in the BTI 1987 annual report released this week, it says unit labour costs during 1987 rose by 10%, making labour unit costs equal to those in "other overseas countries".

"Failure on the part of the trade unions to understand and accept this point will simply mean that the economy will continue to under-perform and the level of unemployment will rise above the already excessively high levels."

The board says capital costs in 1987, which it calculates in nominal terms, were about 44% higher than an average of those in the US, UK and West Germany.

"Weighting the comparative costs of labour and capital by their respective overall contribution to the GDP, the board finds the total cost of the two primary production factors (la-

HELOISE HENNING

bour and capital) in 1987 was some 22% higher than in representative overseas countries."

The hardening of the rand exchange rate could have put the costs premium even higher.

It concludes that for these reasons certain economic activities may need "effective protection" of some 22% or 5% more than in 1986.

Unsustainable

The BTI says continual devaluation of the rand to compensate for the lack of competitiveness is an unsustainable practice.

In fact, the long term effect of the sliding rand — 52% since 1980 — has sustained high inflation, poor productivity and a poor balance of payments performance in the manufacturing sector.

"The solution lies in reducing the level of inflation and improving the productivity performance of labour and capital."

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Ccawusa-OK wage dispute talks today

MEDIATION to resolve the wage dispute between OK Bazaars and the Commercial Catering and Allied Workers' Union of South Africa is to continue today.

The dispute centres on wage increases for the 1988/89 period. Mediation proceedings started on Monday this week.

Ccawusa and OK said in a joint statement: "At the beginning of mediation the company's offer was R88 a month across-the-board for all employees, against the union's demand for R160 a month across-the-board."

The union's initial demands included:

By LEN MASEKO

- The 'recognition' of June 16, May 1 and March 21 as paid holidays.
- The recognition of traditional doctors by the company; and a reduction of working hours from 45 to 40 hours a week.

• The Transport and Allied Workers' Union has signed a recognition agreement with Ciskei Transport Corporation, a spokesman for the union said yesterday.

Mr Maduke Rankholo, Tawu's general secretary, said the agreement was signed after "seven years of bitter struggle."

Mr Cameron Nzimande, who has been detained on several occasions by the Ciskei police, has been elected chairman of the local shop stewards and branch committee.

He said Tawu would continue to fight for recognition "on behalf of the African masses in the bantustans."

Secret vote nears end

Secret
15/6/88

THE long, drawn-out secret ballot by about 7 000 Durban hotel workers, who have declared a dispute against the Federated Hotel Liquor and Catering Association of South Africa over wages and working conditions, looks set to be completed by the end of this week.

The union is an affiliate of Nactu.

The ballot — probably the longest ever conducted — began on May 16 and will be a month old by the end of this week.

President of the Natal Liquor and Catering Trades Employees Union, Mr Ronnie Kisten said that the delay had been caused because there was a lot of work involved in conducting the ballot at more than 120 establishments.

"We sometimes spend nearly a week in one

hotel alone because our members work different shifts. But we are likely to finish by the end of this week," he said.

The delay was also the result of the vast geographical area covered by the Industrial Council, he said.

Mr Kisten said although the dispute was against hotel, liquor or catering establishments belonging to Fedhasa, workers at Southern Sun establishments had to be included in the ballot because they fell under the jurisdiction of the Industrial Council.

The union has demanded an across-the-board increase of R200 a month. Fedhasa has offered increases of up to 32 percent to be paid in two phases, with the first R58 on March 1 and the second of R30 on October 1.

Hospital registrars in pay dispute

A pay dispute between the Government and 800 medical registrars threatens to bring at least 15 academic hospitals to a halt next weekend.

Two Durban hospitals, seven in the Transvaal, two in Bloemfontein and two in the Cape will be affected.

The Registrars' Association of Medical Faculties will meet in Cape Town at the weekend to decide whether to ban overtime at the hospitals unless the Government gives them a salary increase of about R15 000.

The meeting follows last Friday's refusal by the Department of Health of salary increase requests.

Association chairman Dr Frik Rademan, speaking from Cape Town, said registrars were doing the lion's share of the work, but were earning less than

medical officers

"We want parity in salaries. There is no reason why we should earn about R15 000-a-year less than them when some of them have fewer qualifications than registrars," said Dr Rademan.

He said association members were going to take "drastic steps".

In Durban, registrars said medical officers and consultants received a salary increase in February.

The registrars were ignored, but the association took up the matter with the Health Advisory Board, which is attached to the Department of Health.

They said that some of them had done up to 100 hours a week of overtime and, apart from an allowance, earned less than ordinary doctors.

Union in wage pact

8/21/76/88 (355)
The Commercial, Catering and Allied Workers Union (Ccaawusa) and OK Bazaars have reached a wage agreement after nearly 30 hours of mediation, the two said in a joint statement yesterday. But Ccaawusa is still locked in wage talks with Checkers. — Labour Reporter.

Club and union wage agreement

By Adele Baleta

The Hotel and Restaurant Workers' Union (Harwu) and the Johannesburg Country Club have reached a wage agreement guaranteeing a new minimum rate of R400, plus an across-the-board rise of R100.

About 300 workers will benefit.

Negotiations started in March and agreement was reached following a declaration of a dispute by both parties.

● The Building Society Officials' Association and Natal Building Society have reached agreement on an increase of about 14,5 percent for the building society's employees. This will be linked to job performance, a spokesman said.

Checkers and union talk again

By Mike Siluma
Labour Reporter

Wage talks between the Commercial, Catering and Allied Workers' Union (Ccawusa) and Checkers, are to resume following the company's withdrawal of its declaration of a dispute with the union. *SL 20/6/88*

A Ccawusa spokesman said on Friday that Checkers had told the union it was willing to re-open direct talks on June 29.

The company had earlier refused to continue negotiations, saying the exercise had lost direction.

Checkers is offering R90 a month increase effective from October 1988, or a split increase based on this figure. Ccawusa is demanding a monthly rise of R140, effective from July 1.

Union first for W Cape

Cape Times
21/6/68 Staff Reporter *355*

A UNION "first" in the Western Cape metal industry — an agreement which includes granting labourers paternity leave and a minimum of R781 a month — was signed at a Diep River factory yesterday.

According to Mr Brian Williams, assistant general secretary of the Electrical and Allied Workers' Trade Union (EAWTU), the agreement with Renak Pty Ltd, a factory which hires 110 workers to make electrical circuit boards, was the first signed at factory-level in the Cape metal industry.

Other benefits which were won during six hours of negotiations were a R1 000 death benefit, a third paid holiday on March 25 (which marks Sharpeville and the Uitenhage killings) and paid compassionate leave.

a joint strike of

By MATHATHA TSEDU

HISTORY will be made in Pietersburg this morning when the Media Workers Association signs a recognition agreement with the South African Broadcasting Corporation.

It will be the first time that the corporation recognises a black trade union. Union officials in the far northern Transvaal region said the agreement followed protracted negotiations that started last year.

Mwasa presently represents over 50 percent of black staff employed at Pietersburg. Louis Trichardt and Giyani. The five, Mr Richard Ranoto, Mr Silas Mashale, Mr Hendrik Mashakeng, Mr Johannes Kau and Mr

allegedly wanting to resign from the South African Typographical Union, a Mwasa official, Mr Kgalabi Kekana, said yesterday.

The five, Mr Richard Ranoto, Mr Silas Mashale, Mr Hendrik Mashakeng, Mr Johannes Kau and Mr

ON DOTTED LINE SABOTAGE SIGNS

"Our members were told to resign from Mwasa and when they refused they were fired. We are not taking this lying down. A Nactu legal unit and our attorneys are processing the matter. It is absolutely unfair and unacceptable that people should be forced to belong to a union that they do not want," Mr Kekana said.

A Boshoff of Morester Printers yesterday told the *Sowetan* to write him a letter about the matter in order to get a comment. He then hung in Mwasa," he said.

"Our members complained about the high subscriptions that are deducted for Satu. On the other hand they have no control over the subscription as the union is dominated by whites. They feel more at home in Mwasa," he said.

Students^{star} trickle back^{21/4/86} to campus^{8/8}

There was "some measure of attendance" at the University of the North yesterday after students had refused to attend classes since June 13, a spokesman for the university said.

The spokesman said that because of violence, arson and looting since the state of emergency was imposed on June 12 1986, army personnel had been on campus. However, their presence had been phased out after negotiations in December.

Union wins¹⁴³ 'holidays'²⁵ in the Cape

CAPE TOWN — The first agreement in the western Cape granting paid holidays on the three main "alternative" anniversaries has been signed.

It was concluded between the Electrical and Allied Workers' Trades Union and Renak, manufacturers of printed circuit boards.

The agreement grants March 21, May 1 and June 16 as paid holidays.

It also grants a minimum wage of R4,01 an hour, a service bonus of 10c an hour after the first year — and 5c an hour each year after that. — Sapa.

355

Final round in teachers' fight for better pay

By Don 22/6/88
GERALD REILLY

PRETORIA — The Teachers' Federal Council (TFC) is to meet National Education Minister F W de Klerk in Cape Town today in what could be the final chapter in a long drawn-out battle for a better pay deal.

De Klerk has conceded a demand for adjustment is justified and that as soon as the economy permits it will be made.

The TFC's immediate demand is for an 11% increase to bring the pay of teachers in some specific categories up to the level of equivalent posts in the public service.

It is accepted there will be no general increase for public-sector workers this year and that the salary freeze will last until at least the start of the new financial year.

Earlier this month, Administration Minister Dawie de Villiers said another R205m had been set aside for occupational differentiation increases.

Berden strike goes into mediation

Star 22/6/58

A legal wage strike by 320 workers at the Berden Group in Johannesburg entered its third week yesterday.

The workers, members of the Commercial, Catering and Allied Workers' Union (Ccawusa), have been demonstrating peacefully on the company premises on a daily basis, the general manager, human resources, Mr Jimmy Stewart, said.

He said both parties had now agreed to mediation.

The union is demanding a minimum wage of R525 a month and an increase of R170 across the board, while the company is offering to adjust salaries to a minimum of R410 and an across-the-board increase of R87,50.

Wage talks wrangle

Sowetan 23/6/88
METAL workers continued casting strike ballots this week, amid reports that some employers were threatening workers with dismissal and denying workers balloting facilities.

A spokesman for the National Union of Metal Workers said the results of the ballots would be known only on July 2.

Workers are pressing for a 46 percent wage increase, compared to employers' offer of 11 percent for skilled and 15 percent for unskilled workers. — sapa.

R420-m to boost pay for teachers

ARCS
24/6/88

355

By TOS WENTZEL
Political Correspondent

R420-MILLION is to be spent in salary increases for all State-employed teachers and lecturers, the Minister of National Education, Mr F W de Klerk, announced today.

It will take effect on December 1, with R140-million being spent in the current financial year.

Mr de Klerk emphasised that it was meant to bring about "occupation-specific improvements" and was not a general salary increase. It was therefore not possible to stipulate percentage increases now because they could vary and details still had to be worked out.

He also emphasised that the Government was not deviating from its decision earlier this year not to grant any general salary adjustments within the public sector.

Interim step

This was merely an interim step, taken after lengthy investigation, to deal with the most pressing problem of a direct backlog experienced by educators in comparison with the rest of the public sector.

The amount being set aside was sufficient to ensure that educators would receive their rightful share of the total

amount set aside by the Government for occupation-specific improvements.

School teachers and university, technikon and teacher training college lecturers would be affected.

Mr de Klerk said the advisory bodies concerned would advise him on the most effective way of utilising the money, after which details of the adjustments would be announced.

"Still the same"

The circumstances that had obliged the Government not to grant general salary increases this year remained largely the same.

The Government had taken notice of the private sector's reaction to the President's call for price and wage discipline.

In the next budget it would be necessary to consider steps that should be taken, within the framework of the country's means, to deal with the problem that this reaction presented.

The Government realised the sacrifice that educators had had to make and were still making. Every effort was being made to continue to ensure a fair dispensation for all State employees.

Mr de Klerk said he was fully aware that the latest step did not give full effect to certain advice he had received,

but this would simply not be possible.

He had agreed with the organised teaching profession that the basis for determining educators' payment would be examined urgently. Serious shortcomings had been identified by interest groups and the State.

He realised also that within the profession there were different and divergent needs. The universities and technikons, which were not fully funded from the Exchequer, had unique problems.

Affordable ways and means would have to be found to deal with all the sectors within the profession according to their specific needs.

A way also had to be found to prevent a situation in which, on average, educators' salaries lagged behind others.

No matter how willing the Government might be to do this it was not possible in the light of existing economic conditions.

The Government appreciated the exceptionally important work done by educators and the essential contribution they were making to South Africa and its future.

**The weather
Becoming cloudy**

(Details — page 2)

NUM in dispute

Scoutin 24/6/88

THE National Union of Mineworkers has declared a wage dispute with the Chamber of Mines after it refused to accede to its demands which include a minimum of R350.

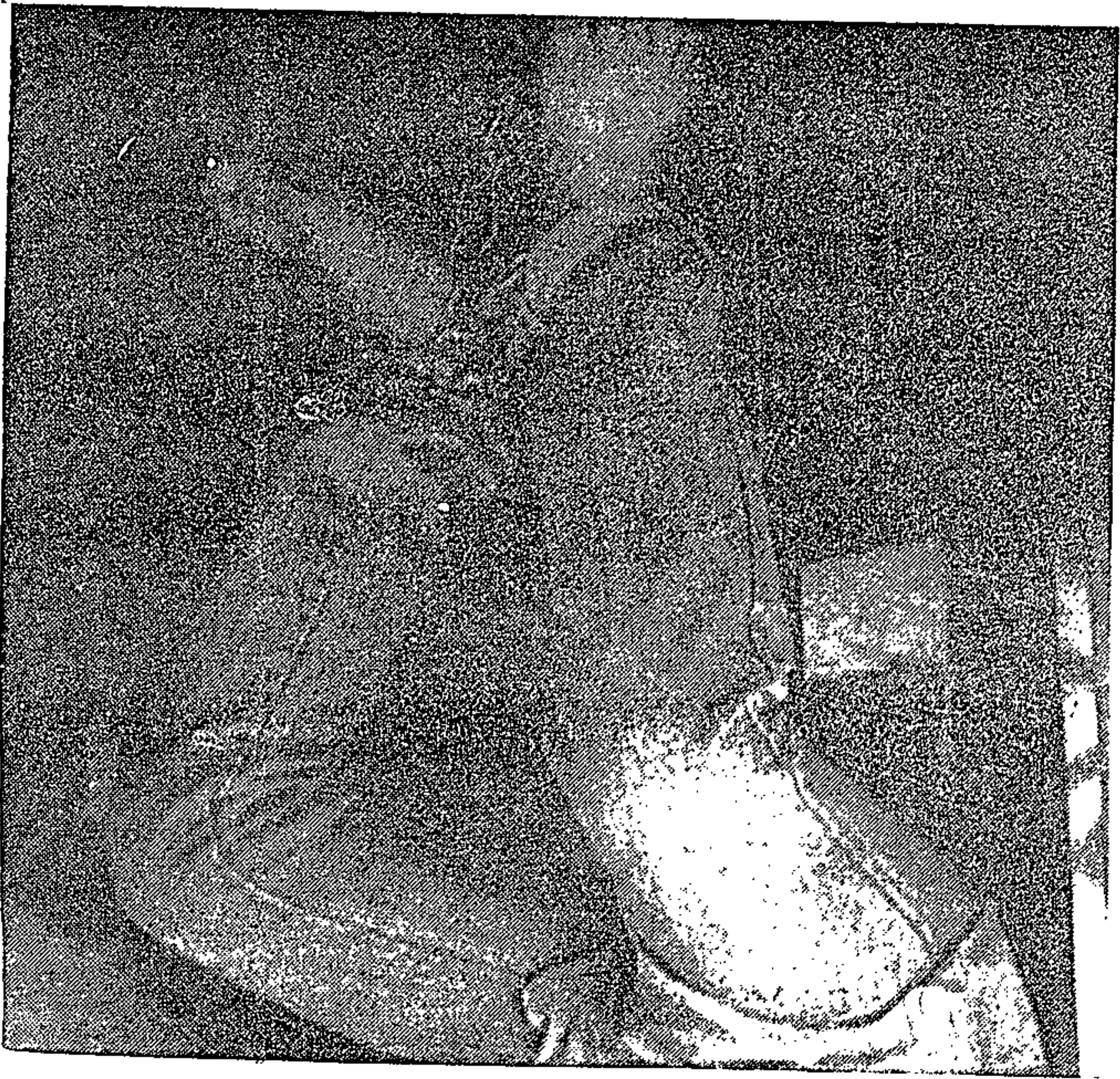
The NUM demands a wage increase of 22 percent, June 16, as a paid holiday leave to

be increased by 10 days and a 100 percent holiday leave allowance.

The Chamber said in rejecting the union's demand of a R350 minimum, acceptance would distort the wage structures on some of the mines. This is despite the fact that a few

employees earned a minimum of R239 on gold mines, said the Chamber.

NUM general secretary Mr Cyril Ramaphosa said the union would apply to the Minister of Manpower to appoint a conciliation board to resolve the dispute.



Life's no longer pastel-hued for Grace

APARTHEID BAROMETER

SADF RAIDS INTO NEIGHBOURING STATES

THE South African Defence Force has acknowledged 11 raids into neighbouring African states since December 1981, excluding its raids into Angola, according to press reports.

Of these raids 10 were authorised and one, where two South African soldiers were killed in Zimbabwe, was officially "unauthorised". In these raids into Mozambique, Lesotho, Botswana, Zimbabwe and Zambia, at least 144 people were killed and 233 injured. In the same period there were at least 11 unacknowledged attacks on the above neighbouring states in which at least 20 people were killed and five injured, according to press reports.

ASSASSINATIONS OF ANC MEMBERS

A total of 46 assassination attempts on ANC members living outside South Africa were recorded in the South African press between 1981 and April this year. This figure does not include acknowledged SADF raids into neighbouring states.

In these assassination attempts at least 42 ANC members are reported to have been killed and at least 13 injured.

In addition, according to press reports, at least 10 people have been forcibly abducted from neighbouring states to South Africa over this period.

EDUCATION APARTHEID

The following figures relating to education in South Africa (excluding the "independent homelands") were released in parliament:

● The pupil-teacher ratio in black primary schools was 39,5:1, and in black secondary schools was 31,5:1 at the end of last year.

● More than a million black children between the ages of seven and 16 were not attending school in South Africa — 21 percent of the schoolgoing population.

● A total of 2 503 black pupils were unable to gain admission to schools in 1988.

● A total of 58 schools and 14 hostels owned or under the control of the white Department of Education and Culture were either unused or being used for purposes other than education. Of the unused schools 19 are in the Cape, Education and Culture Minister Piet Clase said. He said the other schools were being let to various government departments including the police and SADF and to private companies.

● A total of 465 primary and 440 secondary school teachers were refused posts at schools run by the Department of Development Aid last year.

● A total of 63 teachers in black schools were "unable to perform their duties during the last year because they were detained by the police". Gerrit Viljoen said 38 of the teachers were from the Cape, 16 from the Northern Transvaal, five from the Orange Vaal, three from the Highveld and one from Natal.

● A total of 97 of the 368 secondary high schools falling under the Department of Education and Development Aid were "subject to unrest or disruption" last year.

● There were 320 schools controlled by the Education and Development Aid department which did not have student representative councils and 89 that had.

● The per capita expenditure on white pupils in South Africa during the last financial year was R2 508.

PRISONER OF CONSCIENCE

BLESSING MPILA, 30, United Democratic Front Transvaal office bearer, was detained under the Emergency regulations in February last year and is still being held.

Mpila joined the Young Christian Students in Pietersburg in the early 1970s. As a student at the University of the North he helped organise a class boycott. He was expelled in 1980 and readmitted in 1984. During the period of his expulsion he was employed by the Southern African Catholic Bishops' Conference and as an organiser for the General and Allied Workers Union.

Since 1976 he has been detained five times. In 1985 he was detained for a year, nine months of it in solitary confinement, and was later tried in Venda and sentenced to 18 months' imprisonment, suspended for four years, for "terrorism, subversion and public violence".

At the time of his latest detention he was a member of the UDF Transvaal executive and was completing a BA Admin degree at Turfloop.

BANNED BOOKS, PUBLICATIONS AND OBJECTS

Banned for distribution and importation: Beau Valley Country Club; SA's World Famous Naturist Resort (Beau Brummel); Beer mug with zodiac signs and love positions (unstated); beer mug with drawing of six nude male bottoms and the words "Hung Jury" (unstated); Dagmar and Co — film; Deadly Stranger — film; Foreplay — film (banned for video distribution); Maximo Thrust — film (Waldo Warren); Sex Education Part 1: Sexual Positions — film.

Banned for possession: Save the 32, Give them freedom for life, don't let them hang — poster (Sayco); Swapo of Namibia, Support Swapo work and aim for freedom — sticker (not stated); August 26, 20 years of armed liberation struggle in Namibia — poster (not stated); Namibia Youth, official bulletin of the Swapo Youth League, November-December 1983 (not stated); Inqaba ya basebenzi no 24/5 October 1987 (Inqaba ya basebenzi, London); The Memoirs of Dolly Morton and Three Times a Woman (both produced by W H Allen and Co, PLC, London).

THE Kraal Gallery in Johannesburg's Carlton Centre has a tapestry on its wall with the idyllic image of an African sun woven on a pastel blue sky above the heads of three women walking across a field with babies strapped to their backs.

The reality of rural life is very different for Grace Mathibela, one of the women who wove the wall hangings and rugs on display in the shop.

She is jobless, after she and about 400 other workers were sacked last month for going on strike to demand recognition of their trade union.

Mathibela worked at the Masana factory in the Eastern Transvaal township of Bushbuckridge, where tapestries and rugs for Kraal are made.

Each product from Masana, which is owned by the Anglo American Corporation, comes with a card from the weavers and their children thanking customers for buying their work and "making a considerable contribution to improving the quality of life ... for helping to alleviate one of the many problems facing Africa — the creation of jobs for people in rural areas".

In an interview in her four-roomed hut in Bushbuckridge, Mathibela told us that she began working at Masana 17 years ago when it first set up shop in the township.

"We were very pleased," she remembers. "We thought it was going to help us. They paid me R11 a month at that time."

When she was fired last month, Mathibela was earning a basic wage of R96 a month in return for spending nine and a half hours a day at her loom.

Until last month, wages at the firm ranged from R70 to R96 a month. These were increased by 30 percent in May after the workers staged a strike.

The weavers receive 35c an hour for overtime. Workers who arrive five minutes after the starting time of 7am can be fined R10, while those who take off sick are frequently not paid for the period, even if they produce a doctor's certificate.

"When the new managers took over the factory in 1980, they cut our lunch from one hour to 30 minutes, stopped all leave pay and did not want to talk about wage increases," says Mathibela.

"Workers injured at work receive no compensation. Last month one of the workers lost two fingers using an electric plane in the furniture plant. So far he has received no pay for the injury."

The company provides no housing loans or schemes to help workers educate their children. "We can borrow R10, but then we have to pay interest of R1 even if we pay the money back within a day."

Colleagues who crowded into Grace Mathibela's small living room confirmed her description of working conditions at Masana.

More than 80 percent of the 450-strong workforce joined the SA Textile and Allied Workers' Union (Satawu) in September last year.

Since then, says Mathibela, the

The women who weave the pretty tapestries of cheery rural life face a very different reality. Some 400 went on strike last month, and many have lost their jobs.
By EDDIE KOCH



Sacked — Grace Mathibela
Picture: JOHN PERLMAN

workers have been trying to get Masana to recognise the union. On May

The aim: jobs in poor areas

MASANA, jointly owned by Anglo American and De Beers Consolidated, pays wages ranging from R90 to R130 a month — even though it is able to claim a subsidy from the Lebowa government that covers most of its wage bill.

Anglo representative Marc Allan acknowledged Masana's wages were lower than those paid by some employers in the area. "But," he said "it must be borne in mind that without the decentralisation incentives, Masana does not make a profit."

South Africa's decentralisation policy is designed to prop up the homeland system by encouraging investment there.

According to the 1985 manual on regional industrial development incentives produced by the secretariat for multilateral co-operation in Southern Africa, firms in decentralised areas of Lebowa qualify for an "employment incentive" which amounts to 95 percent of wages paid, subject to a maximum of R110 per worker.

Allan said Masana did not qualify for all of these concessions because it was not in a decentralised area. The company had its own ad hoc arrangement with the decentralisation board.

Under this scheme, the company on average gets back 50 percent of each workers' wage, said Allan. This figure was based on wage levels after the payment of production bonuses.

Allan said workers who receive an average basic wage of R110 could double this by earning bonuses — indicating that the subsidised portion of the firm's basic wage bill could be as high as 80 percent.

Masana also qualifies for a tax

rebate equal to 75 percent of expenses spent on training its workforce.

Allan declined to provide figures concerning Masana's financial performance on grounds that the information would help rival companies.

Anglo and De Beers own a string of other textile, light engineering, brick-making and traditional weaving plants in East London, Transkei and Ciskei. These are administered by their subsidiary, the Labour Intensive Industries Trust (Litet).

Allan, Litet's industrial relations manager, said the trust was set up in 1980 to "create and preserve employment in depressed areas."

"Neither the shareholders nor Litet receive any interest on funds advanced nor any dividends. Where profits are made they are reinvested to create further employment opportunities ... the shareholders' commitment is in excess of R12-million."

He denied workers' allegations that Anglo was taking advantage of homeland policies. Workers charge that Masana's refusal to recognise their trade union contradicts Anglo's claim to oppose apartheid.

"At a meeting with union representatives last December, we accepted that the union was representative at Masana," said Allan.

"We asked for draft agreement dealing with the fact that the Labour Relations Act does not apply in Lebowa. Three months later the union presented an agreement that was inappropriate because it was designed for South African conditions."

He said Litet was still willing to recognise a union if a suitable agreement was drafted.

Allan rejected claims that overtime was compulsory at Masana and said all workers received two weeks' paid leave when the company closed each year.

Worker claims that they are fined R10 for being late were also dismissed. Allan said the R10 was a bonus which was only paid "where the attendance standards have been met".

Allan said all cases of work-related injuries were reported by management to the workmen's compensation commissioner.

A man workers say was not compensated for the loss of his fingers had been injured while doing a private and unauthorised job, Allan said. The company had, however, paid his full wage while he was off work and all hospital fees.

"Masana's premises are inspected by the Lebowa inspector of factories and have received a stamp of approval," he added.

COSATU NATIONAL ACCOUNTANT

Experienced and / or qualified applicants are invited for the above position. Organisational ability, and a knowledge of computerised accounts and spread sheets are required, though training is available.

Duties include:

- Budgetary control
- Production of monthly financial statements
- Liaising with regions
- Daily administration of the department.

Assistance relating to further relevant training is negotiable.

Closing Date - July 1st

Replies to: The General Secretary

P O Box 1019

Johannesburg 2000

SADF trial details may emerge

DETAILS of the secret trial in which three national servicemen were convicted of conspiring to disseminate classified South African Defence Force information may still become public.

This will depend on the outcome of a Cape Supreme Court hearing on August 2, arising from an application brought earlier this year by the End Conscription Campaign.

Last week an SADF review council upheld the finding of the military tribunal which convicted the three men — but reduced the 18-month detention barracks sentences of Peter Pluddeman, 25 and Hein Monnig, 24, to eight months and that of Desmond Thompson, 20, to six months.

The ECC launched its application in

the wake of the conscripts' conviction earlier this year. Judgement handed down by the military tribunal was not covered by the secrecy ruling and the Weekly Mail was able to report in February that the information they were found guilty of conspiring to disseminate related to anti-ECC activities by the SADF.

An interim order restraining the SADF from harassing or interfering with the ECC was granted and August 2 was set as the return date for the matter to be argued in full.

The minister's bid for the ECC's application to be heard behind closed doors will now be argued on August 2. Depending on the judge's decision, details of the men's trial and the ECC's application might become public knowledge.

24-30/6/88

W/Mail

Notice soon of teachers' pay rises

B/Day 24/6/88

PRETORIA — An announcement on improved earnings for certain categories of teachers was expected any day now from National Education Minister F W De Klerk, sources said yesterday.

However, the great majority of teachers would have to wait until the new financial year for relief.

In a report yesterday to its eight affiliated associations, after a meeting in Pretoria this week, the Teachers Federal Council (TFC) indicated that the talking was over.

It said that the results of the prolonged negotiations should be known soon.

In the report the TFC said that on the eve of the expected announcement on the extent of the specific salary adjustments, the council had

GERALD REILLY

discussed a strategy where provision was made for a negative or positive result of the recent negotiations.

The standpoint of the council was that the specific adjustments were only one component of the salary representations.

The TFC stood firmly by its original demand that a general salary increase was needed to bring the government sector into line with the private sector.

The council claims the success of its representations could be measured by the fact that the original amount of R215m for specific adjustments for the public sector had been increased by another R205m.

Berden stoppage

A STRIKE at the Berden Group, a subsidiary of Malbank which has ties with Gencor, Tedelx, Empisal and Ellerine Holdings, launched on June 1, to protest about wages and other matters is still on and offers little hope of an early settlement. *Sowetan*

24/6/88
In a statement yesterday, Mr Madumo Ramalope, organiser of Ccawusa, said that the spirit of the workers has not changed and they are not about to accept the "insulting offers" of the employers. *(355)*

He said the company, however, remained firm at an increase of R57,50 effective on March 16, and a further R30 effective on September 1.

cap Trip 25/6/88

Teachers' wage rises 'too little'

355

By RENEE MOODIE

TEACHERS yesterday reacted to the news of the allocation of R140 million for salary increases with disappointment and doubt that the increases would stem the drain of teachers and lecturers to the private sector.

The Minister of National Education, Mr F W de Klerk, announced yesterday that the government had decided to make R140 million available to bring teachers' salaries in line with others in the civil service.

The adjustments, which average 7% and apply to schools, universities and technikons in all education departments, come into effect on December 1.

A total of R420 million would eventually be used for this purpose, but only R140 million was available in the current financial year.

He said education advisory bodies would advise him on ways of distributing the money. Details of adjustments would be announced after this process.

"The improvement now being finalized for educators is merely an interim step to deal with the most pressing problem of a direct backlog experienced by educators in comparison with the rest of the public sector."

He said it was impossible in the existing economic conditions to deal with the backlog in educators' salaries compared with the private sector.

Mr Dudley Schroeder, chairman of the Teachers' Federal Council, said that while the announcement was seen as a positive reaction to the TFC's representations, the council was "dis-

appointed because the amount is insufficient".

As it was an occupational specific adjustment, attention would be given to the biggest problems. Some educators might receive more than 7%, others less.

The TFC was unhappy and anticipated problems because the limited adjustment would lead to an increase in the resignation tempo of teaching staff.

"The present degree of destabilization of the system, in particular in regard to the teaching of certain subjects, will, therefore, be aggravated."

Professor J W Grobbelaar, chief director of the Committee of University Principals, said the pay rise was disappointing. "We take note that this is an interim measure, and can only hope that it will stem the outflow of lecturers from universities."

Private sector salaries

He said the fields of accountancy and engineering were particularly affected because of the lucrative private sector salaries.

Mr Zybrand van Dyk, executive member of the committee of technikon heads, said that while it was difficult to say how much people would get, the numbers of people involved meant they would probably not get very much. "This can only wipe out part of the backlog."

Mr Roger Burrows, the Progressive Federal Party's education spokesman, said the nominal increase for teachers and other educators, "averaging seven percent", was totally unsatisfactory.

Salary rises:

Resignation wave feared

OWN Correspondent

PRETORIA. — A wave of resignations from the teaching profession and the public service is feared after last week's announcement that only R140 million is to be used for increases in the teaching profession.

The rest of the total of R420 million earmarked for special increases is to be spent on improving the earnings of a number of key occupations in the public service.

However, when the amount was measured against the more than R700 000 spent on provincial administration workers, it was rejected as totally inadequate by staff association spokesmen.

They have warned that, as a result, public services could be crippled in some areas because of resignations and recruiting difficulties.

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400 DOWN TOOLS

ABOUT 400 members of the Media Workers' Association of South Africa, downed tools at six of Perskor's Transvaal plants in support of their wage demands, a Mwasa spokesman said.

The spokesman said Perskor employees demanded a weekly wage of R180 while the newspaper company offered R100.

Sowetan 25/6/88
She said the industrial action was sparked by Perskor's refusal, for a second time, to recognise the jurisdiction of the industrial council for the printing industry.

Perskor plants affected by the stoppage include Doornfontein, Benoni and Pretoria. Perskor management declined to comment yesterday.

A meeting between the

union and Perskor was scheduled to have taken place at the Industrial Council last Friday, but was cancelled after the company questioned the council's jurisdiction over the dispute, according to the Mwasa spokesman.

The two parties resumed negotiations yesterday in a bid to end the strike.

Fathers get right to take paternal leave

PICK 'n Pay and the Commercial, Catering and Allied Workers' Union (Ccawusa) have concluded a "parental rights" agreement described by the union as the first of its kind in SA.

The agreement — signed on Monday and which covers the company's 18 000 full-time employees — is unusual in that in addition to providing for normal maternity benefits, it also extends new rights to fathers.

The purpose, said Ccawusa's Jeremy Daphne, was to eliminate discrimination based on sex. The parties acknowledged that women and men should have equal opportunity to combine gainful employment with family life and the agreement aimed at ensuring that child-care responsibilities were shared more equally between parents.

The agreement provides for 11

months parental leave, of which nine months are paid — three at 75% of earnings and six (during which the state maternity benefit is available to qualified employees) at 30%. Where both parents are employed at Pick 'n Pay, this leave may be shared between them.

In addition, fathers are to be entitled to eight days paid leave at the time of confinement plus one day a month for the first six months to take infants for medical check-ups. A further 18 days unpaid leave is provided for.

Similar provisions apply in the case of adoptions.

Pregnant women will not be required to work overtime or at night and may arrive at work 10 minutes late and leave 10 minutes early.

ALAN FINE

Police

Perskor management has declined to comment.

Perskor plants affected by the stoppage included Benoni, Roodepoort, Nelspruit, Vereeniging, Johannesburg, Bethal and Krugersdorp.

In a front page report yesterday, the *Citizen* said that it regretted that some of its readers had not been able to buy the newspaper from street vendors as a result of the work stoppage, which was sparked off by a dispute between Mwasa and Perskor.

Mwasa said in a statement yesterday: "We object to the presence of police outside the Perskor premises in Doornfontein because we believe this can be provocative to workers who are already unhappy."

"We believe that the Perskor dispute can be resolved if there was a serious commitment on the part of management to enter into negotiations with Mwasa leaders."

"The past negotiations we have held with Perskor management have demonstrated a lack of this commitment which is vital for the maintenance of healthy industrial relations."

Strike into second day

Sowetan 29/6/85

A WAGE strike by about 3500 members of the Media Workers' Association at Perskor's Transvaal plants entered its second day yesterday.

The work stoppage follows a deadlock in wage negotiations between Mwasa and the Afrikaans newspaper group. At the centre of the dispute is the company's alleged refusal to recognise the jurisdiction of the Industrial Council for the Printing Industry to mediate in the wage dispute.

A Mwasa spokesman said Perskor employees, who downed tools at six of the company's plants, were demanding a weekly wage of R180 while the newspaper offered R100.

Yesterday, Mwasa members continued with their strike at Perskor's Doornfontein branch under police surveillance. A union official told the *Sowetan* that management had indicated that it might call in casual workers to replace the strikers.

Mwasa strike at Perskor enters third day ³⁵⁵

By Mike Siluma, Labour Reporter

The wage strike involving more than 2 000 members of the Media Workers' Association of SA (Mwasa) at 10 Perskor plants entered its third day, today after the collapse of talks.

A Mwasa spokesman said Perskor management declared last night it was

^{STW 24/6/88}
not prepared to negotiate further, sticking to its offer of a minimum of R109,46 a week. ~~R130~~ ~~R130~~

The union said it had reduced its demand from R180 a week to R130.

Perskor spokesman Mr Kotie van Heerden yesterday refused to comment on the strike.

Star 29/6/88 Right to shared parental leave agreed with union

By Mike Siluma,
Labour Reporter

The Commercial, Catering and Allied Workers' Union (Ccawusa) and Pick 'n Pay have concluded a precedent-setting parental rights agreement guaranteeing couples employed by the retail chain up to 11 months' shared parental leave, nine of which will be paid.

Ccawusa said it was the first of its kind in South Africa and resulted from years of research and negotiations. According to the union, the agreement affected more than 24 000 employees.

"The agreement is geared around the needs of the whole

family, particularly the proper care of infants (with) the responsibility of child care being shared more equally between both parents."

Fathers, whose partners were employed by Pick 'n Pay, will share the leave period.

The agreement also provided for the saving of some of the leave for later periods until the child was four.

Other aspects of the agreement included a proviso that the company would not reject a job application because the applicant was pregnant and prospective mothers would not be retrenched while on parental leave.



STRIKERS at Perskor in Johannesburg. The stoppage involving Mwasa members entered its third day yesterday.

Stoppage goes on

355
Sowetan 30/6/88

THE wage strike involving more than 3 500 members of the Media Workers' Association of South Africa at 10 Perskor plants entered its third day yesterday after the collapse of talks between union and management.

A Mwasa spokesman said that in a meeting Perskor gave an ultimatum to strikers to be back at work by 6pm last night.

which ended about 8pm on Tuesday night, Perskor management declared it was not prepared to negotiate further, sticking to its offer of a minimum of R109,46 a week.

According to the union, workers in Durban had joined striking colleagues at Transvaal plants including Doornfontein (Johannesburg), Benoni, Pretoria, Vereeniging, Witbank, Nelspruit, Vereeniging, Bosmont and Krugersdorp.

The statement said the union had reduced its demand from R180 a week to R130.

Perskor spokesman Mr. Kotie van Heerden refused to comment on the strike.

Mwasa said that after a stoppage by Perskor workers in May to back their wage demand, Mwasa had proposed industrial council intervention. However, the council could not meet as scheduled on June 24 after Perskor questioned the jurisdiction of the council.

"Workers have rejected management's latest offer because it falls far

below what they are demanding," said Mr. Khala.

• The *Citizen* newspaper, which is published by Perskor, yesterday carried a notice apologising to readers experiencing difficulty in obtaining copies of the newspaper from street vendors. The other Reef newspaper published by Perskor is *Die Vaderland*.

About 50 areas have been affected by the new proposals. The main areas affected include:

of this land of about 600 ha is returned to kwaZulu.

India aims to bowl out Bok cricket

The Star's Foreign
News Service

BOMBAY — India believes that all countries should sever sporting links with South Africa in the true spirit of the Gleneagles Agreement.

This is going to be the stand of the Board of Control for Cricket in India (BCCI) representatives at the International Cricket Conference (ICC) meeting in London on Monday and Tuesday.

Former BCCI president, Mr N K P

Salve, was unequivocal: "India's stand is going to be categorical," he said. "We should not have any sporting links with South Africa."

● LONDON — South African cricket chief Mr Joe Pamensky yesterday met the ICC chairman, Mr J J Warr. He described the talks as "fruitful and positive" but declined to go into details. He also met other English officials including Mr Raman Subba Row, Test and County Cricket Board chairman.

SA isolated from boxing, UN hears

The Star Bureau

NEW YORK — A World Boxing Council ban has virtually isolated South Africa from international professional boxing, council president Mr Jose Sulaiman said at a United Nations ceremony yesterday during which he received a special citation from the anti-apartheid committee for instituting the embargo.

Mr Sulaiman said that when he as-

sumed the presidency in 1975 South Africa was at the top in the sport. In 1988 it was at the bottom.

Sugar Ray Leonard appealed to boxers everywhere to spurn all offers to go to the Republic or any of the homelands.

"I would like to call on all boxers not to sacrifice their dignity and accept blood money by fighting in South Africa," the former light heavyweight champion said.

Banned from international soccer

ZURICH — The International Football Federation yesterday banned Mexico from all international soccer competitions for two years, throwing the Mexicans out of the 1990 World Cup and this year's Seoul Olympics.

FIFA's executive committee im-

posed the suspension for cheating, after Mexico fielded four over-age players in a qualifying tournament for the World Youth Championship in Guatemala City last April.

The ban was the most severe of its sort ever imposed by FIFA,

Dismissals mar wage agreement

Labour Reporter

A wage agreement yesterday between Perskor and the Media Workers' Association of SA (Mwasa) was marred by the dismissal of an unknown number of strikers for failing to heed an ultimatum to resume duties on Wednesday evening.

Mwasa general secretary Mr S'thembele Khala, accusing management of negotiating in bad faith, said the dismissals had led to the discontinuation of talks at a point where progress on wages had been made.

He said the parties had already agreed on a R118 a week minimum wage for drivers and clerks, plus an across-the-board rise of R16. A minimum of R109 for all other workers had been agreed upon.

Perskor again refused to comment on the strike today.

The union is to decide today on its next course of action.

Lawyer killed in accident

Wage agreement

some from 1/7/85 (355)
THE Chemical Workers Industrial Union has concluded a wage agreement with Colgate-Palmolive in Boksburg.

A CWIU spokesman said the two parties had agreed on a new minimum hourly wage of R5,33 which would raise a minimum wage at the company to R922 a month. The company would now regard May 1 and June 16 as paid holidays, he said.

Meanwhile the CWIU has declared a dispute with a British multinational, Vulco Latex, after their wage negotiations broke down, a spokesman for the union said.

Pick 'n Pay gives dads paternity leave

WORKING fathers and mothers will be able to take paid leave to care for their children in terms of a precedent-setting parental rights agreement concluded this week between retail giant Pick 'n Pay and the Commercial, Catering and Allied Workers' Union.

Unions in the Cosatu and Nactu folds have won maternity rights in a substantial number of organised factories, securing the jobs of women workers who take time off to bear children. In several cases they have won paid maternity leave and in a few workplaces, have won paid leave for fathers when their children are born.

The Pick 'n Pay agreement goes further by granting extensive rights to fathers as well as mothers, and to parents of adopted, as well as biological children.

Pick 'n Pay's general manager for personnel and labour relations, Franz van der Walt, said he welcomed the conclusion of the agreement. "We believe our people are our assets, and we have to see where we can make it easier for them to deal with the problems of pregnancy and parenthood," he said.

Ccawusa's Jeremy Daphne says one objective of the agreement is to encourage a more enlightened attitude towards the sharing of family responsibility by both parents. It aims to ease the burden of the "double shift" which women work by enabling fathers to share child-rearing duties.

In the agreement, the parties:

- Commit themselves to the elimination of sex discrimination.
- Acknowledge the right of men and women to hold a job while leading a normal family life, to work under healthy and safe conditions and to give their children the necessary care and attention.

The agreement, which will cover

Maternity leave is common enough but Pick 'n Pay has scored a first by recognising the rights of both parents. HILARY JOFFE reports

18 000 shop-floor and managerial staff in Pick 'n Pay, allows for 11 months' parental leave, which can be shared by the mother and father if both are company employees.

Of this, nine months are paid leave. The leave can be broken up and taken any time until the child's fourth birthday.

The company will pay parents 75 percent of their wages/salaries for three months, and 30 percent for six months.

This means most women will get nine months' leave at 75 percent pay, since the Unemployment Insurance Fund provides for six months' maternity pay of 45 percent, providing a woman is receiving no more than one third of her pay during that time.

Pick 'n Pay will pay the medical aid and pension contributions of workers who take parental leave, and they will not lose status or seniority.

Every father employed by the company is entitled to eight days' paid leave at the time of confinement or adoption, one paid day off per month for the first six months of the child's life to take it for check-ups at a health clinic, and 18 days' unpaid leave, which can be taken at any time until the child is 12 years old.

"Ccawusa is calling on all fathers at Pick 'n Pay to make full and responsible use of the rights achieved for them in this agreement," Daphne said.

The agreement, which takes effect on August 1, does not require parents

to be legally married.

An unusual aspect of the agreement is that it applies to parents of formally and informally adopted children.

The union believes this is very important, Daphne says, because many children in the townships without parents are cared for by relatives or strangers.

The agreement entitles adoptive parents to 10 months' leave, eight of which are paid, to care for babies up to the age of one year, and to one month's paid and two months' unpaid leave for adopted children between one and 12 years old.

Other aspects of the agreement are:

- The company will not refuse to hire women because they are pregnant.

- Women who have still-births or miscarriages are entitled to paid leave in accordance with a doctor's recommendation.

- Pregnant and nursing women will have paid time off for ante- and post-natal care.

- Pregnant and nursing women will not be required to work overtime or at night, or in areas which are dangerous for them.

- Employees will not be retrenched while on parental leave.

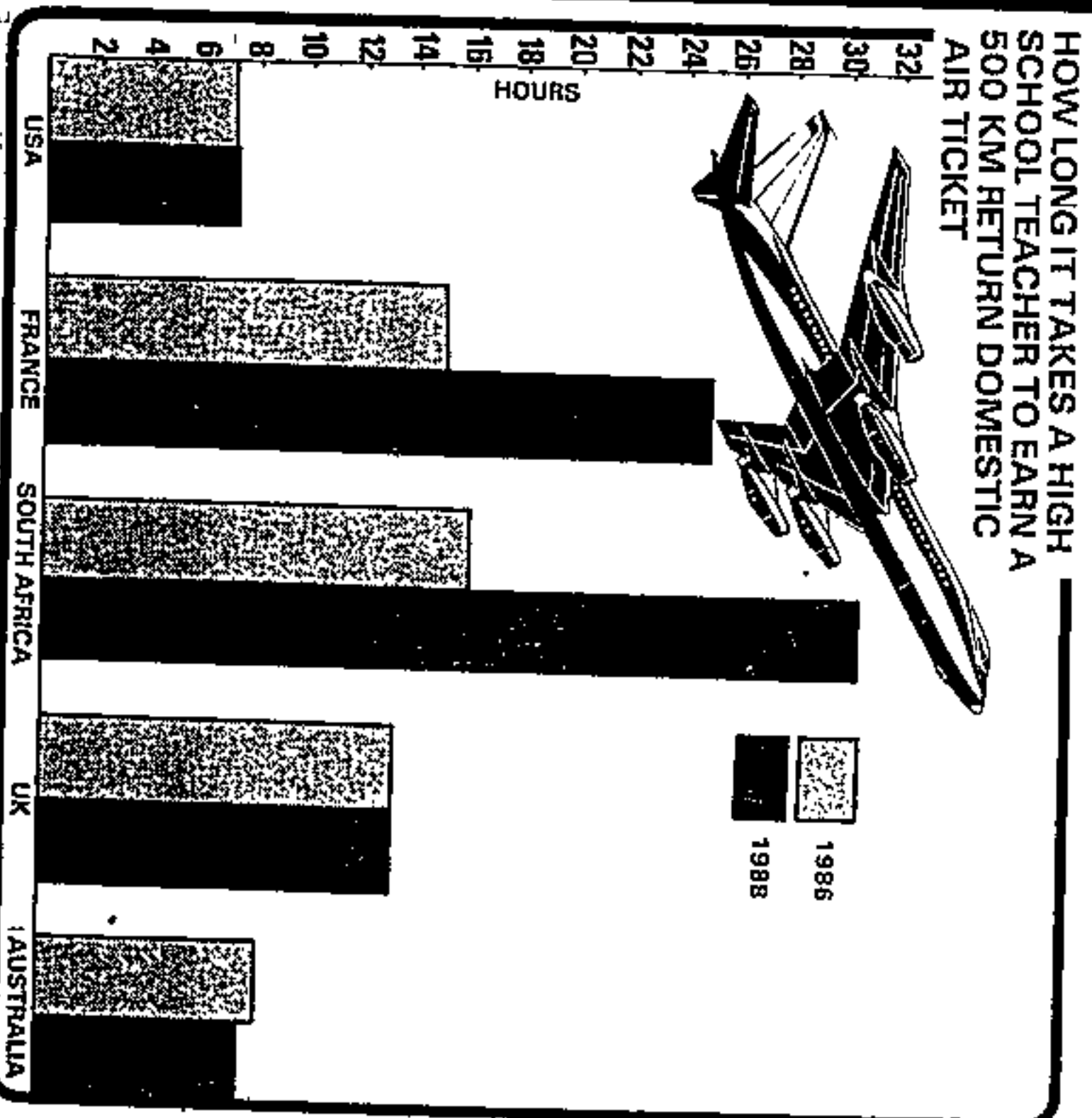
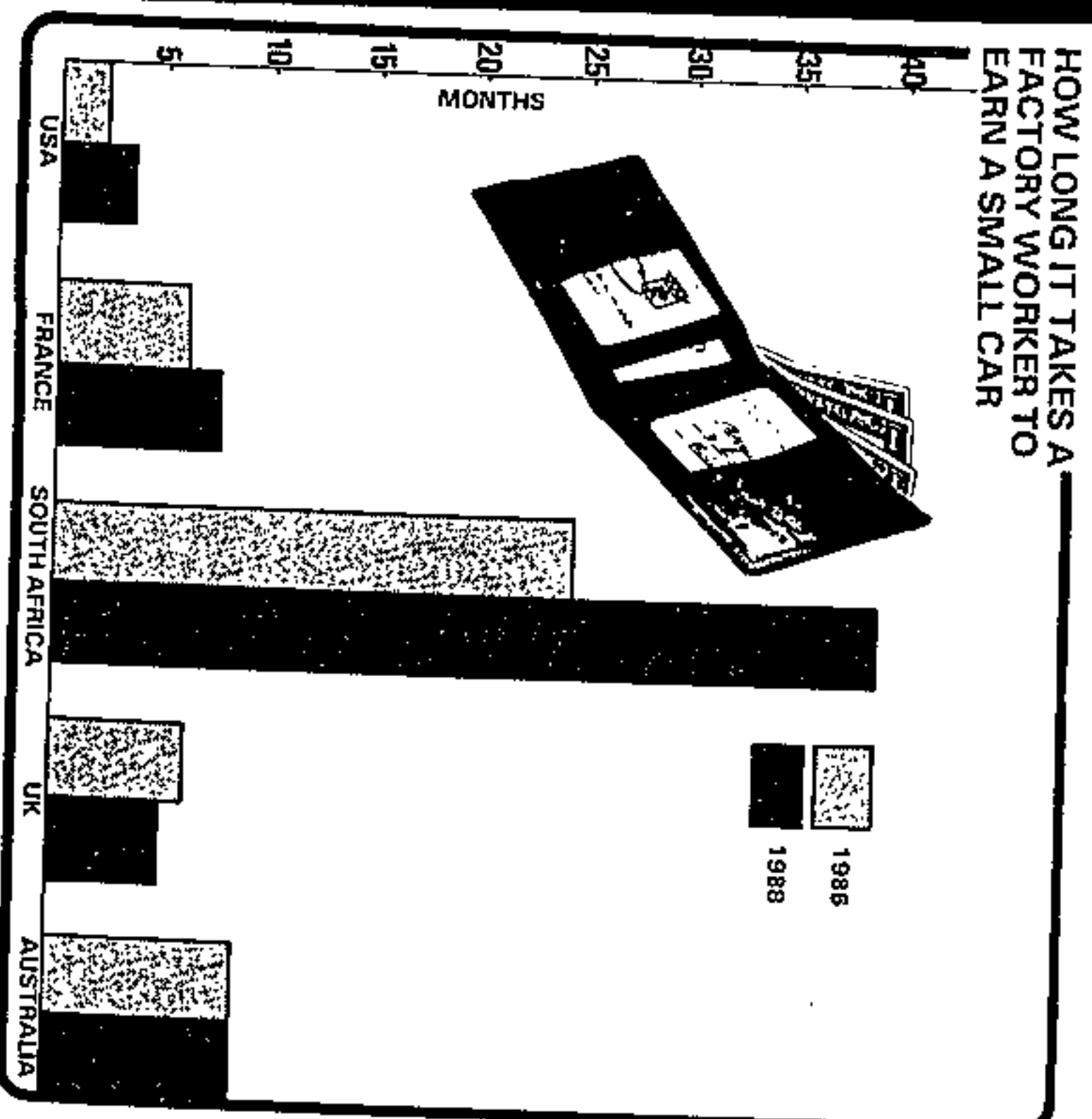
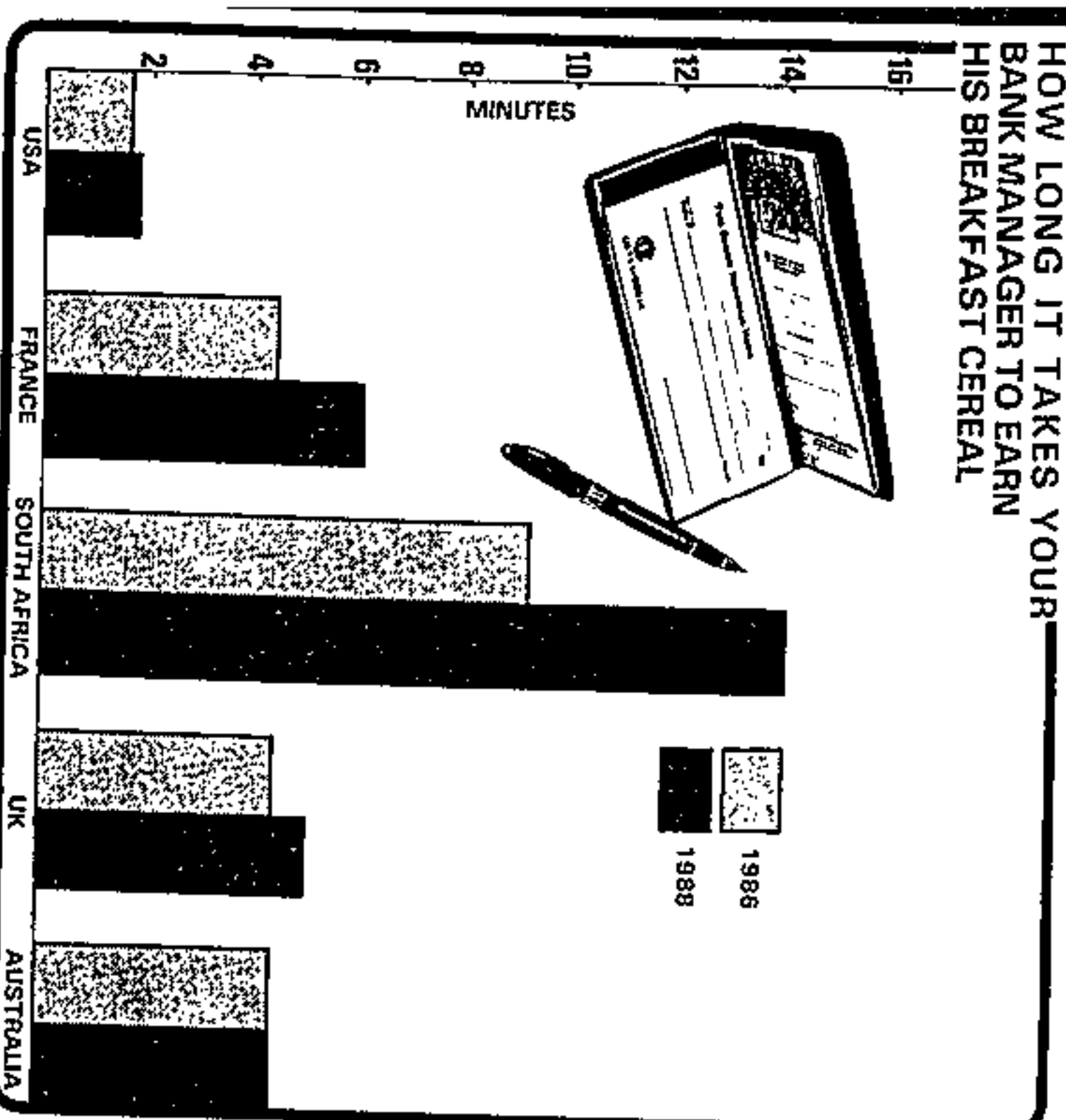
The parental rights granted in the agreement apply only to those who have worked for Pick 'n Pay for at least eight months.

- A recent change in the Unemployment Insurance Fund (UIF) will make life easier for pregnant working women.

The fund provides for six months' maternity pay, but had previously specified that four months of this had to be paid out before the birth.

In terms of the recent amendment, the six months can be taken at any time before, during or after the birth.

355A



TIMES ARE TOUGH

Weekend
FOCUS
4

Here it is: the survey that proves South Africans do have a beef when they moan about how hard they work

ARE White South Africans better off in the basic cost-of-living stakes than their counterparts in the USA, France, UK and Australia? The answer is — not by a long shot! This comparative Col. survey produced and published by Weekend Argus shows the differences. The survey was conducted by a team of researchers in five countries and compiled and co-ordinated by Weekend Argus finance correspondent CHRIS MOERDYK.

WHITE South Africans are having to work longer and harder than their counterparts in the USA, Australia, France and the UK for basic foodstuffs and living essentials.

Just to buy a basket of supermarket products, all locally produced, salaried South Africans have to work for 11 hours as against 3,4 hours in Australia, 4,3 hours in America, 5,2 hours in Britain and 6 hours in France.

In a recent five-nation, comparative cost-of-living survey, six random employee groups were chosen with incomes based on white salary scales.

By taking the amount of working time needed by specific employees to "earn" the same products selected at random in each country, the survey was able to compare living costs without involving exchange rates or the relatively-low value of the rand abroad.

"False" decrease

In an identical survey conducted two years ago, it took 12,8 hours for the employee sample to "earn" the same basket of supermarket goods.

Since this year's figure is only 11 hours, it might give the impression that the Col. here has improved. However, the decrease was due to two of the employee categories — nurses and supermarket cashiers — having received relatively massive increases during the past 24 months.

Cashiers' salaries improved 200 percent in this period.

If these two categories were replaced by almost any others, the index would have risen from 12,8 hours to somewhere in the region of 16

To illustrate further the actual plight of South Africans struggling to maintain their living costs on an even keel, the survey did not take into account that South Africans paid more tax than their counterparts in the other countries.

While South Africans have traditionally blamed government control boards for escalating Col., the survey found that the Dairy Board, for example, was the smallest offender in the approximately 30 percent increase in the costs of the basket of supermarket goods in two years.

In fact, the price of butter at the time of the survey was four percent lower than 24 months previously. The main culprit turned out to be Rice Krispies with a 63 percent increase for the period.

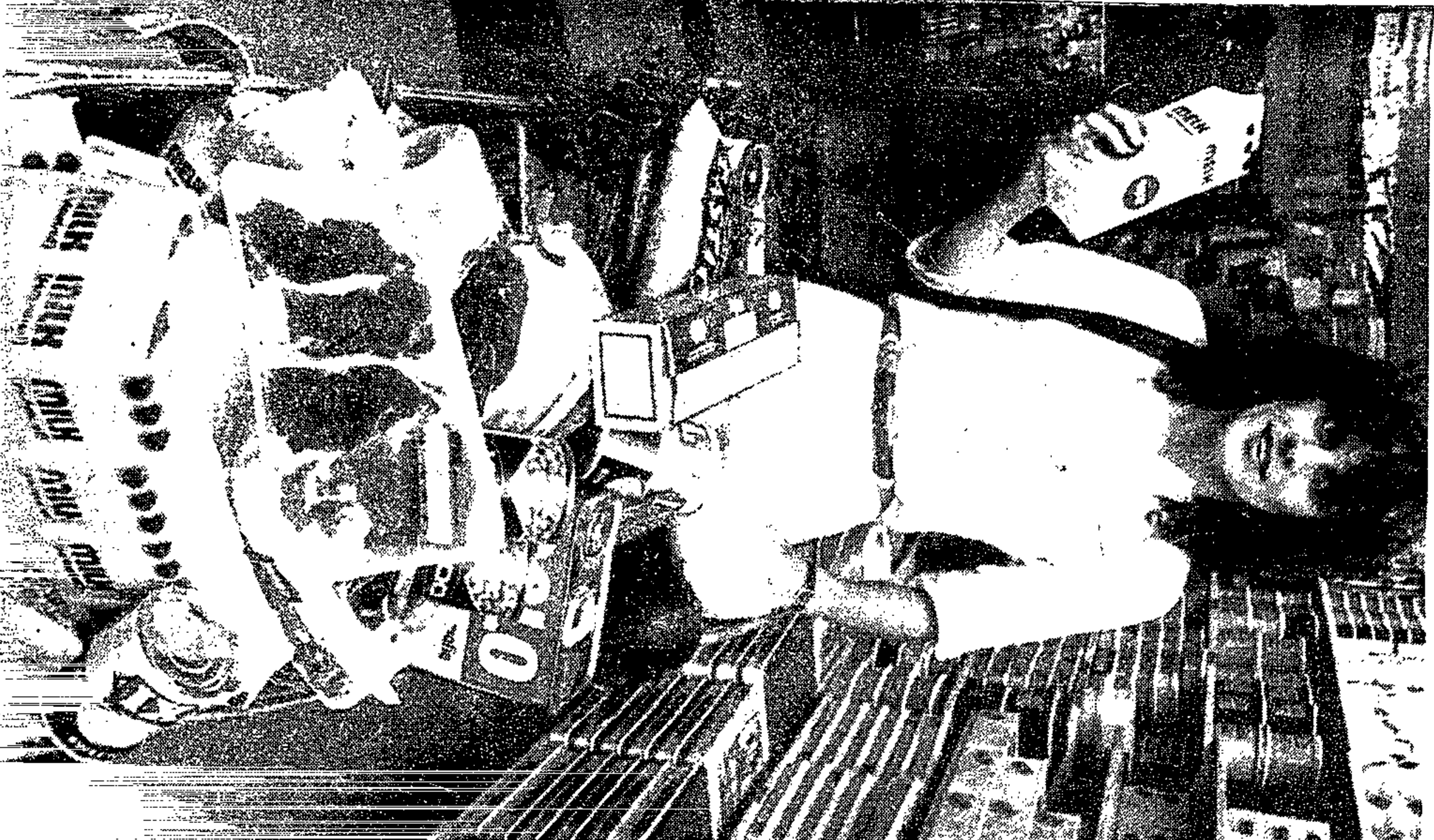
The survey also uncovered a fascinating phenomenon regarding air travel. In those countries where domestic air transport had been deregulated, air-fare increases in terms of number of hours required to buy a ticket were minimal and, in the case of Australia, had actually dropped.

Paying the price

In South Africa and France, where domestic air travel remained regulated, increases were well over 100 percent for the 24-month period.

As in the case of the survey conducted two years ago, it was once again clear that South Africans were paying a premium for products, services and goods controlled by price-collision and manufacturer's cartels.

Surveys of supermarket and other prices were conducted simultaneously by researchers in Johannesburg, London, Sydney, Perth, Paris and Los An-



How was it done?

IN order to make a fair comparison of the cost of living in terms of basic essentials in South Africa and the four other countries, an identical "basket" of locally produced or manufactured supermarket products was selected and priced simultaneously in each country.

At the same time, a random group of employees was chosen. A bank manager, bank teller, supermarket cashier, newly-qualified nurse, high school teacher with a minimum 10 years' service and a factory worker (white, in South Africa's case).

By simple arithmetic, it was calculated how long each employee had to work to make enough money to "earn" the individual products or services.

This system effectively eliminated the necessity to apply currency exchange rates or take into account the relatively low value of the Rand. As tourists, South Africans know that it costs a hefty R3,50 to buy a packet of cigarettes in London. The object of this survey was to find out how much in actual terms a citizen of that country paid for the same packet of cigarettes.

Why whites only?

THE cost-of-living survey compared predominantly-white South African purchasing power with that of salaried counterparts in the US, UK, France and Australia.

Any comparisons between SA and other African states would, of necessity, have to be based on black purchasing power as many whites in African states are expatriates who are paid, by South African standards, abnormally high wages to work in the banking, nursing and teaching professions.

Nor was this survey intended to compare black purchasing power in South Africa with that of semi-skilled and unskilled workers in the other countries as this would have increased the local Col. index to ridiculously high levels.

7/7/35 (121)
Metalworkers' wage talks (121)
deadlocked (121)

Wage talks aimed at avoiding a strike or lock-out involving about 127 000 metalworkers countrywide were adjourned yesterday until July 13 after employers and trade unions deadlocked.

Employers offered last week to meet the unions' demand for the recognition of May 1 as a holiday, subject to the union's acceptance of the employers' final wage offer of increases of 17,4 per cent on bonuses and wages.

Unions involved are the National Union of Metalworkers of SA, the Electrical and Allied Workers' Trade Union of SA, the Steel Engineering and Allied Workers' Union and the Engineering and Allied Workers' Union, all affiliated to the International Metalworkers' Federation. — Labour Reporter.

Mine bosses reach agreement with NUM

Sowetan 5/7/88
THE Chamber of Mines and the National Union of Mineworkers had reached agreement on the 1988 review of wages and other conditions of employment, a Chamber spokesman announced last night.

He said differences with the union, which led

to the breakdown of negotiations on June 22, had been resolved without any changes in the 13 percent to 16,5 percent wage increases tabled by the Chamber.

At the end of the June 22 meeting, the NUM declared a dispute and

(355)
announced it would be seeking the appointment of a Conciliation Board.

The Chamber spokesman said after the breakdown of the negotiations, attention was focussed on the NUM's provident fund demands.

Chamber negotiators submitted an offer which was accepted by the Union.

The offer provided for the phased introduction of a contributory provident fund over the next three years.

"We are very pleased that we have been able to reach a negotiated settlement with the NUM," the spokesman said.

"Bargaining in good faith is so much more satisfactory than industrial action.

"This gives us a healthier basis for the future."

Major Ccawusa gains at OK chain

DETERMINATION and perseverance on the part of the Commercial Catering and Allied Workers Union of South Africa (Ccawusa) has reaped benefits for thousands of OK workers.

South Africa's biggest retailer, with R3,12 billion sales and a profit for the last financial year of 31,8 per cent, had been offering a minimum wage of R400 a month to its workers with one year's service.

In March management met with a national Ccawusa delegation who had a mandate to negotiate wage increases for all workers nationally at OK Bazaars irrespective of their union affiliation.

Ccawusa demanded a R300 across the board increase with no split and a minimum wage of R700 for all workers except commission earning staff. The union also demanded race discrimination to be abolished.

In a series of meetings between Ccawusa and management in April, OK first offered an across the board increase of R56, later upped that offer to R60, then to R72, then R76, and finally R77.

Drop demand

Initially OK did not respond on the minimum wage but later came with an offer of R450 for workers with one years service in November or R410 from April.

Ccawusa rejected this offer and once again called for a living wage.

At this stage, with the offer standing at R88, OK expressed its "confidence" that it would reach a settlement with the National Union of Distributive and Allied Workers (Nudaw). However, OK could not settle with Nudaw before it settled with Ccawusa. The company had not declared a dispute against Nudaw, so they were not party to mediation.

The dispute was finally settled through mediation and a settlement agreement was signed on June 15. This agreement was also extended to Nudaw.

Under the terms of the agreement reached:

- Permanent staff as at May 7, 1988 would receive an across-the-board increase of R105 from May 7.
- Part-time permanent staff would

receive two thirds of R105 across the board.

- All permanent workers (excluding commission earners) would as from May 7 receive a basic minimum wage of R500 provided they had completed 12 months' service as at May 7.

- Part time permanent staff would receive two thirds of R500.
- Employees with 21 years' service

could elect to receive R700 (taxable) in cash instead of the long service award.

- June 16 as a paid holiday. Workers are not required to take annual leave for this day.

The parties agreed to negotiate further on a housing scheme, pension fund, and parental rights.

A report in last week's SOUTH incorrectly stated that Nudaw had reached a settlement with OK.

The union itself dropped its across-the-board increase demand to R240.

On April 27, OK declared a dispute against Ccawusa on the grounds that the union did not want to accept its offer of R77 across the board or R110 split, and minimum wages of R460 per month for workers with one year's service.

Ccawusa argued that the company was now the biggest retailer in South African's history and could well afford to offer more. They also pointed out that between 1986 and 1987 the company had increased its directors' fees by 50 percent.

In May OK offered R88 across the board increase or R460 minimum wages for workers with one year service.

355 b/day 7/7/88

Unions bid to resolve wages row

ALAN FINE

UNIONS affiliated to the International Metalworkers' Federation (IMF) yesterday submitted revised demands to Seifsa aimed at resolving the industry's wage dispute.

Seifsa said it had told the unions it was "highly likely that employers would make further concessions on substantive issues".

However, negotiators undertook to refer the new proposals back to members for consideration.

The unions proposed wages for employees in several of the semi-skilled and unskilled categories be increased by 60c an hour. This represents a 23% increase for employees on the present minimum rate of R2,61.

The unions also proposed May 1, June 16 and March 21 replace Workers Day, October 10 and any other public holiday respectively as paid holidays.

IMF regional secretary Tommy Olifant said the unions warned Seifsa that the implementation of new wage scales to non-members of the IMF unions would heighten conflict.

They also said in the absence of an agreement the Basic Conditions of Employment Act would technically apply.

Sowetan 7/7/88 (355)

Accord reached

THE Black Allied Mining and Construction Workers' Union has reached agreement with Samancor's chrome mines on wage increases ranging from 17 to 27 percent.

Bamcwu official, Mr Mbulelo Rakweni, said the increases would be effective from July 1 and that the union members at Samancor mines in the Northern Transvaal would benefit from the settlement.

The two parties also

agreed on a 22 days' leave; 100 percent annual leave bonus; recognition of June 16 and May 1 as paid holidays.

A spokesman for Samancor said management had agreed to recognise June 16 as a paid holiday in exchange for January 1.

Settlement

In another settlement, Samancor recently concluded a wage

agreement with the Federated Mining Union (FMU) for employees at the company's Mooi Nooi mine.

STEV 8/7/88

Samancor, union in³⁵⁵ pay, leave agreement

Labour Reporter

The Black Allied Mining and Construction Workers' Union (Bamcwu) has reached a wage agreement with Samancor at the group's Montrose Chrome Mines in the northern Transvaal, guaranteeing increases ranging from 17 percent to 27,8 percent for 2 000 workers.

Bamcwu said in a statement that the agreement, covering categories of underground and surface workers, included the recognition of June 16 and May 1 as paid holidays. The agreement will be effective from July 1 1988.

In terms of the agreement, workers will also be entitled to an increase in leave from 14 to 22 working days, plus an annual bonus.

Bamcwu spokesman Mr Mbulelo Rakwena said the union believed that chrome mines and the mining industry in general "still pay far below the poverty datum line". The union would therefore seek bigger increases in future.

Recognition of June 16, apart from its financial benefit for workers, reflected the union's commitment to the "national liberation struggle".

Wage talks deadlocked

By KERRY CULLINAN

THIS week's meeting between metal employers and four members of the International Metalworkers' Federation failed to break their deadlock over wages and improved working conditions.

The four unions, representing 120 000 workers, revised earlier demands to employers in the Steel Engineering Industries Federation.

They also extended the deadline for strike ballots

until the end of today.

The revised demands include wage increases ranging from 14 percent for artisans to 23 percent for workers; that Seifsa endorses the suspension of the Labour Relations Amendment Bill; discusses an internal dispute procedure and that Seifsa call for an end to racial discrimination by September.

However, Seifsa said that it was unlikely employers would make further concessions.

355 C/Pers 10/7/88

Court orders reinstatement of workers

Sowetan 11/7/88

355

ASA

THE Industrial Court has ordered Durban's Palm Beach Hotel to reinstate 41 employees dismissed after going on strike on May 2.

Members of the Black Allied Workers Union, the workers are some of the 800 from 10 hotels and restaurants who were dismissed on the same day.

The order is likely to have favourable implications for the dismissed workers because the dispute against the individual hotels is the same.

It is also likely to hit employers hard, because they may already have replaced the dismissed workers.

The president of the court, Mr Arthur de Kock ordered the Palm Beach to reinstate the workers "on terms and conditions not less favourable to them than those which applied prior to their dismissal".

The order is not retrospective, but will operate from July 18. Mr de Kock made no order as to costs.

Rising PPI

one time
12/7/88

indicates higher inflation rate

355

By AUDREY D'ANGELO
Financial Editor

RISING salaries and wages, widening profit margins and the impact of the weaker rand on the cost of imported components sent the producer price index (PPI) for the 12 months to May, to 13,2% — the highest since September.

Economists pointed out yesterday that this would inevitably send the consumer price index (CPI) up, ending the downward trend of recent months.

The Central Statistical Services announced yesterday that the rise in the PPI between April and May was 1,2%.

It said the year-on-year rate of increase for locally produced products was 14,3% in May, up 0,6% from April.

The annualized rate of increase for imported products was 10% up on the figure for May last year.

Production costs for coal were up 11,2%, other mining and quarrying by 6,7%, beverages by 2% and materials used in the building industry by 2,7%.

Boland Bank economist Louis Fourie commented: "From this month on we shall see a flattening out of the CPI, which will soon start to rise."

Pointing out that SA had enjoyed relief from imported inflation in a period when the exchange rate had been fairly stable, he said the weakening of the rand in recent months inevitably pushed up the cost of imported components.

Other cost-push factors included higher salaries and wages without any

corresponding increase in productivity. The lack of competition in some sectors of the SA market also tended to push up prices.

Southern Life economist Mike Daly said the PPI had bottomed out at the end of last year "and we are going to see the trend continuing up".

This was inevitable because the average cost of the basket of currencies with which SA paid for imported goods was more than 13% higher than at this time last year.

Daly pointed out that the pressure which increased consumer demand had placed on SA's industrial capacity, and the fact that many manufacturers were now paying overtime, had also played a part in increasing production costs.

There was also a technical factor. The PPI had risen from a very low base in May last year.

Standard Bank economist Nico Czipionka said that although the rise in the PPI "obviously had implications" for the CPI, he did not think there would be "an explosive rise in prices" as had happened in 1985.

The cost pressures from outside this country were not as great as they had been then, when the rand plummeted.

And although SA manufacturers might have widened their margins while the market was buoyant they would tighten them again if the market lost its buoyancy.

"The rise in the PPI obviously has implications for the CPI, but it will not go up at such a rate as in 1985."

Strike still on

THE strike by close to 350 Martilon Textured Yarn Factory workers in Babelegi near Hamānskraal entered its fourth week yesterday with attempts by management to break it.

Shopsteward Mr Herman Matsunyane yesterday said about 41 of the workers involved

in the strike were "pressurised" by management last week to sign dismissal forms and the matter was now in the hands of the union's lawyers. ~~(12)~~ 355

The company's manager, Mr J Flemming, declined to comment yesterday.

See item 12/7/88

Num asks for a conciliation board

Sowetan 17/7/88

WAGE negotiation talks between the National Union of Mineworkers and De Beers Consolidated Mines broke down on Tuesday after almost two months bargaining. Both parties immediately applied for a Conciliation Board to resolve the impasse.

Both parties have stated their willingness to continue the talks but each accuses the other of negotiating in "bad faith".

Dragged

The Num spokesman, Mr Marcel Golding, said in a statement to the *Sowetan* that: "De Beers have dragged the negotiations and have acted in 'bad faith' by refusing to provide reasonable and realistic offers".

De Beers spokesman, Mr Neville Huxham,

said: "We perceive an unwillingness to negotiate from the NUM team which failed to move from the initial wage demand while we bettered our offer".

Negotiations started on May 18.

When talks broke down on Tuesday the Num stood by its 20 percent across-the-board parity increase for all its more than 8 500 members in six De Beers mining companies.

De Beers employs an estimated 9 000 workers; which means that NUM represents at least 99 percent of its workforce.

De Beers said it had improved and "moved" on its initial offer to 12,5 percent for unskilled workers and 12 percent for skilled workers when talks closed on Tuesday.

Mr Huxham said the

above percentage offer would raise the minimum rate for unskilled workers from R481 a month to R541, an increase of R60. This excludes accommodation which is offered free to employees.

Reasonable

Nr Huxham said their 12,5 percent offer was "reasonable" because the Num settled with the goldmines for 13-16 percent this year. He said conditions in De Beers diamond mines were better than those at the gold mines.

But Mr Golding said: "The De Beers offer does not even compensate for inflation which is at about 13-14 percent".

He said De Beers had made a record 47 percent sales which earned the company R5910 million.

Iscor wages settled

ISCOR, the National Union of Metalworkers of SA (Numsa), and the Council of Metal and Building Unions reached agreement on annual wage increases on Monday.

Iscor also agreed to re-engage (but not reinstate) the 130 workers dismissed after the three-day stayaway, Iscor industrial relations director Neels Howatt said yesterday.

He said there would be a rise of 11,8% for skilled workers and 17,9% for unskilled workers. Wage bonuses

25/04/1978
BRONWYN ADAMS

would be a uniform 8,5% of employees' basic wages and pregnant women could include one week's paid sick leave with maternity leave.

Numsa's Bobby Marie said the standardising of bonuses was in line with Numsa's request for Iscor to abandon structural racism in pay scales. But he said it was unfortunate Iscor had refused to reinstate the dismissed workers.

Salary agreement

THE Commercial Catering and Allied Workers' Union of South Africa and OK Bazaars have agreed to an across-the-board increase of R105 a month and a minimum wage of R500.

The two parties reached a settlement last month but agreed not to publicise details of their agreement until union

representatives had reported the deal to their members.

Other terms of the wage agreement include:

- No pay will be deducted for any employee who is absent on June 16;

- Improved long service benefits; and

- Part-time employees will receive two thirds of

the R105 across-the-board increase and two-thirds of the new minimum wage.

OK has undertaken to continue its research into Ccawusa's demand for the recognition of traditional healers.

At the beginning of negotiations Ccawusa demanded — among other things — an across-the-board rise of R300; R700 minimum pay; a 25 percent staff discount.

Black wages below minimum level

Pretoria Correspondent

Thousands of black labourers are stuck in the public sector on wages below the minimum living wage.

The more than 1,6 million blacks employed in the public sector earn an average R447 a month — with those in some departments earning less than R300 a month, according to statistics for the first quarter of this year, released by Central Statistical Services.

These wages are below the R526,39 a month minimum living level for a (black) family of six, as calculated by the University of South Africa for the same period.

Blacks in para-statal scientific councils and general affairs departments are best off, with average salaries of R952 and R830 a month respectively in the first quarter. But in Own Affairs departments the wages average R295 a month, and in other parastatal institutions R349 a month.

BETTER DEAL

The statistics show coloured wages/salaries to average R910 a month and those of Indians R1 512, compared to the R2 070 average for whites.

But the public sector, which has lost thousands of skilled white workers to better-paid jobs in the private sector, is unlikely to forfeit its 1,6 million black workers.

Without strong negotiating powers and with little prospect of jobs in the private sector anyway, labourers are often only too grateful for their jobs.

But, the white Public Servants' Association (PSA) believes this is no excuse for Government complacency, and it is now trying to use its muscle to force a better deal for black labourers, too.

mal diseases

Reminder

Senior staff lost to private sector

Public servants paid 40 pc less, *Star 18/7/88* survey reveals *355*

Pretoria Correspondent

Public servants earn up to 40 percent less than their counterparts in the private sector.

National salary surveys have shown that where the average starting salary of a young man, matriculated and with his national service behind him, is R1 100 in the private sector, it is only R800 in the public service.

In the public service monthly starting salaries of graduates average from R1 100 to R2 000; by comparison, in the private sector the same graduates would start on R1 600 to R2 300, depending on their qualifications.

A survey done for the Federal Teachers' Council (FTC) in September last year showed that not only were the starting salary packages of public servants lower, but average and top salaries, too.

The survey showed that at the age of 22½, public servants earned about R1 250 a month, teachers R1 410 and private sector employees R1 580.

A spokesman for the Transvaal Onderwysersvereniging confirmed that the survey represented total salary packages including housing subsidies, pension, medical and transport allowances.

He said the gap between private and public sectors had increased to as much as 40 percent because of private sector increases of about 15 percent early this year.

The survey showed that at the age of 32½, public servants earned about R2 500 a month and teachers only slightly more, compared to the R3 200 earned by employees in the private sector. Ten years on (at 42½), public servants had almost "caught up" to the R3 200-a-month mark, but by this time the average private sector employee could be earning about R4 080.

Salaries peaked at about R4 500 a month at the age of 47,5 in the private sector, but only 2½ years later (age 50) in the public service. At this stage teachers earned an average R3 750 and other public servants R3 600.

The survey bears out the experience of the employee organisations in both the public service and teaching — that the staff lost from these areas to the private sector are often those with 10 to 20 years' experience and in fairly senior positions but earning 20 to 40 percent less than their contemporaries in the private sector.

Mr Cas van Rensburg, deputy director of the Public Servants' Association, said these people were usually permanently lost to the public service because it cost too much to entice them back.

His concern was shared by the chairman of the Commission for Administration, Dr Johan de Beer, who said interchange between the public and private sectors was usual, but when the economy was up the traffic tended to be "one-way".

(355)

2/20/88

2/2/88

Local authorities get biggest salary slice

GRETA STEYN

LOCAL authorities' employees were the clear winners in the public-sector salary stakes in the first quarter of this year, leaving universities and technicians lagging far behind.

Central Statistical Services (CSS) figures show that the total salary bill for local authorities jumped by 35% in the first quarter from the same period last year, beating every other category's growth. The salary bill of universities and technicians, for instance, grew by

only 17,7%.

The total salary bill of the public sector grew by 20% while the average pay package per employee rose by a real 1,4%.

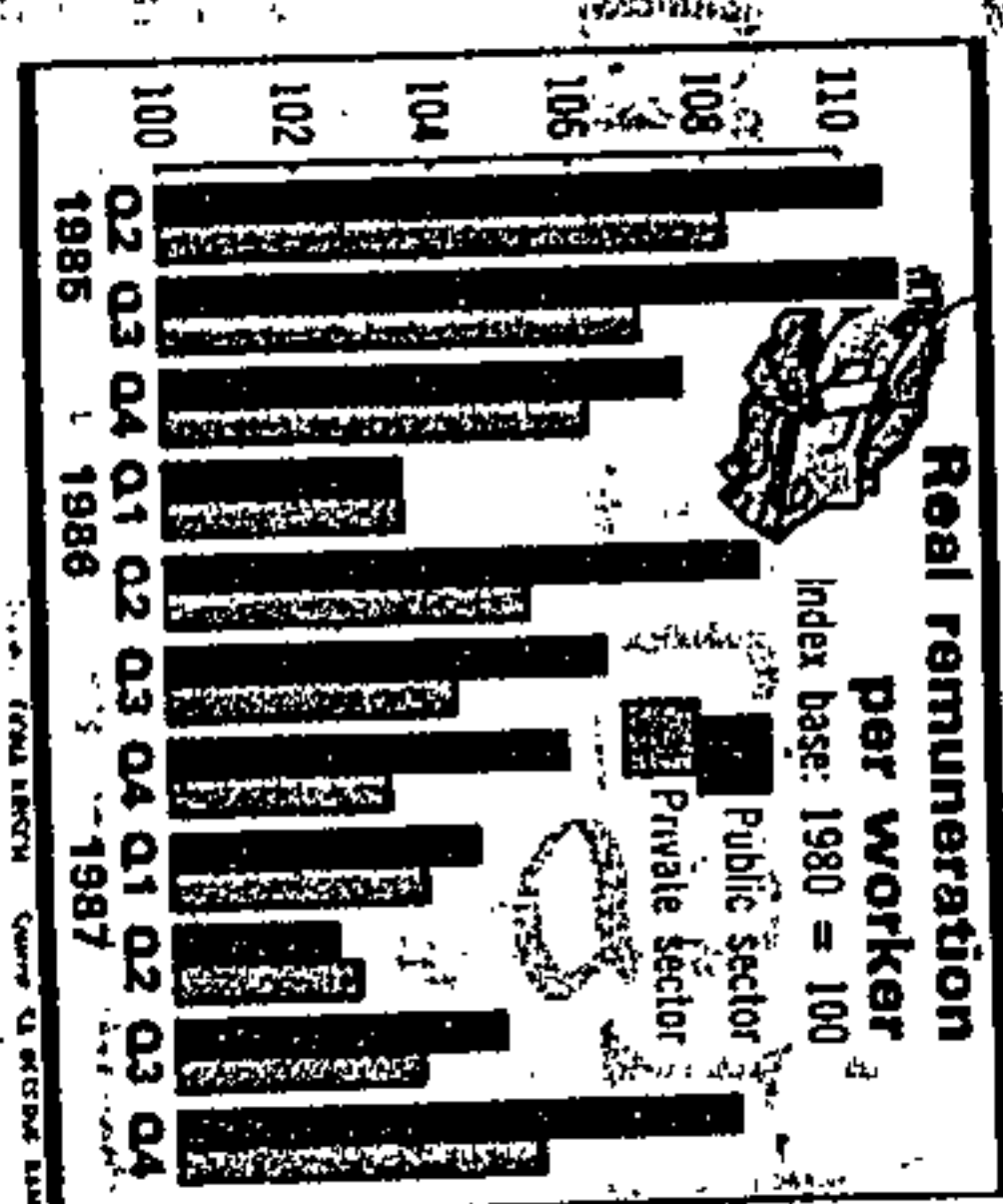
As the graph shows, average monthly public-sector salaries per employee have tended to outstrip private sector remuneration in real terms. While comparative figures for the entire private

sector are not yet available, it seems that for the first quarter they could be neck-and-neck.

The public sector's real rise of 1,4% is more or less in line with private sector increases. In the financial services sector, the real rise was 1,7% in the first quarter, with wholesale and retail trade and hotels notching up 1,4%.

In real terms, the average monthly

● To Page 2



Local authorities get biggest salary slice

salaries of local authorities' employees rose by 14% in the first quarter from the same period last year — compared with 2,3% for universities.

Technikon employees were even worse off, experiencing a real decline of 2% in average monthly salaries. Central government workers were also down on last year in real terms, averaging 1,5% less a month in the first quarter.

The share of local government in the

total salary bill is growing, with local authorities taking 13,4% in the first quarter compared with 11,8% in the same period last year.

The number of people employed by local authorities swelled by 8 580 between March 1987 and the same month this year. The number of municipal workers rose by 1 025.

Wage settlement levels drop

Own Correspondent

JOHANNESBURG. — The levels of wage settlements negotiated between unions and companies have shown a marked decline in the four months to June, after reaching a peak in late 1987 and early 1988, according to the latest wage-settlement survey published by Andrew Levy and Associates.

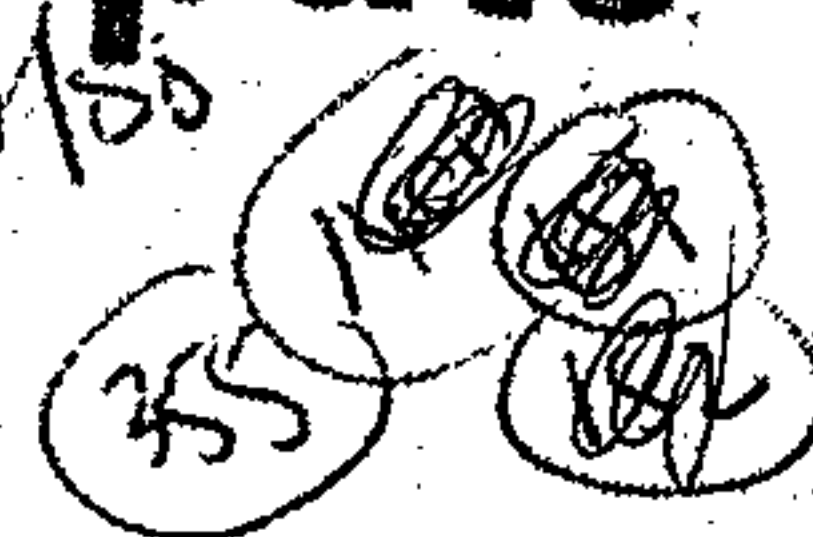
The survey showed a fall in average settlement levels to 17,6% in the last four months, compared to 19,7% in the period from November to June.

They were nevertheless above the inflation rate, and above the 15% level estimated as the norm in the private sector.

The level had steadily increased from the 13,7% noted in 1985 when the labour relations consultants first began monitoring wage agreements.

Wage dispute rages on

Scareham 19/7/55



A WAGE strike involving 400 members of the Commercial Catering and Allied Workers' Union at Gallo Stores would continue until their demands were met, a union official said yesterday.

Mr Madumo Ramalope, the union organiser, said workers at Gallo went on strike on July 7, demanding an increase in their wages.

Ccawusa demanded an

increase of R262 a month across-the-board while management offered R108.

Other demands include: 40 hours a week without loss of pay; a long service allowance; a 13th cheque to be paid in December.

Workers are also demanding that the company recognise traditional doctors and that March 21 and June 16 be recognised as paid public holidays, he said.

Meanwhile, the company issued notices warning workers that their absence would be regarded as a breach of their employment contract.

A Gallo spokesman said: "We find it disturbing that, with the agreed mediation proceedings imminent, the workers have decided to take industrial action."

Wage levels dip in first quarter

355
ST 19/7/88
020

By Mike Siluma,
Labour Reporter

Pay settlement levels attained by black unions have dipped 2.1 percent in the four months since February.

At the same time, employers have dug in their heels to resist high wage claims.

The figures come from a wage settlement survey conducted by industrial consultants Andrew Levy and Associates for the period between February and June.

They show the average level of settlement reversed to 17.6 percent in June, after rising steadily from 13.7 percent in 1985, 15.5 in 1986, 17.2 in last year, and reaching a four-year high of 19.7 percent in February this year.

UPSWING

The survey found that the bargaining environment remained tough although the general economic situation, particularly in the manufacturing sector, had improved considerably in the past few months, leading to "improved profitability".

The authors of the report point out that the economic upswing is consumer-based and is largely generated by a consumer perception of a relative "return to political calm". It is also fuelled by an increase in the money supply and bank credit, the report says.

1355 3/20y 19/7/88

Average increases down to 17,6%

Pay settlements have declined — labour survey

ALAN FINE

THE levels of wage settlements negotiated between unions and companies showed a marked decline in the four months to June, after reaching a peak in late 1987 and early 1988, the latest wage-settlement survey published by Andrew Levy and Associates said.

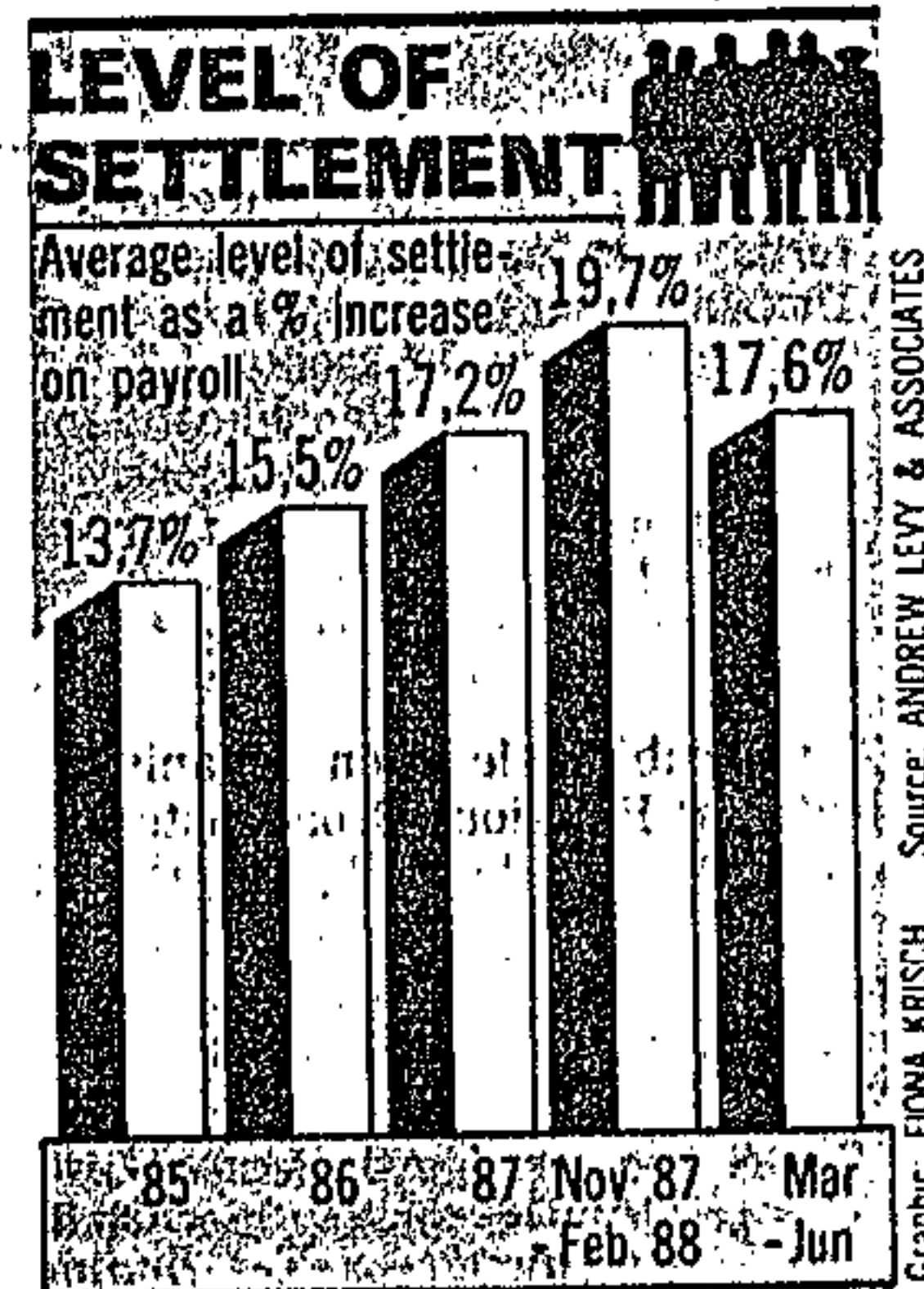
The survey showed a fall in average settlement levels to 17,6% in the last four months, compared to 19,7% in the period from November to June. They were nevertheless above the inflation rate and the 15% level estimated as the private sector norm.

The level had steadily increased from the 13,7% noted in 1985, when the labour relations' consultants began monitoring wage agreements.

Author Pat Stone attributed the decline less to the fall in the inflation rate than to certain other factors. He said unions based their expectations on the company's ability to pay and levels achieved elsewhere.

On the other hand, managements' view was that the economic upswing and improved corporate profits, were a result of factors such as an increase in the money supply, and were not likely to lead to sustained economic growth.

Further, management attitudes had hardened as a result of the political stayaways and numerous official



public holidays since March.

Finally, because a large proportion of wage negotiations were in their third or fourth year, this minimised the initial "impact effect" usually associated with the first set of such negotiations between parties. In such cases "guilt" payments were made and glaring anomalies rectified.

The survey also showed the average opening union wage demand was for increases of 53,6%, the lowest since the survey was first carried out.

STAFF LEVELS DOWN, EARNINGS UP, AT SATS AND POST OFFICE

PRETORIA — While Parkinson's Law seems to be running free in government and homelands' bureaucracies, the numbers employed by Sats and the Post Office are decreasing, Central Statistical Services say.

Latest figures show Sats' labour force decreased from 200 217 in March last year to 186 253 at end-March this year. Sources said yesterday this

GERALD REILLY

must be about the end of Sats's staff-trimming programme, which started under former Transport Minister Hendrik Schoeman five years ago.

Staff had now been shrunk to an almost irreducible minimum, it was said.

Meanwhile, Post Office workers decreased from 98 267

at the end of the first quarter last year, to 93 828 at end-March this year.

Railway workers' earnings, including the three months to end-March, increased by R69,085m to R772,810m, compared with January to March last year.

Post Office workers' earnings also increased substantially, by R43,713m to R368,146m.

The numbers working for public corporations also shrunk — by 859 to 180 431.

However, their earnings increased by R140,647m for January to March this year, to R890,131, compared with the first quarter last year.

Public corporations include all public enterprises in which the state has a majority interest, and their subsidiaries.

Journalists' register is 'close'

355
8/10/87 20/7/88

Sats arbitration hearings set down

ARBITRATION hearings in the wage dispute between Sats and the Federal Council of Sats Trade Unions had been set down for August 8-10, council general secretary Abraham Koekemoer said yesterday.

Koekemoer said both sides would present evidence to Mr Justice Jacobs, a retired Appeal Court judge, and he expected a final decision within two weeks of the hearing.

The dispute arose out of the pay freeze on civil service salaries announced earlier this year, and prompted several protest meetings organised by the unions.

During the failed conciliation process which began in April, the council motivated a 17% increase for railway-workers.

Koekemoer said the council would maintain this position during arbitration. In the event of an unsatisfactory outcome, the matter would be referred back to members for a decision on what steps to take.

Sats employees are barred by legislation from taking part in industrial action.

SSS (155) B/day
ALAN FINE 20/3/88

GALLO MUSICIANS JOIN THE STRIKERS

Sowetan 20/1/78
MUSIC groups contract-
ed to the Gallo Record
Company have refused to
work until the strike by
about 400 Gallo employ-
ees is resolved, a
spokesman for the
Commercial Catering and
Allied Workers' Union of
South Africa, Mr Abie
Ramalope, said yesterday.

The canteen workers
went on strike last Friday
over a wage dispute at
various Gallo plants on
the Reef.

They are demanding

an across-the-board
increase of R262 a
month. Management's
offer is R108 a month.

Other union demands
include a reduction of the
working week from 45
hours to 40 without loss
of pay, a 13th cheque in
December, interest free
personal loans, an extra
week's leave and
recognition of tribal
doctors in the medical
aid scheme.

The union spokesman
said Stimela, Plush and
Volcano were among the
music groups who were
refusing to perform in
terms of their contracts
with Gallo in solidarity
with the workers.

He said the union took
exception to a manage-
ment letter received by
the workers, stating that
the strike was illegal and
that they were in breach
of their working condi-
tions. — Sapa

Pernicious form of intimidation, says MP

BIG GROUPS TO REGISTER

THE chief director of Media Relations, Mr A J Engelbrecht, confirmed yesterday that major South African newspapers would have to register as news agencies under the emergency regulations by July 31 — or face fines of up to R20 000 and prison of up to 10 years.

There has been some confusion in media circles about the definition of a "news agency" under the new regulations promulgated on June 10.

But yesterday Mr Engelbrecht confirmed that if newspapers gathered news and relayed it to

other organisations for publication or broadcast — as most, if not all, major newspapers do — they would qualify for registration.

In reaction Mr Peter Soal, Progressive Federal Party spokesman on media matters, said it was "horrendous" that major newspapers were subject to this pernicious form of intimidation and control.

He said it was inexplicable that major newspapers were obliged to register with the Department of Home Affairs while major news agencies such as Reuters and Sapa had specifically been excluded.

Mr Engelbrecht said that if news agencies did not register by July 31

they would be transgressing the regulations and would be liable for fines of up to R20 000 or 10 years' imprisonment or the prison sentence without the option of the fine.

The regulations required news agencies to provide the department with full lists of all journalists employed by them. This has been criticised as being a form of registration of journalists — something that newspapers have fought against for years.

Mr Soal said: "It is a pernicious form of intimidation reminiscent of countries behind the Iron Curtain where governments have an insatiable desire to control the flow of news." — Sapa.

Blacks are underpaid

THOUSANDS of black labourers work in the public sector on wages below the minimum living wage.

The more than 1,6 million blacks employed in the public sector earn an average R447 a month with those in some departments earning under R300 a month, according to statistics for the first quarter of this year, released by Central Statistical Services in Pretoria.

SOWETAN Reporter

These wages are below the R526,39 a month minimum living level for a (black) family of six, as calculated by the University of South Africa for the same period.

Blacks in parastatal scientific councils and general affairs departments are best off, with average salaries of R952 and R830 a month

respectively in the first quarter. But in own affairs departments, the wages average R295 a month and in other parastatal institutions R349 a month.

The statistics show coloured wages/salaries to average R910 a month and those of Indians R1512, compared with the R2070 average for whites.

But the public sector, which has lost thousands of skilled white workers

to better-paid jobs in the private sector, is unlikely to forfeit its 1,6 million black workers.

Without strong negotiating powers such as those of the trade unions, with strikes "unthinkable" because of the disruption to essential services, and with little prospect of jobs in the private sector anyway, labourers are often only too grateful for their jobs, even if the salaries are low.

OK workers win R105 a month more

JOHANNESBURG. —
The 65 000-strong Commercial Catering and Allied Workers Union of South Africa (Ccawusa) and OK Bazaars have

21-27/7/88
agreed to an across the board increase of R105 a month and a minimum wage of R500.

South
The two parties reached

a settlement last month but agreed not to publicise details of their agreement until union representatives had reported the deal to their members.

Other terms of the wage agreement include: No pay will be deducted from any employee who is absent on June 16; improved long service benefits; and part-time employees will receive two-thirds of the R105 across the board increase and two-thirds of the new minimum wage.

OK Bazaars has undertaken to continue its research into Ccawusa's demand for the recognition of traditional healers.

At the beginning of negotiations Ccawusa demanded — among other things — an across the board rise of R300; R700 minimum pay; a 25 percent staff discount.

There are about 22 000 workers employed by OK Bazaars. Of these some 11 000 are Ccawusa members.

Settlement

Ccawusa's national general secretary Vivian Mtwa told SOUTH the union could have achieved more than the settlement.

"We are not very excited about the agreement," he said.

"Our members deserve more than is being offered. But we are happy that an agreement had been reached."

The wage negotiations started in April and the agreement reached has somehow averted what could have developed into a major labour confrontation.

In 1986 Ccawusa was involved in a three-month strike that crippled OK Bazaars nationally. A total of 11 000 OK Bazaars' employees downed tools at the time.

Pay talks at brewery reach loggerheads

21/7/88 b/day
SA BREWERIES' beer division has declared a dispute with the Food and Allied Workers' Union.

Human resources director and negotiating team leader Rob Childs said yesterday the dispute came after three rounds of talks "characterised by ludicrous demands and disrupted by non-procedural actions" by the union.

SAB had offered a minimum wage of R4,60 an hour and improved shift allowances which, he said, together amounted to a 16% increase.

The union had originally demanded R10 an hour then R7,75.

"Taken with their demands for allowances, this amounts to

R2 200 per month. Overall their demands bear no relationship to existing market prices," Childs said.

The union had demanded a 12-week bonus, six to nine weeks annual leave, a 35% shift allowance and five times the normal hourly rate for working overtime on Sundays, he added.

SAB had on offer R940 a month for the lowest-paid shift worker and R1 280 a month for the lowest-paid continuous shift worker.

A senior blue-collar worker on continuous shift would, SAB said, earn R1 770 a month. — Sapa.

Thousands of Soweto Council workers strike

By Stan Hlophe

Thousands of Soweto Council workers went on strike over a wage dispute yesterday and resolved not to go back to work until their demands were met.

The decision was taken at a meeting of the South African Municipal Workers' Union (Samwu) held at the Tabernacle Church in White City.

"We have compromised a lot. Until our demands are met we will not go back to work," a union spokesman said.

The workers' demands include recognition of the union, the disbanding of the "sweetheart" staff association, and salary upgradings restropective to July last year.

"What we are asking from the council is the minimal living wage. We are paid peanuts while the white officials and councillors are earning fat figures," the spokesman added.

The strike follows a deadlock be-

tween the workers' delegation and the management committee at a meeting on Monday.

Workers have further accused the council of using "coercive" methods to involve workers in the rent impasse.

"We are workers, not agents for the council. If they fail to talk to the true representatives of the people, then they should not involve us," the spokesman said.

The spokesman added that the union took exception to the letter from town clerk, Mr Nico Malan, stating that the strike was illegal and that they were in breach of their working conditions.

Soweto's mayor, Mr Nelson Botile, refuted the union's allegations. He maintained the council was prepared to meet their demands, but was short of funds.

Mr Botile also denied that the council attempted to use workers in a bid to solve the rent boycott.

22-28/7/88
w/ mail

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22

WEEKLY MAIL, J.L.

Stars on strike: Musicians join the workers

POPULAR musicians Ray Phiri and Lucky Dube and the band Stimela are on strike.

They have decided to act in concert with some 400 workers who are staging a wage strike at the Gallo recording company in Johannesburg.

The strike began a week ago after Gallo rejected the workers' demands for an across-the-board wage hike of R262 a month during wage talks with the Commercial Catering and Allied Workers' Union (Ccawusa).

Solidarity between black musicians and anti-apartheid groups has been on the increase in the last two years.

Stimela and Ray Phiri, for example, were due to perform at the banned birthday concert for Nelson Mandela

By EDDIE KOCH

at Fun Valley last week and other bands have frequently performed at benefit concerts for workers.

Trade unions have also begun to form their own choirs and traditional dance groups in an attempt to build a working class culture in the country.

But this is the first time commercial musicians have performed in such close harmony with workers on strike.

Other groups that have joined the strike include Volcano and Plush.

"These guys feel their music has made huge profits for the company and the workers should receive the benefits of this," says Ccawusa orga-

niser Abie Ramalope.

"They feel they are fighting a common goal for increased wages and better conditions of employment."

The musicians have informed Gallo they will not go into the recording studios until the dispute with the union has been resolved.

A Gallo representative confirmed that workers at Gallo's head office and their warehouses have been on a legal strike.

He declined to comment on the implications of the musicians' decision to participate in the strike for the company on the grounds that this could prejudice sensitive arbitration talks planned for tomorrow.

The workers' other demands in-

clude a call for the recognition of traditional healers in the company's medical aid scheme.

They also want a 13th cheque in December, a reduction in the working week from 45 to 40 hours and increased annual leave.

Ramalope feels participation by musicians in the strike is an important step in attempts by anti-apartheid organisations to mobilise commercial artists behind their cause.

"These musicians are always travelling around the country and maybe now they will put lyrics into their songs about the workers' struggle and conscientise people with their music."

Drawing the line

Wage settlement levels at unionised companies have begun to flatten out this year — the third or fourth round of collective bargaining for many large firms in SA. Aside from the "impact effect" of first-time wage negotiating with unions having worn off, part of the reason is that some of the initial "guilt" payments, particularly at the lower end of the wage scale, have already been made, and certain glaring anomalies have now been rectified, suggests Pat Stone of the industrial relations consultancy Andrew Levy & Associates (ALA). 22/7/88.

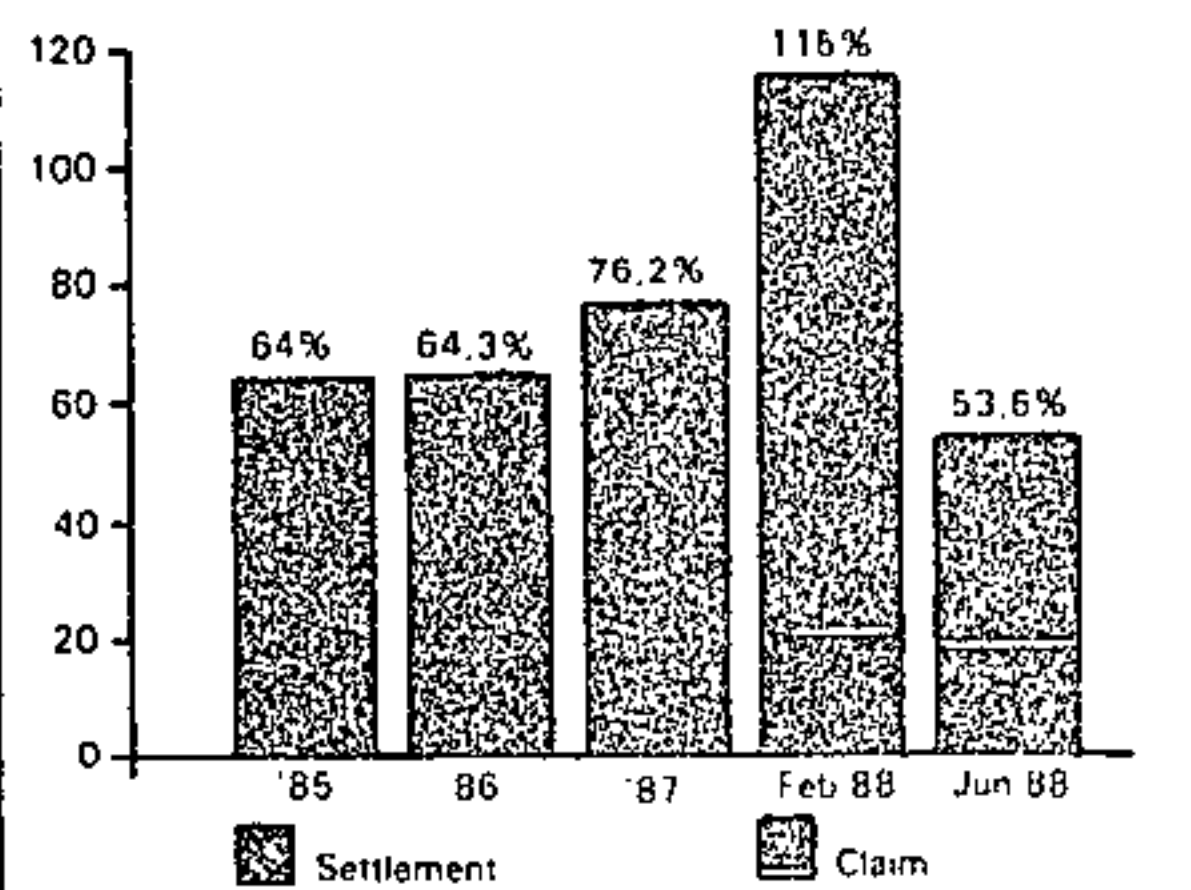
Their surveys show average wage rises expressed as a percentage increase on payrolls as 13,7% in 1985, 15,5% in 1986, and 17,2% last year. In February 1988, the figure stood at 19,7%, which dropped to 17,6% in June. Indeed, NUM's recent deal with the Chamber of Mines, which will mean a 15% rise in the wage bill, more accurately reflects the trend than does Pick 'n Pay's 22%, which was largely a concession made in the light of the firm's 21st birthday party earlier this year.

ALA's Stone observes that the unions have in recent years employed a variety of successful strategies to achieve substantial increases in minimum wages. However, this has resulted in heightened management awareness of productivity and greater scrutiny of wage demands and conditions — especially against the backdrop of more than 9m man days lost as a result of industrial action last year and the unions' three-day political protest in June. Managements are now determined to bring the issue of stayaways to the bargaining table.

The employers' tougher stance comes despite generally improved (consumer-led)

Narrowing the gap

Gap between the level of claim and settlement
(Average level of claim/settlement
as a percentage of payroll)



FINANCIAL MAIL JULY 22 1988

this is done out of frustration at union heel-dragging, but more and more it is a case of being better placed to institute a legal lock-out.

In similar vein, employers have this year begun to find counters to the union tactic of overtime bans (which may well be part of the metalworkers' action, short of an all-out strike, against Seifsa later this month); and they are effectively drawing the line at only two red-letter holidays: May 1 and June 16.

Union recourse to strike action in pursuit of wage demands remains at around 37% of all negotiations, although the number of man days lost as a result has declined (*Leaders* July 15). However, says Stone, Cosatu this year appears more cautious about striking unless there is a reasonable chance of success.

thermore, according to Stone: "Undoubtedly, Cosatu strategists will be assessing the impact of their policies in respect of stayaways and disinvestment as the wage bargaining outcomes of 1988 unfold."

Linked to the evident reigning in of wage increases, the trend in unions' opening demands also seems to be that of moving down to more realistic levels. Currently, these are at 53,6% (finally settling at 17,6%), compared to 76,2% last year and 64% for openers in 1985 and 1986. The NUM has led this trend, followed by the chemical (CWIU), food (Fawu) and paper and wood (PPWAWU) unions. Cawusa, meanwhile, sticks to its maximalist approach with demands exceeding 100%. According to ALA, though, reduced initial demands in no way reflect lessened union resolve; rather, they challenge management more effectively in terms of counter-proposals.

The growing sophistication and toughness of companies' labour negotiators, ALA finds, has put a brake on their earlier propensity to settle quickly.

This year so far, the average time between opening demand and settlement has been 87 days, compared to an average 69 in the previous three years.

While the frequency with which disputes are declared during negotiations remains at under 40%, employers seem increasingly to be going on the offensive by declaring a dispute before the union does. Sometimes

economic performance and higher profitability over the past year. But financial sanctions are biting, causing constraints on growth and, therefore, employment opportunities. Pretoria economist Professor Piet Haasbroek warned at an ALA bargainers' meeting in May: "With a surplus of labour and the general scarcity of capital in a developing country, wages should be relatively low, while interest rates, being the price of capital, should be high. With negative real interest rates and relatively high wages in SA, the opposite holds true. Given the disastrously low growth rate of labour productivity, demand for higher wages creates a strong incentive for mechanisation, thereby restricting job creation."

Government's exhortation to the private sector to keep down wage increases to counter inflation (although its "general wage freeze" in the public sector looks distinctly leaky) is another factor colouring — no more than that — wage settlements this year. According to Stone, the minister of manpower has begun to question the level of increases negotiated through the industrial council machinery where these appear to him to be contrary to government's anti-inflation policy.

All of this doesn't bode well for Cosatu's hitherto successful "living wage" campaign. Employers, in what might now be called their "post-guilt complex" phase, now question the very concept of a living wage. Fur-

Meeting over pay dispute

The current wage dispute between Checkers and the Commercial, Catering and Allied Workers Union (Ccawusa) will be discussed at a meeting of the union's members in Soweto on Sunday.

The meeting will be held at the Methodist Youth Centre in Central Western Jabavu at 10 am. *Star 22/7/88*

● A 300-member congress of the Amalgamated and Textile Workers' Unions (Actwusa) this week endorsed the union's participation in the proposed front of anti-apartheid organisations, decided upon by the Congress of SA Trade Unions in May.

Actwusa said delegates had also decided to restructure the organisation to ensure "greater democracy, accountability of leadership and greater participation by workers".

At the congress, Mr Amon Ntuli was elected president and Mr John Copelyn was elected general secretary of the union.

355 ~~THREATS~~ ~~THREATS~~
● Ccawusa this week accused the management of the Savells furniture store in Mafikeng of threatening 17 members with dismissal and dismissing another for belonging to the union.

A management spokesman said: "The company subscribes to freedom of association and denies that any employee is victimised or disciplined as a result of their union membership".

The company and the union had agreed to have an informal meeting to discuss Ccawusa's allegations.

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Companies should uphold decisions

Seifsa says no to bargaining over some demands

A SEIFSA document circulated to members last week and acquired yesterday by Business Day strongly advises metal sector firms not to enter into company-level bargaining with unions on demands already rejected by Seifsa at the Industrial Council.

The circular, dated July 20, anticipated pressure by International Metalworkers' Federation unions for in-house bargaining on the demands. Last Thursday saw the first of several strikes aimed at such negotiations.

The document warned that company level bargaining would "seriously undermine the national negotiating strategy and could, moreover, commit such companies to a long-term obligation" to bargain at this level.

It, and an earlier circular, anticipated disruptive actions including selective strikes, overtime bans and go-slows. Since July 1 there has been no council agreement.

It advised employers to follow various guidelines.

The document also urged employers to continue to attempt to get written individual undertakings from employees that in return for implementation of the final Seifsa

ALAN FINE

offer they will participate in strike action.

Meanwhile workers at three metal sector firms yesterday returned to work while those at another two embarked on strike action, according to information supplied by Seifsa and the National Union of Metalworkers of SA.

Seifsa director Brian Angus said the three plants returned to normal without the companies having made any new concessions to employees, while strike action began at another. He declined to name them.

Numsa spokesman Peter Daantjie said action also began at Dorbyl Palaborwa. Angus was unable to confirm this. Numsa and Seifsa have confirmed strikes at Femco, Brits and the East Rand firms of Denver Metal, Tilley-MacMill (T-M) and National Bolts where, according to Numsa, three separate plants are affected.

Negotiations are underway at some of these firms.

The IMF negotiating team is due to meet today to plan overall strategy. Unionists have said the strikes were not centrally co-ordinated.

More than 30 000 workers affected, says union

Tradegro firms in dispute over wages

8/dec 29/7/88

THE Commercial, Catering and Allied Workers' Union (Ccauusa) had declared disputes over wage increases with Tradegro companies Checkers, Frasers and Metro, a union spokesman said at the weekend.

Wage negotiations were also being conducted at two other Tradegro companies, Jazz and Smart Centre. Another Tradegro company, Fairways, was about to begin wage negotiations, a union statement said.

The union said more than 30 000 workers were affected directly or indirectly by these negotiations.

Dispute meetings had been concluded and conciliation board hearings applied for at Checkers and Metro. A dispute meeting was scheduled for Frasers next week.

"Fairways wage negotiations

will begin shortly and the union intends entering into wage negotiations with Wanda Furnishers and Dions, all Tradegro companies.

"All Tradegro companies have started wage negotiations on an exceptionally low base and are making, in the view of the union, low wage offers in spite of the improved financial situation in the retail trade.

"This is seen as a deliberate and concerted attempt by Tradegro and its majority shareholder, Sanlam, to negotiate low wage settlements this year.

"In 1987, Tradegro made a profit after tax of almost R42m.

"It is estimated that Sanlam controls 11% of all shares listed on the stock exchange, making it second only to Anglo American in this respect.

"For the year ended September

30, 1987, Sanlam reported its assets exceeded its liabilities by R1,4bn.

"Most directors of Tradegro companies earn more than R1 000 a week per company, many being directors of several companies.

"While Tradegro and Sanlam make these profits and their directors earn thousands of rands a week, the minimum wages vary from as low as R300 a month at Frasers to R410 a month at Checkers and Metro," the union said.

CHRISTOPHER TUCHER reports Tradegro denies the union's argument. "The claims are puerile and infantile. Sanlam has nothing to do with the wage negotiations," said Donald Masson, a Tradegro executive and, come October, Checkers chairman.

Tradegro CE Mervyn King said he had no comment. — Sapa.

Fawu condemns faked pamphlet

THE Food and Allied Workers Union yesterday condemned the authors of a mysterious pamphlet which seemingly sought to promote rivalry between itself and another union in the food sector, writes LEN MASEKO.

Fawu president, Mr Chris Dlamini, said the pamphlets — distributed at a number of East Rand factories — made "damaging allegations" against him and his union.

The allegations, he said, were:

- That he (Mr Dlamini) received double pay from the union and Kellogs in Springs, where the official is employed;
- Fawu was "in disarray" and its members should join the Food Beverage Workers Union;
- That Fawu members had been dismissed by their employer, Kanhym (Balfour), because a union official had failed to follow "correct procedure".

Mr Dlamini said: "It is not true that I am receiving a salary for being an official of the union. Only full-time employees of the union receive salaries".

Fawu viewed the mysterious pamphlets as part of a "concerted attack" by some employers.

Mr Dlamini said the FBWU had promised to investigate the matter.

"It is true that we had some misunderstanding within the union, but this was resolved at our congress. Our members are united," the Fawu official said.



FAWU official Mr Chris Dlamini.

Row over salaries

THE Commercial Catering and Allied Workers Union of South Africa has declared a dispute with three Tradegro companies, a spokesman for the union said yesterday.

Ccawusa official Mr Jeremy Daphne said the companies were Checkers, Metro and Frasers.

The union demands:

- Checkers: An across-the-board increase of R122 a month while the company offered R74,40;
- Frasers: A rise of R150 a month across-the-board against the company's offer of R80 a month;
- Metro: An increase of R140 a month while management's offer is R40 a month.

Mr Daphne said: "All Tradegro companies have started wage negotiations on exceptionally low base and are asking, in the view of the union, low base and are making, of the improved financial situation in the retail trade.

Labour Update

Gallo strike: mediation talks put back

Sowetan 26/7/88

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MEDIATION talks between Gallo Limited and the Commercial Catering and Allied Workers Union of SA to resolve a wage strike by the company's employees would resume at a later date, a spokesman for the company said yesterday.

The Gallo spokesman said mediation proceedings were scheduled to have taken place last weekend, but were postponed indefinitely after Ccawusa officials

failed to attend. He said the two parties would set a new date for the talks this week.

The legal strike involving about 850 Gallo employees country-wide, follows the collapse of talks between management and Ccawusa at a conciliation board meeting on July 8.

Ccawusa demands an across-the-board increase of R262 a month while management is offering R108 a month.

Other union demands

include a reduction of the working period from 45 to 40 hours, without loss of pay, 13th cheque in December, an extra week's leave, interest-free personal loans and recognition of tribal doctors in the medical aid scheme.

The strike took a new turn last week when music groups contracted to the record company refused to perform in solidarity with the workers. The groups are Stimela, Plush and Volcano.

By LEN MASEKO

New move in Sats wage dispute

By Mike Siluma
Labour Reporter

Mr Justice H R Jacobs to
inquire into the dispute.

NO AGREEMENT

The commission was appointed after a conciliation board failed to reach agreement.

The unions, which are demanding a salary increase of 17 percent, asked for the establishment of a conciliation board after declaring a dispute with Sats in February. Mr Niewoudt declined to give details of the Sats offer.

"Mr Justice Jacobs has already held preliminary discussions with the parties concerned and the hearing will commence

shortly. The recommendation of the commission will be binding," the Sats statement said.

Despite a special appeal by President Botha, the unions rejected the Government's suggestion in February that they accept a wage freeze.

The federation's chairman Mr Dudley Henn, whose membership earlier threatened strike action to back their demands, could not be reached for comment.

Since the commission's findings will be regarded as binding, a strike in the event of the unions' demand not being met is unlikely.

The five-month-old wage dispute between the SA Transport Services (Sats) and the Federation of SA Transport Services Trade Unions, affecting 185 000 employees, has been referred to a one-man commission, Sats announced yesterday.

Sats spokesman Mr Louis Niewoudt said the Minister of Transport, Mr Eli Louw, had appointed

SATS wage dispute inquiry ordered

Sowetan 26/7/88

(Handwritten initials)

(Handwritten 355)

A COMMISSION was appointed to decide the dispute over wages between the South African Transport Services and the Federation of South African Transport Services trade unions, SATS announced yesterday.

The Minister of Transport Affairs, Mr Eli

Louw, appointed Mr Justice H R Jacobs, as a one-man commission into the dispute between the SATS and the FSATS trade unions in regard to the federation's claim for a salary increase of 17 percent with effect from April 1988, a SATS statement said.

The commission was appointed after a

conciliation board made up of representatives of both parties failed to reach consensus on the federation's claim.

"Mr Justice Jacobs has already held preliminary discussions with the parties concerned and the hearing of the matter will commence shortly," the statement said.

"The recommendation of the commission will be binding." — Sapa.

Metal industry faces new action by trade unions

By Mike Siluma,
Labour Reporter

The metal industry, plagued by a prolonged wage dispute between four unions and the Steel and Engineering Industries Federation (Seifsa), could be hit by large-scale industrial action next week.

Four South African unions affiliated to the International Metalworkers Federation (IMF) said today that union leadership had recommended "strategic industrial action" to induce Seifsa, the employer body, to agree to re-open talks on wages.

Union members are to meet this weekend to make a decision on the recommendation.

At the same time, said a union spokesman, 66 metal companies had agreed to re-open negotiations with the unions on the wage issue.

CONTRARY

This is contrary to a Seifsa directive that employers not deviate from Seifsa's final offer.

The union spokesman said workers had already taken strike action at seven metal firms, demanding that employers agree to "move away" from the Seifsa position on the issues of wages and holidays.

He added that the unions had indicated to Seifsa that they were prepared to recommend that members lower their demand for an hourly minimum from R3,65 to R3,21 — 20c above Seifsa's last offer. The union offer, was subject to the employers agreeing to re-open talks in the first place.

Seifsa comment was pending at the time of going to press.

Call times 1/8/88
Workers' wages up

Own Correspondent

JOHANNESBURG. —

Minimum wage rates for labourers negotiated since the beginning of the year have increased over their 1987 levels by an average of 22,9%, according to a survey conducted by the Cape Town-based Labour Research Service (LRS).

The LRS, which supplies services to trade unions, based its findings on a survey of 86 industrial council and in-house settlements negotiated in the period to early July.

The survey found that despite the State President's call for wage restraint earlier this year, the average percentage increase rose.

High hopes on pay deals

PRETORIA — A new deal for central government workers in pay disputes is expected to be made law next year.

After lengthy discussions between the Public Servants' Association and Commission for Administration a recommendation has been made to Cabinet that negotiating machinery should be set up providing for arbitration.

The association said that now central government workers could make representations on pay only to the commission.

The Public Service Advisory Council was, said the association, a mule with no real powers to back demands.

GERALD REILLY

Association GM Hans Olivier said he hoped legislation would go through Parliament next year to provide for negotiating machinery.

If it did it would be used for the first time in negotiations for pay hikes for the 1990-1991 financial year.

He added that legislation would end the take-it-or-leave-it system which left staff associations powerless.

Senior public servants are confident that, after the current pay freeze, increases of about 20% will be granted from April at the latest.

Wage deadlock remains

NO PROGRESS was made in resolving the four-week-old deadlock in wage negotiations between Checkers and officials of the Commercial Catering and Allied Workers' Union of SA (Ccawusa), a Ccawusa spokesman said at the weekend.

But Checkers' Group MD Serge Martinengo said progress had been made during mediation

and the parties would meet again on Wednesday.

Ccawusa said although management had explored settlement options during mediation, no official offers had been made.

Ccawusa's demands include a R122 across-the-board increase. Checkers is offering R74,70.

BRONWYN ADAMS

August 9, 1988

te

Settlement is reached

THE Black Health and Allied Workers' Union of South Africa and Kemtrade Distributor recently reached a wage settlement which raised minimum pay to R520 a month, a spokesman for

the union said this week.

Mr Sipho Ngwenya, Bhawusa official, said the two parties had agreed, in addition, to an across-the-board rise of 33 percent and recognition of June 16

and May 1 as paid public holidays.

The official said: "This is a victory for our members because Bhawusa has been generally known as a sweetheart union."



ABOUT 200 delegates attended the two day Nactu congress, here they rose to sing the National Anthem at the end of the conference.

Agree to negotiate

THREE of the companies involved in the metal workers' strike had agreed to negotiate wage increases in excess of the 17.4 percent offered by the industry, the Steel and Engineering Industries

Federation of SA said in a statement released in Johannesburg yesterday.

It added "employers on the whole" were determined to resist union demands for a bigger

increase.

A total of 113 companies in the metal industry experienced strikes yesterday, involving 15 400 workers, Seifsa said. — Sapa.



NATIONAL

Town clerk — now it's a R99 000 job!

By ANTHONY DOMAN
Municipal Reporter

A COUNTRYWIDE job "evaluation" for town clerks has lifted the salaries of chief executives of major cities — including Cape Town — to nearly six figures.

The evaluation was carried out by the Board on Remuneration and Service Benefits of Town Clerks.

According to a notice in the Government Gazette the top basic annual

salary, for a town clerk in a grade 15 municipality is now R99 495, backdated to July 1. A grade one official receives R29 040.

Cape Town and Johannesburg are grade 15 municipalities.

A town clerk in a city the size of Pretoria (grade 14) is paid R90 876.

In the Western Cape where, apart from Cape Town, municipalities are graded 10 or lower, most town clerks will earn medium-sized salaries.

Bellville and Paarl are 10s and there are several grades eight and seven. The lowest-graded Peninsula municipality appears to be Fish Hoek, which is grade three.

Town clerks also get a non-pensionable entertainment allowance.

Other perks include the cost of installation of a their telephones, "if applicable," and payment of the telephone rent.

In addition a town clerk may, "according to his discretion," claim for official calls made from this phone.

Town clerks are also entitled to car loans of between R48 000 and R88 000, depending on the municipality's grading. The town clerk of Cape Town could borrow R88 000 and of Bellville,

R68 000, repayable at favourable rates.

The chairman of the remuneration board, Mr J F M van der Merwe, would not say what town clerks earned before.

However, this was not a simple salary increase.

"For the first time we have evaluated town clerks' posts," he said.

About turn on employee benefits

By AUDREY D'ANGELO
Financial Editor

BLACK trade unions have become extremely sophisticated about employee benefits — demanding packages tailored to meet the needs of their members — and all the major life insurance offices have been courting them in recent years.

Dave Geary, senior marketing manager (pensions) at Sanlam explained yesterday: "Black pension and provident fund business amounts to at least as much as white. Although on average black wages and salaries are lower than white, there are many more blacks than whites in the total workforce and numbers are growing."

Sanlam, Old Mutual and Southern Life are among life offices which emphasize that the days of "paternalistic" schemes are over and that employers should consult the workforce on the benefits they want. All three advise that worker representatives, either through the union or from the shop floor, should be among

the trustees of pension or provident fund schemes.

Against this background Old Mutual has offered a package of what appears to be three existing schemes, all offered by all the major life offices — pension scheme, provident fund and group savings scheme — as a new product under the name "bridgebuilder."

An announcement accompanying the launch this week laid great emphasis on the fact that the scheme does not tie up all a worker's contributions but makes money available as loans when it is needed, and gives complete flexibility to meet individual requirements.

Old Mutual's group marketing manager, Eric Le Roux, explained that this was done by putting each individual worker's arrangements on a computer. The worker can choose whether to belong to a pension scheme, with regular monthly payments after retirement, or a provident scheme with a lump sum payment. He can decide his retirement age. He can also decide how much to pay into a

Funds can be withdrawn from the pension or provident scheme — up to the amount he has contributed — only towards the purchase of a house. But he can withdraw money he has invested in the group savings scheme at any time when faced with a "life crisis."

Pointing out that lower-paid workers usually have no chance of a bank overdraft, Le Roux said that many left jobs if they needed money, purely to recover their pension contributions, and later suffered hardship as a result.

Geary said Sanlam could also offer complete flexibility to any organization by offering a choice between pension and provident funds and had been offering such packages for 10 or 12 years. Its research showed that 94% of lower-paid workers realized the necessity of providing for retirement, and 51% preferred a single lump sum to a monthly pension while 49% preferred a pension.

But, Geary said, although Sanlam provided group savings

schemes when required it had never actively marketed them. "To utilize funds earmarked for long-term needs to meet short-term needs does not make sense."

Geary agreed that such schemes might not be the best way of saving because there was a risk of double taxation if a contributor withdrew funds from a group savings scheme set up through an insurance policy. The insurance company was taxed on the proceeds, and the individual could also be taxed on any funds withdrawn in less than 10 years.

Charles Davies, Southern Life GM (employee benefits) said that Southern strongly advocated consultation with employees over benefits and had stressed its importance in a statement issued two and a half years ago.

This was one of the reasons for its success in this market. It provided flexible schemes "we are like a pantry. We can provide what the organization wants us to."

Strife in Ccawusa holds up pay talks

BRONWYN ADAMS

ANNUAL wage negotiations between the Commercial Catering and Allied Workers' Union of SA (Ccawusa) and Woolworths, due to begin this week, have been further delayed by a union split.

Ccawusa general secretary Vivian Mtwla said negotiations were held up when some shop stewards loyal to the "breakaway" Papi Kganare group made independent and "unconstitutional" arrangements with management on representation during wage negotiations.

Mtwla said only delegates chosen according to official procedures should constitute the negotiating team and rival self-appointed stewards excluded.

Mtwla said, however, he had agreed to an invitation by management for a joint meeting today between eight representatives of each group to discuss their differences.

The internal union dispute led to a strike at more than 20 Woolworths branches last month. Mtwla was uncertain as to whether further strike action would occur if Kganare representatives were excluded from the bargaining team.

Management refused to comment because of the sensitivity of the issue.

The Papi Kganare faction was unavailable for comment.

Strikers due to return

By Adele Baleta

At least 180 Gallo Africa employees were expected to return to work today after a three-week wage strike.

A wage settlement was made on Monday between the company and the Commercial Catering and Allied Workers' Union (Ccawusa).

About 864 workers would benefit from the agreement, a Ccawusa spokesman said.

It was agreed that employees would receive a R120-a-month across-the-board increase back-dated to April 1 1988, a Gallo spokesman said.

Ccawusa had demanded a monthly increase of R262.

GRATUITY

The company also agreed to pay a Christmas bonus equivalent to three weeks' wages and a retirement gratuity on a scaled basis to permanent employees, who would also qualify for an extra week's leave after five years' service.

Traditional doctors would be recognised for a trial period of one year.

This was on the basis that employees would be entitled to five days' sick leave a year within the recognised sick leave cycle on presentation of a traditional doctor's certificate.

Stay 10/8/88

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would cut by half the number

Settlement on wages at De Beers

12/8/88 ALAN FINE

DE BEERS and the National Union of Mineworkers (NUM) this week reached agreement on their wage dispute — the last major one in the mining industry this year.

The settlement, which provides for a 15% wage increase for 9 655 union members at five De Beers diamond mines and the geological department, was signed days before the expiry of the 30-day period allowed for the establishment of a conciliation board.

NUM assistant general-secretary Marcel Golding described the agreement as "satisfactory in the circumstances". It takes the De Beers minimum monthly wage to R553.

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Security

He said it also entrenched parity in wages, annual leave conditions and shiftwork times in the different De Beers divisions. This, he said, was largely to bring conditions at the Premier mine up to the same standards as the others.

The agreement further provides for one year's income security for members in the event of incapacity and an "inconvenience" allowance for members who spend nights doing fieldwork.

Golding described the latter as a breakthrough: previously such allowances were granted to whites only.

De Beers added the agreement provides for a paid holiday on May 1 each year and an unpaid holiday on June 16.

ossible says Mellet

De Beers and mineworkers agree on wages

The National Union of Mineworkers (NUM) and the world's biggest diamond producer, De Beers Consolidated Mines, have reached a wage agreement for 1988, a mine spokesman announced yesterday.

The spokesman said

both parties had agreed on a 15 percent wage increase for the NUM—represented categories on De Beers' South African mines and in its geology department.

In terms of the agreement, the minimum pay

of an unskilled employee would be R553 a month.

The final NUM demand before declaring a dispute was 20 percent across-the-board.

The agreement also provided for improved benefits, including a paid holiday on May 1 and an

unpaid holiday on June 16, the spokesman said.

Although both parties had applied for the establishment of a conciliation board following the declaration of a dispute, the agreement now reached makes the board unnecessary," he added.

Worker couldn't keep up the pace

By STAN MHLONGO

SPEED kills, so the saying goes – but for Vaal employees who have to clean 100 beef shins to pocket a salary of R10 a day – speed is of the essence.

Thandi Ndlebe, 28, this week quit her job and turned her back on the only means she had of earning money to make ends meet. Ndlebe was one of about 100 people working at Drie-hoek Afval Produkte – a butchery near Evaton.

City Press visited Drie-hoek this week and brought a beef shin for R1.

Simple arithmetic shows that the scores of women who clean the shins are paid 10c a shin.

Ndlebe, who is now unemployed, said she could not reach the target of 100 shins a day, which would qualify her to earn R10.

"As a result, I often used to take home a meagre R2.50 for cleaning 20 or 30 shins," she said.

Once she started working at Driehoek, she immediately regretted her decision, she added.

"The going was tough. I could not get used to the job.

"Often we had to wash the fore-quarters with cold water as early as 7am.

"I knew I was running the risk of getting rheumatism," Ndlebe said.

A spokesman for Drie-hoek, Basie Bierman, told City Press his workers were earning more than R10 a day. He said workers were paid a weekly rate.

He added that the company did not employ temporary workers and that he had never heard of Ndlebe.

She also did not appear on the company records, he added.

11-17/88
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Gallo settles wage dispute

JOHANNESBURG. — A record company and the Commercial Catering and Allied Workers Union of South Africa this week settled a three-week wage dispute involving 180 workers

A Gallo spokesman said the workers were expected to return to work this week

The workers will receive a R120 a month increase across the board backdated to April 1.

The company also agreed to pay a Christmas bonus equivalent to three weeks' wages, and a retirement gratuity.

Blacks babies' - worth R12,50!

11-7-78 1888 *Scarf*
EAST LONDON. - The man who once said "blacks are babies and must be treated as such" has shown that he meant what he said by paying wages of R12,50 a fortnight.

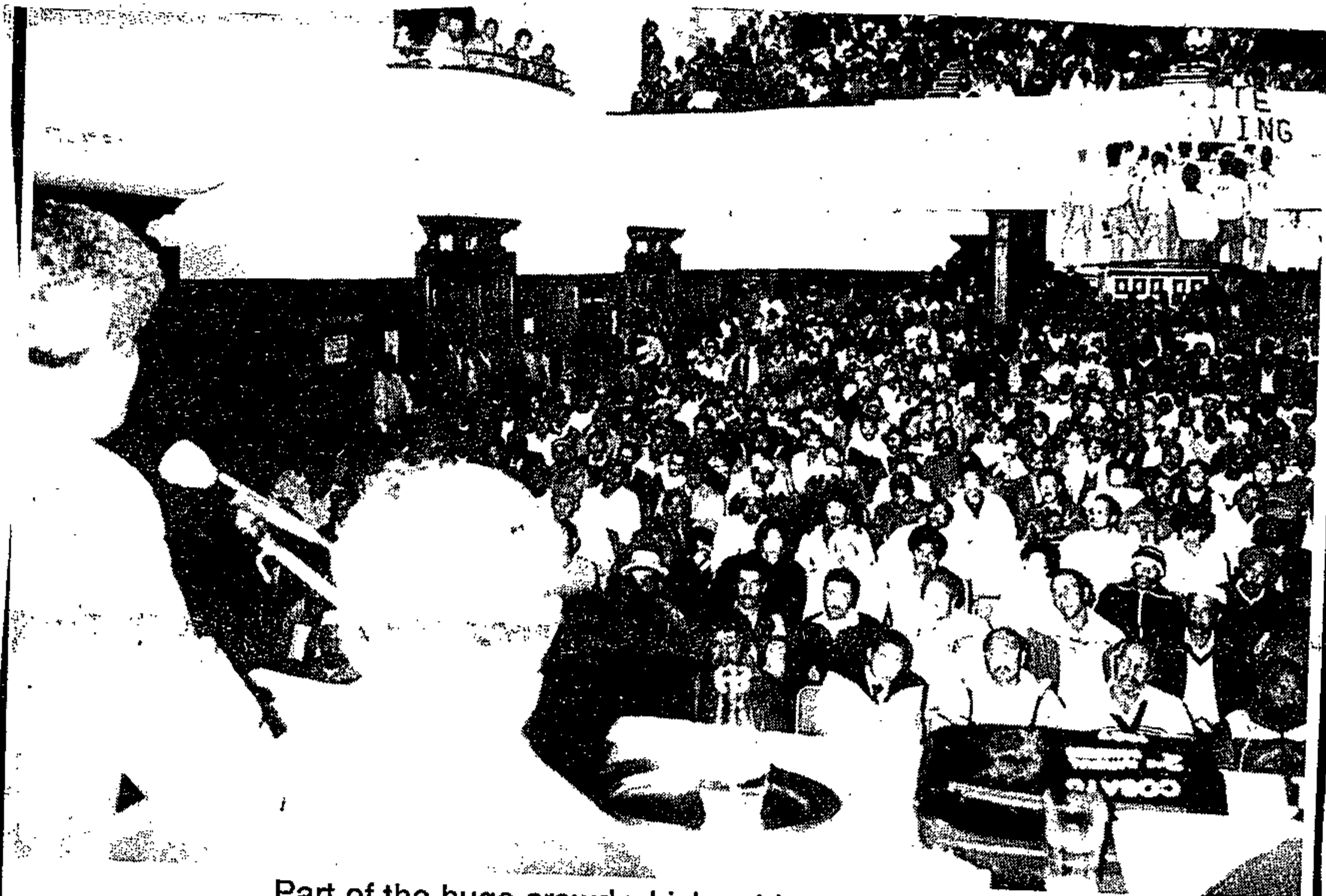
Moyisile Eusobio Dayimani, 25, said he was working for Shevil's Diamond Polishing and Trading Company from October 26 last year until he resigned when the

firm demanded he sign a contract accepting a fortnightly wage of R12,50. Dayimani resigned after three days.

He was paid R19 for those three days, which included sick leave and other benefits.

Mr Samuel Nassimov refused to respond to the allegations on the telephone and asked for written questions. - ELNEWS

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Part of the huge crowd which said no to council's wage offer

It's 4 000 NOs

CAPE Town's municipal workers have turned down the city council's offer of five to 15 percent wage increases.

At a heated meeting in the City Hall this week, about 4 000 workers told the South African Municipal Workers Union (Samwu) to demand a minimum wage of R4 an hour, an increase of 64 percent.

The union should also negotiate an increase of not less than 14 percent for higher paid workers, when they begin annual wage negotiations for the city's 11 000 municipal workers.

The present minimum wage is R2,57 an hour (R118,66 a week). This would increase to R2,96 an hour (R136,45 a week) if the council's offer of a 15 percent increase for lowest paid workers was accepted.

Samwu's Cape Town branch secretary, Merle Brown, said the City Hall meeting gave an indication that the standard of living of municipal workers was eroding.

"Many workers spoke about their hardships and how they cannot cope with price increases. Some spoke of how they have had to take their children out of school to help make ends meet.

"They could not accept that the council might not be able to afford to pay a minimum wage of R184 a week or the other increases demanded.

A council spokesperson said they were awaiting official notification from the union before they would comment.

11-17/8/88

[Handwritten signature]

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Sartz

No promises of teachers' salary hikes after talks

GERALD REILLY

PRETORIA — The Teachers' Federal Council (TFC) has again had "fruitful" discussions with National Education Minister F W de Klerk but no undertaking on general salary increases for the profession.

The TFC met De Klerk and Education and Culture Minister Piet Clase in Pretoria yesterday to discuss the salary backlog and the deteriorating financial plight of teachers.

In a statement afterwards TFC chairman Dudley Schroeder said the council and the minister had evaluated the TFC representation for salary hikes against a background of the deteriorating economic condition.

Schroeder told De Klerk general salary adjustments were urgently needed to prevent the pay backlog from reaching unmanageable proportions.

De Klerk undertook to convey the TFC representations to government.

Schroeder also stressed the concern felt at the resignation rate in the profession and its adverse consequences for education.

The TFC was informed that the Cabinet had considered requests by teachers who applied to buy back pensionable service on or before September 21 last year in terms of the formula applying then.

A final decision was expected soon Schroeder said.

6/10/88
18/8/88

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500 down tools

ABOUT 500 members of Food and Allied Workers' Union have downed tools at seven of the Irvin and Johnson plants demanding higher wages and better working conditions.

A Fawu spokesman said the strike revolved around workers' demands for a minimum hourly rate of R3,71, paid maternity leave and a service bonus

of R50 a year. In addition, Fawu members demand recognition of June 16, March 21 as paid holidays.

The company, he said, had made a final offer of R3,21 an hour as a minimum rate and R20 for 14 weeks' maternity leave.

Some far
18/8/78

Give us more time, De Klerk asks teachers

Cape Times 19/8/88 355
Political Staff

DURBAN. — The Minister of National Education, Mr F W de Klerk, has asked teachers to give the government more time to find extra money to raise their salaries.

But he assured the Natal National Party congress yesterday that the government was fully aware of the hardships educators were suffering and would increase salaries at the first possible opportunity.

Delegates warned earlier that teachers were leaving the profession, education standards were dropping and the government was "playing with our future".

"We are just as worried as you are about the points highlighted here today," said Mr De Klerk.

"Our short-term problem is not whether we want to do something, but how to do it in the difficult times facing the country."

Other forms of income had to be generated and the government was trying to generate this through savings, privatization, deregulation, better management and rationalization.

He asked for more time against the background of government promises to increase salaries from December 1.

The December increase would merely close the gap between teachers' salaries and those of private enterprise.

By DAN DHLAMINI

A WHITE Potchefstroom

employer dumped 14 workers far from their home after they had refused to work for less than the wage he had promised when he recruited them.

The Northern Cape and Western Transvaal Council of Churches said the workers - from Matsulu near Nelspruit - were abandon-

Rip-off 'employer' dumps workers far

done by the employer at Potchefstroom after they had left their homes to work for him.

Council field worker Levy Present said this was the third time this year that labour recruits had been left stranded in Potchefstroom by employers who were looking to exploit

cheap black labour. The men are: Bethuel Mogane, Bongani Nkosi, Lawrence Maseko, Phineas Manzini, Eric Mkhabela, Rabbi Makam, Sam Ndlovu, Phineas Phika, Solomon Mabaso, Jeremiah Mavimbela, Aaron Ngomane, Absalom Sibya, Amos Selepe and Akim Banda.

Nkosi, the spokesman for the group, said the man had told them he needed "hard workers" who would not take part in industrial action for his wood factory in Potchefstroom. He promised them R200 a week and hostel accommodation.

"On our arrival at Potchefstroom, he took us to a farm where we slept in his garage," Nkosi said. "The following day, he told us his boss said he would only pay us R7 a day. "We refused and he said he would talk to his boss.

"He dropped us saying the boss would come and talk to us. "That was the last we saw of him," Nkosi said. The workers did not know the man's name and only recorded his vehicle registration number, LCB 600T.

When City Press approached Potchefstroom's traffic department, chief traffic officer Nick Cilliers declined to reveal the identity of the owner of the vehicle. Nkosi said the workers were stranded without money or means to get

home.

They sought help from the Department of Home Affairs in the town, where officials said they could not help them.

Finally, they approached the council's branch offices, where they were given food and bus fare to

return to Nelspruit.

Present said the council had vowed to track down the labour recruiter and "bring him to book".

He said the first group of workers who had been exploited, were from Taung in Bophuthatswana and the others were from Siyabusa in KwaNdebele.

Both groups claimed that they had been left stranded by white building contractors who left them without food, accommodation or money after they had completed their job. Rev Harold Brooks, the organising secretary for the Northern Cape and Western Transvaal Council of Churches, said the church would continue to help victims of exploitation.

the past 10 years; if so, (a) what aspects in respect of each such department and organizational component and (b) when in each case;

- (2) whether such privatisation has resulted in financial gain to the State; if so, what steps were taken in respect of the funds so gained?

THE MINISTER FOR ADMINISTRATION AND PRIVATISATION

- (1) Privatisation in the form of farming out of work has been taking place for many years over a wide spectrum of government functions. Complete details are not available. Since the Government's privatisation program was launched during December 1985, the following activities have been privatised in full:

- (a) (i) The grading of butter and cheese by the Department of Agricultural Economics and Marketing was ceased and is at present being undertaken by the dairy industry.
- (ii) The regulating of cotton standards by the Department of Agricultural Economics and Marketing was handed over to the Cotton Board.
- (iii) The Department of Transport entered into agreements with two consortiums for the con-

struction and maintenance of certain roads for a period of 25 years and to run these as toll roads.

- (b) (i) 1 January 1987.
(ii) 1 November 1987
(iii) 22 and 25 March 1988.

- (2) As no assets have been alienated, there was no financial gain. However, there was a reduction in operational costs and consequently a saving in expenditure to the State.

Debt: long-term/short-term

1116. Mr C J DERBY-LEWIS asked the Minister of Communications:

- (1) What was the total long-term and/or short-term debt of his Department as at the end of the (a) (i) 1982-83 and (ii) 1984-85 financial years and (b) latest specified financial year for which figures are available;
- (2) How much of this debt in each such financial year was attributable to foreign exchange losses?

THE MINISTER OF COMMUNICATIONS:

- (1) The total long-term and short-term debt of the Department at book value at the end of the financial years indicated was as follows:

	Long-term debt (Foreign and Domestic loans)	Short-term debt (Savings Bank Investments)
(a) (i) 1982/83	R 756 444 497	R1 781 994 617
(ii) 1984/85	R1 908 067 849	R2 129 003 713
(b) 1986/87	R2 971 527 041	R3 442 895 403

- (2) None, since foreign exchange losses in the financial years in question were not financed from borrowed funds but from revenue and accounted for as financing costs.

Public Service: salary levels

1131. Dr P W A MULDER asked the Minister for Administration and Privatisation:

- (1) (a) (i) How many persons in the Public Service, including all statutory institutions
- (2) whether he will furnish particulars of the persons, excluding present ministers and

deputy ministers, who are at present remunerated at the said two levels; if not, why not; if so, (a) what are their names and (b) what posts are occupied by each of them?

THE MINISTER FOR ADMINISTRATION AND PRIVATISATION:

- (1) (a) (i) (aa) and (bb) None
(ii) 1 May 1988
- (b) Falls away
- (2) (a) and (b) Fall away

Public relations/advertising: consultants/agencies

1132. Dr P W A MULDER asked the Minister of Home Affairs:

Whether any division or directorate of his Department made use of external (a) public relations consultants, (b) public relations agencies, (c) advertising consultants and/or (d) advertising agencies in the 1987-88 financial year; if so, (i) for what projects, (ii) what total amount was spent on each project, (iii) what consultants and/or agencies were involved in each project and (iv) what procedure was followed in allocating these projects to agencies and/or consultants?

THE MINISTER OF HOME AFFAIRS:

- (a) to (d) No.

Regional magistrates: change to conditions of service

1178. Mr C J DERBY-LEWIS asked the Minister of Justice:

- (1) Whether his Department has permitted a change to be effected to the conditions of service of regional magistrates; if so, (a) what change, (b) when and (c) why;
- (2) whether any (a) (i) complaints and/or (ii) charges have been laid, and/or (b) other steps have been taken, against his Department for permitting this change to be effected; if so, what are the relevant details;
- (3) whether he has at any stage given an undertaking to the regional magistrates in question; if so, what undertaking;
- (4) whether he has honoured this undertaking; if not, why not?

THE MINISTER OF JUSTICE:

- (1) to (4) It is the function of the Commission for Administration to make recommendations or give directions concerning the conditions of service of regional magistrates. There is however (and always has been) an ongoing exchange of communication between the Department, the officials for whom it is responsible and the Commission on conditions of service. The Department is not in a position to permit or not to permit changes in conditions of service. It is not possible to identify any issues to which the Honourable Member may be referring. If he can be more specific in his question, I will attempt to give him the information he requires.

Tugela Ferry police station: convictions of offences

1186. Mr P C CRONJÉ asked the Minister of Justice:

- (1) How many convictions were obtained in each of the latest specified five calendar years for which information is available, in respect of persons charged at the Tugela Ferry police station with (a) murder, (b) culpable homicide and (c) assault with intent to do grievous bodily harm;
- (2) (a) how many persons convicted of offences in each of these three categories, received heavier sentences than five years' imprisonment and (b) what were the sentences in each such case?

THE MINISTER OF JUSTICE:

The required information is not readily available. To obtain the information all court records pertaining to the crimes concerned will have to be examined.

KTC area: progress in upgrading

1214. Mr K M ANDREW asked the Minister of Constitutional Development and Planning:

Whether, with reference to his reply to Question No 120 on 23 February 1987, any further progress has been made in the upgrading of the KTC area; if not, why not; if so, what aspects of this upgrading (a) has been and (b) remained to be completed as at the latest specified date for which information is available?

SAB offer by-passes union

SA BREWERIES' beer division has made its final wage offer to Fawu, upping minimum wages by 17%.

SAB human resources director Rob Childs said in a statement on Friday that after four rounds of negotiations, followed by mediation, there appeared to be no point in further negotiation.

"Our final offer of R4,70 an hour for the lowest-paid workers, and R6,46 an hour for the top grade, is the best available in the food and beverages industry. Taken with a substantial increase in shift allowances, it means a grade 1, continuous process shift-worker, working a 40-hour week, would earn a minimum of R1 278 a month, and a grade 5 worker a minimum of R1 757.

"Those wages are well above

both the inflation rate and other comparable wage settlements in this and other industries this year."

Childs said SAB was now appealing directly to its employees to consider the offer.

"I want to stress that at this stage the wage offer, backdated to July 1, is still valid."

He added that SAB was concerned that its employees had not received an increase from July 1 and so were being prejudiced.

"Negotiations this year have been characterised by procedural actions at various breweries.

"They have been complicated by the ludicrous original demands made by the union (for example five days' pay for overtime work on a Sunday), and we now question whether Fawu is acting in the interests of its members." — Sapa.

B/Daw 22/8/88

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Wages have gone up 355

SOUTH African workers now earn considerably more than at the beginning of the year, according to the Central Statistics Service, CSS.

The CSS said in a statement from Pretoria the average wage index for the second quarter of the year showed a 4,48 percent increase compared to the first quarter of the year and a 13,4 percent increase compared to the same period last year.

24/8/88 Savefan

R130 a month pay rise

18-24/8/88

South

DURBAN. — Workers at Spar outlets in Natal have settled their nearly month-long dispute over wages and other working conditions.

The Commercial, Catering and Allied Workers Union (Ccaawusa), and Spar had reached a settlement last week, according to union spokesperson Ms Fiona Dove.

In terms of the agreement, Spar will pay an across-the-board increase of R130 a month, bringing the minimum wage up to R655 a month.

"This is the highest minimum wage in the trade in South Africa", said the Ccaawusa spokesperson.

The union had also won June 16 as a paid public holiday in lieu of an official public holiday which had not yet been decided.

This was a major victory as the company had previously stated that it would not grant June 16 as a holiday for political and not financial reasons.

Other points of agreement were:

- Half-day off on Christmas Eve;
- Commitment to negotiate a housing policy with an interim emergency housing and welfare fund to the value of R100 000;
- Subsidised transport between Phoenix and Durban;
- Increases in long service awards and the inclusion of other anniversaries making it an award every five years from the 10th anniversary onwards. — PTSA

Checkers, *Star*
union sign *24/8/88*
wage package

The Commercial Catering and Allied Workers' Union and Checkers have reached a wage agreement guaranteeing a R95 across-the-board increase back-dated to July 1.

A union statement said the agreement was reached on Monday.

An additional R5 was to be paid in January next year and a bonus of 10 per cent of workers' salaries for each completed year of service was also agreed on.

355 *(initials)*

(signature)

Sadwu 'yes' to living wage

South
355
25/87/9/88

By CHIARA CARTER

SARAH was a domestic worker in the Boland. Her employers regarded her as "one of the family". So much so that in the 43 years she worked for them she never received a wage.

When her employer died no provision was made for her in the will. The South African Domestic Workers' Union (Sadwu) took up the case and eventually won Sarah a R100 a month pension from the estate.

Sarah's case is by no means unique. Every day Sadwu officials follow up numerous complaints from domestic workers about unfair dismissals, inadequate wages, lack of sick pay and the like.

Many domestic workers live at employers' homes so that living conditions, which are often inadequate, are also an issue the union has to address.

Working with household cleaners raises health questions — now there's a vigorous campaign to protect workers from hazards at work as well as to provide guidance in matters like the controversial contraceptive injection.

"Domestic workers are extremely vulnerable," said Mrs Florrie de Villiers, Sadwu general secretary.

"No provision is made to regulate their working conditions or pay. They are excluded from the provisions of the Labour Act and the only protection they have is in common law which states that an employee must be given 30 days' notice before being dismissed.

Since 1984 representations have been made to the Minister of Manpower about the plight of domestic workers, but no official response has been forthcoming.

This week SADWU is launching a national campaign for a living wage.

"We are demanding recognition as a workforce and legislation to protect us as workers," said De Villiers.

"Our living wage campaign is aimed at forcing employers to recognise us as people and employees. If we are regarded as fit

to maintain someone's house and tend their children, then surely we deserve the basic rights of any other worker who does a responsible and demanding job."

Sadwu was formed in November 1986. It united a number of domestic worker unions and associations throughout the country. Its formation was the culmination of attempts since the 1960s to form a union to protect perhaps the most powerless group of workers in the country.

The demands made when SADWU was formed are yet to be met.

They are: A minimum wage of R200 a month, a 40-hour working week, overtime of R2.50 an hour, maternity benefits including the right to attend ante-natal clinics without having pay deducted, 14 days' paid sick leave a year, 21 days annual

holiday, UIF benefits and workers' compensation rights.

These demands were adopted at the Cosatu women's conference in April this year.

There are an estimated four million domestic workers in South Africa. For the most part they work on their own for a single employer, which causes unionising difficulties.

Nevertheless, Sadwu has 66 000 signed up members and hopes that the current membership drive will reach a million by the end of the year.

Not all its members are women. Several caretakers, gardeners, cleaners and handymen have joined.

The union won its first recognition agreement in January this year after Sadwu members went on strike at Highlands Home in Cape Town.

In addition to literacy training, sewing and knitting classes and hosting cultural events, SADWU also runs a training programme to educate its members about unionisation.

"Many of our members see us more as an advice office than a union," De Villiers said.

"We have to deal with problems ranging from employers assaulting their employee to employers refusing to accept a doctor's certificate as proof that the worker was ill.

"More often than not, once the employer realises that he/she has a union to deal with and not just a single individual, they reach agreement with us."

At present Sadwu is undertaking surveying members on work conditions and pay.



Stalemate in Breweries strike

JOHANNESBURG. — The wage dispute between more than 6 000 SA Breweries employees and their bosses reached stalemate this week.

This follows the decision of their union, the Food and Allied Workers Union (FAWU), to call off a planned industrial action on Monday.

SA Breweries beer division has made its final wage offer to Fawu, upping minimum wages by 17 percent.

SAB human resources director Rob Childs said in a weekend statement that after four rounds of negotiations, followed by mediation, there appeared to be no point in further negotiation.

"Our final offer of R4.70 an hour for the lowest-paid workers, and R6.46 an hour for the top grade, is the best available in the food and beverages industry. Taken with a substantial increase in shift allowances, it means a grade 1, continuous process shift-worker, working a 40-hour week, would earn a minimum of R1 278 a month, and a grade 5 worker a minimum of R1 757."

Originally, Fawu demanded a minimum of R10 an hour. SAB immediately applied for a conciliation board hearing in an attempt to defuse the looming conflict at its brewery plants.

Fawu has since revised demand thrice already — its last on Thursday when Fawu dropped its demand from R6 to R5 an hour. The difference now is 30 percent.

On top of this a Fawu spokesman said the union had also dropped its other demands like a 40-hour week, annual and leave bonus, annual leave, paid holidays and overtime shift allowances.

A Fawu spokesman for Fawu said this week the union was keeping its options open and was now adopting a "wait and see" attitude. But he warned that the "union would react accordingly if necessary".

On Monday the union expected

the bosses to lock out the workers, but neither this happened nor did the workers down tools.

According to the union, the company has shown no intention of further increasing its offer. While indicating a willingness to settle the dispute, workers pointed out that the SAB is in a healthy financial position and could easily afford the 30 percent increase demanded by the workers.

SAB profits soared by 22 percent from about R134-million in 1986 to more than R163-million in 1987. Besides, SAB has assets in building and machinery amounting to nearly

R2 000-million. The company was spending more than a fortune in advertisements and its directors were earning a fortune of about R7 884 a month or R90 000 a year.

"Really the 30 percent increase for its employees is just a drop in the ocean compared to the huge amounts they spend in advertisements," the spokesman said.

"It appears that wages for its employees does not rank high at SAB."

A wage dispute by SAB workers last year resulted in 10-week strike.

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SAB 28/8-1/9/88

Ccawusa rejects wage offer

THE Commercial Catering and Allied Workers' Union of South Africa (Ccawusa) yesterday rejected the "unilateral" wage offer made to its members by Woolworths retail chain.

Ccawusa general secretary, Mr Vivian Mtwa, said the company had taken this step without informing the union. The official was reacting to Woolworths' decision to make a unilateral wage offer to individual employees following the delay in annual wage talks.

The delay has been caused by the split in Ccawusa which has two factions, one led by Mr Mtwa and the other by Mr Papi Kganare.

Mr Mtwa said: "It is unfortunate that those members employed at Woolworths who reject the legally and constitutionally established structures of the union have now created a situation which management is taking advantage of."

Woolworths has handed out notices to staff inviting staff to accept a monthly increase of R120 backdated to July 1 and offered 13,4 percent for those earning more than R900 a month.

The company's action, Mr Mtwa said, was a further attempt "to disorganise and divide our membership." He said some workers had accepted the offer unaware that "it was made without the union's knowledge."

- Ccawusa recently concluded a wage agreement with Checkers which has agreed to — among other things — an across-the-board increase of R95 a month.

Ccawusa official, Mr Jeremy Daphne, said the two parties had also agreed to a bonus of 10 percent of salary for each year of service payable in November this year. A parental rights agreement would be signed later this month, he said.

25/8/84 Somerset 355

Union factions split on Woolworths offer

BRONWYN ADAMS

THE split between the two factions within the Commercial Catering and Allied Workers' Union of SA (Ccawusa) is threatening to tear the union apart, with each group reacting differently to the unilateral wage offer made by Woolworths management last week.

While Ccawusa general secretary Vivien Mtwla has recommended all workers reject management's offer, Ccawusa Papi Kganare faction national coordinator James Khumalo said they had no problem with management's offer of a R120 a month wage increase.

Union factions failed to reach consensus during negotiations yesterday. The Papi Kganare faction proposed another meeting with Mtwla, which ignored the invitation.

Khumalo said workers had given union officials the mandate to attempt a reconciliation with Mtwla.

Neither Mtwla nor management was available for comment yesterday.

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355 12/88

Wages on way up

WORKERS are receiving a marked wage increases, says Central Statistical Services (CSS).

The CSS says the average wage index for the second quarter of 1988 increased by 4,48% compared with the first quarter.

In addition, average wages jumped by 13,4% for the second quarter in comparison with the same time in 1987.

Figures indicate that average wages for artisans rose by 2,9% and 5,5% respectively between the first two quarters of the year.

Wages increase by an average of 30 percent

LABOUR
AFFAIRS
DICK
USHER



W/E ARGUS 30/7/88 (355)
IONS have won wage increases for their members above the inflation rate at almost all companies and the average percentage increase rose after President Botha made his plea for wage restraints.

According to the Actual Wages Rates Database (Award) of the Labour Research Service (LRS), unions responded to Botha's call for restraint by negotiating an average increase of almost 30 percent in the first six months of 1988.

The average percentage derived by Award is more than 5 percent higher than that calculated by Andrew Levy and Associates in their Bargaining Monitor.

Levy reported a "slowing and indeed a possible reversal" of the trend towards ever-increasing levels of settlement and recorded an average increase of 17,6 percent for the same period.

Mature environment

A spokesman for the service said possible reasons for the difference was that the sample used by Levy could be smaller than that of the LRS, that the LRS was very meticulous about getting a figure for the wages exactly 12 months previously and that Levy could be dealing mainly with a "mature bargaining environment" involving larger companies which had been dealing with unions for some time.

"We have probably got a better spread because participating unions report all settlements and so we get everything from very small firms to the biggest," he said.

Award also includes all "major industrial councils and significant wage determinations".

Highest increase

The highest increase recorded was 85 percent, gained by the South African Domestic Workers' Union at Highland House in Cape Town. The minimum weekly wage there is now R42,69.

In the "Top Ten" recorded by award the Commercial, Catering and Allied Workers' Union (Ccawusa) has three settlements: Anbeeco, 51 percent; OK Bazaars, 43 percent; and Ellerines, 33 percent.

Paper, Printing, Wood and Allied Workers' Union (Ppwawu) has two — Waltons (43 percent) and PG Laminates (30 percent). Transport and General Workers' Union (TGWU), National Union of Mineworkers (NUM) and Construction and Allied Workers' Union (Cawu) have one each.

The lowest increase recorded was for Boland Transport (10 percent).

Weekly wage

Another significant point reported by Award was that the average weekly wage for labourers had risen to R122.

It also reports that four companies (Toyota, Reckitt and Colman, Sapref and Ferralloys) had broken the R200 a week barrier regarded by the Congress of South African Trade Unions (Cosatu) as a living wage.

"Unions will be interested to compare wage increases with increases in directors' pay," said Award's report.

Their average increase over 12 months was 26,1 percent, with an average weekly pay of R2 277. Top of the league was Elcentre whose directors receive R2 445 a week and had a 96 percent increase in a year.

Top-paying company for directors was Anglo American, whose directors get R6 410 a week.



Salary rises likely for key civil servants

The Argus Correspondent

PRETORIA. — Certain groups in the public service could get salary adjustments before the end of the year as government concern over the number of resignations and shortages in certain key departments continues to grow.

This follows the announcement by the Minister of Justice, Mr Kobie Coetsee, that lawyers in the public service would get increases from September 1.

However, Mr Ian Robson, secretary of the Commission for Administration, has warned that the increases will be for certain, already identified occupational groups, a small percentage of the public service workforce.

The size of the increase and the date from which it would be effective would depend on the urgency of the need and the availability of money, Mr Robson said.

Competitiveness

Occupational adjustments have been made annually in recent years in an attempt to ensure moderate competitiveness between key groups in the public and private sectors.

There was concern at the number of resignations in the public service and particularly at the loss of experienced personnel to the private sector. Occupational adjustments could place the public service in a better position to retain these staff, Mr Robson said.

Although general salary increases were announced — the last was the 12,5 percent increase in June last year — Mr Robson said it was not government policy to release details of occupational adjustments.



Picture: HANNES THIART, the Argus

TRICKS FROM TAIWAN: A barrel of fun in the form of 26 youngsters from the Republic of China enthralled an audience at the Wynberg Indoor Sports Centre with their expertise with unlikely objects. The Chinese Youth Folk Sports Troupe are on a goodwill tour of South Africa and will perform in Stellenbosch today. Here Hsu Yi-Yang juggles a shuttle-cock while Wang Yi-Yun shows what can be done with a Chinese toy called a diablo.

Electric blanket fire razes home

A SHORT circuit in an electric blanket is believed to have started a fire which destroyed a house in Somerset West. Damage is estimated at about R200 000.

The fire started about 6.20pm yesterday while the occupants, Mrs Winifred Barrie and Mrs Hester Evans, were in another part of the house. They fled, and flames had burst through the roof when the fire brigade arrived. — Staff Reporter.

355 SMY 12/88

Govt cagey on pay rises

Pretoria Correspondent

Certain groups in the public service could get salary adjustments before the end of the year as Government concern over the number of resignations and shortages in key departments continues to grow.

This follows the announcement last week by the Minister of Justice, Mr Kobie Coetsee, that lawyers in the public service would get increases from September 1.

However Mr Ian Robson, secretary of the Commission for Administration, has warned that the increases will not be across-the-board, but only for certain, already-identified occupation groups.

They were likely to affect only a relatively small percentage of the total public service workforce.

The size of the increase and the date from which it would be effective, would depend on the need and the availability of funds, he said.

Occupation specific adjustments have been made annually in recent years in an attempt to ensure moderate competitiveness between key groups in the public and private sectors.

Mr Robson said there was concern at the number of resignations in the public service, particularly the loss of experienced personnel to the private sector.

In June this year Dr Dawie de Villiers, Minister of Administration and Privatisation, announced that an additional R205 million was being made available for adjustments, bringing the total available for this purpose in the current financial year to R455 million. No money was provided for general increases.

Teachers are to get R140 million of the total for occupational specific increases from Decem-

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Teachers are to get R140 million of the total for occupational specific increases from December 1. Other smaller groups to benefit can expect their increases between November 1 and early next year.

Justice staff increases were forwarded to September because the loss of lawyers had reached unacceptable levels, Mr Coetsee said.

Public service sources interpreted Mr Coetsee's move as an attempt not only to retain the staff needed for efficient running of the legal system, but also to maintain public confidence in the country's judiciary.

The Federation of South African Transport Services Unions today embarks on phase two of its campaign for a 17 per cent across-the-board increase for transport workers, back-dated to April this year.

Mr Abraham Koeke-moer, general secretary of FSATSU, said following the withdrawal of the unions from a commission appointed by the Minister of Transport to investigate salary claims, the matter was now being taken to an arbitration court.

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'Most' workers accept pay rise

Cap Times 6/9/88
Own Correspondent
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JOHANNESBURG. — Almost 90% of Woolworths workers accepted management's wage offer of a R120 monthly increase of 13,4%, Woolworths human relations executive Mr Andrew Wilson said yesterday.

Mr Wilson said the offer was accepted in the spirit in which it was presented, as workers realized they would be prejudiced if they waited any longer for the two competing factions within the Commercial Catering and Allied Workers' Union (Ccawusa) to reach agreement on the constitution of a bargaining unit.

Those who had accepted the offer would receive their increases this month, he said.

Sacked workers claim racial slur

TWENTY-ONE workers dismissed from a Blackheath engineering plant last week claim they were insulted daily by management.

The workers were fired last Wednesday after a two-hour work stoppage aimed at persuading management to negotiate with the Electrical and Allied Workers Trade Union.

Shop steward Michael Marthinus was fired after the stoppage. The rest of the workforce then went out on strike. They were ordered return to work or leave the premises.

The dismissed workers claim working conditions at Dual Engineering are appalling and that the owner often uses racist insults.

"We are referred to in derogatory terms such as 'kaffirs'.

"For the past three months we have not had any hand-cleaner. Our hands are covered with industrial waste when we sit down for lunch," said

"The area where we have our breaks can at best be described as filthy and the toilet has not flushed for the past month.

"When we tried to speak to the boss he said: 'Voetsek, houtkop'."

Another worker, Isaac Nomdoe, has worked for the company for seven years. Two years ago he injured his foot at work.

"The accident could have been averted if I had been wearing safety boots. Things have not improved. We are still without adequate protective clothing."

The workers also complained the tools with which they had to work were unsuitable. Often, they ended up providing their own tools for which they received no allowance from the company.

The workers were paid R4,52 an hour. They were regarded as unqualified labourers although they say they had to do the work of qualified artisans.

Dual's owner, Mr P.Kuhn, denied insulting his workers. He said the safety clothing and tools provided were adequate.

He admitted that hand cleaner had not been provided saying that this was "a slip up, but not cause for workers to down tools".

"Workers are expected to take responsibility for the condition of the canteen and toilet.

"Those workers doing semi-skilled jobs were being paid more than their labour was worth," he said.

Last year workers at the factory went on strike about work conditions.

Five of the 26 workers who were fired have been re-employed. The other 21 are demanding that they are reinstated and their grievances redressed.

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7/9/88
New deal
for workers

By Adele Baleta

The Foschini Group and the Commercial, Catering and Allied Workers Union (Ccawusa) yesterday reached a wage agreement guaranteeing a new minimum rate of R510 a month, plus an across-the-board increase of R110.

More than 600 workers will benefit from the agreement.

A management spokesman said the increases, effective from September 1, would be backdated for workers who normally got increases in May.

The spokesman said the union had initially demanded a minimum across-the-board increase of R800 a month.

The parties also agreed on an extra day's paid leave to commemorate an important event.

Fears over academic salaries

355 8/9/88

THE Committee of University Principals, (CUP), has expressed concern over academic salaries, which are not competitive.

CUP — a body representing top management at universities — said in its July newsletter that it has tried to exploit all channels at its disposal to bring the plight of the

By MATSHUBE
MFOLOE

university staff to the attention of decision-makers.

According to the Universities Act, CUP can of its own volition, advise the Minister of National Education on matters concerning salaries and conditions of service.

On two occasions, on

March 11 and June 23, CUP requested interviews with Mr F W de Klerk to discuss salaries and university subsidies.

On the second occasion emphasis was placed particularly on the results of the investigation into "the macro aspects of university matters within the tertiary education sphere in South Africa."



All they can do is wait. Dismissed workers sit in the veld in Bo-Hermon, uncertain what the future holds

Story: CHIARA CARTER
Pics: NATALIE GOLDSMITH

FIFTY rural labourers fearing for their lives say they took refuge for five days in an open field to escape bosses threatening to assault them with axes and guns.

The workers say they slept in a field near Riebeeck-Kasteel outside Wellington after being fired from a factory in the nearby hamlet of Bo-Hermon - and then barred from their hostel dwellings on a farm 20 kms away.

Several workers interviewed this week also alleged that:

- "Kaffir" slurs were made against their union;
- The dog of an "agitator" was shot dead;
- The dog was then roasted on a fire;
- Belongings of some workers were set on fire;
- Axes and guns were used to smash some workers' belongings of some workers with axes;

The workers, mostly contract labourers from the Transkei, claim they were dismissed from their jobs at Witstaal Verspreiders, a galvanised-wire factory, for joining the South African Allied Workers Union (Saawu).

Owner-manager Evert Kotze said the workers had been reinstated. He would not comment at first on the allegations.

Beaten over 'kaffir' union

Contacted a second time he again refused to comment.

Police in Riebeeck-Kasteel said they heard what had happened but could not act until charges were laid.

Workers interviewed said Kotze apparently overheard two workers talking about the union during shift changes on Wednesday evening.

One of the workers, Sinini Dimayo, was accused of being an agitator and assaulted.

They said Kotze then told their shift and the shift which was about to fall in that they were fired for joining a "kaffir union" without notifying him.

They then walked from the factory to their hostel on one of Kotze's farms about 20 kilometres away.

The next day, a delegation went to the Saawu offices in Cape Town and the union contacted the owner.

A Saawu official said Kotze told him he did not want to waste his time talking to "kaffirs".

Kotze, he said, told him the workers had been dismissed for going on strike and possessing political pamphlets. He was, however, prepared to reinstate them after six days.

Back at the farm, most workers left the hostel and hid in the fields. Two men, Zwelenkosi Maqathiha and Geonbasi Mboniswa, remained on the premises.

They say that at about 9 am Kotze, his partners, Willem and Naylor Serdyn, and their three foremen came to the hostel armed with axes and guns. They broke down the doors and damaged workers' property.

"Kotze came into my room and asked where the others were," Maqathiha said.

"We were ordered into his bakkie. He and the other men then went to Sinini's room. We could hear things being smashed. A big fire was made and some of our clothes, blankets and other possessions thrown onto the fire.

Hid in field

"They shot Sinini's dog and roasted it over the fire. The dog had not tried to bite them. They said to us that Sinini and another worker would be 'dead men'.

"The two of us then escaped to where the others were hiding in the fields.

"Later, we managed to save some clothes and blankets."

Workers say their identity documents and bank books had disappeared. And they cannot draw money to buy food.

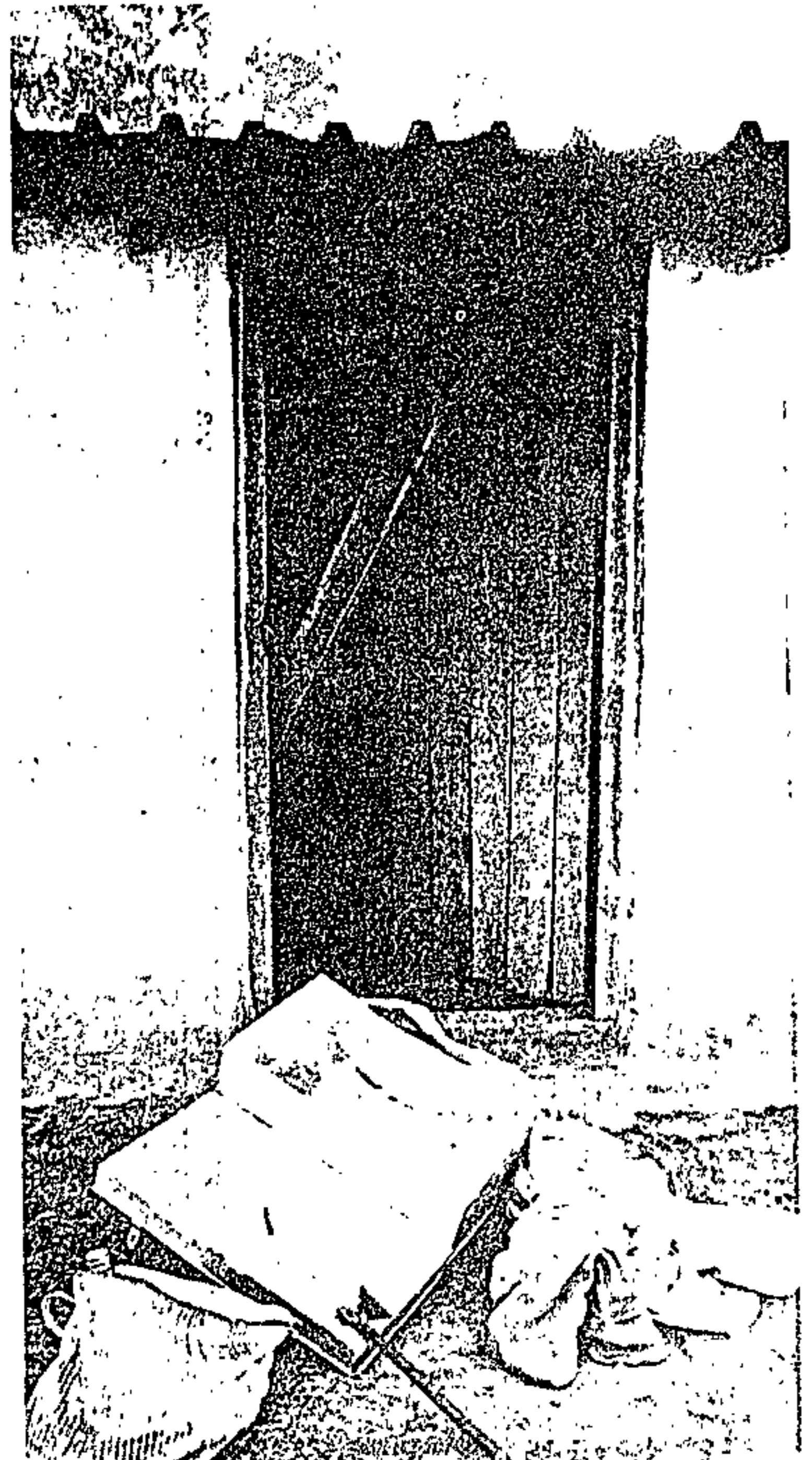
They joined Saawu in a bid to improve wages and working conditions. They say they were paid R60 a week and worked 12 hour shifts.

They claim that they worked overtime for which they were not paid but were afraid to object since both Kotze and one of his foremen, Mr Gert Eybers, carried guns.

The hostel they lived in was filthy and they used water from the river because their was no tap.

Mr Kotze declined to comment but has since agreed to reinstate the workers.

Saawu is seeking legal advice about the damage done to workers' property.



A broken door and scattered possessions bear testimony to the destruction



The scenic beauty belies horrific conditions. This is the hostel dwellers' only source of water

THE National Party could suffer sorely in the October municipal elections because of anger among white teachers about the handling of their pay demands.

White education, facing a unprecedented crisis, has now become one of the hottest issues in the run-up to the October 26 elections.

Representative bodies have made it clear they would not "presume" to give their members political directives — but informed sources indicate that anti-Government feeling is at an all-time high among both English and Afrikaans members of the 75 000-strong teachers' corps.

But the greatest threat could come from the parents of some one-million pupils whose education is suffering as hundreds of teachers turn to jobs that pay "a decent, living wage".

The gravity of the situation was emphasised by urgent requests for talks by two Cabinet Ministers this week.

This followed threats by some members of the Transvaal Teachers' Association to go on strike.

Survey

On Thursday, Finance Minister Barend du Plessis — himself a former teacher — met the executive of the Teachers' Federal Council (TFC) in Pretoria.

And on Friday, the TFC was locked in negotiations with National Education Minister F W de Klerk.

These dramatic moves come just days before the release of statistics which the TFC says will "shock the public and rock the very foundation of South African education".

Based on a survey of more than 3 000 institutions from pre-primary to college level, the figures will show just how many teachers have left the profession.

The TFC has called a special full council meeting in Durban on Thursday morning at which the survey findings will be made public.

And on the eve of these disclosures, it has been revealed that:

- Pupils at schools lacking teachers in some subjects are being bussed to classes at other schools;

- Where no teachers are available and bussing is not possible, pupils spend periods doing nothing;

- Principals are having to turn a blind eye to moonlighting by staff who refuse to supervise extra-curricular activities which interfere with their second jobs;

- Teachers are resigning at 24 hours' notice, in defiance of departmental regulations, and have made it clear they do not intend ever returning to the profession;

- At some schools, parents make monthly donations for distribution among teachers to help them make ends meet;

Teachers' fury could influence parents at elections

By MARLENE BURGER

- The number of applications to tertiary institutions for teaching courses has dropped to an all-time low this year;

- Substitute teachers brought in to replace staff who leave are "blackmailing" principals, refusing to take part in any extra-curricular activities.

TFC chairman Dudley Schroeder challenged the Government to prove its assurances that education is

one of its highest priorities.

"We no longer believe them."

"The occupational adjustment due on December 1 has been brought forward by two months for other public servants, including Justice Department staff, but not for teachers."

"And that tells us the prosecution of criminals is of far greater importance to the Government than the education of our children."

Mr Schroeder said the TFC was desperately trying to avoid a deadlock or a full-scale confrontation but would accept nothing less than the seven percent adjustment, urgent consideration of an additional four percent increase and a clear assurance that next year's Budget will give teachers a substantial pay hike.

Rejected

Independent surveys commissioned by the TFC have shown that teachers are earning 40 percent less on average than their counterparts in the private sector and 11 percent less than public servants.

- The Teachers Association of South Africa (TASA), representing Indian teachers in the country, has rejected the municipal elections.

Delegates to TASA's national conference last weekend supported a resolution which said: "TASA unequivocally rejects the municipal elections in their entirety as they are an extension of the tricameral system of government."

Nats face caning over

Party

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11/9/82

Civil servants want 20% salary increase

Own Correspondent

JOHANNESBURG. — The Public Servants' Association is to confront the government with a demand for a substantial salary increase, of at least 20%, from April next year.

This was resolved at the PSA's biennial congress which closed in East London yesterday.

Government sources here said that if the 20% increase was agreed to, taxpayers would be saddled with an additional bill of R3 billion, to bring the total paid to civil servants next year to more than R18 billion.

The government took a beating on a number of issues at the congress and was accused of stimulating a staff crisis by freezing salaries this year.

The congress asked that for budget purposes the different groups in the public service should be separated when remuneration was being decided.

The congress also claimed that insufficient funds were made available

annually to bring about market-related remuneration.

Privatization developments, as well as the apparent unplanned abolition of posts in the public service, had created problems, the PSA president, Mr Colin Cameron, said.

He said the manner in which the issue was being handled gave rise to a feeling among government workers that many of their functions had suddenly become less important, and that their life's work had become a fruitless exercise.

The congress said that if the government was concerned with the upliftment of the morale of public servants and with the restoration of lost loyalty, the solution was remedial action.

The government was asked to agree to substantial pension adjustments, from next April, and that widows' pensions be improved to 75%, from the current 50% of a member's pension.

The PSA congress was also dissatisfied with the discriminatory retirement age.

Charge me - farmer

A BOLAND farmer accused of destroying workers' property because they belonged to a "kaffir union" has challenged the workers to lay charges against him.

Mr Evert Kotze, manager and co-owner of Witstaal Verspreiders in Hermon, has denied allegations made by about 50 workers who left his employ two weeks ago.

The workers claimed they were fired after Kotze discovered they had joined the South African Allied Workers Union (Saawu) and were planning a meeting.

They said they joined the union to improve their living and working conditions.

They alleged that after they were dismissed, Kotze,



Sacked workers prepare for 'bed'

his two business partners and the factory foremen came to the hostel where they were living. Possessions were destroyed, two workers threatened with a gun and a dog belonging to one of the workers killed.

Kotze, who last week re-

fused to comment when approached by SOUTH, this week said the workers had not been fired but had "mysteriously disappeared". He had no idea why they had left.

He denied any knowledge of assaults, destruction of

possessions, or the disappearance of workers' identity documents, bank books and money.

He said he had nothing to do with the hostel which belonged to his partners.

Asked about the alleged

shooting and roasting of the dog, Happies, he said he had heard the dog was shot because it had bitten sheep.

"In any event workers are not allowed to keep pets," he said.

Neither he nor his foremen carried guns or other weapons since there was no need for this. "Hermon is a peaceful place," he said.

"Workers are free to approach me on any of the allegations and are welcome to lay charges against me."

Kotze told South last week that the workers had been reinstated. This week he said he had no intention of reinstating them and had employed other people in their place.

"Work is carrying on as normal," he said.

The workers are now living in the Saawu offices in Cape Town.



Barlows Appliance workers demonstrate in Kew, Johannesburg.

● Picture by John Hogg.

Workers demonstrate for more pay

By Adele Baleta

About 200 Barlows Appliance workers staged a lunch-time placard demonstration yesterday on the company's premises in Kew, Johannesburg to back demands for higher wages.

The members of the National Union of Metalworkers of South Africa (Numsa) sang songs while marching through the company grounds.

Workers are demanding an 80c an hour across-the-board increase, which would raise wages for the lowest grades to R4 an hour.

A Numsa organiser said management had made two offers. The first was a 53c an hour increase for the lowest-paid worker and 94c an hour for the highest grade.

This option was subject to the dropping of a com-

pany demand that time spent at home during stayaways be worked in, that long-service awards remain as proposed by management (R1 000 after 35 years' service) and that employees work overtime of up to 10 hours a week.

The company alternatively offered 64c for the lowest grade and 94c for the top grade. This would be subject to agreement being reached on overtime, working in for stayaways and service awards.

Numsa said agreement had already been reached on working conditions including maternity, paternity and compassionate leave and the conversion of a pension fund to a provident fund.

Management had agreed to grant May 1, June 16 and March 21 as paid public holidays.

No company comment could be obtained.

TFC warns of crisis as teachers resign

CAP T-15 16/9/88 355

Own Correspondent

DURBAN. — "If the State doesn't want to give us money we can do nothing," said Teachers' Federal Council (TFC) chairman Mr Dudley Schroeder yesterday in response to the mass exodus of teachers from the profession — more than 4 000 could have resigned this year by the time schools close.

Addressing a press conference after what he termed an "extraordinarily" full TFC council meeting called to discuss the crisis situation, Mr Schroeder said that educational standards in South Africa were in serious jeopardy and called on the government for "urgent action".

"One can talk about the availability of funds, but at the end of

the day it is the Minister of Finance who has to account to the public — including the children who are the future — on why this situation has been allowed to develop because he hasn't paid teachers enough."

In Natal, 218 teachers had already vacated their posts this year while 118 had resigned and a further 141 were considering resigning, according to a TFC survey released yesterday.

To investigate the increasing number of resignations and the implications for education, the council sent 3 137 questionnaires to schools and colleges countrywide during August, more than 70% being returned.

Comparing this year's statistics to those of last year, it emerged

that while it was possible last year to replace those who left the profession with teachers of similar education and experience, it was no longer possible this year.

"It would appear it would be virtually impossible, particularly in the short term, to repair the loss," Mr Schroeder said.

A mere 12% of the survey participants who had already left their posts said that they may return to education.

Using the example of the Transvaal, where the education department was unable to fill 96 posts, TFC deputy chairman Mr Hennie Maree calculated that in one day 2 800 classes would not be given, with the result that about 84 000 children would sit in a classroom for at least one period without a teacher.

Council workers protest

By PETER DENNEHY

THOUSANDS of City Council workers gathered in the concourse of the Civic Centre yesterday morning in protest against what they regard as inadequate wage and salary rise proposals.

They said they would remain there until the Mayor, Mr Peter Muller, had spoken to them. Meanwhile, services in several council departments were maintained by skeleton staffs only.

Mr Muller and the chairman of the execu-

tive committee, Mr Richard Friedlander, addressed the crowd by megaphone from a landing one level above the concourse shortly before 9am.

Shop stewards with megaphones maintained firm discipline, and at one stage even asked the crowd to move away from the entrance to the Podium Hall, where the Conservative Party was holding a meeting.

Workers shouted such slogans as "R4 minimum" (referring to R4 an hour) and "14%".

It is understood that the council has offered a 7.5% increase for all categories of

employees between 12.5% and 17% more, and middle management, who may get 12.5% more. Neither the union nor the council would confirm this.

Mr Muller thanked the workers for their orderliness and for their contribution to the city.

"We are aware that inflation undermines the value of your money, and that our increases are, in many cases, not enough," he said. "I am aware that there is great dissatisfaction among some of your members."

"All! All!" chanted the crowd.

Mr Friedlander said negotiations were still under way, and that workers had made their point and should resume their work. He would not promise anything.

Mr John Ernstzen, general secretary of the South African Municipal Workers' Union, suggested the workers should move to the Exhibition Hall, which they did, and later they dispersed on the advice of the union. Negotiations will continue on Monday, according to both the union and the council. Union branch secretary Ms Merle Brown said the council had undertaken to review its position.



LEFT: Council workers gather in the Civic Centre yesterday. RIGHT: Mr Dick Friedlander, chairman of the council's executive committee, asks the workers to return to work while negotiations with the union continue. Second from the right is the Mayor, Mr Peter Muller, and on the right is the City Administrator Mr Gys Hofmeyr.



RIGHT: Mr Dick Friedlander, chairman of the council's executive committee, asks the workers to return to work while negotiations with the union continue. Second from the right is the Mayor, Mr Peter Muller, and on the right is the City Administrator Mr Gys Hofmeyr.

RICH MAN... POOR MAN

BY the end of the year, at least 3 500 teachers will have turned their backs on the classroom.

Since January, 2 574 resignations have been received by education departments in all four provinces. Hardest hit is the Transvaal, followed by the Cape, Natal and the Free State.

In what the Teachers Federal Council described this week as "a shocking increase" in the exodus of teaching staff, most resignations — 37 percent — are from men, desperate to earn a living wage on which they can support families.

Ironically, a large number of them are staying in the public sector, or joining para-statal organisations such as Armscor or Eskom.

Here, they immediately earn at least 11 percent more — while, in the private sector, their salaries are likely to jump by 40 percent.

As the TFC released the results of a countrywide survey on resignations this week, chairman Dudley Schroeder challenged Minister of Finance Sarel du Plessis to tell South African parents why there was not enough money in government coffers to retain essential manpower in education.

Talks held with Education Minister F.W. de Klerk and Mr Du Plessis last week have so far produced little joy for the teachers.

On Friday, Minister of (white) Education and Culture Ploeg Claas said he shared the TFC's concern over resignations, and that the authorities were "giving the situation continuous attention".

A close watch was being kept on the standard of teaching, he assured parents — but apart from reiterating that a seven percent "occupational adjustment" would be paid to teachers on December 1, Mr Claas said nothing to indicate that salaries were being looked at.

The Sunday Times spoke to a teacher who is struggling to make ends meet each month, and to Springbok cricketer Ray Jennings — who left the profession because he couldn't.

In terms of Transvaal Education Department regulations, the teacher may not be named.

Quitting school got 'Bok' cricketer a R1 000 pay rise

SPRINGBOK wicket-keeper Ray Jennings got "the fright of his life" when he looked at his pay cheque at the end of his first month as an ex-teacher.

"I couldn't believe it. I had R1 000 more than I'd ever had before, and I didn't know what to do with it!"

That was eight years ago, when Ray walked away from his chosen profession because he could see no way to support his family if he stayed.

"I've never looked back. And it's not only the money — it's the recognition of effort as well," said the cricketer.

Pregnant

With a four-year diploma and three years of teaching experience to his credit, Ray's gross salary in 1980 was R555.

After deductions — which did not include housing — he took home R420 a month.

"My wife fell pregnant, and had to stop work. That's when I realised I'd have to do something, fast."

"I was spending 25 percent of my monthly income on petrol alone, to and from school. There was no way we could live on what was left."

But, hoping he could



FINANCIAL MUSCLE... ex-teacher Ray Jennings. Now in senior management, he says he's never looked back

Special reports by MARIENE BURGER

supplement his income without giving up the job he loved.

"I started a cricket clinic on Saturday mornings — and I earned more from four hours of coaching each week than from teaching."

"The matches always started on a Friday, and I had to take leave for Saturday and Sunday as well."

"After seven months of that, and playing provincial cricket almost every week, end in the summer, I look at

long hard look at my life."

The deciding factor was the Transvaal Education Department's insistence that he take three days' leave each time he played for Transvaal.

"The matches always started on a Friday, and I had to take leave for Saturday and Sunday as well."

"I would have ended up hundreds of days in arrears on my long leave."

An offer that he couldn't refuse came from fellow

cricketer Graeme Pollock, a director of the protective clothing company for which Ray still works.

"The job was as a sales-

man — at the same basic salary I was getting as a teacher, but with a company car, a petrol allowance and commission thrown in."

"Before I had sold a single overall, I was getting twice as much as I had before."

His rise through the ranks has been rapid, from sales representative to sales manager, to computer con-

management position as sales and manufacturing coordinator.

His family's quality of life has improved accordingly.

"My wife no longer works, we have three children, a beautiful home, appliances that work, two cars and a holiday every year."

"It's marvellous to be able to spoil my family. But most important, we have the time to enjoy ourselves."

"To me, working is about three things: Money, time and enjoyment. What I'm doing now gives me 10 times

more than I ever had as a teacher."

"Look at it this way. If a youngster of 19 came to me tomorrow, without any post-school qualifications, without any experience, he'd start as a salesman with this company at a basic salary of R1 500 a month and get a allowance and commission."

"You know what a teacher takes home after four years at college and nine in front of the blackboard? Not even R1 200 a month."

"So who needs it?"

Teacher takes home R1 150 a month — but he loves the kids

HE'S 35, has a wife and two pre-school children. The bond on his modest, three-bedroomed house — 22km from his workplace — is R2 000. He owes R3 426 on his 1984 hatchback car.

And at the end of the month — after a four-year post-matric training course and nine years of experience — he takes home R1 150.

He's a primary school teacher. Unable to provide his own family adequately with the things they need, he stays in the job "because I love the kids".

But as his own son and daughter approach their school-going years, he's having to reconsider his position.

Battle

"It's a battle every month. I honestly don't know how much longer I can afford to go on teaching," said the man whose extra-mural load has become so heavy that he can't go the moonlighting route most of his colleagues opt for.

"So many men have left teaching that the burden of sport and other activities has fallen onto the shoulders of the few who remain."

"I'm tied up every afternoon with coaching, and at weekends there are matches."

The money he takes home each month is what's left after deductions for tax, pension, medical aid and a subsidised bond payment.

"Sure, I get a housing subsidy and the medical aid scheme is excellent — but my salary just isn't sufficient to cover the other costs."

His wife works three mornings a week as a bookkeeper to supplement his income.

"We're in a Catch-22 situation. If she worked full-time, we'd have to put the kids in day-care which would

eat up half of her earnings. But without the little she does bring in, we couldn't make ends meet."

Frugality is the watchword in their household.

"I don't have a single life insurance policy — we can't afford the premiums."

"And there is not one cent for any kind of luxury like a meal out once a month, a holiday or a movie."

Next to food, their biggest monthly expense is transport.

"We have one car for me to get to work. There's no bus service. We also have a clothing account, which we use sparingly, but teachers are expected to dress reasonably well and set an example to the pupils, so I have to buy new clothes occasionally."

"And the kids grow out of everything before it's even paid for." The couple's combined monthly income is R1 650. Typical expenditure is:

- Car instalment — R317;
 - Petrol — R200;
 - Car and household insurance — R160;
 - Lights, water and rates — R160;
 - Telephone — R30;
 - Clothing — R100;
 - Playgroup — R80;
 - Food — R450;
 - Pharmacy — R60;
 - The total is R1 557, leaving them with R93.
- "Some of these items might appear unnecessary, but we have to have insurance on the car. As it is, we pray it doesn't get stolen or damaged, because we can't afford the excess. They consider a braai once in three months 'a real luxury'."
- "I can't expect my family to live like paupers just because I like what I'm doing," said the teacher, who can only afford to service his car when he gets his annual bonus.

HUGE BACK PAY FOR 300

THE Rand Supreme Court has ordered the reinstatement of about 350 former employees of the Ntalspruit Hospital with 13-months back pay estimated at more than R1 million.

A lawyer representing the workers said yesterday that the court, presided by Mr Justice Coetzee, had found that the workforce had been unfairly dismissed without a hearing.

These employees were part of the 600-odd workforce dismissed by the hospital authorities after taking part in a work stoppage in August last year.

They were protesting against the dismissal of a shop steward, Ms Maria Ntombela, allegedly sacked for misconduct.

The court order follows an application filed by the National Education Health and Allied Workers Union (Nehawu), which contested the validity of the

By LEN
MASEKO

dismissals. The test case was filed on behalf of three Nehawu members formerly employed by the hospital.

Part-time

The Nehawu lawyer said the judge had found that the workers — although employed as part-time employees — were entitled to a disciplinary hearing before dismissal. This ruling was based on the fact that they contributed to the State pension fund.

The court granted costs against the Transvaal Provincial

Hospital, which administers the hospital. Leave to appeal was granted.

Nehawu official Mr Monde Mditshwa described the ruling as a breakthrough, saying — as a result — the hospital workers had received as much as R5 000 each in backdated wages.

"The State should be blamed for having wasted taxpayers money — over R1 million — when it could have avoided this by negotiating with the union in the first place," he said.

Nehawu members returned to work on Monday this week after a 13-month battle for reinstatement.

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Supreme
2/9/88

Teachers pay rise

THE Government has already approved a seven percent salary increase for teachers with effect from December 1, 1988, says the Minister of Education and Culture (House of Assembly), Mr P J Clase.

In a statement regarding teacher resignations, Mr Clase said apart from the salary increase approval, negotiations for a better service dispensation are still being conducted.

He said he shared the concern which had been expressed with regard to teacher resignations and the possible influence that these could have upon the education of children and the standard of teaching.



21/9/88
J. M. M. M.



ing fields
around Green
Point Stadium.
Picture: RICHARD BELL

Council workers elect court action

CAE Times 21/9/88 355

Staff Reporter

WAGE negotiations between the City Council and its 15 500-strong workforce — represented by two unions — continued yesterday, with about a third of the workforce electing to take the council to the industrial court for arbitration.

Mr Ted Doman, a spokesman for the City Council, said late yesterday that wage negotiations were still in progress between the council and the black South African Municipal Workers' Union (SAMWU), which repre-

sented about two-thirds of the workers.

The white South African Association of Municipal Employees (SAAME), representing about 4 400 municipal workers, yesterday decided to take the council to court to ask for arbitration, secretary Mr John Bondietti said.

Mr Doman said SAAME had asked for an increase from 5% to 10% in the wage offer to employees in the middle of the council's salary scale. Council had offered 7.5% but this had been rejected by SAAME.

Mr Bondietti confirmed this. Thousands of SAMWU workers

gathered in the Civic Centre concourse last week to protest against what they regarded as inadequate salary proposals.

Apart from the disruption to services caused by this demonstration, Mr Doman said yesterday that no council services had been affected during the negotiations.

Spokesmen for SAMWU could not be obtained for comment yesterday.

● Last year council cleansing workers staged a four week go-slow which ended in workers accepting a 10% or R17 a week increase from council.

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Pay rises top inflation, but tax takes heavy toll

SOUTH African salary increases have risen by more than the inflation rate for the first time since 1982 — before tax.

A relatively buoyant economy enabled basic salaries of top executives to jump by 18%. Salaries for general staff increased by 16,4% in the year to June. The consumer price index of inflation was then 12,4%.

After tax, most employees experienced diminished living standards.

Fringe benefits

The annual salary survey conducted by the remuneration division of P-E Corporate Services covers more than 1 000 organisations employing more than 1,25-million people, including 5 800 executives.

Division manager Naomi Brehm says top executives' basic salaries do not necessarily provide an accurate reflection of remuneration because many companies have moved to flexible packages in the past four years to take advantage of fringe benefits.

"Measuring the total cost of employment shows that executive earnings have jumped by 20,7%," says Miss Brehm.

"For the first time in many years

By Ian Smith

the greatest increase was in total salary benefits — basic pay, bonus, share incentives and entertainment allowance — where the improvement was 22%."

Miss Brehm says SA companies are following foreign trends by placing more emphasis on performance or incentive bonuses. "More companies are increasing the variable component rather than the fixed component of salaries."

"They are linking the fortunes of the employee with the company's."

But SA executives are still losing ground in comparison with their foreign counterparts.

A comparison with executive salaries in Australia, Belgium, France, West Germany, the Netherlands, the UK and the US shows that SA managers are not doing as well as they were four years ago despite last year's improvement.

One of the reasons is SA's inflation, which is higher than in any of the other countries considered. Australia was in second place with inflation of 7,2% and the Netherlands recorded the lowest increase — 0,7%.

A comparison of net disposable incomes shows that SA executives are left with a smaller share of their

total income.

However, a study of essential living costs shows that Johannesburg is cheaper than major cities in the other countries. Using Zurich as a base with 100, Johannesburg scores 62 and New York 117.

"Before the executive can expect to improve his position in comparison with foreign counterparts we need to see salary increases of more than 15%, inflation down to 10% and a reduction in direct tax," says Miss Brehm.

"We may see the first, but I don't believe the other two elements will appear soon."

Data processing

The survey shows that at the senior level the greatest increases have gone to personnel executives and specialists, mainly in data processing. The biggest increases have traditionally gone to finance and marketing specialists.

Miss Brehm says: "The role of the human resources executive is finally gaining its rightful recognition as the importance of industrial relations is increasingly appreciated. Companies are bringing more DP specialists into the ranks of policy-makers."

Technical and research executives

appear low down on the list of increases.

The obvious assumption is that in spite of sanctions threats and disinvestment, SA companies are still relying on foreign companies for technology.

Among general staff, Asians and blacks tended to fare better than whites in increases in the past year. Increases for Asians averaged 20,7%, blacks 17,6%, whites 16,4% and coloureds 15,9%.

Economy's fate

Miss Brehm says most Asians are employed in Natal and most coloureds work in the Western Cape. Natal's economy has been more buoyant than that of the Cape.

Although the pay increases ran ahead of inflation, they have done little to make up lost ground.

In the past five years the CPI has increased by 101,5%. Salaries for whites increased by 77,1%, Asians 90,2%, by 88% and coloureds 79,9%.

"Real standards of living have fallen," says Miss Brehm.

Nearly 60% of the companies surveyed project pay increases of between 12,5% and 15% this year.

But much depends on what happens to the economy.

Mr Wera says "Minorco

'Union-bashing'

FIFTY workers at an Atlantis food factory were laid off recently, adding to the West Coast town's rising unemployed population.

And another 30 of the 230 workers were given notice on Friday that they will be paid off at the end of this week. Shop stewards at Today's frozen food factory fear more jobs will be lost.

Management said the retrenchments, started three weeks ago, were part of a rationalisation drive.

The dismissals have left several Atlantis families without a source of income.

One such breadwinner is 16-year-old Berenice Morkel whose R78 a week wage supported her invalid father, blind mother and three children. Now the family will have to make

do on her parents' disability pension.

"We face a bleak Christmas," said Morkel, who worked on the sausage roll production line.

A packing job at the factory was Dorothy Swartz's first venture into the working world. She joined the factory six months ago after leaving

"I was called into the manager's office and told that there was not enough work. He said we would have to go," said Swartz.

"I was so happy when I started working at Today's. I don't know where to find another job. There is no work at Atlantis."

Mrs Sylvie Simons, a

mother of six children, was one of twenty workers paid out at the beginning of this month. She had worked for Today's for two years with one break in service. She said that she and the other workers were called into the manager's office and told that they would have to be laid off because the company was not making enough money. She claimed she only received her weekly wages.

Mr John Japhta, a Food and Allied Workers Union (Fawu) shop steward, said workers feared there would be further retrenchments.

"One week they were working for the company, the next week they were paid off. Now we are all afraid that we will be next," Japhta said.



Mrs Sylvie Simons in her kitchen this week

A Fawu spokesperson said the retrenchments did not appear to conform to accepted labour practice. He said that most of the dismissed workers were Fawu members, some of whom had worked at the factory for several years.

Fawu achieved a majority at the factory last year but lost this after a dispute with management. Today's have refused to negotiate with the union since then, he said.

Today's branch manager, Mr Tom Hickman, said that the workers had been laid off because a night shift had been abolished to maximise productivity. Jobs had also been lost as a result of increased mechanisation at the factory.

He said that the first twenty dismissals were conducted on a "last in, first out" basis but was uncertain what criteria had been used in the cases of the other thirty workers.

He denied allegations that the company was using this as an opportunity to get rid of Fawu members. Hickman was unable to provide details about the notice given to workers or the amount they were paid out. He referred SOUTH to the factory manager who declined to comment.

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Scap
22-20/10/77

15% pay rise for civil servants

By TOS WENTZEL, Political Correspondent

A SALARY increase of about 15 percent for public servants from January 1 was announced today by President Botha.

Pensioners will also receive increases from January 1.

More than 700 000 public servants will be affected by the latest salary increases, according to figures published recently by the Commission for Administration.

Addressing a joint session of Parliament, Mr Botha said the public service increases would cost the State R3-billion.

Details of how the increases would be financed would be provided by Finance Minister Mr Barend du Plessis on his return from Berlin, where he is attending an international conference.

The increases in social pensions would cost R790-million and higher civil and military pensions would cost R160-million.

Imbalance

Mr Botha said the government was advancing the increases, which had been due to take effect on April 1.

For social pensioners, the 15 percent increase would mean R32,70 a month more for white pensioners. Pensioners in other population groups would receive the same amount.

In the case of civil pensioners, the increase would apply to all people who retired by December 31.

This entailed an increase of one percent for each year of retirement with a maximum increase of 10 percent.

Military pensioners' increases would be 15 percent from January 1.

Mr Botha said the increases were aimed at evening out the imbalance between the public sector and the private sector as well as lightening the financial burden of public servants.

"Opportunistic"

Progressive Federal Party civil service spokesman Mr Mike Ellis MP said the increases were an election gimmick. They were overdue "but the timing is opportunistic".

The announcement was so transparently an election gimmick that some MPs had expected Mr Botha to add that the increases would be withdrawn for those people who did not vote for NP candidates.

He expressed concern over the effect the increases would have on what was already an economy in crisis.

"While the PFP believes salaries should keep pace with the cost of living this is nevertheless the time to reconsider the enormous size of the civil service."

15% increase effective January 1

Govt silent on R4bn pay hike funding

355
6/Jan
27/9/88

GOVERNMENT has upped the earnings of civil servants and pensioners by more than R4bn, but will not disclose where it will find the money to fund the increase.

President P W Botha, who announced that increases for civil servants due in April would now be implemented at 15% in January, told SABC-TV yesterday government was dependent on either loans or taxes for the necessary funds.

"But I think it would be ... not wise to use loan money to pay for salaries."

Asked where the money would be found, he said: "That will be dealt with by the the Minister of Finance (Barend du Plessis) in due course when he returns from the IMF."

GRETA STEYN reports from West Berlin Du Plessis did not wish to comment on how government would finance the increase. But a member of his delegation said: "That is the million-dollar question."

Du Plessis had said the increase had been inevitable, because there was



● DU PLESSIS

Business Day Reporters

"great hardship" in the civil service.

Asked whether possible hardship had not been considered before deciding against raising public servants' salaries, he said: "If everyone is suffering, the situation is more tenable. But now only the public sector is feeling the pinch, and an unhappy and restless civil service is not a good thing."

He also said: "We are losing some top-level staff. The Department of Finance alone has lost 10 economists."

The increase would cost R3bn, Botha said. Social and civil pensioners would get R790m extra. Also due for the increase are post office workers at an estimated additional cost of R180m.

A further salary burden government will have to meet follows the arbitration award last week to Sats workers of a 12% increase, which adds R200m to this year's salary bill.

The increase will mean government's salary and wage bill next year will exceed R18bn.

GERALD REILLY reports Assocom said the pay hike was badly timed.

It would have been better in terms of

● To Page 2

Govt silent on R4bn pay hike funding

economic strategy if the original date for rises of April 1 had been retained.

PFP leader Zach de Beer said the worst feature was the President's failure to say how the extra expenditure would be financed.

De Beer asked: "Is government going to resort to the printing press?"

Botha told a joint sitting of Parliament yesterday government was aware of the sacrifice civil servants had made as a result of there being no salary adjustments earlier this year, although they had benefitted from the drop in inflation and income tax.

In addition, he said, there had been adjustments for specific people that had cost the state R1,2bn.

Botha said government was, however, aware that probably the majority of state employees were struggling "and that there are even cases of dire need. The same goes for pensioners who rely on the state for their income".

ALISON CAMPBELL reports econo-

mists said the R4bn hike would have disastrous consequences for inflation and for the balance of payments.

Although the announcement came as no surprise, economists predicted the long-term economic implications of the move would outweigh any political gains ahead of the October 26 elections.

Nedbank chief economist Edward Osborn foresaw wage spirals across the board as the private sector follows government initiative.

The FCI expressed concern at the granting of an across-the-board salary increase in view of the substantial inflationary impact it was likely to have.

While the CP welcomed the increase in white social pensions, the new maximum of R250,70 a month remained hopelessly insufficient to afford any white person an acceptable lifestyle.

● From Page 1

22% salary rise for teachers expected

*Cap
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22/9/88
22/9/88*

Political Staff

TEACHERS' salaries — a major area of confrontation with the government — are expected to rise by at least 22% from the first of January.

This is part of a government plan to stem the mass exodus of civil servants from government service which has become particularly severe among teachers.

Teachers will benefit both from the 15% civil servants' increase to come into effect from January 1 as well as a 7% December 1 increase designed to bring teachers' salary scales in to line with those of other members of the civil service.

Though no statement about proposed increases has yet been made by the Minister of National Education, Mr FW de Klerk, an announcement is expected today or tomorrow.

The Teachers' Federal Council last night welcomed the pay rise, saying the move was a response to its demand to the government.

Haggie dispute goes on

8/24/83

BRONWYN ADAMS

HAGGIE Rand and representatives of the National Union of Metalworkers of SA (Numsa) failed to resolve their dispute at a meeting yesterday, but management said workers living in company hostels would not be evicted as previously threatened.

A company spokesman said Haggie refused to alter its offer of an 18,6% across-the-board wage increase. He said Numsa would report back to members and a further meeting would be arranged for later this week. He said production, although still poor, had improved since last week with the employment of more temporary workers.

The action — the two parties are in dispute over whether it is a strike or a lock-out — began on September 19 and involves 1 800 workers.

Numsa was not available for comment.

Political comment in this issue by Ken Owen. Newsbills by Kevin Davie. Headlines and sub-editing by Michael Moon. All of Times Media Ltd, 11 Diagonal Street, Johannesburg.

10 SEPTEMBER 1983

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PAY RISE SOONER

PARLIAMENT — The salary increases for civil servants due on April 1 next year, will now be paid from January 1, 1989, the State President, Mr P W Botha, announced yesterday.

He made the announcement at the start of proceedings at the joint session of all three houses of Parliament

SAPRESS ASSOCIATION

He said the earlier payment of increases applied to everyone paid by the State.

The total increase will amount to R3 billion and represent a 15 percent increase.

The increases also

include social and civil pensioners. Social pensioners will all gain R32,70 or 15 percent per month increases while civil pensioners who retire with effect from January 1, 1989 would receive a minimum increase of 10 percent. This would cost the State an additional R790 million.

"The Government

trusts that this step will realise the twin goals of setting right personal deprivation and promoting a better balance between the private and public sectors," Mr Botha said.

Further increases were an issue for the coming 89/90 financial year, he said.

The affordability and

extent of it would therefore be dealt with in the next budget speech due to be delivered in March next year.

Sacrifice

Mr Botha said the Government was aware of the sacrifice civil servants had made in the interests of the government's economy when general salary adjustments were not made this year.

Civil servants had benefitted from the decrease in the inflation rate from 25 percent to 12,6 percent and from the lowering of income tax by more than R23,7 billion.

There had also been profession-specific adjustments over the past two years amounting to R1,2 billion.

"Nevertheless, the Government is aware that many, probably the majority of State employees are struggling and that there are even cases of dire need. The same goes for pensioners

who rely on the State for their income."

Civil servants enjoyed many benefits and while many private sector workers had lost their jobs because of the low economic growth rate, not a single employee of the State was fired for such comparable reasons.

was Mr Carol Overmeyer, of 17 Wal- ble and no crime was suspected.

R4bn boost for civil servants

THE government's surprise R4-billion boost to civil servants' pay packets was last night welcomed by its beneficiaries — but warnings of a disastrous inflationary spiral were sounded by politicians, commerce, industry and economists.

All public servants and pensioners are included in the 15% salary and pension increase bonanza — which comes into effect three months ahead of time on January 1.

The public servants' increases will cost R3 billion, social pensions rises R790 million and military pensions R160 million.

During yesterday's joint sitting of

Parliament, President P W Botha said that on his return from the IMF conference in Germany, the Minister of Finance, Mr Barend du Plessis, would disclose how the increases were to be financed.

Later, Mr Botha told SATV that the money would simply have to be found — whether it was borrowed or financed through increased taxes.

The PFP leader, Dr Zach de Beer, said the worst feature of Mr Botha's statement had been the failure to say how the extra expenditure would be financed.

To page 2

From page 1

"Panic hand-outs by politicians under pressure are bad news for the national economy and for South Africa," he said.

The Conservative Party said the increases were welcome but "too little and too late".

The head of the Public Servants' Association, Mr Hans Olivier, said he was pleased with the increase — which the government had been virtually "forced" to grant because of the exodus of top civil servants. However, public servants still trailed behind their peers in the private sector.

Assocom said it accepted the need for market-related adjustments to civil servants' pay, but that the timing of the increase was "inappropriate".

It would have been better if the April 1 date for the rise had been retained in view of the "clear message of the past couple of months" for the need to cool the economy to protect the balance of payments.

Although the announcement came as "no surprise", economists predicted that the long-term economic implications would outweigh any political gains made ahead of the October 26 municipal elections.

Nedbank's chief economist, Mr Edward Osborn, said wage spirals across the board in the private sector would follow the government's lead.

"Labour costs will rise, adding to inflationary pressure, and we can expect a round of increased consumer demand with serious implications for the balance of payments."

The sentiment was echoed by Anglo American's economic consultant, Mr Jim Buys.

The anticipation of higher salaries would be reflected in spending patterns, making higher interest rates crucial, he said.

The Afrikaanse Handelsinstituut said the increase was a "necessary measure" in the light of the number of staff leaving the public service. However it added its voice to fears about the effects on inflation and balance of payments.

● The government's salary and wage bill next year will exceed R18 billion — more than a quarter of next year's expected budget.

According to the Commission for Administration, salary and related expenditure in 1987 amounted to R14,8 billion for nearly a million exchequer personnel. This included government contributions to pension funds and service bonuses.

Exchequer personnel includes SADF, police, post office and prisons staff, as well as nurses, teachers, university and technikon employees. — Political and Own Correspondents

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'Good news, but an election gimmick'

Public service pay rise largely praised

PARLIAMENT — The salary increases awarded to public servants and Post Office staff yesterday have been generally welcomed. But there is unhappiness among transport workers, who will not benefit.

President Botha said yesterday that public servants and pensioners would receive an extra R4 000 million in the form of a 15 percent increase in their monthly cheques from January 1.

Post Office staff will receive about 15 percent from the same date, the Home Affairs and Communications Minister, Mr Stoffel Botha, announced.

But SA Transport Services (Sats) workers will not benefit from the increases. According to the Sats Federal Council, the workers were awarded 12 percent increases by an arbitrator last week.

President Botha told a joint sitting of Parliament it was obvious that backlogs in the public service could not be allowed to become too big. So the Government had decided that the pay increase scheduled for April 1 next year would be brought forward to January 1.

The general increase in salaries would be granted to everyone who received remuneration from the Treasury. The amount involved in the increase, calculated on an annual basis, would be close to R3 billion.

More than 700 000 public servants will benefit. The two biggest categories of public servants are labourers and educators, with more than 150 000 people in each.

In addition to pay rises, R790 million, calculated

**By David Braun,
Political Correspondent**

ed on an annual basis, was being allocated for an increase in social pensions and R160 million for increases in civil and military pensions.

All the pension increases will be effective from January 1.

In the case of social pensions, the increase will be 15 percent, or R32,70 a month, for white pensioners. Social pensioners of the other race groups will also get R32,70 a month more.

In the case of civil pensioners, increases will be granted to all people who retired before or on January 1 1989. It will be 1 percent for each year of retirement with a minimum increase of 10 percent. The same applies to Post Office pensioners.

Military pensioners will be given an increase of 15 percent.

Mr Botha said the increases were the maximum that could be afforded in current circumstances.

The PFP spokesman on the public service, Mr Mike Ellis, said that while the increase was good news, the timing was a transparent election gimmick.

This view was shared by the CP. Its public service spokesman, Mr S C Jacobs, said his party had been fighting for the increases the whole year.

Only a few months ago the increase had been rejected by the Government. Now suddenly, a few weeks before the elections, the Government came with its pay increase announcement.

Teaching profession hopes exodus will stop

Education Reporter

The organised teaching profession yesterday welcomed the announcement by the State President of a 15 percent salary increase for public servants from January 1 and said it might slow the rate of teacher resignations.

Teachers, who have already been granted an occupational

specific adjustment of seven percent from December 1, will in effect receive a salary increase of 22 percent from next year.

The president of the Teachers' Federal Council (TFC), Mr Dudley Schroeder, confirmed that the 15 percent increase would be in addition to the seven percent adjustment, which was granted

to narrow the 11 percent gap between the salaries of educators and other civil servants.

Mr Mike Myburgh, president of the Transvaal Teachers' Association, reacted more cautiously. He said teachers were happy that an increase had been granted, but it remained to be seen whether or not it would alleviate the crisis situation.

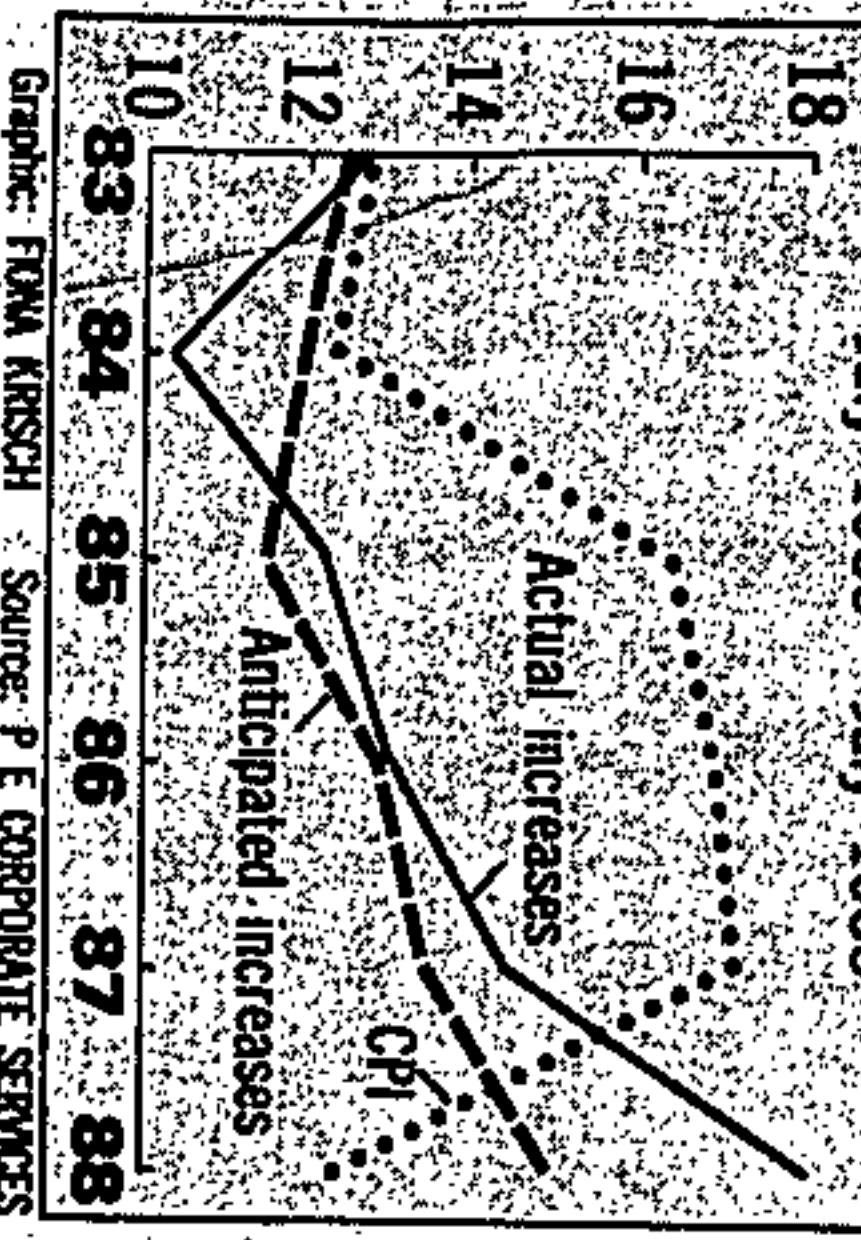
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(355) 6/20/9/88

A TIMES MEDIA PUBLICATION

Top executive salary increases

July 1983 July 1988



Graphic: ROMA KIRSCH Source: P E CORPORATE SERVICES

Executives' pay increases averaged 18%

EXECUTIVE salaries in the private sector increased by 18% (excluding perks) in the past year and general salaries by 16.4%, despite President P W Botha's call for restraint, a P-E Corporate Services salary survey shows.

P-E Corporate Services remuneration division manager Naomi Brehm said the President's call came too late to stop increases already awarded.

"His call co-incided with an upsurge in business confidence and a perception that the government itself was not exercising wage constraints."

MANDY JEAN WOODS

In addition, the private sector was having to offer increased salaries to retain skilled manpower in the face of emigration and greater job mobility in a more buoyant economy, she said.

The highest average increases in basic salary for executives was 25.3% among personnel professionals, while the lowest, 13.8%, was in the technical and research field.

Brehm said the importance of personnel executives was finally being recognised.

nised.

"In the technical and research areas, the statistics are alarming. The trend appears to be that most companies are still relying on foreign technology and resources to address technical needs."

The survey showed that the increase in salaries across the board was more than the official CPI (12.4%) for the same period (July 1987 to June 1988).

"The last time salary increases beat the CPI was in 1982, when overall increases averaged 18.3% and the CPI was 14.4%," she said.

355 900 28/9/88

Teachers to get 22 pc

Political Correspondent

Teachers at schools, universities and technikons will be getting an average 22 percent more in their pay packets from January 1 next year.

Minister of National Education Mr F W de Klerk confirmed in a statement that teachers would get the general 15 percent civil service pay increase from January on top of the seven percent "occupation specific" increase from December 1 this year, which was announced earlier.

He also announced that negotiations would now begin for next year's occupation specific adjustments for educators.

Mr de Klerk pointed out that the average seven percent increase for educators from December 1 would

be distributed in different ways.

Educators in schools, technikons and colleges would all receive at least seven percent more from December 1.

However the universities would be given an increase in subsidies on December 1 equivalent to a seven percent increase in their education staff bill and would decide themselves how to distribute it.

They would also decide how to distribute the 15 percent increase for general staff on January 1.

Mr de Klerk said full details of the December 1 increase had been sent to the various education departments.

Details of the general salary increase on January 1 would be supplied as soon as possible.

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Pay hikes strain govt funds — economist

(355) B/day 29/9/88

GERALD REILLY

PRETORIA — The R4bn needed to finance the pay and pensions hikes in the public sector from January next year would place an "intolerable" strain on government funds, Stellenbosch Economic Bureau economist Glen Moore said yesterday.

He said government had four options — increase GST, raise income tax or company tax, or allow the deficit before borrowing to balloon.

He said GST collections would have to be raised by more than a third, to about R16bn, to generate the R4bn needed. Collections for the current financial year were estimated at R11,7bn.

If the GST option was chosen,

would it be imposed from January, when the increases became effective, or from the start of the new financial year in April? Moore asked.

It was likely spending on defence and security in the 1989/90 Budget would rise substantially, and spending on the other major items — housing and education — was likely to rise by at least the inflation rate.

Taxation on fuel this financial year was estimated to amount to R1,07bn.

The extra 3c/l imposed a month ago would provide additional revenue, but not nearly enough to make a significant dent in the R4bn needed.



Varsities welcome pay rise

By Zenaide Vendeiro,
Education Reporter

The announcement that the State is to fund a 22 per cent salary increase for academic staff at universities was a positive development, the chairman of the Committee of University Teachers' Associations (Cuta), said yesterday.

Universities will receive an increase in subsidies equivalent to a 7 percent increase in the staff bill on December 1 and a further 15 percent on January 1.

Cuta chairman Professor Charles Wait said the announcement was significant because the State's contribution to the academic staff bill had been diminishing in the past few years because of cuts in university subsidies.

"Under normal circumstances, the State contributes about 80 percent of the staff bill and the univer-

sity has to find the rest. With the cuts in the subsidies, the amount that comes from the State has been less and less each year."

Professor Wait said it was important that the Government, in increasing subsidies to pay for salary increases, was meeting an undertaking it had made to universities some time ago to fund any increases made during the tax year. "The Government has not been able to meet this commitment over the past few years."

He said the statement by the Minister of National Education, Mr F W de Klerk, that universities would themselves decide how to distribute the money was not unusual and merely confirmed the autonomy of universities.

The money need not be spent on staff salaries but it was highly unlikely that universities, who had expressed concern about staff salaries, would not use it

for salary increases.

In a statement issued yesterday, the chairman of the Committee of University Principals (CUP), Professor Cas Crouse, said the CUP noted with appreciation the increase. "The CUP is aware of the financial strain the State experiences. It has, however, also noted with growing concern the widening gap between the remuneration packages of the public and private sectors."

"In particular, the CUP continues to stress in discussions with the State its deep concern about the deteriorating personnel situation at universities and the detrimental effect this has on the provision of high-level manpower."

Professor Crouse said the CUP was therefore pleased that the State demonstrated its own awareness of the seriousness of the situation in such a concrete way.

CAPE TIMES 30/9/88

Union undertakes not to sell employer's assets 355

Supreme Court Reporter

THE Electrical and Allied Workers' Trade Union of South Africa undertook in the Supreme Court yesterday not to proceed with the execution of a warrant for the sale of an employer's movable assets to recover wages owed to workers.

An urgent application by the managing director of Photocircuit (SA), Mr Horst Peschkes, asking for an order setting aside a warrant for a sale in execution, was removed from the roll by Mr Justice P Tebbutt after the union gave the undertaking.

Two portable computers, three printers, a colour monitor and a photocopier worth about R40 000 were attached from Photocircuit after Mr Peschkes failed to comply with an industrial court order to reinstate 11 dismissed workers.

The respondents were advocate Ms A M de Swart, the union, 11 workers, the deputy sheriff of Wynberg and the Registrar of the Supreme Court.

Fiscal drag can foot bill

'No need to raise taxes for pay hikes'

9/11-7/11/88
30/9/88
355

From KAY TURVEY

JOHANNESBURG. — Government should not have to raise taxes to fund the 15% hike in civil servants' salaries from January next year, tax experts said yesterday.

They said new and unbudgeted taxes coupled with fiscal drag could be expected to swell Revenue coffers.

Costa Divaris of Divaris Stein said government's best generator of revenue was inflation and fiscal drag would automatically add about R1,5bn to collections from individuals next year.

He pointed out that 30% of the R4bn increase in civil servant's wage bill would go directly back to government in the form of taxes.

Of the R4bn pay rise only R1bn will be paid for in this fiscal year to end-March 1989. Tax experts said there should be plenty of additional revenue to pay for this, were government not to overrun budget as it consistently does.

Government has budgeted a deficit before borrowing of R9,86bn this year.

Arthur Andersen's Leo Fincham says the raising of the import surcharge in August should help foot the wage bill.

Import surcharges were budgeted to bring in R700m in the current year, but should now generate over double this, he estimates, as the higher surcharge also covers non-luxury items.

The recent 3c rise in the fuel levy would add to government's unbudgeted revenue in the current year said Kessel Feinstein partner Ernest Mazansky.

In addition the phasing out of the debtors allowance granted to retailers selling on credit terms by April next year will provide revenue not foreseen in the budget.

Revenue's chief director of sales tax Raymond Langley said this allowance which is being phased out prior to the introduction of VAT is estimated to bring in over R600m in the current year. However, Langley points out this figure was prior to concessions granted to ease the strain on credit retailers' cash flows.

Ernst & Whinney partner Roger Bramwell said the retrospective minimum tax on companies (MTC) was also anticipated to bring in lot more than the R300m budgeted.

This upfront payment of a tax to be offset against future tax liabilities was in effect a loan to government, which it could keep until 1991 if not absorbed by the tax paying companies.

Interest rates set to...

BUSINESS

THIS year's public sector pay freeze was a central part of the government's anti-inflationary drive, given much play in the state president's opening of parliament in February this year.

It was also the main prong of Finance Minister Barend du Plessis' curb on the increase in state spending in this year's budget — budgeted spending was to increase by only 12,6 percent to R53,8-billion.

PW Botha's announcement this week that civil servants would get a 15 percent increase from January 1 partly vindicated those who said the government couldn't do it.

While the Nats hope the new measures will win them votes in October's municipal elections, economists are speculating about the cost.

Some are predicting huge increases in taxes or in inflation while others say the government can finance the increase relatively easily.

Botha told parliament on Monday the total amount involved in the pay increase, which had been brought forward from April 1 to January 1, would be almost R3-billion for the calendar year. More than 700 000 public servants would benefit.

An additional R950-million is to be allocated to fund increases in the state old age pension and in civil and military pensions from January 1.

Old age pensioners will get an across-the-board R32,70. This will narrow the racial gap somewhat but pensions are still well below subsistence levels. For black (African) pensioners, this represents a 28 percent increase on the current R117 a month and for whites, a 15 percent increase on the current R218 a month. "Coloured" and Indian pensions currently receive R167 a month — their pension will rise to R199,70 from January.

The public servants' pay increase hasn't itself come as too much of a surprise — except for the fact that it's been brought forward to January. Most observers expected a pay increase in next year's budget.

"We expected the government couldn't hold down salary increases for two years," says economist Mike Brown of stockbrokers Davis Borkum Hare.

Standard Bank economist Nico Czypionka predicted before this year's budget that the public sector wage bill would rise by seven or eight percent despite the pay freeze. "They were never capable of holding the increase down completely — there have been creeping increases all the time," he says. January's increase will raise the figure but will still not cause a huge overshoot of the budget, he believes.

The government doesn't have to find all R4-billion in the current 1988/89 fiscal year. The increases will be effective for only three months of this fiscal year — from January to March — and are likely to add about R1-billion to this year's budget figures.

Czypionka suspects the government may already have raised the funds in the capital market.

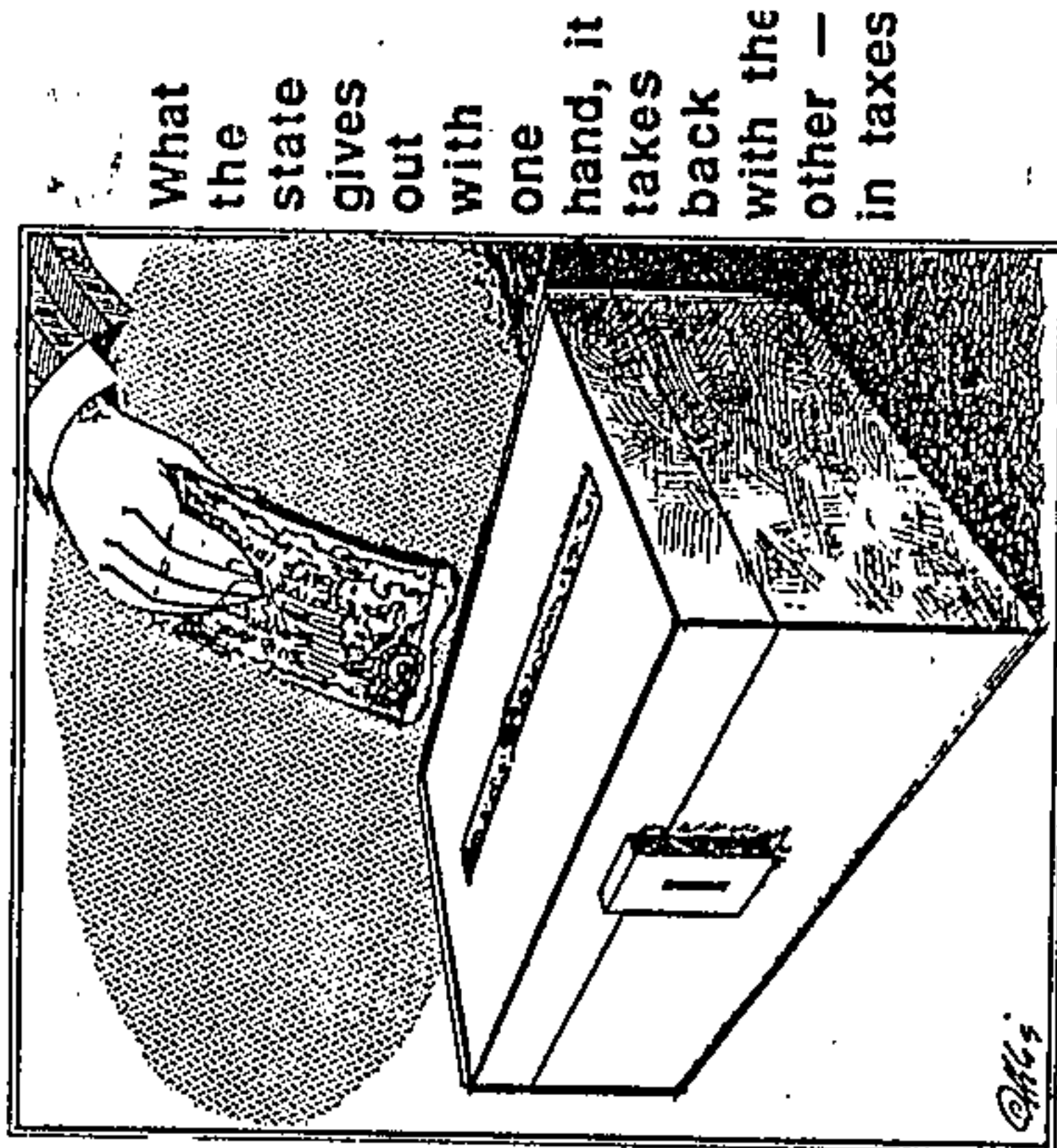
Others, including Brown, see tax increases on the cards before next March's budget. The general sales tax rate is one which can be increased outside the budget.

Tax consultant Costa Divaris points out the government will be pulling in more revenue this year than it budgeted for, following the imposition of higher surcharges on imports in August.

What price the Nats' election present to civil servants?

Economists seem unsurprised by PW's eve-of-election gift to the public sector, but they differ on how much it will cost.

HILARY JOFFE reports



gust and the phasing out of the debtors' allowance for GST. There is also likely to be slightly higher government borrowing.

The question is what will happen beyond this fiscal year. Brown believes next year's spending increase could be around 16 to 17 percent, given that the pay increase now certain — higher government spending will have to be funded with nine percent.

Another economist, who calls the

pay increase a "disgrace", sees a contradiction between the expansionary fiscal policy implied by it and the restrictive monetary policy the government is adopting in the attempt to curb domestic demand and address the balance of payments problem.

The increase in government spending could have severe implications for

economic growth in the latter half of next year and in 1990/91, he says. The tax burden on individuals is already high, the government cannot borrow overseas and higher local borrowing will push up interest rates, with a possibility of prime rising to 20 percent next year.

Bearer bonds due for repayment to foreign creditors (mainly European pension funds) in 1990/91 will require an additional R5-billion of reserves at current exchange rates — a further pressure on the economy from next year.

But other economists are more sanguine about Botha's announcement.

"At least they've saved the money for nine months," says Divaris. "South Africa is running a gigantic budget and there is plenty of money to fund a piffling increase in salaries and pensions."

Inflation alone pulls in at least an additional R2-billion in tax revenue, the effect of fiscal drag, Divaris says.

He adds that a sizeable chunk — probably an average 30 percent — of the pay increases to public servants immediately come back to the exchequer in taxes.

Salaries — it's still tough at the bottom

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57-4/10/88

A survey of salary trends carried out by Hay Management Consultants shows that average pay packets grew faster than inflation over the past 12 months for the first time since 1982.

On average, salaries have grown about 14.6 percent since the middle of last year, compared with increases in the consumer price index a shade below 12.5 percent.

Even so, employees at all levels are still worse off than they were five years ago.

The slide in living standards has worsened the lower that workers have stood in the job pyramid.

Even senior executives, whose pay packets fattened the most, failed to keep pace with inflation. Though their average basic salaries have surged by 92.5 percent since 1983 — from an annual R63 766 to R122 773 — the consumer price index raced ahead by a still faster 101.9 percent over the same period.

The pay packets of workers lower down the pecking order at around senior clerk level fell behind by as much as 25 percent.

Fortunately, according to Mr. B. Ravensborg, the managing director of Hay, there are signs that employees are being given more and more chance to break out of the straitjacket of salaries in their particular job classification — if they put in a sound track record on actual performance, especially if they are specialists staying ahead in their field.

He believes that rewards for performance, in the form of bonuses and perks as well as basic salaries, will become a marked trend in future pay patterns, all the more so because of chronic shortages of skilled personnel in most business sectors.

The trend will accelerate, he says, as more routine administrative work is pushed over to computers.

Pecking order

The actual ranking of the job inside the company by strict title has already started to take a back seat to individual skill and performance at all levels.

The impact of perks on basic salaries is also spreading down the job pecking order. Thus, as an example, even clerical staffers in the financial sector can boost a basic salary of around R16 720 a year to a total pay package of almost R22 000 by perks such as housing loans, which, in turn, bring them nearer the pay levels of counterparts in the industrial sector.

Senior executives who make the grade with the Hay system of job evaluation can boost basic salaries of around R120 000 a year to nearer R170 000 with a package of perks.

South African employees need every extra rand they can lay hands on to match many of their overseas counterparts in living standards.

The Hay team has worked out a number of examples of how the purchasing power of South Africans nowadays fares in international comparisons.

The pay packet of an employee at around supervisor/foreman level can buy less than 60 percent of the basket of goodies that an American equivalent can. The senior executive is relatively even worse off — with a purchasing power of less than half his equal in the United States.

But there are huge differences between the size of the pay packets of bosses and rank-and-file workers down the line.

In South Africa, the chief executive officer of a company picked up more than 10 times the wages paid out to shop-floor workers at a count taken in 1986. That compared with only four times the difference seen in Australia and Sweden; 6.5 times the difference in France and England.

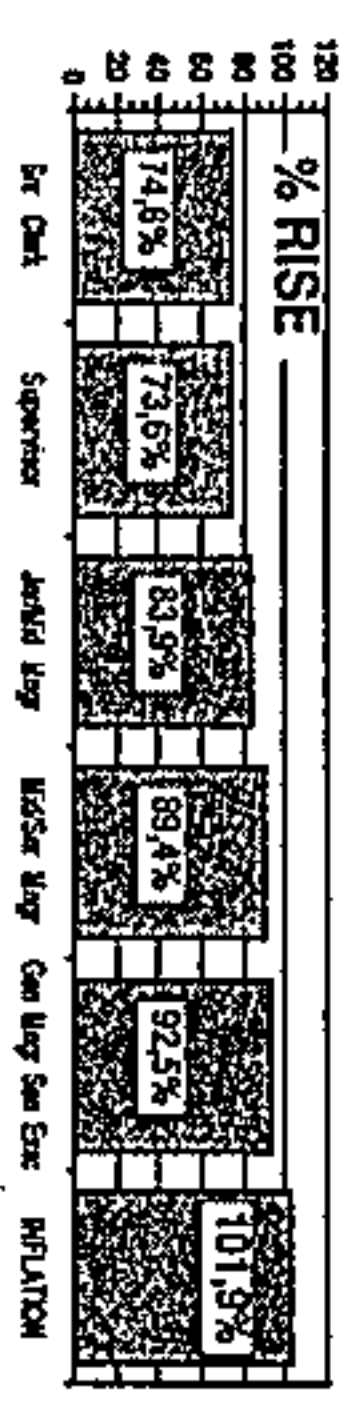
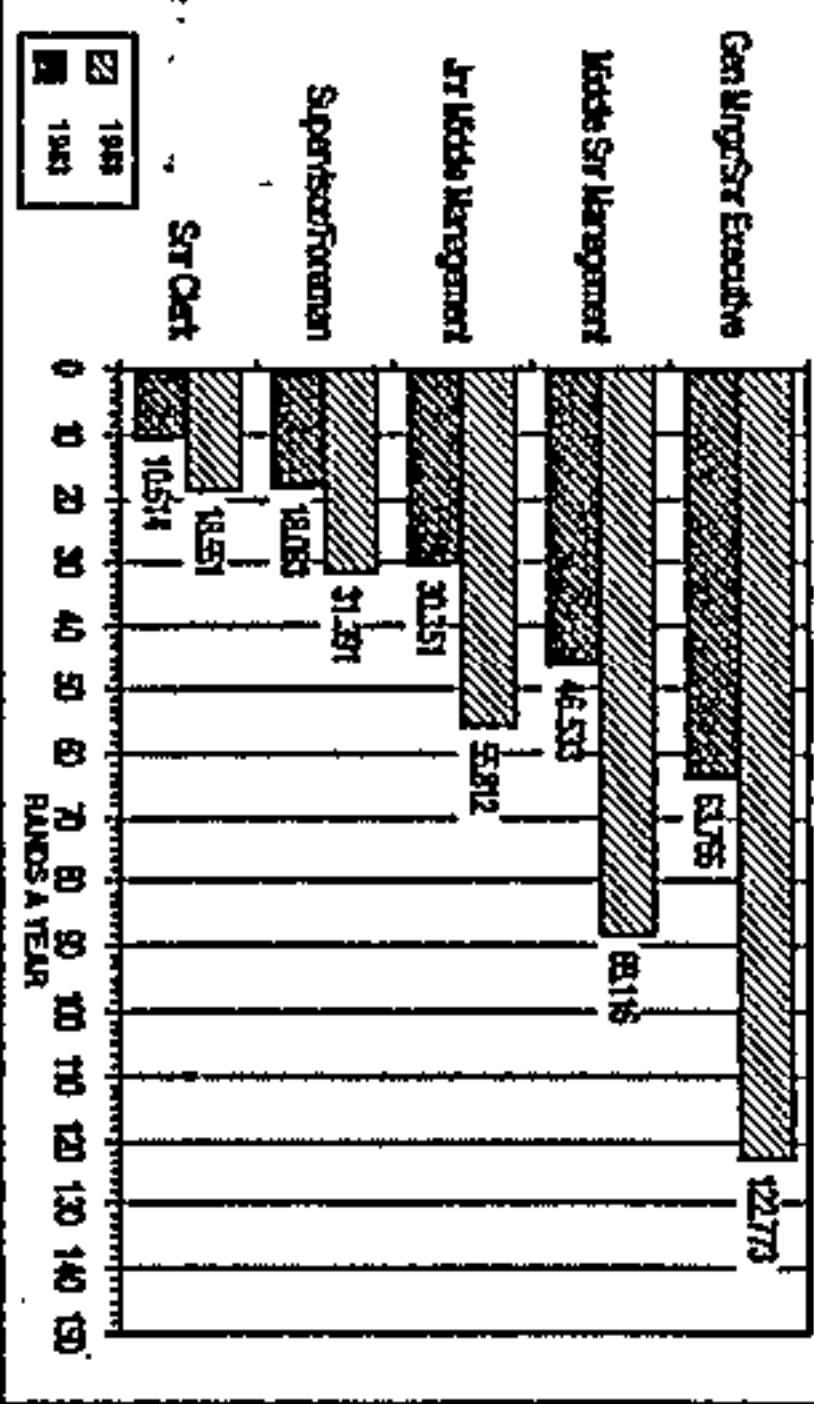
But the gap paled in comparisons with Brazil, where the difference leapt to a ratio of more than 36 times over.

Among the reasons for the slide in purchasing power of South African pay packets are high inflation and the crippling of the rand exchange rate. But another major factor, says Miss Marie Marburger, survey's manager at Hay, is taxation.

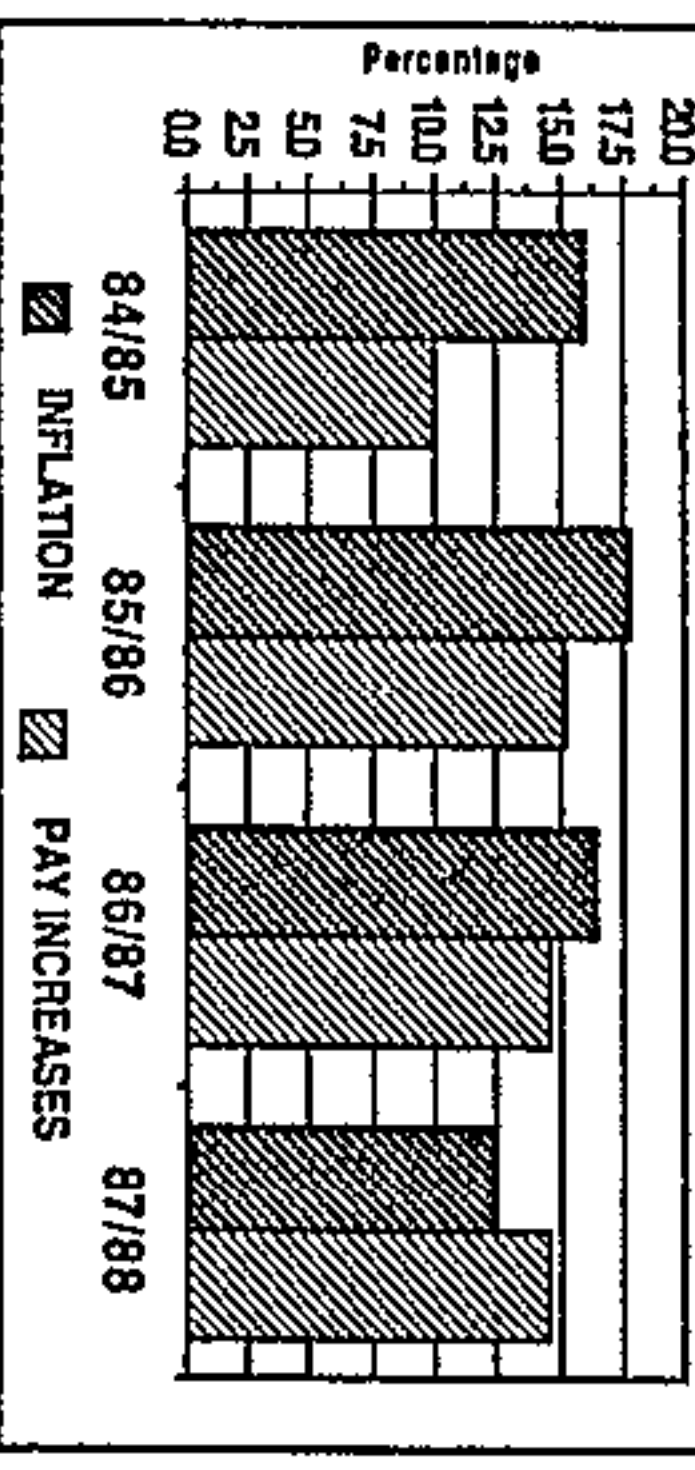
"Theoretically, there is a choice of solutions: bigger pay increases, or cuts in tax rates," she says. "Unhappily, in the current economic climate, neither looks very viable."

National average pay increases in recent months have beaten the rate of inflation for the first time in five years, reports Michael Chester. But these increases still failed to restore living standards to 1983 levels.

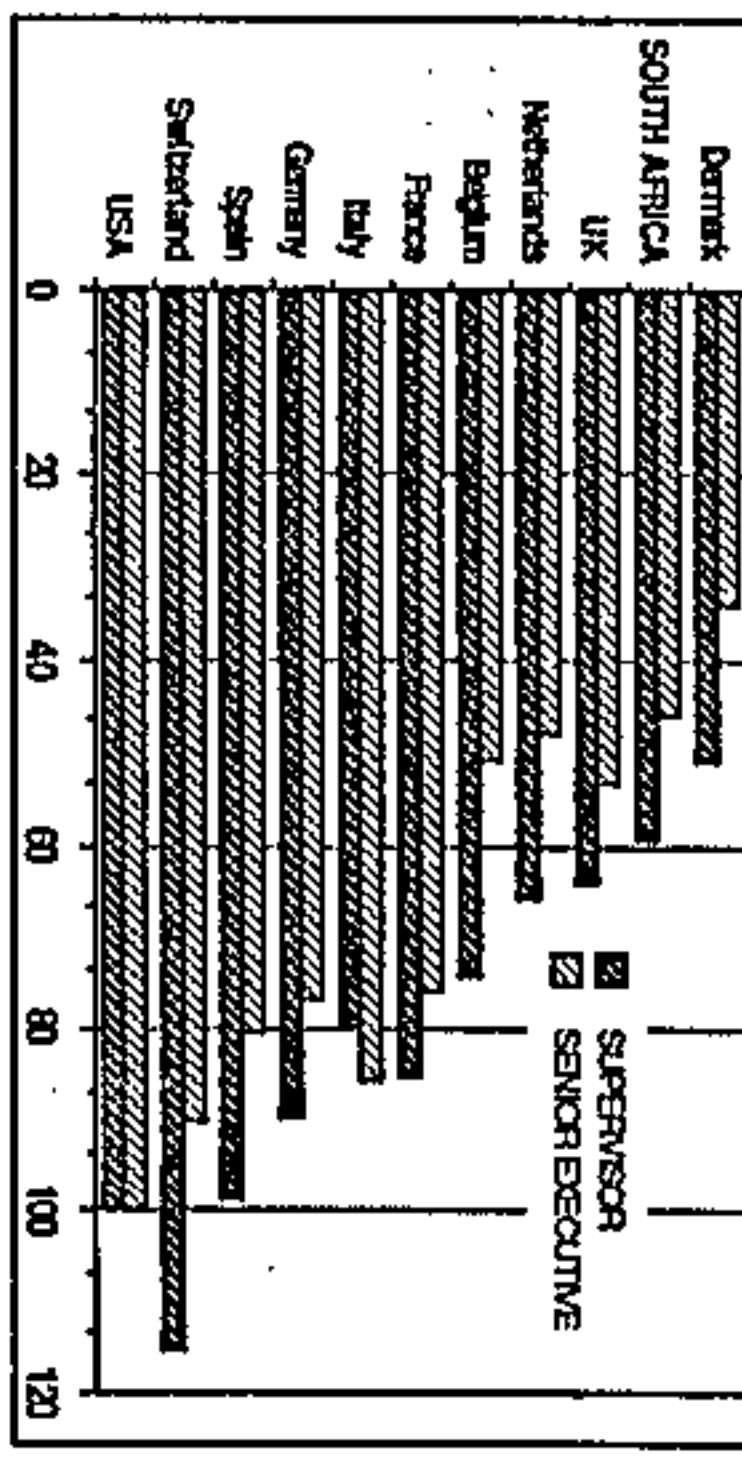
Movement in Basic Salary 1983 to 1988



INFLATION VS SALARY INCREASES



PURCHASING POWER COMPARISONS



Get back or be fired, workers are warned

Labour Reporter 355

The lockout of about 600 workers at Gold Fields of SA's Zincor refinery on the East Rand took a new turn yesterday when management gave notice of its intention to dismiss the workers.

According to National Union of Mineworkers' (NUM) assistant general secretary Mr Marcel Golding the workers, locked out since last Monday, have been given two weeks starting yesterday to return to work or be fired.

DEADLOCK

The lock-out resulted from a conciliation board deadlock in wage negotiations between the NUM and the refinery.

The union is demanding a 12,5 percent wage increase, retrospective to July 1, and a freeze in hostel fees. Management has offered a 12 percent raise and has proposed that hostel fees be increased from R70 to R78.

A refinery spokesman said the action was "in furtherance of the lock out which followed the failure of talks with the NUM to resolve the wage dispute".

Biggest rises may go to blue-collar staff

STW
4/10/88 By Michael Chester

Blue-collar workers could be awarded the biggest pay increases over the next 12 months as companies press ahead with black advancement programmes.

Hay Management Consultants forecasts that the pay of blue-collar workers, most of whom are black, will increase by between 16 and 18 percent compared with an inflation rate of 14/15 percent.

"There structural shifts in pay patterns to take serious account of socio-economic issues and policies aimed at narrowing the white/black pay gap are essential," says Mr Ib Ravnsborg, managing director of Hay.

Higher up the labour ladder, more and more emphasis is likely to be placed on performance and skill rather than job titles when salaries are reviewed.

"There are far stronger tendencies for salary packages to be seen as compensation for skill and professionalism, with emphasis on motivation through incentive schemes such as special bonus systems and profit-sharing schemes," he said.

"There will also be a marked trend towards offering higher rewards to top executives willing to take risks in shaping corporate policy to deal with growing competition and changing scenarios."

Hay predicts that increases lower down the management ladder may vary between 12 and 14 percent over the next 12 months.

But the scale looks set to rise to between 14 and 17 percent for top executives showing good performances.

● See Page 13.

MANPOWER MIRROR by ROBYN CHALMERS

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9/10/88

Stewart

IN THESE high inflationary times wage negotiations are a key issue, and the demand for a living wage is a highly controversial matter.

A living wage demand in SA can be traced back to 1919, when a member of the South African National Congress (now the African National Congress) addressed the twin needs of a living wage and the abolition of the pass system.

This was followed by minimum wage demands made by Clements Kadali's Industrial and Commercial Workers Union in 1928, by Sacti in the 50s by Fosatu in 1980 and finally by Cosatu last year.

DEMANDS

The pros and cons of this campaign are considered in a book by Ian Newall: *The Demand for a Living Wage - A Primer for South African Managers*, due to be published this month.

Real term wage demands have risen steadily over the years, and Mr Newall sets out four reasons why this is so.

"There is now a more widespread organisation of workers than before and the admission of blacks to the statutory collective bargaining structures as a result of

the recommendations of the Wiehahn Commission has led to rapid unionisation of workers.

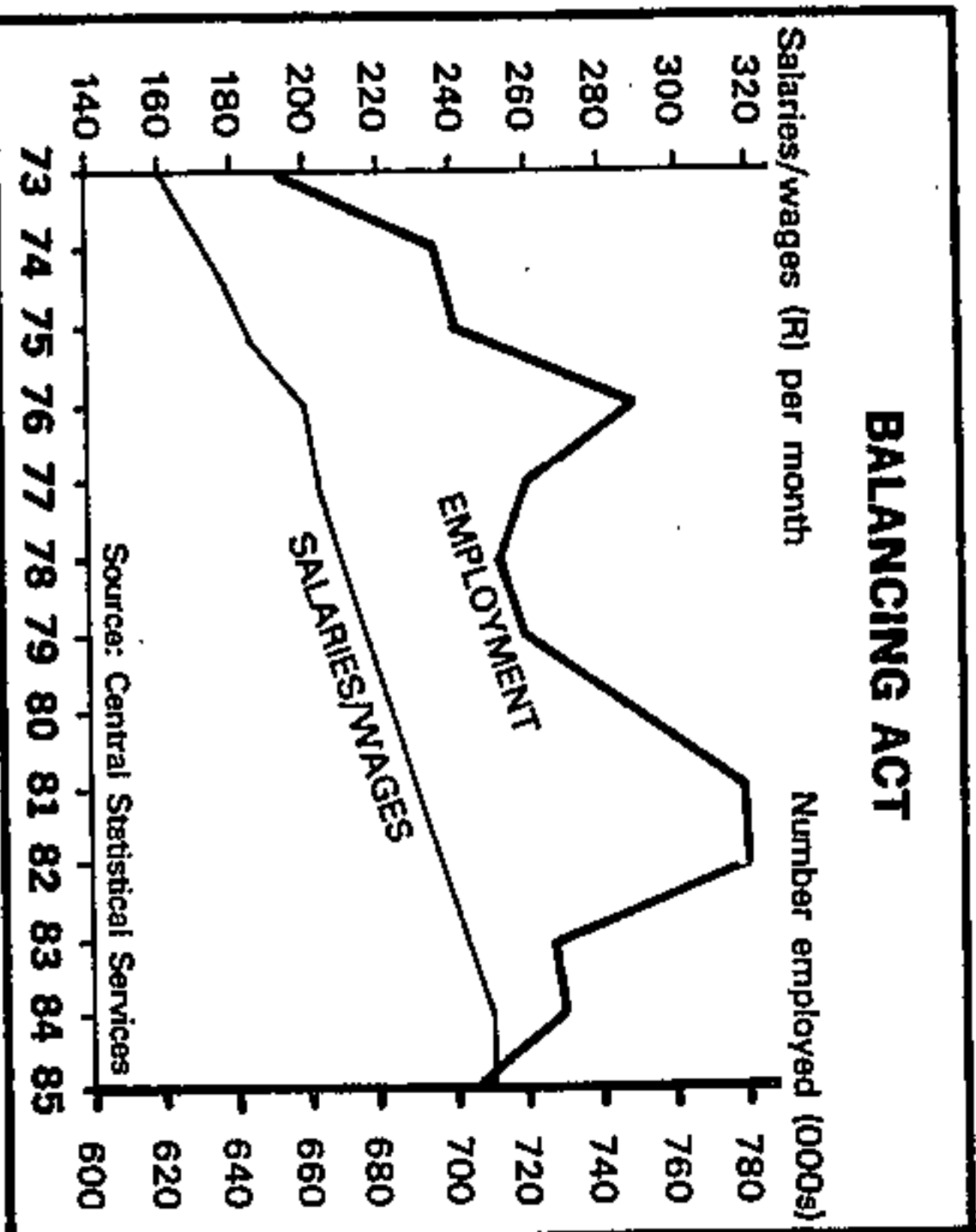
"Aspirations of black workers have risen both as a result of unionisation and of community and political factors, and the greater trade union unity derived from the formation of trade union federations, particularly Cosatu, has meant that wage demands have received wider union support than previously."

The International Labour Office (ILO) defines a living wage as one "that will enable people to satisfy their minimum nutritional needs". Mr Newall argues that these needs cannot be estimated in an entirely objective and scientific way.

He says the living wage is "as elusive as the Holy Grail," but believes that arguments for a living wage are valid within the context of collective bargaining.

In SA, however, there are numerous reasons advanced

Valid arguments for a living wage



by management against the idea of a living wage, which include threats of widespread unemployment, increased automation and higher inflation.

A study in Puerto Rico in the 50s showed that the introduction of minimum wage legislation resulted in the

loss of 38 000 jobs between 1949 and 1958.

In 1977 the American Congress voted to raise the Federal minimum wage from \$2,30 to \$2,65 an hour. The effect was that 90 000 workers had lost their jobs by 1981, black teenage unemployment had risen to 40% and

whites to 17.5%.

Mr Newall also considers Europe and Japan: "The October 1987 edition of ILO Information points out that, in the years 1970 to 1980, real labour costs increased by 3% a year in Europe, but employment only went up by 1%."

"However, real labour costs in Japan increased even more than those in Europe during the same period, yet Japanese employment rose by 13%. The ILO concluded that there is no predictable link between real wages and job creation, and that many other factors come into play."

In SA, there has been no comprehensive study done on the relationship between wage changes and unemployment. Mr Newall says that although real wages of blacks have increased steadily between 1972 and 1985, as can be seen from the graph, employment levels seem to have been influenced by business cycles.

It is frequently contended that trade unions cause inflation because wage demands cause employers to pass on additional costs to consumers.

Rising costs are then used by unions to justify further wage increases which in turn are passed on to consumers in an inflationary spiral.

KEY

Research results on this are ambiguous, says Mr Newall, so that if there is a relationship between increasing wages and inflation, the extent of it is not known.

The key to collective bargaining around a living wage demand is well informed management negotiators, says Mr Newall. Managers should bear in mind that trade unionists are involved in negotiations almost daily, and that "the importance of the development of negotiating skills cannot be overemphasised."



Govt salary bill set to jump 20%

GRETA STEYN

GOVERNMENT'S salary bill was expected to jump by an effective 20% in the next calendar year compared with 1988, possibly thwarting efforts to contain consumer spending.

Economists say the 22% raise for teachers, the 15% for the rest of the civil service plus notch increases will lead to an eventual pay hike of 20% in 1989.

Trust Bank economist Nick Barnardt says: "It is worrying that we can expect a real increase of 5%-6% in civil servants' pay next year at a time when consumer spending should be contained. But I am hoping there will be other compensating action to ensure that fiscal policy remains restrictive."

Even if government manages to cut back in certain areas economists believe it has no hope of meeting its targeted spending of R53,87bn for fiscal 1988/89.

Barnardt estimates spending will exceed the budget target by just over R2bn, flowing from the extra spending on salaries, extra aid for agriculture and the possibility of higher defence spend-



ing. This would continue the trend of the past decade, with spending overshooting targets by a few percentage points.

However, latest figures in the Government Gazette indicate government got off to a disciplined start in the first five months of this fiscal year. Spending

● To Page 2

Govt salary bill expected to jump 20%

from April to August was R21,26bn — 12,9% up from the same period in 1987 and slightly higher than the forecast increase of 12,6% for the full fiscal year. With 40% of the total budget spent after five months, economists say government has been on the right track.

Much of government's sound performance so far can be ascribed to lower-than-expected defence spending. But, since defence spending is known to be

erratic, it could rise later in the year. On the revenue side, economists expect the budget target of R44bn to be exceeded by about R1bn with government cashing in on higher GST because of strong domestic spending. Revenue, at R17,08bn, was almost 20% higher than in the previous comparable period.

● From Page 1

APR 7 1988 12/10/88
Fewer strikes this year — survey

JOHANNESBURG. — Wage settlements between employers and trade unions in the first nine months of the year averaged 17,9% — higher than the average for the previous three years — while there was a marked decrease in the number of strikes.

These are among the findings of the latest Wage Settlement Survey published by industrial relations consul-

tants Andrew Levy, Johan Piron and Associates.

The survey found that settlements for the June-September period lessened to 17,5%, but this remained above the 13,7%, 15,5% and 17,2% recorded between 1985 and 1987.

This represented an "impressive" performance by the unions — Sapa

Economists fear inflationary waves from govt pay rise

PRETORIA — The nearly R5,5bn that will be pumped into the economy from January until the start of the 1990/91 financial year for increased earnings for government workers and pensioners could create a powerful inflationary wave, according to economists.

In fact, this would be almost unavoidable if government raised the needed funds by deficit borrowing or by increasing GST, said Stellenbosch Economic

GERALD REILLY

Bureau economist Glen Moore.

Both methods would impact directly on the inflation rate. The rate would rise almost to the extent of any GST hike.

If the funds were to be obtained from higher income tax, the inflationary impact would be largely neutralised.

However, if Finance Minister Barend du Plessis and his advisers opted to raise

the funds either by a savings levy or a surcharge on income tax, the inflationary potential would be virtually eliminated and with it the benefits of the pay rise.

Du Plessis, it was pointed out, would have to find around R1,3bn for the last three months of the current financial year — January to March — in addition to R4bn needed for the whole of the 1989/90 financial year.

PFP finance spokesman Harry

Schwarz said provision for the R1,3bn would have to be made in the additional estimates of expenditure — the mini-budget — in February.

"Until then we won't know how it is to be financed except that all the options are economically unhealthy," he said.

However, if there was a general election in April-May, as had been speculated, an increase in GST from January was unlikely.

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8/10/88
12/10/88

Pay rise may force rates up — Jacobs

(SS) 6/10/88 13/10/88

GRETA STEYN

THE public sector pay increase could mean interest rates will have to rise to offset the expansionary effects of government spending.

This was indicated by Reserve Bank senior Deputy Governor Japie Jacobs in an interview yesterday.

Jacobs said: "The future course of monetary policy will have to take into account the possible expansionary effects of the salary increases.

"We cannot afford a pick-up in domestic spending at this stage of the business cycle."

However, he said it would be some time before the implications of the salary hike were known and could be translated into action on the monetary policy front.

Jacobs said for the moment he was satisfied that the economic package implemented in August was working and that the economy was firmly in a downswing.

"The country is living within its means. Early estimates show that there was a surplus of R1,2bn on the current account of the balance of payments in the first eight months of the year. That is

● To Page 2 ➡

Pay rise may force rates up — Jacobs

much better than widely expected.

(SS) 6/10/88 ➡

● From Page 1

13/10/88

"But it is still not a comfortable surplus. It does not leave us enough room for manoeuvre on our foreign reserves and on the exchange rate."

He said the current focus of monetary policy was "moral suasion" — encouraging the banks to curb credit extension.

At the same time, the Bank was sticking to its "less accommodative" stance by not providing extra liquidity aid to the banks in the form of repurchase agreements.

"The Bank cannot be accused of being too accommodative."

Increases 'good start' but teachers fight on

The Argus Correspondent

PRETORIA. — The organised teaching profession has indicated the fight for a better deal for teachers, and particularly "beginner" teachers, is far from over.

Professor Rod Conacher, rector of the Johannesburg College of Education and immediate past-president of the Transvaal Teachers' Association, said the December and January salary increases — which total about 23 percent — were "a good start".

But much of the recruitment for next year had been during the salary debate and many potential teachers had by now already decided on other careers.

He said there were still more applicants than places at the JCE but there had been a decline in the number of talented applicants.

Many student teachers had left the college this year, halfway through

their courses, because they could earn more money in other jobs.

Professor Hennie Maree, rector of the Onderwyskollege in Pretoria and chairman of the Transvaalse Onderwysersvereniging, said the increases would have a positive effect on the recruitment and motivation of teachers.

But he said the profession would try to find long-term solutions to teachers' problems.

Women teachers start next year on R1 382 and men on R1 595 — an increase of 23 percent, or R259 to R299 on the comparative salaries of new teachers this year.

Professor Conacher said the TTA had hoped a larger slice of the occupational specific adjustment — the seven percent granted from December 1 — would go to "beginners".

It remained committed to its campaign to remove the imbalance in the salaries of men and women teachers on these levels.

New moves in Goldberg strike

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By Mike Siluma
Labour Reporter

The management of Benny Goldberg is expected to respond today to revised union proposals made during mediation yesterday, according to the Commercial, Catering and Allied Workers' Union (Ccawusa).

The proceedings yesterday were aimed at resolving a 14-day wage dispute at the company's Wynberg liquor outlet.

Ccawusa spokesman Mr Abie Ramalope said workers had been locked out after going on

strike on September 30.

He said the workers' demands before mediation were:

- A minimum monthly wage of R720.
- An across-the-board rise of R235 a month.
- Six months' maternity leave at 45 percent of pay.
- A 15 percent staff discount and a 40-hour working week.
- Increased staff loans and improvements in the long service bonus.

Mr Ramalope said the company had offered a new monthly

minimum pay of R630 plus an individual increase of R100 a month.

Management further offered maternity leave pay of 20 percent of employees' salary for six months, as well as a 10 percent staff discount and a 45-hour working week. Improvements to long service awards were also proposed by management.

He said both the union and management had revised their positions during mediation, but that the union had made it clear that a settlement was dependent on agreement on wages.

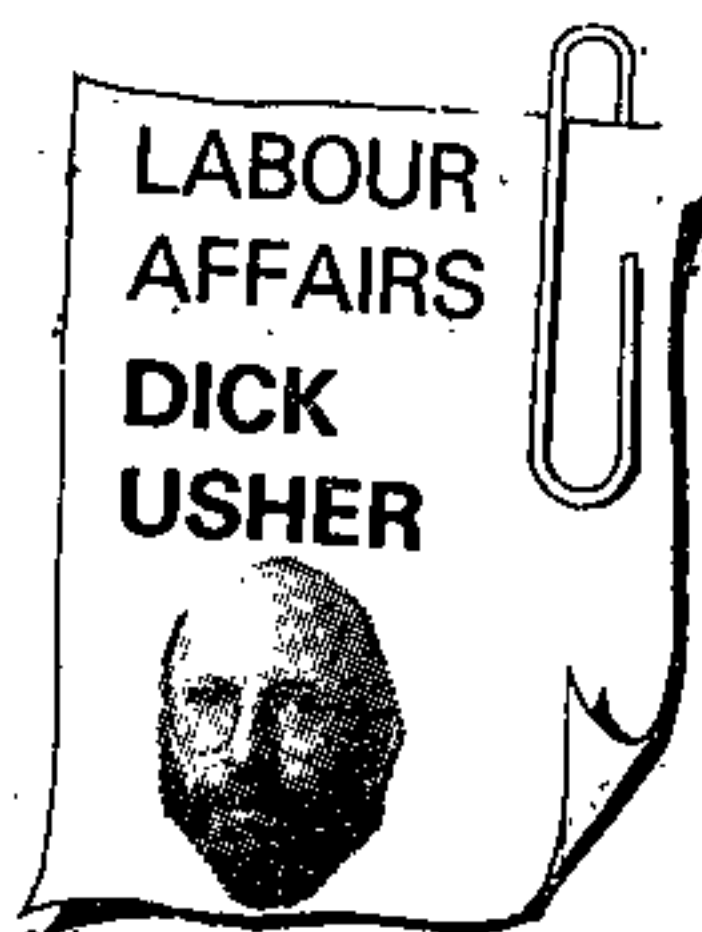
Create jobs by cutting on overtime

W/LC AR645 15/10/88
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STARTLING figures from the Labour Research Service show that about 100 000 jobs could be created in the manufacturing sector alone by cutting overtime.

A spokesman for the Cape Town-based organisation said that official statistics showed the average worker in the manufacturing sector did five hours a week overtime, a total of 6,7-million hours a week.

Since 1985, the low point of the recession, overtime had increased by 32 percent while employment had fallen three percent in the same period.



There had been very little increase in employment as a result of the recent "boom" and employment was still well below its peak level in 1983 before the recession started.

Overtime stood at 12 percent of ordinary hours worked.

"Increased production in the manufacturing sector is being accomplished

not through employing more staff but by existing staff working longer hours," he said.

It could not be eliminated altogether, but if employers reduced this to four percent, or two hours a week per worker, that would release about 4-million worker hours which could be used to create jobs.

This was in the manufacturing sector only, and did not include commerce, the service sector, mines and other sectors of industry such as construction.

Manufacturing and construction accounted for about 20 percent of total jobs so the possibilities for job creation should expand greatly if other sectors were included.

He said unions should back their demands for job creation with a two-pronged approach to overtime. "Management should be told that workers did not want to work overtime and that they want to see more staff on the payroll," he said.

He agreed that cutting overtime might reduce wages to already badly paid workers, but would broaden the base of wage-earners.

"Employers have a problem because of the shortage of skilled workers which means they have had to call on those people to work longer hours as the economy expanded, but to some degree they have only themselves to blame because they seem to prefer the cheaper method of paying overtime rather than investing in training programmes to expand the supply of skilled workers, he said.

555 8/2003 18/10/88

Pay rises at Rand Mines hit profits

THE full impact of pay hikes in May, June and July is reflected in the September quarter results of Rand Mines' gold producers.

These show a combined taxed profit of R12.5m — a massive 49.5% down on the previous quarter.

The leap in labour costs dwarfed slight improvements in the average gold prices received by the four producers — Harmony, Blyvooruitzicht, Durban Roodepoort Deep and East Rand Proprietary Mines (ERPM).

Total tonnage milled by the mines rose by 174 000 tons, to 43.5-million tons, but generally lower grades diluted the benefits so that gold production was only marginally better at 13 805kg against 13 645kg the previous quarter.

The output was sold at an average of R33 328/kg (R32 095/kg).

Group unit costs rose from R100.80 to R105.39 a ton to underline the effects of pay increases.

Capex at the four mines was R42.1m — about R8.4m down on the June quarter.

The June quarter turnaround at Harmony was sustained in the latest quarter with a sharp increase in production more than offsetting higher costs to put an additional R3.3m on bottom-line profits.

Chairman Clive Knobbs said improvement in grade and tonnage mined continued into October.

At Blyvoor, a 10 000-ton drop in tonnage milled, and grade down to 4.20g/t (4.55g/t), caused gold production to drop from 2 696/kg to 2 390/kg.

Knobbs said: "A number of high-grade slopes traversing dykes caused grade to fall to lower-than-expected levels but this should be rectified by the end of the next

RAND MINES Sep Quarter	Tons milled 000's	Yield g/ton	Gold produced kg	Costs per ton milled R	Costs per kg gold produced R	Price received R/kg	Net profit R000's	Profit after capex R000's	EPS after capex cents
Harmony	2 435	2.95	7 175	90	30 624	33 576	25 122	15 894	58
June	2 324	2.87	6 679	87	30 383	32 311	21 784	13 352	50
ERPM	657**	3.35**	2 204**	144**	40 089	32 937	(18 919)	(44 950)	(264)
June	569**	3.80**	2 160**	148**	35 753	31 536	(10 072)	(42 917)	(258)
Durban Deep	629	2.89	1 816	101	34 895	32 277	(4 046)	(5 841)	(251)
June	588	3.14	1 845	105	33 517	31 833	(819)	(4 543)	(195)
Blyvooruitzicht	569	4.20	2 390	124	29 563	33 781	10 342	3 533	15
June	579	4.66	2 697	112	24 115	32 238	13 837	7 336	31

** excludes sand treatment.

quarter."

Costs rose by R5.6m to R70.7m, equivalent to R124.19 a ton (R112.21). This left working profit at R10.1m (R21.9m).

In line with the lower profits, tax was only R855 000 (R9.5m), which left the bottom line on R11.2m (R23.3m). Grade problems made for another unhappy quarter at Durban Roodepoort Deep.

Knobbs said, however, the underground cutback announced in August, coupled with the decision to treat

surface material, would start to yield positive results from the current quarter onwards.

Grade slipped from 3.14g/t to 2.89g/t, which more than offset the increase in tonnage milled from 588 000 tons to 629 000.

Gold production was accordingly lower by 29kg to 1 816kg. The working loss rose to R4.7m (R3.1m).

With no state aid, the loss on the bottom line was R4m (R819 000).

Problems in the metallurgical plant were the main cause of the

sharp drop in grade at ERPM and gold production was only 45kg higher at 2 204kg.

Costs rose by more than R10m to produce a net loss of R18.9m.

The newcomer to the stable, Barbrook, reported total underground development of 2 744m for the quarter, of which 1 049m were on reef. In the June quarter, development totalled 2 384m (1 132 on Reef).

Capex commitments are R32.3m and estimates for the rest of the year are just under R70m. — Sapa.

only more averaging

EXPORTS AND RAND BOOST WHILE BANK

CONTINUED IMPROVEMENT IN THE

1988

More spent on metal-working apprentices

THE metal industry had increased grant payments to employers for apprenticeship training by 50%, Seifsa said yesterday.

It said the move was prompted by serious concern over the rapid decline in apprenticeship training. The number of indentured apprenticeships in the metal industry had dropped this year to 8 686, compared with 12 969 in 1982. Similar trends were evident in other

sectors.

While there was no single reason for the decline, and no single solution that would be an instant panacea, the high cost of training was certainly an inhibiting factor to many employers. Hence Seifsa had recommended the increase to the industry's Education and Training Board, which administers a fund

built through employer levies. This will cost the industry R21m in the coming year.

Amalgamated Engineering Union chairman Arthur Allen, one of the union board representatives, said the move was a short-term measure.

He said the only hope for change was the expected introduction next year of a modular-based, rather than time-based, training system.

ALAN FINE

Presidential meddling slammed

WAGE SETTLEMENT

THE Commercial Catering and Allied Workers' Union of South Africa has reached a wage settlement with Metro Cash and Carry management after six months of negotiations.

union and Metro management agreed to — among other things — and across-the-board increase of R110 a month effective from October 1 and a lump sum of R305 backdated for a period between July and September this year.

Ccawusa official, Mr Amos Mothapo, said the

Taxes, surcharges to fund pay rises

CH-T 25/10/88
From NEIL JACOBSON

JOHANNESBURG. — Government is likely to raise more revenue than expected from income tax and the new import surcharges, which would be used to help fund the R4bn needed for pay increases for public servants and social pensions, Finance Minister Barend du Plessis said yesterday.

Du Plessis said Treasury was still examining the latest revenue figures, but early indications were that income would be higher than expected from the new Minimum Tax on Companies (MTC), the phasing out of the debtors allowance on GST, and perhaps also from the 60% import surcharges introduced to dampen imports and protect the balance of payments.

There was still also sufficient opportunity to "arrest certain expenditure tendencies and bring about additional savings," he said.

Some economic indicators were showing that the downturn in demand may be restimulated by the additional money pumped into the economy by government's 15% pay hikes for all its workers, and the concomitant ability to borrow. But other indicators, said Du Plessis, showed the opposite.

"The economic situation is delicately poised. We need to be standing on firmer ground before new policy decisions can be made."

About R750m needed to be raised in the current financial year to pay for the higher public service salaries, which was relatively modest, said Du Plessis.

The higher-than-expected revenue would assist in funding this, and in any case, some 25% would be self-financing through the recovery of personal income tax and gst from civil servants.

The bulk would then have to be structured into next year's budget, he said.

A revenue target of R350m was set in the March Budget when MTC was introduced. It is known that substantially more has been raised.

Most analysts put the figure at around R700m. It is not known how much additional revenue has been raised by the import surcharge figures.

The additional revenue may mean that government will delay rumoured hikes in GST to 14% until early next year, but Du Plessis yesterday refused to comment on the rumours of a hike in the sales tax rate.

Unions cautioned on wages



MANY employers believed black workers' wage rates had reached acceptable levels, and further increases would be limited unless wages were linked to productivity, SAB beer division human resources director Rob Childs said yesterday.

Speaking at a seminar in Johannesburg organised by the Industrial Relations Consultancy on Cosatu's living wage campaign, Childs said successful productivity bargaining required unions to accept certain business paradigms, such as profits and the free enterprise system.

ALAN FINE

A campaign for a living wage was a reasonable trade union strategy. But, if they simply asked for more money, little would come of it, he said.

Cosatu information officer Frank Meintjies said while employers continually emphasised growth, they were silent on the need for the redistribution of its products.

He accused management of being "anti-growth". Much of the capital created through increased profits had been export-

ed or invested in the stock exchange rather than used for job creation.

Meintjies saw wage bargaining as a defensive action which merely protected real wages. Workers had turned to direct political participation to effect a more equitable distribution of wealth.

Wits University sociology professor Duncan Innes said the demand for a living wage was a moral one. For the SA economy to sustain it, required a new economic strategy.

This would include a massive

state co-ordinated housing programme which would boost employment.

The small business sector had to be deregulated so as to unleash entrepreneurial forces. However, some regulation to ensure the health and safety of employees and the public was required, as was the need to ensure sweatshops did not proliferate, said Innes.

Projects to add value locally to metal and mineral exports had to be introduced, and SA needed to concentrate more on finding export markets in Africa and other Third World areas for manufactured goods.

THE dismissal of about 900 members of the South African Railway and Harbour Workers' Union by the South African Transport Services may trigger a conflict of similar or greater proportions than the one which rocked the railways last year.

This warning was sounded by Sarhwa's assistant general secretary, Mr Stanley Nkosi, as the union and SATS management flex their muscles in preparation for a major clash over the issue.

Underpinning railway workers' grievances — which have led to a strike by more than 7000 employees in Durban and an unspecified number in East London — is SATS' discriminatory practices, according to Sarhwa.

Their grievances include discriminatory salary structures and grievance procedures. Additional union demands, tabled at a recent meeting between SATS and Sarhwa, include:

- An across-the-board increase of R1000 a month;
- Extensive revision of the current disciplinary procedures;
- Equal provision of medical aid to all employees;
- Pension scheme for all employees; and
- Recognition of March 21, April 22, May 1, June 16 and December 16 as paid holidays.

Significantly, most of Sarhwa's demands seem to address the age-old problem prevalent in the public sector — discrimination against black workers. The question of pay parity still remains a focal point for many trade unions organising in this sector, including the post office and health sector.



FLASHBACK: Some of the SATS employees who participated in the large-scale strike which crippled the railways last week.

Sats, union head for big clash

Sowetan 4/11/88

But it is unlikely that the SATS management will accede to the union's demand of a R1500 minimum wage and an across-the-board rise of R1000. This represents, in some cases, a hike of about 300 percent.

The recent 12-percent wage agreement between railways' management and other SATS unions suggests that the transport body may settle for a much lesser figure than Sarhwa demands. Whether SATS will settle for a figure at all, is still another question.

"We did not negotiate for that increase, but it was discussed exclusively with those unions that SATS chose to recognise," Mr Nkosi said.

Management has already indicated that

FOCUS

By **LEN MASEKO**

Sarhwa's pay demands are subject to the arbitration agreement which effected the 12 percent increase.

Dismissed

The East London strike, now in its third week, was sparked off by workers' dissatisfaction over conditions of re-employment for 790 workers who were dismissed during a two-week strike in support of a demand for a 300 percent wage increase.

The regional manager of SATS in East London, Mr Louis du Toit, has confirmed to Sapa that the re-employment

package offered by SATS will affect workers' pensions, bonuses and leave but said this would have minimal effects and that workers would still enjoy the benefits.

This has been disputed by Sarhwa which contends that workers would lose long service benefits as well as taking large drops in salaries.

Sarhwa members at SATS' Durban harbour have gone on strike to express their solidarity — with the sacked East London workers. In addition, they demand a minimum of R1500 a month in salaries and recognition of the union — the main demands presented to SATS management by the union at recent negotiations.

A SATS spokesman in Durban says local management has made it clear to worker representatives that the reinstatement of East London workers was a local issue and that they were not prepared to negotiate this demand.

But Sarhwa has urged SATS management to deal with the matter at national level "seeing that East London management have gone back on their undertakings not to dismiss workers who do not accept their financial penalisation for going on strike".

The two parties, in addition, seem to be at odds over another important issue — the recognition of the union. SATS has apparently requested certain documents regarding registration before recognising it.

Sarhwa believes that management, in demanding registration documents before recognising it, is marking time.

"We are presently busy with registration of the union, and this will take a long time. But this should not prevent us discussing worker issues with SATS," Mr Nkosi adds.

• Last year, a conflict between railways and Sarhwa culminated in a large strike involving close on 23000 employees in the Southern Transvaal. The action was sparked by the dismissal of a Sarhwa member.

Eskom in court over salary rises for 22 000

LABOUR REPORTER

8/11/88 355
SALARY increases for about 22 000 Eskom employees hinge on the outcome of arbitration due to start in the Industrial Court in Cape Town today.

The arbitration involves eight unions representing Eskom employees and arises from cost-of-living increases given by Eskom from April this year.

The matter has gone to arbitration because Eskom employees are barred from striking.

The unions claim that in November last year they and Eskom management agreed that pay increases for this year, to be implemented from April 1, would combine a cost-of-living and a merit component.

HIGHER ACHIEVERS

But that in the interim Eskom worked out a "pay for performance" system and in March announced 4 percent increases for employees in band three of performance ranking and slightly higher increases for those in bands one and two of higher achievers.

Both the increases and the unilateral implementation by management are being contested by the unions.

They claim that a 16 percent increase would be necessary to keep pace with inflation as salaried staff's pay has been significantly eroded over several years; that previous salary increases consistently showed some relation to the consumer price index but the April increase fell far short of the pattern; and that the performance system showed serious shortcomings in design and implementation.

THE Commercial, Catering and Allied Workers' Union said yesterday it was embroiled in a dispute with the Brown group

over a severance package for 112 workers retrenched as a result of the sale of three Natal Spar stores.

The union said it was demanding a month's wage for the first three years of service, three weeks' pay for the next three years and two weeks' pay for service thereafter until the 10th year.

The company, on the other hand, was offering four weeks' pay for the first two years, two weeks' pay for the next three

Union action follows the sale of three Spar stores

years and thereafter one week's pay up until the 10th year of service.

The union said the affected workers had an average of seven years' service with the Brown group.

The union has filed for a conciliation board, but has agreed also to enter into mediation in an attempt to resolve the matter.

The action followed sales of Kloof, Hammersdale and St Georges stores. — Sapa.

5/11/88

SSS

SSS

DISPUTE SETTLED

Sowetan 15/11/68

355

THE Building, Construction and Allied Workers Union has reached a wage settlement with Vereeniging Refractories, ending a week-old strike by 2 200 employees at the company's six plants.

A spokesman for the Anglo American Corporation, which controls the company, said the settlement comprised Verref's original offer of

increases ranging from 44 cents an hour (18,2 percent) for lower categories of workers to 53 cents an hour (14,6 percent) for higher categories. The increases will be backdated to October 24.

The two parties, in addition, agreed to an increase in leave bonuses for all categories of employees, from five to seven percent.

More than 800 BCAWU members have downed tools at Mondi Timbers in Sabie, a spokesman for the union said.

Offering

BCAWU general secretary, Mr Vusi Thusi, said union members were demanding a "70 percent adjustment increase" on their daily rate of R6,55. The company, he said, was offering its employees an across-the-board increase of 16,5 percent.

Mr Thusi said three meetings between union officials and management had failed to break the stalemate.

Mr Louis Dekker, a Mondi spokesman, could not be reached for comment yesterday.

15% increase inaccurate, claims Trust Bank

Call Times 15/11/88
Public servant salary
bill likely to rise 20%
(200) (35)

By AUDREY D'ANGELO
Financial Editor

NOTCH increases and promotions will probably push up the salary bill for public servants by 20%, not the recently-announced 15% across-the-board, the Trust Bank says in its November Economic Report.

Pointing out similarities between the situation now and in 1984, before the start of a long and serious recession, the bank says: "The gold price declined markedly in the second half of the year — precisely as in 1984.

"This left strict fiscal discipline as the last frontier standing in the way of serious financial shocks in SA.

"However, this 'last frontier' was heavily prejudiced by the announcement of a general civil service salary rise of 15%.

"The government's total salary bill will probably increase by 20% next year, due to the additional effect of notch increases and occupational improvements."

However, the bank expects the coming downturn to be less severe than the last, with interest rates beginning to come down in

the first half of next year.

Although it expects the price of imports to "accelerate in the direction of 20% in coming months", with the Producer Price Inflation (PPI) rate averaging more than 15%, it expects the CPI to peak at 15% in mid-1989, with an average of 14,5% for the year.

"In the short term, domestic spending and the balance of payments should stabilize. In the first half of 1989, a marked decline in imports and an improvement in the foreign-reserve position are foreseen — with softer interest rates and a better exchange-rate performance."

Positive factors

The bank says there will be more unemployment and bankruptcies, and corporate profits will be lower.

However, the positive factors which will be in force in 1989 are:

● Official debt standstill payments next year will be R3 billion compared with R10 billion in 1985;

● The dollar price of oil — South Africa's single most important import — will be

50% lower in 1989 than it was in 1985;

● The corporate sector is better geared to handle a negative situation. Inventory levels and gearing ratios are much more conservatively managed than four years ago, thus reducing risk exposure significantly;

● The structural policy changes — such as deregulation, promotion of the informal sector and small business activity — have made the economy more flexible and increased its adaptive capacity; and

● Inventory accumulation made up a far greater proportion of 1988's expenditure growth than was the case in 1984. This implies that imports can be reduced next year without the same decline in final demand experienced in 1985.

But, stressing the importance of fiscal discipline, the bank says: "The eventual economic consequences of an expansive fiscal policy in 1989 would be truly too ghastly to contemplate.

"As always, strict discipline is a sine qua non for overall monetary and financial stability in SA."

Give us more pay — provincial workers

Labour Reporter

IMMEDIATE pay increases for Cape Provincial Administration employees have been called for by the South African Municipal Workers' Union.

The union said in a statement that a "showdown" over dissatisfaction with wages had been averted only by a senior provincial official promising to investigate and report back after work stoppages at Nyanga, Khayelitsha, Guguletu and Fezeka. A lesser stoppage occurred at Langa.

"For the sake of industrial peace it is imperative that all workers be granted increases immediately and that the CPA negotiate with the union of the workers' choice," said the union.

Aware of problem

The CPA said it was aware of the problems with labourers' wages and had already communicated these to the Commission for Administration, which was investigating.

"Substantial progress has been made and the administration expects a reply shortly," said a CPA statement.

The union said a report-back on progress by CPA officials had been promised for Friday.

It said the workers were unhappy with the staff association. The "overwhelming majority" had joined the union, which wanted to resolve the issue through negotiation, but the CPA refused to recognise it.

Workers were further dissatisfied because they felt "shunted around and neglected".

"They previously fell under the City Council, then transferred to the Bantu Administration Department and now the CPA.

"This year, except for tradesmen, nobody received increases," said the union.

The CPA said officials were keeping the labour force informed about developments and it was "simply not true that the administration does not care about its employees".

INDUSTRY

116645 21/11/88 (116645) 355

'Higher pay threat to clothing jobs'

By TOM HOOD, Business Editor

SEMI-SKILLED labour employed in the clothing industry could price itself out of the market, says the National Clothing Federation's executive director, Mr Hennie van Zyl.

Labour, the industry's second largest input cost, is showing rapid price increases, he says today in the federation's annual report.

"Unlike fabric, labour or rather the semi-skilled labour the industry presently uses, can price itself out of the market.

TECHNOLOGY

"If unions insist on continued large pay increases, they must realise that a point will be reached where the industry will have to start choosing between increased labour costs or increased usage of technology.

"This will lead to the use of less, more highly trained and highly paid labour. It would be sad for the country if the unions forced manufacturers into the use of less labour and it must raise the question as to whose interest the union leadership is concerned with."

Mr van Zyl said the rise in the price of fabric remained a major concern.

"The depreciation of the rand has pushed up prices, and yet there are calls for more protection by the textile industry on the grounds that there has been a surge in textile imports (which incidentally is not the case).

"The price of textiles in recent years has been rising faster than the increase in clothing prices — textile prices have risen faster than the overall consumer price index."

Sanctions are having an effect on the economy and the situation is likely to get worse, said Mr van Zyl.

"For clothing manufacturers, back-door sanctions are proving more of a problem to export than legal sanctions."

In January Canada imposed import quotas on clothing from South Africa and the official reason was that there had been a surge in imports from South Africa.

However, exports to Canada were so small that a doubling or tripling of exports would hardly be noticeable in the Canadian clothing market.

"Foreign retailers are simply not prepared to put up with the problems that come from having a 'made in South Africa' label on their merchandise.

"Fortunately, EEC countries no longer require merchandise to carry a country of origin label. For other countries, South African clothing exporters are going to have to develop methods to overcome the 'made in South Africa' problem," he added.

After contracting by 35 percent in the preceding five years, the output level of the country's clothing industry rose by 6,2 percent last year.

Growth of 5,5 percent in both production and retail sales continued in the year to June and further positive growth, though at a reduced rate, was expected for the rest of 1988.

Average of R650 a month

Star 22/11/88

Ccawusa's wages up by 28 percent

355

The wages of retail workers organised by the Commercial, Catering and Allied Workers' Union (Ccawusa) increased by 28,8 percent in 1988 — ahead of a 13 percent inflation rate and despite employer and State resistance, the union says.

In a report released by spokesman Mr Jeremy Daphne, the union says this year's negotiations with retail employers had resulted in an average minimum wage of R528 a month, with the average monthly wage being set at R650.

'Tough'

According to the report, the decision by managements and the State "to keep wage increases low" had resulted in "tough and lengthy" negotiations, most of which took up to three months or more to conclude.

The highest individual increase of R140 per month was achieved by World Furnitures, followed by Smart Centre (R129) and Pick 'n Pay (R128). CNA,

By Mike Siluma,
Labour Reporter

Pick 'n Pay, World/Ellerines agreed to pay the highest monthly minimum wages of R635, R630 and R600, respectively.

OK Bazaars and Checkers, at R505 and R510, were singled out as the two of the "Big Three" retailers paying below the average minimum wage of R528 a month.

Most companies organised by the union now recognised May 1 and June 16 as paid "commemoration days", with a smaller number having agreed to treating March 21 (Sharpeville Day) as a paid holiday.

"There is increased shop-floor pressure for the union to negotiate housing schemes and better alternatives to the present pension schemes," said the report. Pressure was also mounting for the protection of the rights of working parents.

The union says despite the advances, many union members still lived "in poverty".

Clothing labour gets more costly

Own Correspondent

CAPE TOWN — Semi-skilled labour employed in the clothing industry could price itself out of the market, says the National Clothing Federation's executive director, Mr Hennie van Zyl.

Labour, the industry's second largest expense, is showing rapid price increases, he says in the federation's annual report.

"Unlike fabric, labour — or rather the semi-skilled labour the industry presently uses — can price itself out of the market.

"If unions insist on continued large pay increases, they must realise that a point will be reached where the industry will have to start choosing between increased labour costs or increased usage of technology.

"This will lead to the use of less, more highly trained and highly paid labour. It would be sad for the country if the unions forced manufacturers into the use of less labour and it must raise the question as to whose interest the union leadership is concerned with."

CONCERN

Mr van Zyl said the rise in the price of fabric remained a major concern.

"The depreciation of the rand has pushed up prices, and yet there are calls for more protection by the textile industry on the grounds that there has been a surge in textile imports (which incidentally is not the case).

"The price of textiles in recent years has been rising faster than the increase in clothing prices. Textile prices have risen faster than the overall consumer price index."

Sanctions are having an effect on the economy and the situation is likely to get worse, said Mr van Zyl.

"For clothing manufacturers, backdoor sanctions are proving more of a problem to export than legal sanctions."

MEMBERS of the Commercial Catering and Allied Workers Union of South Africa achieved an average 28,8 percent pay rises this year, as the union continued its fight against poverty wages in the retail industry.

This average increase — which is ahead of the 13 percent inflation rate — was achieved amid tough and lengthy negotiations between the union and managements, according to Ccawusa's annual wage review.

Retail workers now earn an average minimum wage of R528 a month, a R118 increase on last year's minimum figure of R410 a month, the review shows.

While the wage increases were higher than the inflation rate and were one of the highest in the labour movement, Ccawusa maintains that its members are still living in poverty.

Ccawusa official Mr Jeremy Daphne argues that it will take increases far higher than inflation rates to move anywhere near a "living wage" envisaged by union members.

"It is difficult to determine what actually is a living wage in 1988, but, whichever way one looks at the situation, the majority of Ccawusa members earn hundreds of rands below a living wage," Mr Daphne says, pointing out that there is a history of poverty wages in the retail and catering trades.

The union cites a living wage of R809 a month determined by a group of management consultants recently; an average monthly budget of R967,50 calculated by the Trade Union Research Project for families with a modest to

Retail workers now earn an average minimum wage of R528 a month a R118 increase on last year's minimum figure of R410 a month

Fight against poverty wages will be tougher next year

FOCUS

low-level standard of living.

Mr Daphne adds: "The Human Sciences Research Council, a government organisation, carried out a survey based on what a family should eat to have a balanced diet, and arrived at an inflation adjusted figure of R1785 a month for a family of

five and R2590 for a family of six."

These subsistence level surveys were usually based on conservative statistics, and did not take into account many important factors.

Hold on

Although Ccawusa achieved its highest across-the-board increase of R140 a month, with World Furnishers,

By LEN MASEKO



THERE is a history of poverty wages in the retail and catering trades.

While Frasers agreed to the biggest percentage increase on the minimum wage, the retail company — together with Fairways — still paid the lowest wage. The third lowest minimum wage, at R500 a month, was paid at Jazz Supermarkets.

Apart from national chain stores, Ccawusa now conducted wage negotiations with a variety of companies. Some of the companies included 3M, where the union negotiated a high

Reacting to this, Mr Daphne says: "It is clear that wage bargaining in 1989 is going to be the toughest ever. It is going to require a high level of organisation and unity to win increases any higher than those already planned by management.

Sadly, unity is one feature that has eluded Ccawusa over the past 18 months or so. Ccawusa, the biggest union in the retail industry, has been split by feuding between two factions within the

Sowetan
24-11-88

Mr Daphne says managements increased their efforts to "hold on to their money."

The union, however, successfully negotiated its highest minimum wages of R635 a month at CNA, Pick'n Pay (R630), Elleries (R600) and World Furnishers (R600).

Ccawusa's wage review also showed that OK Bazaars and Checkers pay below the average minimum wage of R528 a month.

minimum wage of R905 a month, Johannesburg Stock Exchange (R800), Gallo (R725), Southern Book Publishers (R660) and Market Research (R650).

Meanwhile, retail companies have already set the scene for next year's wage negotiations by forecasting a "lean year." According to their forecasts, sales are expected to fall sharply and inflation rate is likely to reach an alarming 15 percent in 1989.

group. The division is essentially around the adoption of the Freedom Charter by one wing, led by Mr Papi Kganare.

The other wing, headed by Mr Vivian Mtwa, has condemned this decision, saying it "militated against workers' unity." The Congress of South African Trade Unions recognises the Kganare group as the legitimate Ccawusa.

The conflict spilled over to wage talks this year, as managements — faced with wage claims from both sections — found it difficult to decide which group was legitimate. One company, Woolworths, concerned with the delay in wage talks, "unilaterally" referred its offer to its staff.

With "retail belts tightening" for a "lean year" in 1989, Ccawusa is likely to come under heavy pressure to heal its damaging split.

CM 7m's 24/1/88 (355)

Per capital GDP drops 5,5%

PRETORIA. — Per capita GDP declined in recent years because the GDP rates were below the population growth rate, the Minister of Finance Barend du Plessis, said here yesterday.

He told the Manpower 2000 congress that over the period 1980 to 1987, per capita GDP fell by some 5,5%.

Du Plessis reaffirmed that "on the principle that the labourer is worthy of his hire, a blanket

increase will now be granted in the appropriate areas of the public sector, to take effect from January 1, 1988."

He added that the public may rest content that way and means were in fact being found of retaining or extending the country's export markets.

"Whether through unconventional forms of trade or other innovative moves,"

Du Plessis said that ac-

cusations that the Bank rate was cold-heartedly being manipulated by the authorities were off the mark.

Such changes were essentially the outcome of the operation of market forces.

When the SA economy was considered over the past three or four years, "we can only express astonishment at what has in fact been accomplished in the face of formidable difficulties," he said. — Sapa

Domestics' union sets R350 wage minimum

AR66
24/11/88
355

By DICK USHER
Labour Reporter

A MINIMUM wage of R350 a month for domestic workers has been set by their union.

The South African Domestic Workers Union (Sadwu) has set the wage in view of the 16 per cent increase in the cost-of-living over the first nine months of the year.

Sadwu has arranged a meeting for Saturday which it would like employers to attend to hear the motivation for the wage and to discuss it and other demands for basic conditions of employment.

A Sadwu spokesman said R350 a month was barely a living wage, but the presence of a domestic servant was a major contribution to enabling white women to work.

Black domestic workers therefore played an important role in the domestic economy

of white households, but their services were generally undervalued, she said.

Domestics should have an employment contract, overtime at R3,50 an hour, an eight-hour day and a five-day week, be paid maternity leave and have time off to attend antenatal clinics, have 14 days' paid sick leave a year, 21 working days' annual leave, one month's notice, payslips, and public holidays off or pay at overtime rates for working.

She said these demands were part of a national campaign for South Africa's two-million domestic workers who were not covered by the laws regulating working conditions and who were often exploited by employers.

"Domestic workers are getting tired of their working conditions."

Saturday's meeting for employers will be at the Methodist Church, Berg Street, from 2pm.

Second cheating scandal

Star 25/11/86

Working long hours 'disrupts home life'

Overtime can heighten exploitation — union

By Adele Baleta

Working overtime caused the disruption of home life and placed strains on family relations, the National Union of Mineworkers (NUM) general secretary, Mr Cyril Ramaphosa, said yesterday.

He was reacting to a Johannesburg industrial court judgment last week in which president Mr Daan Ehlers and additional court member Mr E Srydom rejected an urgent application by De Beers Premier Mine to force 99 Mineworkers' Union (MWU) members and 1 034 NUM members to work overtime.

The mining company wanted the court to declare that the re-

fusal by the unions and its members to work overtime was an unfair labour practice.

The case came after the failure of the NUM and management to reach agreement on the question of working on Saturdays, a shift De Beers felt was necessary for its production requirements.

The application was refused on the basis that it was not urgent and because the individual respondents were not found to have committed an unfair labour practice by refusing to work overtime.

Mr Ramaphosa said NUM members were "elated" as the court ruling had confirmed their right to refuse to work overtime.

The implications of the judgment were two-fold, he said.

"Firstly, with the continuing loss of jobs and the high rate of unemployment, a ban on overtime could increase the possibility of job creation."

Secondly, he said, union members were already working hard and producing adequately.

"Workers should not have to work longer hours as it only serves to heighten exploitation".

Mr Ramaphosa added that overtime caused a major disruption of employees' home lives. Not being at home for long periods of time could lead to strained family relations.

A De Beers spokesman declined to comment on the judgment at this stage. Comment from the MWU was unavailable at the time of going to press.

A labour consultant, Mr Pat Stone, said there was a traditional conflict of interest between trade unions and management on the issue of job creation.

Trade unions saw overtime as an anathema. They viewed the practice as a cheap alternative to investing in training programmes to increase the number of skilled workers.

He said, however, that union members often did not share this view. Many welcomed the opportunity to work overtime for a limited period to help boost their salaries.

"Companies who institute overtime at peak production times only feel it would be uneconomic to spend money training more workers for short periods."

But he said "structural overtime — when overtime work is carried out on a regular basis — is not an instrument of good industrial relations".

Another problem with structural overtime was that the working of long hours could have repercussions on health, safety, leisure and family life.

Holiday off the rails as trip organiser vanishes

A man who advertised a weekend "fun train" trip to Durban has disappeared, leaving up to 400 holidaymakers stranded.

Mr Mike Glendon advertised on Radio 702 for a Grand Provence Safari Fun Train, which would have been like a hotel, to leave Johannesburg Station today for Durban and return on Sunday.

He also donated 10 free tickets as prizes for listeners in the ad campaign.

CONFIRMED

However, Mr Glendon can no longer be contacted and a spokesman for Sats confirmed that there was no "fun train" booked to leave Johannesburg today.

The public relations manager of Radio 702, Miss Ilana Surat, said they would give the 10 winning listeners alternative prizes.

Mr Rivak Bunce, a 702 advertising executive, said Mr Glendon had not paid his bill, although he claimed said he had posted the

By Paula Fray

cheque.

Mr Glendon is thought to be living in Hillbrow.

Mr Glendon told 702 that Union Wines was supplying the wine for the trip and gave the number of a travel company, Ebony and Ivory, for bookings.

The sales manager of Union Wines, Mr Petrus Lombard, said yesterday his company was not involved in organising the event and was only approached to sponsor wine on the trip. It refused as it already supplied Sats.

Ebony and Ivory travel agency is not in the telephone book and the number given in the advertisement was not answered.

It is not known how many people booked and paid for the weekend, although the "client" had said the response had been "fantastic". One estimate was that as many as 400 people may have booked.

Business D

WEDNESDAY, DECEMBER 1 1988

60c (54c + 6c tax)

AL and CAPE 80c (71c + 9c tax)

(355) 8/day 1/12/88

A TIL

Mayoral salaries to rival the Cabinet's

ALLOWANCES for mayors in the Johannesburg and Pretoria City Councils now match the salaries of Cabinet Ministers, which at present stand in the region of R140 000.

A Johannesburg City Council official said Mayor David Neppe will receive a general purposes allowance of R53 018 for the period October 26 to March 6 next year, a total of 132 days.

In addition, he will receive a personal allowance of R9 403 for the four months and R1 000 a month for his work as a councillor, the official said.

EDYTH BULBRING

The Randburg City Council said its mayor's monthly general purposes allowance was R1 600 and the personal allowance R533 a month. In addition he would receive R3 200 a month for his work as mayor.

GERALD REILLY reports the Pretoria City Council has approved a general allowance of R94 164 for the mayoral year, plus R33 630 as a personal allowance and R11 250 for gifts.

□ Durban's mayor Derrick Watterson

CORRECTSays despite the development in Pretoria, he will not accept such a high allowance in Durban.

Watterson earns an unaltered mayoral allowance of R30 000 a year, a R30 000 hospitality allowance, and R4 000 as chairman of the Management Committee and as senior council member — a total of R64 000 a year.

Maritzburg mayor Mark CornellCORRECT receives a mayoral allowance of R20 000 a year, plus R1 200 as a committee chairman — a total of R21 200 a year.

I WAS IN FAVOUR

Mayors 'doing a full-time job'

THE duties of city mayors in the PWV were effectively full-time jobs and their allowances were justified, city officials said yesterday.

They were reacting to news that mayors were now earning similar amounts to Cabinet Ministers.

Johannesburg's mayor David Neppe was in the council offices full-time, a council spokesman said.

"He is here day and night, from early in the morning to very late at night."

Neppe attended an average of five functions per day during the week and

MANDY JEAN WOODS

one or two on each weekend, he said.

His four-month allowance of R53 018 was spent on entertaining civic groups, overseas visitors and dignitaries. This included a clothing allowance for both the mayor and the mayoress, but did not include the three civic Mercedes Benz's or the three civic chauffeurs.

The bulk of the allowance given to Randburg mayor Christo Geyer was used on entertainment, a council spokesman said.

35
2/12/88
8/day

Hotel strike goes on despite wages 'deal'

By Mike Siluma,
Labour Reporter

The 10-week strike by about 500 Karos Hotels employees continued today despite a wage agreement between management and the Hotel and Restaurant Workers' Union (Harwu), the union said. *Star 7/12/88*

Karos employees have been on strike for higher wages and to back demands for the reinstatement of about 120 colleagues fired for failing to attend work on June 16, the anniversary of the 1976 Soweto uprising.

Harwu spokesman Mr Alan Hurwitz said although agreement had been reached on wages and the dismissed workers, the union declined to sign the agreement because management had

demanding that the proposed retrenchment of 246 strikers become part of the wage agreement.

"The union has refused to allow the retrenchments to become part of the wage agreement," said Mr Hurwitz, adding that the strike was continuing.

The company had been given until today to withdraw its demand or face industrial court action.

Karos comment was still pending at the time of going to press.

According to Mr Hurwitz, the wage agreement entailed the raising of the monthly minimum wage to R350 from this month, to R475 from March 1989 and again to R525 in September 1989. The present minimum was R150 a month, he said.



Picture: DION TROMP, The Argus

PUT 'EM UP! The country's first woman boxing judge, Miss Thembi holds the tools of the trade.

And in the judge's corner, there's Miss Thembi Magwaca!

Staff Reporter

A Langa woman who joined the Boy Scouts as a teenager has become South Africa's first woman boxing judge.

Mother of two Miss Thembi Magwaca, who is the Western Cape Amateur Boxing Union's organising secretary, passed her tests in this male-dominated sport in Randfontein earlier this year and can now sit at the ringside — not as a spectator but as a judge.

Born and bred in Langa, Miss Magwaca joined the Boy Scouts — more popular with girls in the townships than the Girl Guides — to “avoid the loitering and for the excitement, the fun and adventure that most of us thought this would afford us.”

Her fellow Scouts, mostly boys, were boxing enthusiasts.

“In 1976, Bashew Sibaca was trainer of the Harlem Boys Boxing Club at the Langa community centre and he asked me to assist in the administration field,” said Miss Magwaca.

Some fine boxers who rose to prominence nationally — like former South African junior welterweight champion Nika Khumalo and welterweight Phumzile Madikane — learned their trade in Langa.

Miss Magwaca was instrumental in the formation of the Western Cape Amateur Boxing Union in 1978 and by 1982 she was the organising secretary.

Protests at UCT graduation

WORKERS at the University of Cape Town staged a placard demonstration at graduation ceremonies last week to protest a deadlock in wage negotiations.

About twenty workers took part in the protest.

They are all members of the Transport and General Workers' Union (T&G) which represents over 1 200 workers in the lowest-paid categories at UCT.

The union and UCT are presently negotiating annual wage increases.

UCT is offering an across the board increase of 17.5 percent. This would raise the minimum wage from R720, inclusive of a thirteenth cheque, to R845.

The offer has been rejected by workers who

are demanding a 23.4 percent hike — the same as academic staff.

A spokesperson for T&G said workers had already lost back-pay.

Negotiations had been delayed because of the university's financial problems. The union had since dropped demands for backpay.

Mr. Hugh Amore, UCT's registrar, confirmed that T&G had turned down the university's offer. He said conditions of service were in all material respects the same for academic and non-academic staff. In addition to the wages, staff were entitled to a housing subsidy.

THE security industry comes to mind when one talks about sectors that are difficult to work in.

This is one sector in South Africa that is also characterised by abnormal working hours, low wages and management brutality on the workers, sometimes in the form of assaults.

When the struggle for May Day started more than a hundred years ago in Europe, workers committed themselves to shorter working hours which would culminate in 40 hours a week.

In many sectors today companies observe what May Day vigorously fought for.

Perhaps in line with the saying that to every general rule there is an exception the security industry refuses to respect May Day.

In terms of the Wage Determination which governs the security industry, employees are supposed to work for a minimum period of 60 hours a week. Most of them work for 12 hours a day to satisfy the required number of hours.

Their job covers mainly guarding premises in the middle of the night — unarmed. They look after cars at parking bays. Briefly, being a security guard means death is always looming because thieves perceive you as an obstacle standing between them

**By MOKGADI
PELA**

even if it means taking his life.

Wages are very low. The minimum salary in the industry stands at R280. Management hides behind lack of education to justify the "slave wages," Mr Ndou remarked.

The workforce is usually drawn from the Bantustans because "Golden City" boys feel it as a low class job.

Another aspect adding to the plight of the security guards is unfair labour practice they have to endure daily. According to officials of the Vukani Guards and Allied Workers Union, Mr Sam Ndou and Miss Tshidi Boikanyo, some people are dismissed for simply belonging to the union.

Mr Ndou said some company officials even assault their black employees. On December 1, last year the Rand Supreme Court ordered a Callguard Security Services manager and supervisor not to assault or victimise workers who had joined VGAWU.

The Rand Supreme Court also ordered Mr K Jeacocks and Mr E Nel to show cause by February

membership forms. To this day the sector does not have an Industrial Council. This is the machinery through which disputes in the industry would be legally resolved. Mr Ndou

explained that his union pulled out of talks that were aimed at establishing the Industrial Council because of the attitude of the employers body, namely South African National Secur-



TSHIDI Boikanyo . . . Vukani typist and official looking after workers' interests.



MR SAM Ndou . . . black security guards work under terrible conditions.

and the object they want to steal.

Experience has shown that robbers and thieves will waste no effort to remove the security guard from their way.

16 why the interdict should not be made final.

Union officials alleged that the two had severely assaulted Callguard employees who had been distributing union

Security guard's plight

day, December 13, 1988

Salaries 'rise swifter than inflation'

PRETORIA. — Salaries and wages had increased by more than the current rate of inflation, the Reserve Bank said in its latest quarterly report.

The bank added that black unemployment had shown a marked drop in 1988.

The year-on-year wage increase for the third quarter of 1988 averaged out at 17,5%, well in excess of the year-on-year increase in the consumer price index of 12,5%.

The bank said: "Reflecting substantial wage increases in the first half of the year, the annualised rate of increase in total nominal remuneration of employees rose from 14,5% in the first quarter of 1988 to 15% in the second quarter."

It said this figure remained level in the third quarter, mainly as a result of a lack of increases in the public sector.

However, the bank pointed out, the rate of quarter-on-quarter increases

had risen from 18,5% in the second quarter to just under 20% in the third.

It said savings by individuals declined in the third quarter while corporate savings rose slightly.

The ratio of personal savings to personal disposable income had continued to decline and was about 1% in the third quarter, compared to 2% in the first six months and 3% for the same period last year.

Turning to unemployment, the bank said there were more than 1,2 million black unemployed in July 1988.

The number fell to 940 000 in April this year and then to 817 000 in August.

The bank said about 12,5% of the black work-force were unemployed.

The Reserve Bank said the number of white, coloured and Indian employed increased slightly during 1988.

The number of registered unemployed dropped by 12% from its peak in September 1987 to a low of 121 900 in May.

However, the number increased to 126 000 in July. — Sapa

Pay rises outstrip inflation

PRETORIA — The Reserve Bank says salaries and wages have increased by more than the rate of inflation.

It adds in its latest monthly report the year-on-year increase for the third quarter averaged 17,5% which is well in above the comparable increase in the consumer price index of 12,5%.

The Bank says: "The annualised rate of increase in total nominal remuneration of employees rose from 14,5% in the first quarter to 15% in the second."

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The ratio of personal savings to personal disposable income has continued to decline and was about 1% in the third quarter compared to 2% in the first six months and 3% for the same period last year. — Sapa.

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35.5 (18.5)

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Legal action to be taken over wages

3/12/88

ALAN FINE

355 Bldg

THE Industrial Council for the metal industry would take legal action against the Manpower Minister over his refusal to extend certain provisions of the 1988 wage agreement to non-party employers, Seifsa said yesterday.

The aspects of the agreement covering wages and leave bonuses, reached after a three-week strike in August, are to be published in a special Government Gazette today.

It was agreed the agreement should take effect from July 1, the normal incremental date. However, the Minister has refused to gazette a clause that would effectively force non-Seifsa members to backdate increases.

Collapse

About 5 500 of the sector's 9 000 firms employing a quarter of the 330 000-strong workforce are not parties to the council. Union and employer parties have complained the Minister's refusal would give non-parties a competitive edge and discourage others from taking part in the council in future.

The National Union of Metalworkers of SA has warned the move could lead to the collapse of the industry's industrial council system.

It has previously been reported that publication of the remainder of the agreement is being held up by, among other things, the Minister's reluctance to gazette a section of the agreement that recognises May 1 and June 16 as paid holidays.

A Manpower Department spokesman said the Minister was unwilling to make secondary legislation that was contrary to government policy.

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PW pleads and no-one heeds

THE state president's plea at the beginning of this year for wage restraint has been to little avail — not that anyone is surprised. A more buoyant economy, falling living standards and strong trade unions have undermined government's efforts.

The government itself was unable to withstand the pressure and sustain its own salary freeze. Its announcement in October that civil servants' salaries would rise by 15 percent from January provoked howls of protest.

Coming from highly paid economists and executives in the private sector the protests were curious: private sector employees, including executives, have enjoyed larger increases over the past year.

Union negotiated salaries, on the estimate of consultants Andrew Levy & Associates, have risen by over 17

No-one's heeded the State President's pleadings for wage restraint. Not even his own government. BRIAN GOLD reports

percent, the highest annual figure in the post-Wiehahn decade.

Earlier this year in its annual salary survey of about 1 200 firms employing nearly 6 000 executives and over 1,25-million people, PE Corporate Surveys estimated that in the year to end-June, basic executive salaries rose 18 percent and those of general staff by 16,4 percent. The June year-on-year inflation rate was 12,4 percent, so the real increase was about four percent.

Similarly, in its latest Quarterly Bulletin the Reserve Bank reports that average real wages per worker rose 2,6 percent in the first quarter of this year following a 0,5 percent decline in 1987.

These rises, barring the public sec-

tor's 15 percent over two years (but most will be receiving more), are above the inflation rate. So most South Africans are on average better off financially than a year ago. This is small comfort.

Firstly, wage and salary earners have still not made up lost ground. The Reserve Bank's figures show that remuneration per employee in the private sector was only about six percent higher in real terms than it was in 1980. The figure is almost 12 percent below its peak in 1984.

PE finds over the past five years the consumer price index has risen 101,5 percent while salary rises averaged 77,1 percent for whites, 90,2 percent for blacks, 88 percent for Asians and 79,9 percent for "coloureds".

Secondly, while lost ground has not been made up, the size of the real increases over the past year is also unsustainable. With inflation and the economy both expected to turn in the wrong direction next year, real increases in wages and salaries will not match this year's.

Long strike ends with minimum wage agreement

Hotel workers return

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By Mike Siluma, Labour Reporter

About 500 members of the Hotel and Restaurant Workers Union have ended a strike of more than 10 weeks after an agreement on wages and the reinstatement of workers dismissed on June 16.

A union spokesman said workers returned to work at hotels in the Transvaal, Natal and Cape on Tuesday. Although agreement had been reached in principle last week, the strike had continued after disagreement between the union and management over proposed retrenchments.

According to the union, the wage agreement entailed the raising of the monthly minimum wage to R350 from this month, to R475 from March 1989 and again to R525 in September 1989. The present minimum is R150 a month.

Individual monthly increases would be: an effective R95 in December, plus R50 in

March and September next year. The working week would be reduced to 45 hours.

The union said it had been agreed that employees fired on June 16 would jointly receive a payment of R60 000.

● The Supreme Court hearing between the National Education, Health and Allied Workers Union (Nehawu) and the Natal Provincial Administration (NPA) over wages and the union's recognition has been postponed to February 2.

'FEAR AND CONSERVATISM'

The action, brought by Nehawu and 87 NPA employees, is a sequel to a number of work stoppages which began on November 15, affecting services including hospitals. The union asked the court to nullify the dismissal of workers after stoppages sparked by the NPA's refusal to recognise Nehawu.

● The Commercial, Catering and Allied

Workers Union has condemned the banning of its workers' cultural rally last Saturday by a Johannesburg magistrate.

Ccawusa branch secretary Mr Kaizer Thibedi said the cultural day had been "silenced by the culture of fear and conservatism (which) used as its medium bannings and detentions".

● Workers at the Mount Nelson Hotel in Cape Town have been given an average 27,5 percent pay increase, with their minimum wage increasing to R500 a month, the Liquor and Catering Trades Employees Union said.

In terms of the settlement, the lowest-paid category of workers will receive a 44 percent increase, from R346,40 to R500 a month, in January. Those in the top category will get an increase from R822,70 a month to R900.

● One of the first reference books on the new Labour Relations Amendment Act has been published by consultants Andrew Levy/Johan Piron & Associates.

Called "The 1989 SA Industrial Relations Yearbook", it contains information on industrial disputes, industrial councils, the Industrial Court, and worker and employer organisations.

● Continued efforts to improve occupational safety and health, as well as reduce the adverse effects of shift work in the world's chemical industries, has been urged by a recent tripartite meeting of the International Labour Organisation. According to *ILO Information*, published by the ILO office, the meeting called for stricter controls on the transport and disposal of toxic wastes.

Missing maternity cheque cashed

84ar 21/12/86
A Tembisa mother of four, Mrs Thandi Mapitso, claims that the Department of Manpower has failed to replace her R469 maternity benefit cheque after it was intercepted in the post and cashed by an unknown person. (355A)

Mrs Mapitso said that for the past five months she has been visiting the

offices of the department in Johannesburg in an attempt to get her a replacement cheque, but without success.

An assistant director at the Johannesburg offices of the Department of Manpower, Mr J Smith, today said Mrs Mapitso should come and see him and he would have the matter sorted out.

R10m more for Eskom workers

355 b/dory 22/12/88-

ESKOM'S 24 000 general workers are to receive an additional R10m in wages for the 12 months to June 1989 in terms of an arbitration award, the National Union of Mineworkers (NUM) said yesterday.

The deal arose out of a disputed 10% increase granted by Eskom to those employees last July. The NUM, one of three unions involved in the dispute, hailed the deal as a "great wage victory".

The three-member arbitration panel ruled Eskom should backpay the workers an additional 2% effective from July 1, and ordered a 5% wage hike from January 1. This will take the minimum wage to R653,50 from next year, compared with the R612 implemented by Eskom in July.

It also partially accepted union proposals for paid maternity leave by awarding women who take maternity leave 30% of a month's pay.

Because Eskom is considered an essential service, the three representative unions — the NUM, the National Union

ALAN FINE

of Metalworkers of SA (Numsa) and the Electricity Workers' Union (EWU), an in-house union — were obliged to take the dispute to arbitration.

A leaflet distributed by the NUM praised the unions' joint effort in winning the award. However, it says all Eskom workers will have to join a single union to avoid serious future problems.

Conference

It is understood the NUM and Numsa, both Cosatu affiliates, are engaged in sometimes heated negotiations over future union organisation at Eskom. Some workers are employed on mines while others work at other Eskom installations.

An NUM spokesman said he understood the EWU had called a union conference to discuss the issue.

Eskom management could not be reached for comment.