WAGE REGULATION
PUBLIC SECTOR

MAY 1976 - 1978

3347 | RESP
Hansard 16
R 20/5/76

Salary/wage gaps of different races

1035

(843.) Mr. H. H. SCHWARZ asked the Minister of the Interior:

(1) What amount is being voted in respect of the current increase in salaries and wages of public servants in order to narrow the salary and wage gaps in respect of different race groups;

(2) in respect of which posts are there such salary and wage gaps;

(3) by what percentage over and above the announced general increase of salaries and wages are the salaries and wages of Blacks, Coloureds and Indians, respectively, to be increased.

The MINISTER OF THE INTERIOR:

(1) Approximately R10 million.

(2) In most cases the work requirements of the posts occupied by the different race groups, differ from one another. Consequently meaningful comparisons cannot be made. In certain teaching, professional, artisans and lower graded posts which are comparable, salary and wage gaps do exist. In the case of certain other posts the gap has already been closed, e.g. diplomats.

(3) Because work evaluation and other considerations are involved, a fixed percentage cannot be applied over the entire spectrum. The method of adjustment will, however, be such that a narrowing of the wage gap will be effected.

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n achieve

Compare your two lists of c
restricted negotiate with t
your objective.

2. PLANNING THE PRESENTATION.

2.1 Constructing your plan
Two methods for planning

VERTICAL PLAN

2.1.1 The Vertical Plan

1) Take a sheet of p ubject.
Jot down 20 to 30

2) Working on a 5 m ords you
think are the mo

3) What do these wo fically do
you want your audience to think and do at the end of your talk? Now, write the aim of your talk in one short sentence.

4) Write your aim at the top of a clean sheet of paper.

The Body

5) Leave about six lines for the introduction. Write your three main points down leaving a few lines in between each.

6) Go through your list of ideas again. Underline those points that support your three main points.

7) Write two sub points under each main point.

8) At this stage you should refer to books, interview specialists, check figures and statistics, find quotations, apt examples or demonstrations.
Your talk should be an expression of your own ideas on the subject, backed by outside opinion.

Equal pay 'too costly' for S.A.

1/3/76 Political Correspondent NM

CAPE TOWN — The Minister of the Interior, Dr. Connie Mulder, yesterday ruled out the introduction of equal pay for equal work in the public service in the near future.

He said the removal of discrimination could not be considered at this stage because of the cost to the Government. "Such a move would be highly inflationary and not in the interests of the country," he said.

Dr. Mulder said an investigation by the Public Service Commission had revealed that the cost of implementing a single key salary scale for all races would alone cost about R95 million.

To introduce full equal pay for equal work for the country's 400 000 State employees would cost "a few hundred million rands more."

The single salary scale envisaged in the Public Service Commission's report would not be influenced by race and would cover grades ranging from the lowest-paid unskilled workers to the highest officials.

'RAW DEAL' CLAIM PORTERS

SUN. TIMES (EXTRA) 24/7/77

347

PORTERS at D F Malan airport say that they are getting a raw deal from the airways, moneywise and otherwise.

They say that they have no mouthpiece, belong to no union and are never given a hearing when they approach the airport manager with their problems.

The porters' main grouse is the low pay and the shabby overalls they have to wear.

They say that they believe that they were entitled to one uniform with a cap after one year of employment, but most of them have never received a porter's uniform.

Instead they are issued with shabby-looking khaki overalls, a navy blue jersey like those worn by prisoners and a pair of heavy "army boots".

Pay is low. They start with R97 and never earn more than R160 basic. That is their maximum salary and quite a number of them attained the maximum ten years ago. Some with more than 20 years experience earn only R160 basic for an 11 hour shift.

They work a day shift and a night shift, with no extra allowance for night work which is from 7pm to 6am.

Holidays

They work two Sundays a month and on public holidays, for no extra remuneration.

While white airways staff members are being ferried to and fro with free transport, the coloured porters have to arrange their own transport.

They live in townships far away from the airport.

They have two white pensioners as supervisors and, although they depend on tips from passengers, they have to wait for a supervisor to "instruct" them to take luggage.

"We want to be free to compete with one another, and why can't we become supervisors?

Mr G Witcher, Airways manager at D F Malan airport said yesterday that "not all the allegations made by the porters were correct" but declined to comment further.

He said that he was "not allowed" to comment but added that his door was always open for complaints.

"Complaints in writing will be referred to my head office in Pretoria. Some of these chaps work for the Department of Transport and some for the South African Airways," Mr Witcher said.

A porter at D F Malan Airport . . . getting a raw deal, moneywise and otherwise.

Policy on doctors' pay queried

347

16/6/77 Star

Pretoria Bureau

What is the Ministry of Health's policy on closing the gap between salaries of white and black doctors?

That's what Mr Dave Epstein (PRP, Hillbrow) wants to find out from the Minister of Health, Dr van der Merwe.

He has also asked Dr van der Merwe in a letter for his comments on a statement in the Provincial Council on Tuesday by Mr Kalie de Haas, MEC in charge of hospitals, that the salary policy was to "narrow" but not doctors employed in Transvaal hospitals.

★ ★ ★

The PRP announced its opposition to an indemnity clause in the Civil Defence draft ordinance when it passed its third reading in the Provincial Council last night.

The clause indemnifies the administrator, local authorities and civil defence personnel against claims for bodily injury, death or damage to property caused by bona fide defence operations. The PRP supported the rest of the ordinance.

★ ★ ★

Mr Theo Martins, MEC in charge of roads, said his statement on Tuesday concerning modern high-speed mass transport systems did not mean the province was planning such a system. It had been an invitation to experts to come forward with ideas on how such a system could be established.

347

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4.

Mercury 17-6-77

Technicians in pay gap over race

Parliamentary Correspondent

CAPE TOWN — The Minister of Posts and Telecommunications, Senator J. P. van der Spuy, disclosed yesterday that telecommunication technicians were paid according to race.

Whites were paid R3 828 a year, Coloured and Indian technicians R3 301 a year and Black technicians R2 555 a year, he said in replying to a question tabled by Mr. Horace van Rensburg (PRP, Bryanston).

The minister said there were six Black, 11 Coloured and seven Indian qualified telecommunication technicians.

Mr. van Rensburg said later: "Since Black, Coloured and Indian telecommunication technicians have to have the same qualifications as Whites and presumably do exactly the same work, with the same responsibilities, there is no justification whatsoever for paying them less purely because of the colour of their skin."

n firm based in Cape Town.
000 for a job in Parow is
e following January. But
job in Bellville instead
up on payment of an agreed

ill require the services
ation at R3 000 p.a., and

workforce of 10 workers, each earning R2 000,
oth jobs.

has a fleet of 4 lorries bought for R5 000 each
:ion is reckoned to be R400 p.a. plus 10c per

e Bellville job will require the lorries to
iles each.

as already bought all the materials for the

A at R1 per unit
B at 50c each

for the Bellville job, but could be sold

uses and zero scrap value, but 200 units can
job. In addition it will be necessary to buy
10 each for the Bellville contract.

Both jobs will take exactly one year.

The Managing Director asks you to consider which of the two alternatives is most profitable.

Draw up a table showing the opportunity costs involved in each.

What advice would you give?

(50%)

Workers upset over pay

347

2018/77

Mercury Correspondent

PRETORIA — Senior State workers claimed here yesterday that discontent was rife among public sector workers because of a virtual wage and salary freeze by the Government in the face of continually rising prices.

And the chairman of the Federal Consultative Council of Railway Staff Associations, Mr. Brian Currie, said it was high time the Government worked out and implemented a fixed formula for assessing salary and wage rises.

Increased earnings were also being granted in the private sector, while earnings in the public sector were temporarily frozen with little hope of relief this year.

Mr. Currie said there was strong support among the seven railway unions for an index-linked wage and salary policy.

This was the only way of ensuring that workers were able to maintain living standards in periods of inflation.

He said such a scheme should be supported by the Government, which should acknowledge that workers must be compensated for consumer price rises.

Railwaymen want 17,5 percent rise

(347)

Finance Reporter Sun. Trib. 28/8/77

RAILWAY workers are expected to increase their pressure on the Government for long overdue wage rises as the Consumer Price Index continues to spiral upwards.

The executive committee of the Railway Artisan Staff Association will press for an immediate 17,5 percent pay increase and a further 10 percent rise from June next year when it meets the Minister of Transport, Louwrens Muller, in Johannesburg on September 14.

And the Minister will find it difficult to justify a refusal in the face of the latest cost of living figures released this week by the Department of Statistics in Pretoria.

The department reports that the CPI rose by a hefty 11,3 percent over the 12 months from July 1976 to July this year. The biggest jump (1,6 percent) was recorded in February.

And the railway workers' case will also be bolstered by the results of a survey conducted by Sarwomen, a society of railway workers' wives chaired by Rita Loubser, wife of SAR general manager Kobus Loubser.

The survey shows that the retail price of food soared by a dramatic 11 percent between the beginning of January and the end of July this year.

Artisan Staff Association president, Jimmy Zurich, claims that railway salaries are currently trailing more than 30 percent behind the CPI. Ivan Martin, president o fthe 8 000-strong Railway Running and Operating Staff Association, calculates that salaries will be at least 37 percent behind the CPI by the end of the year.

Mr Loubser told delegates to the Running and Operating Staff Association's annual congress in Johannesburg this week that there was little prospect of an early upward salary adjustment despite the improvement in the economy.

He said a 23 percent wage increase, which some railway workers were demanding, would cost SAR R250-million and would lead to a 10 percent rise in rail tariffs, which would severely strain the economy.

It therefore appears unlikely that the Minister of Transport will be in a position to grant workers substantial financial relief at the meeting next month.

But if a signifcant amount of relief is not provided, hard-pressed railwaymen may decide to force the Government's hand by going to arbitration.

Pay increases to railway workers, whether granted voluntarily or through arbitration, will almost certainly lead to further wage demands by the rest of the country's 800 000 public sector workers.

D.D3/9/77

Public sector to get pay rise? (347)

PRETORIA — Part of the mechanism being studied by the Government to reflate the country's ailing economy is to grant increases to the 800 000 black and white workers in the public sector, according to sources here.

Increases, 10 per cent all round, were last granted in July 1976.

Railways and Post Office staff associations claim they are running nearly 30 per cent behind the consumer price index and that their members have had to make painful adjustments in their living standards.

Staff association leaders say the lowering of standards is an ongoing process because of inflation, still running at about 12 per cent.

It is pointed out that a 10 per cent increase for the public sector in April next year would inject a useful stimulatory R250-million into the economy.

In Durban earlier this week, the Minister of Finance, Sen Horwood, said the economy must be given a boost "out of the recession to attract foreign capital and confidence."

Economists spoken to yesterday said if the economic pace was to be speeded up, putting more purchasing power into the hands of consumers was a basic ingredient of any reflation package.

Meanwhile, the July business conditions report of the Steel and Engineering Industries Federation says more firms are working short time and more employee retrenchments are looming without any sign of an early economic upturn.

Reports from the metal and engineering industries indicate no revival yet of demand for capital goods, it says.

However, since March the general downtrend of demand, though not of production, has shown signs of levelling out.

It says the rate of cost increase in the first half of 1977 has slowed appreciably compared with the previous two years.

Official cost indices for mechanical and engineering industry materials rose 2,9 and 1,9 per cent respectively during this period, compared with 12,1 and 10,1 per cent respectively in the full year of 1976. — DDC-SAPA.

New wage claim in September —rail men

9/6/76 (35) RDM

Pretoria Bureau

THE EXECUTIVE of the Artisan Staff Association (ASA) warned after a meeting in Johannesburg yesterday that a new wage claim for its 23 000 railway members would be laid before the Minister of Transport, Mr Louwrens Muller, in September.

The president of ASA, Mr Jimmy Zurich, said after the meeting that the claim would be motivated by the financial plight of railway artisans, and the need for urgent relief if a heavy staff drain were to be prevented.

The Minister rejected a 15% wage demand from ASA last year.

A three-way judicial arbitration commission was appointed and upheld the Minister's action.

"The executive realise that the sales tax to be introduced on July 3 will inflame inflation, and further depress living standards, and this is why we intend to press our claim to the limit," said Mr Zurich.

Pinetown fireman who has worked in Durban said resignations were rife because Durban firemen were expected to perform one of the most demanding and dangerous jobs in the world.

Besides normal fire-fighting duties, the firemen have to man the city's 20 ambulances, protect dangerous cargo aboard ships in port, safeguard theatres and indoor public functions, and be ready to combat potential infernos in the harbour area – Durban is the main point for the passage of South Africa's oil-based fuels.

"It's shocking: Durban just does not think of its men at all," said the fireman.

"I worked there for a long time, so I know what goes on in the department. If the ratepayers realised what they were paying for, they would be shocked."

He said conditions in the ambulance service were "disgusting in many ways."

Firemen's grievances centre on the enforcement of certain rules and regulations. They were unhappy about ambulances and life-saving equipment, training in first-aid, seniority and pay.

Journeys

One ambulance driver told of patients who complained to him about jarring journeys, even over short distances and at low speeds. "A patient told me that he would have been more comfortable in a horse and cart."

Life-saving equipment in municipal ambulances consists of an oxygen breathing kit and a resuscitator, which is only taken from base when the nature of a patient's ailment is known.

The first-aid box contains a few triangle bandages and roll bandages, cottonwool, antiseptic and ether. There is also a sickbag, splints, two stretchers, a folding stretcher and a draw sheet – a far cry from what is available in ambulances operated by the Cape Peninsula service.

Durban's Town Clerk, Mr. Gordon Haygarth, said last week that the question of ambulance services was presently under review and should be resolved "in the not too distant future."

"The existing set-up is not ideal but it is better than nothing. We should remember the thousands of patients who do get to hospital safely," said Mr. Haygarth.

In the past 20 years ambulances had covered 14 000 000 kilometres carrying 908 000 patients.

However, it is obvious

But the strongest grievance is that firemen cannot exceed the speed limit in any circumstances, even when patients need urgent hospital care.

Although each ambulance is fitted with a special tachograph – which registers when and for how long drivers break the speed limit and deters crews from going on "joyrides" firemen said their superiors seemed more interested in acting "like detectives" than in assisting them to save lives.

Abused

They said accusations by officers that crews abused speeding restrictions during non-emergencies are invalid because it is a relatively simple matter to check the tachograph readings and match them with ambulance reports to ascertain whether firemen were justified in speeding.

Ambulance crews are also in radio contact with HQ, but many do not even bother to contact officers to ask for permission to speed with a seriously ill patients "because we know what the answer will be."

* In June this year a man collapsed after apparently suffering a heart attack on the Northern Freeway opposite La Lucia Mall. A Durban North ambulance responded and the crew was advised by bystanders and a police official at the scene to take the victim to Addington Hospital as quickly as possible – the ambulance driver was told he was dying.

Durban City Police provided an escort to hospital and the tachograph clocked about 110km/h. The patient survived but the ambulance driver was summoned before a senior officer and reprimanded for exceeding the speed limit.

In spite of a lengthy explanation, the fireman was asked what would have happened if he had travelled through a speed trap.

Escort

He repeated he was under City Police escort and the police were fully aware that it was a mercy dash to hospital.

"I was told I was lucky to be leaving the brigade or else I would have been fired," said the fireman. The incident was confirmed by fire officials.

* A woman suffered a severe asthma attack in Umhlanga Rocks Drive last year near the Durban North fire station. Fortuitously, an ambulance was nearby and headed towards Addington Hospital with the woman

Form for quitting

FIRE DEPARTMENT - RESIGNATION FORM

NAME: (PLEASE PRINT) .....
STATION: .....
DATE: .....
PLATOON: .....

The Chief Officer
Central Fire Station
Centenary Road
DURBAN

Dear Sir,

TERMINATION OF SERVICES:

I hereby tender my resignation for the following reasons, Financial/Domestic/Leaving Durban/other (Please state:
.....

Last Shift Ending At ..... hours on the .....

FORWARDING ADDRESS: .....
.....
.....
.....

Yours faithfully

D.C.O.

(1) REMARKS: .....
.....

(2) CERTIFICATE OF SERVICE (CONDUCT): .....

THE form introduced recently to "assist firemen to resign." About sixty percent of firemen employed by the Durban Fire Department resign annually.

emphasised that it was ludicrous to operate efficiently in existing conditions.

Referring to the speeding regulations, the spokesman said the ambulance crews' primary duty was to "take patients to hospital quickly and safely." Speeding endangered lives because it could cause accidents, additional injury and shock – this was why the regulation was strictly enforced.

However the officials conceded that comparison of ambulance case reports and tachograph readings was sufficient to determine if a driver had speeded with or without a seriously ill patient.

A senior city official said that the issue of speeding in ambulances had been discussed by Manco before, but on the basis of qualified medical opinion consulted, the introduction of unrestricted speeding in ambulances could not be sanctioned.

Medical opinion suggested that patients conveyed in speeding ambulances stood great risk of sustaining further injuries, he said.

Dr. M. B. Richter, Durban's Deputy Medical Officer of Health, said she was not impressed by firemen's claims that speeding with seriously injured patients saved lives.

"There have been many accidents when our ambulances have speeded with

perience or lectures by officers.

For the small number of firemen who have earned first-aid certificates through their own initiative, the reward is four days extra leave annually.

Firemen said departmental lectures in first-aid were unsatisfactory.

But the fire department spokesman said firemen often showed a lack of interest in learning.

Another grievance is the system of seniority. A Durban North fireman with five years' experience resigned in September 1977 to claim his pension to settle a divorce action.

He rejoined a month later, lowest in seniority in a 60-man platoon although he said he was one of the most experienced men there.

Firemen arrive early for duty at Central Fire Station to avoid being left without a mattress for the night because there is a shortage – a few said they had slept on the grass outside as a result.

Officials said the shortage was being relieved.

Other complaints frequently mentioned were:

• A fireman was allegedly threatened by an officer with suspension if he took sick leave again within "the next six months." Officials said it was necessary to take action when sick leave was clearly

adopting an attitude of "punishment" during drills was rejected by officials. "Firemen can report victimisation by an officer – we've charged officers before," said a spokesman.

• Officials denied any knowledge of drinking on duty by firemen and officers. "If anyone is found drinking they will be fired immediately," they said.

Bored firemen who are tired of drills, repeatedly polishing fire engines or sweeping floors frequently conspire in a "bummie" – making a malicious fire call or faked ambulance call "just to get out of the station for a while," according to one fireman.

Deputy Fire Chief Mr. Steve Smith said he was trying to stamp out misbehaviour but the problem was that firemen did not co-operate and inform him when irregularities occurred.

He said much was being done to improve conditions for firemen, "but our biggest problem is finance."

Reacting to the Mercury investigation, Mr. Gordon Haygarth, Durban's Town Clerk, suggested that the problems encountered by the fire department could be amelionated by the introduction of a metropolitan fire service. He said many able firemen in Durban were attracted by slightly improved conditions offered in peripheral areas.

"In so far as a metropolitan ambulance service would be an answer, the same could also apply to the fire service." he said.

Investigation

The chairman of the Municipal Service Commission, Mr. Rodney Ash said an vestigation into firemen's grievances had been conducted recently.

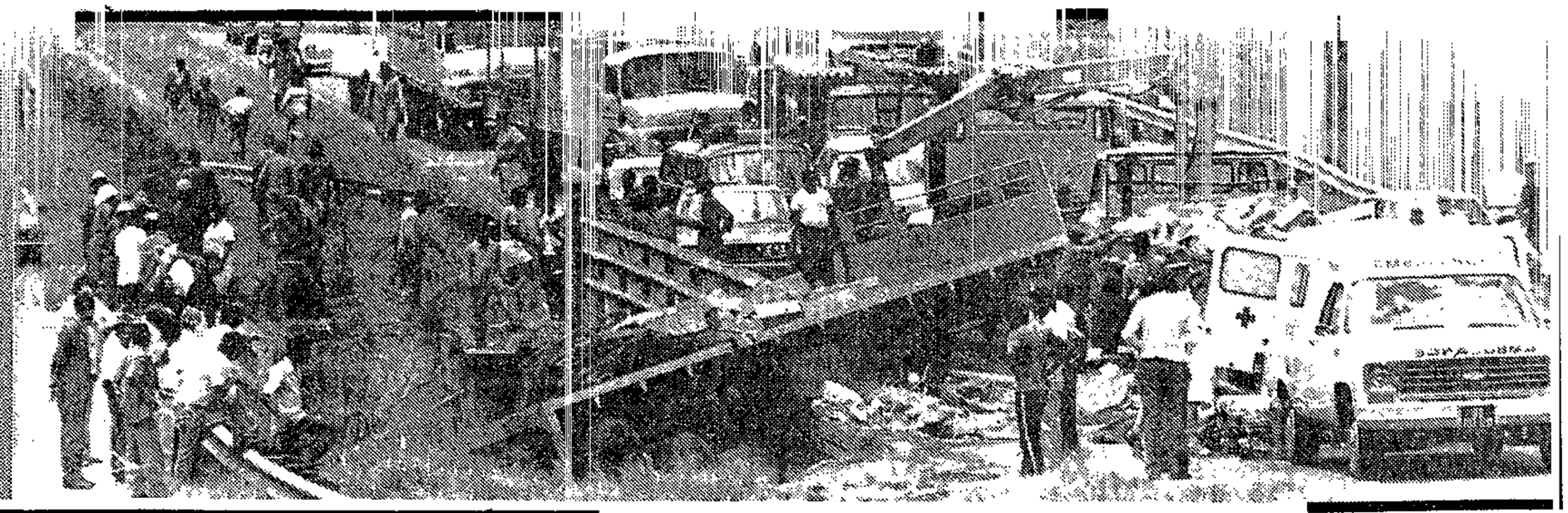
It was found that general pay and overtime rates, seniority and advancement through the grades were primary sources of discontent.

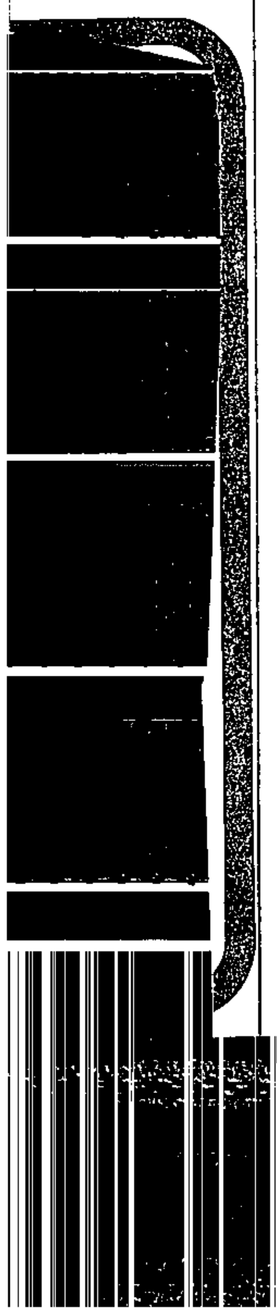
A recommendation would soon be made to revise the system of grading and advancement, particularly where it affected experienced junior firemen who were often irked because older applicants received higher salaries.

But he said it had been decided that a revision of general and overtime rates was not possible because it would affect the entire municipal service.

A shift allowance for firemen – which many fire brigades outside Durban offer – would also not be considered at this stage.

DURBAN'S ANGRY BRIGADE





DURBAN'S firemen — who also man the city's municipal ambulance service — are leaving in large numbers because of dissatisfaction with working conditions.

During the first six months of 1978, 60 firemen resigned from the Durban Fire Department — a reflection on the level of discontent in the backbone of the city's emergency services.

During the previous six months, 77 resignations were handed in. These figures represent an annual staff turnover equal to nearly sixty percent of the department's 240-strong complement.

Apparently a major reason for this exodus to other jobs and fire brigades in Natal is widespread dissatisfaction with pay, training and conditions, particularly among junior firemen with less than a year's service who constitute more than 50 percent of the force.

But senior fire department spokesmen who took part in a five-hour discussion with the Mercury, including Durban's Fire Chief, Mr. A. W. Maclean, Deputy Fire Chief Mr. Steve Smith and senior platoon officer Mr. John Macnee, described many of the complaints made by firemen as "petty." They said most resignations came from junior firemen who frequently exhibited a lack of co-operation.

The biggest problem was that the department could not obtain quality applicants, and for this reason Mr. Maclean had recommended to Durban's Management Committee that the minimum age for new recruits be reduced from 19 to 17.

"Many juniors are leaving because they do not intend to stay with us in the first place," said Mr. Maclean. "Unfortunately Durban is the training ground for firemen all over Natal."

Firemen also resigned merely to cash in their pensions to escape financial difficulties.

Firemen agreed that a number of their colleagues were using the department as a stopover, but they said much could be improved within the department.

Following the introduction of a pro-forma resignation form this year, Durban's firemen simply fill in when their last shift will be.

Resignations are so common that one officer asks firemen who leave whether they are joining the Pinetown Fire Department, where about half of the staff formerly worked in Durban. Many who leave are attracted by better pay and conditions in other fire brigades in Natal.

Faces

One duty officer at the Central Fire Station said: "There are so many new faces around here that I don't even know who's who anymore."

"... an experienced

A MERCURY INVESTIGATION
BY BOB KALINOWSKI

THE Natal Mercury has conducted a month-long investigation into a variety of complaints by firemen about general conditions in the Durban Fire Department, with special emphasis on the municipal ambulance service it operates.

Twelve firemen were questioned and of the 10 who helped the inquiry, five are still employed by the department, three resigned in July, and two left in June. The two senior firemen who declined to comment on conditions said they were doing so because of loyalty to their officers.

More than half of the city's firemen quit in one year

that unless local firemen are offered improved working conditions, the present problems will persist.

Firemen say blankets in ambulances are re-used until they are visibly soiled or blood-stained, apparently because the department's laundry cannot cope with the load.

But fire department officials denied this saying it was up to ambulance crews to ensure soiled blankets were cleaned.

Sirens

Durban's ambulances do not have flashing lights or sirens because they will "alarm" the patients they carry. During emergency trips firemen have been instructed to flash their lights and hoot to get through traffic.

"But motorists just look at you as if you are mad — they don't take any notice unless you have a police escort," said a fireman.

Fire department spokesmen said "the public would be the first to complain" if sirens were installed on ambulances and numerous complaints had already been received in the past about other services which used them.

who was given oxygen.

But halfway there, the oxygen supply ran out because the assistant, who had about two months service, had inadvertently opened the valve on the oxygen bottle too far.

The driver drove to hospital as fast as he could, breaking the speed limit in the process.

The woman was revived at hospital and a few days later she arrived at the Central Fire Station to thank the crew for their prompt action.

A duty officer approached the woman and apparently suggested that the best way to show her appreciation would be to write a letter to the Fire Chief.

Soon afterwards, the driver of the ambulance was promptly summoned before a senior officer and complimented for upholding the good name of the Durban Fire Department.

He was then warned for exceeding the speed limit by about 20 km/h.

Firemen said the regulation was frustratin[illegible]

a patient to hospital and this implies there is a great risk to their well-being."

Dr. Richter said in cases of heart attack victims had little chance of surviving in any case if cardiac arrest was so serious that death was imminent.

"This may shock many people, but it's true. Therefore I believe that speed in transit is a rather extravagant factor in saving lives," she said.

A Durban specialist said excessive speeding could not be justified when a patient was suffering from multiple injuries. But he pointed out that responsible driving above the speed limit could have the effect of stimulating the heart of a heart-attack or drug-overdose victim.

Firemen pointed out that most junior firemen were virtually unable to render meaningful first-aid.

According to the department, "a few" firemen possess recognised first-aid certificates — much of their knowledge is gleaned from a [illegible]

abused, but denied threatening to suspend an officer as claimed.

- There was little concern by officers for firemen contracting contagious diseases on ambulance duty. One officer allegedly told a fireman: "Don't worry, we'll just dump you in Wentworth Hospital for two weeks if you catch something." This allegation was also denied.
- Cockroaches, insects and rats plagued men on ship protection duty in the harbour area and there were no toilet facilities or adequate shelters on land. Officials said they had contacted the Railways about the problem.

Dislike

- Firemen dislike charging pensioners R18 per trip — the going rate in Durban — because many obviously cannot afford the fee.
- When a new extension ladder came into service, firemen had to pay 20c for an instruction leaflet on its operation. An official said the money was used to cover printing costs and improve the library.
- [illegible]

'Unions have muscle'

RDM 4/8/78

(354)

Pretoria Bureau

THE trade union movement in South Africa has the muscle to prevent consumer exploitation, says Mr Eugene Roelofse, SA Council of Churches ombudsman.

With hundreds of thousands of members, the movement could exercise decisive pressure in slowing down price increases, he said.

Mr Roelofse has been asked by the Federal Consultative Council of Railway Staff Associations to help the council protect the falling living standards of 260 000 black and white railway workers.

He said yesterday: "The trade union movement until now has been mainly concerned with increasing the pay packets of their members, and not enough with protecting the purchasing power of wages."

The Government was the major generator of price rises but there had been no group of consumers united and powerful enough to make the authorities keep a tighter reign on price rises, he said.

Railway wages behind inflation rate — unions

2/9/78 RDM

(354)

By GERALD REILLY

RAILWAY trade unionists claim their wages are running 25 per cent behind the Consumer Price Index, and that the Administration can now well afford to grant financial relief.

The Railways had a net surplus of R9,1-million in July after a solid surplus of R12,8-million in June.

In the past 26 months railway workers have had only one increase — 5% in January this year.

The Artisan Staff Association says that since June, 1976, the CPI has risen by 46 points, to 219,8, so relief is long overdue.

The president of the association, Mr Jimmy Zurich, will lead his executive in a meeting with the Minister of Transport, Mr Louwrens Muller, on September 6.

The executive will demand financial relief, which will be determined at an executive meeting in Johannesburg on Tuesday.

Meanwhile, yesterday's Government Gazette announced the appointment of a commission to look into a disputed wage claim between the Administration and the SA Footplate Staff Association.

The chairman is Mr Justice T H van Reenen. The other member of the commission is Mr George Ruscoe.

Table 35 (continued)

NATIONAL DIPLOMA FOR TECHNICIANS OR NATIONAL DIPLOMA IN :	Africans employed if available			
	i) immediately		ii) in 1981 assuming full economic recovery	
	Technicians	Firms	Technicians	Firms
Chemical Plant Operation	9	4	30	10
Chemical Technology (Plastics)	9	3	16	6
Paint Science	11	5	18	5
Brewing Technology	-	-	6	1
Microbiology	1	1	5	2
Food Technology	2	2	10	5
Sugar Technology	6	1	24	4
Meat Technology	1	1	2	1
Water Purification Technology	1	1	3	2
Health Inspectors	1	1	3	1
Medical Laboratory Technology	1	1	1	1
T O T A L	392		1 003	
NATIONAL CERTIFICATE FOR TECHNICIANS OR NATIONAL CERTIFICATE IN :				
Electrical Engineering (Heavy Current)	2	2	11	6
Electrical Engineering (Light Current)	11	6	40	17
	21	8	67	19

Mercury Correspondent

PRETORIA — Railway workers are clamouring for a restoration of their rights to strike or go slow in support of rejected wage claims.

Leading railway trade unionists agree the unions lack this "ultimate" negotiating weapon and this renders effective action against unjust refusals to grant financial relief impossible.

It is understood that the federal consultative council of Railway Staff Associations is studying, and will soon meet to discuss the Railways and Harbours Service Act.

The aim is to pinpoint disabilities in the legislation. The most glaring one, according to the unionists, is the ban on any punitive steps to support wage claims.

This is being done against a background of the rejection by the Minister of Transport, Mr. Louwrens Muller, a month ago of a demand by the Artisan Staff Association for a 10 percent increase and a shorter working week.

One union leader said yesterday: "We are virtually powerless. If we go through all the channels of communication and our demands are rejected, all we can do is sit down and talk."

He said it was shortly after a go slow railway strike in the early 1950s that the Railways and Harbours Service Act was amended to classify railways as an essential service and workers were deprived of the right to strike.

Although the president of the Artisan Staff Association, Mr. Jimmy Zurich, declined to comment on the growing demand among railway workers for a more effective negotiating machinery he did say: "The feeling among railway workers is that the Act should be amended to give unions more muscle."

Earlier this year an arbitration commission rejected a demand from the ASA for a 12,5 percent increase.

Railmen seek right to strike

M.M. 20/9/78 (354)

SAA men to put case for higher salaries

By RIAAN DE VILLIERS
Labour Correspondent

THE SA Airline Pilots' Association is to ask SA Airways for pay increases early next month to forestall possible resignations.

The move follows recent claims by Captain John Tainton, president of the association, that many senior pilots were considering leaving South Africa because of low salaries paid by SAA.

Capt Tainton could not be contacted for comment yesterday. But Mr Chris Kilian, secretary of the association, said there were definitely "a few pilots who are thinking of leaving".

He said the association's committee would meet early next month to draw up a memorandum to SAA management outlining the case for higher salaries.

Mr Eddie Smuts, chief executive of the SAA, said the association was free to make submissions for salary improvements. These were normal negotiations which took place all the time.

He denied reported claims by Capt Tainton that possible resignations could bring SAA to the brink of a crisis.

Pilots were offered big salaries overseas but he believed they would also compare living costs.

"In relation to the national salary structure and the cost of living they are very well paid," he said.

It appears that management, whether through conservatism, inertia, or preoccupation with more important matters, often does not have the will to get its way in forcing changes in the labour structure. However, progressive management has succeeded in causing striking changes in some cases. A few firms we visited are successfully experimenting with employing Africans in the traditional White preserve of supervisory positions. The chief complaint of these firms is the shortage of Africans with Standard X mathematics to train

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SAA clerks protest at 'low pay'

Own Correspondent

AN ESTIMATED 200 clerks at South African Airways have joined in the vast technical staff's storm of protest which has already brought the threat of an illegal strike.

The clerical staff are unhappy about low wages, long working hours, inadequate eating facilities and short leave.

But perhaps their biggest grievance is that they have no union representation — no one to voice their problems to.

While technicians have threatened to strike because they are dissatisfied with their wages, at least 15 pilots have resigned and others are looking for jobs elsewhere.

One clerk said yesterday: "We are all extremely unhappy. We can't go on living on these poor wages. We just can't make ends meet."

The clerks, who did not want to be identified for fear of victimization, said some of their other grievances were that:

● They work a six-day week — 48 hours;

● Each shift is at least eight hours and sometimes without a lunch or tea break;

● For those who work after 3 pm and at weekends there are no eating facilities, and

● They are given two weeks leave a year.

I spoke to a clerk who earns R690 a month after 10 years' service with SAA. He has a wife and three children.

"I object to my low salary particularly because I see the Airways wasting thousands of rands on banquets and millions on wrong equipment that goes rusty," he said.

He added that the clerks were being forced into "low-class living standards" through no fault of their own.

"We just have to forget about new cars and holidays at the sea."

Another clerk interviewed said he earned R589 a month after eight years' service. He also has a family to support.

"We have just been underpaid for a long period," he said. "Apart from our bad pay we are only given two weeks leave a year and are not given any compensation for nightshift or weekend work."

Another grievance mentioned was that although most clerks had matriculated they were forced — after three years — to do special courses in their own time which took up to 13 hours a week.

Mr J A Joubert, head PRO for SAA, could not be contacted for comment yesterday.

Rail wage rise showdown looms

Pretoria Bureau

A RAILWAYS Artisan Staff Association deputation is set for a showdown with the Minister of Transport, Mr Louwrens Muller, over wage demands, according to railway union leaders in Pretoria last night.

The three-man ASA delegation is to put strong pressure on the Minister to agree to the wage demands at a meeting next Wednesday.

More than half the ASA branches have passed unanimous measures of no confidence in the Minister at special meetings throughout the country in the past few weeks.

In a statement earlier this week provoked by the workers' "no confidence" votes, Mr Muller said it would cost the Railways administration R125-million a year to give workers a 10% increase, resulting in a 4,5% increase in railway tariffs.

ASA wage claims have been rejected twice this year so far — first by the Minister and then by a judicial arbitration commission.

At a special meeting of the ASA executive in Johannesburg yesterday it was decided that Mr Muller's statement "did not get to grips with the central problem" — the plunging living standards of railway workers.

The association's president, Mr Jimmy Zurich, said last night that railway workers were finding it increasingly difficult to make ends meet. "This is an incontestable fact, and the Minister must accept it."

But he said the executive committee advised the ASA's 23 000 members to remain calm and patient.

"The Minister said in his statement that a solution could be found in the interests of all. We hope he is right," Mr Zurich said.

28/11/78 DD 354 270

SAR blacks get bigger increase

EAST LONDON — The pay increase for blacks on the South African Railways is to be greater than that of whites when the recently announced increases for civil servants come into effect in April next year.

This was confirmed by the director of public relations for the SAR in Johannesburg, Mr J. J. Havenga, yesterday.

He said in keeping with government policy to narrow the wage gap between blacks and whites, blacks would receive about 15 per cent, Coloureds and Indians about 12,5 per cent and whites 10 per cent.

"Obviously the narrowing of the wage gap cannot be done overnight, but this is the policy and it will be applied when increases come through," he said.

The recently announced increases come shortly after the Minister of Transport, Mr S. L. Muller, turned down a pay demand of 10 per cent by the Railways' Artisan Staff Association in September.

At that time the Border branch of the ASA strongly criticised the Minister's decision.

It is understood the recently announced increase will be discussed at a meeting of the ASA on Saturday.

This meeting will be attended by the organisation's national chairman, Mr J. Zurich, and the secretary, Mr Grobelaar.

Meanwhile, Mr Zurich warned yesterday that a demand for a further wage increase would be submitted early in the second half of next year.

He said the 10 per cent increase, which will cost the administration an estimated R125 million a year, would be neutralised by inflation by the end of July.

He said prices would be under greater pressure than ever next year because:

- The increase in the price of crude oil from January would mean another increase in the prices of fuel;
- Escom had indicated that another power price hike could also be expected in the new year; and
- Farmers would be clamouring for further increases in commodity prices — including maize, wheat, sugar and milk — in the first half of 1979.

Mr Zurich said it was virtually certain, too, that the Minister of Transport would have to raise Railway tariffs either in his budget in March, or the middle of the year. — DDR-DDC

16% by private [illegible] share of the state in the employment of t[illegible]ted because state departments are presumably more [illegible] organisations in completing questionnaires. To[illegible] a result of their considering employees such a[illegible] and measures as technicians. 1/

In conclusion, h[illegible]emand for technicians if we are unwilling to tru[illegible]es as a source of data for valid and reliable cros[illegible]s comparisons. Short of interviewing every emp[illegible]newspapers and industry publications for ad ho[illegible] 17th March 1975, the Rand Daily Mail discussed th[illegible]ce technicians and electricians. One could forecas[illegible]f chemical technicians when projects such as [illegible]cracker and new petroleum refinery are built. [illegible] impressions from general reading related to the South African and world economies can indicate possible present and future shortages of technicians.

Rises due for public servants

BLOEMFONTEIN, — A salary increase for public-servants could be expected on or perhaps before April 1 next year, Mr B J S van Deventer, director of the Association of Civil Servants, has announced in Bloemfontein.

He told the annual meeting of the Free State branch of the association it was not known what the percentage increase would be, but the association would not put "reckless demands" to the authorities.

Studies had shown that since July 1, 1974, public servants' salaries had slid to 27,75% behind the cost of living. — Sapa.

E. The supply of technicians

If it were possible to determine the present and future demands for specified categories of technicians (and we have no better tool available than the Manpower Surveys), one could relate it to the present supply of technicians in order to determine the training needs for the future. However, we have not got as far as determining shortages accurately, and some information about the present supply of technicians has already been presented. We will content ourselves with a few further factors affecting the potential supply of technicians.

The influence of the polity on the economy must be taken into account. In a speech in the Assembly on 7 September 1970, the then Minister of Bantu Education and Development said that 'Bantu must be employed in the White areas in a controlled and systematic manner and must not be allowed to enter the top strata of labour in order to meet shortages, for this would lead to labour equality and to integration in residential areas, social matters, and political authority in Parliament'. 2/

1/ S.S. Terblanche, Tegnici in die R.S.A., (Human Sciences Research Council, Pretoria 1973).

2/ South African Institute of Race Relations, Survey of Race Relations, 1970, p. 100.

Star 23/12/78

(354)

R125m boost means 10 to 15pc for railmen

By Sieg Hannig, Labour Reporter

About 500 000 employees of the Railways, Post Office and Public Service will be affected by salary and pension improvements from April 1. Similar benefits are expected to be extended to several hundred thousand more State employees outside the Public Service — employees of Provincial Administrations and statutory boards.

The pay increases for the 260 000 railway workers alone are expected to add about R125-million to the Railways' annual wage bill.

White railway workers will get a 10 percent increase, coloured workers 12,5 percent and blacks 15 percent.

That means a rise of about R52 in the monthly salary of about R520 paid to experienced locomotive drivers and technicians.

The last increases in the sectors involved amounted to 5 percent and came in an award to all Government employees last January.

Government employees received a 10 percent rise too in July 1976.

Railway employees are the only Government employees to have received a firm announcement of their pay increase. The announcement came from the Minister of Transport, Mr S L Muller.

DETAILS LATER

In a simultaneous statement, the Minister of the Interior Mr Schlebusch announced that the Cabinet had approved consolidation of pensionable allowances and salary adjustments for the Public Service and other organisations in the public sector.

And the Minister of Posts and Telecommunications, Mr de Klerk, said salary relief to all Post Office employees would be granted with effect from April 1.

At the same time the pensionable allowance now being paid would be consolidated into basic salaries.

Mr Schlebusch and Mr de Klerk said details of their adjustments would be announced laster.

INVESTIGATION

Mr Schlebusch said the changes would necessitate an in-depth investigation into the narrowing and/or elimination of the wage gap in certain categories of the Government sector.

"All of us would have liked a little more and somewhat earlier but it's the maximum the Railways can afford without tariff increases," Mr Johann Benade, secretary of the Federal Consultative Council of Railway Staff Associations, said.

He welcomed the fact that the announcement of the increase came from the Minister of Transport — not from the Prime Minister in the form of a general increase for all Government employees, as in the past.

He also welcomed the fact that the announcement was well ahead of the salary increase.

Mr Benade pointed out that railway workers would also benefit from the one-time staff saving bonus payable at the end of January. This, he said might amount to about R25-million, or one-fifth of the annual hike in the wage bill after April.

HIS BEST

Mr Jimmy Zurich, president of the Artisan Staff Association of the Railways, said the Minister had done his best in existing circumstances.

But he hoped that provision for a further pay adjustment would be made in the next Railways' Budget. And he called on the Minister of Finance to provide relief for the workers by reducing taxes in his budget next year.

Mr Piet Roodt, general secretary of the Railways' Footplate Staff Association, withheld comment pending a decision by his executive council next week on whether it intended to pursue its pay dispute which is under arbitration.

WAGE REGULATION —

PUBLIC SECTOR

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Public service pay rises are likely in Budget

Star 354 15/2/79

Political Staff

CAPE TOWN — Across-the-board salary increases for public servants in all sectors are expected to be announced by the Government when the Budget is introduced in Parliament on March 28.

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At this stage an increase of about 10 percent seems likely after announcements some time ago that postal workers and railwaymen are to get a 10 percent increase on April 1.

A new salary deal also seems to be in the pipeline for hardpressed policemen. The Commissioner of Police, General Mike Geldenhuys, was reported today to have confirmed that an announcement could be expected, but a spokesman said today the General was not available to confirm this.

It was uncertain today to what extent the adjustments of public service salary structures announced last year by the Minister of the Interior, Mr Schlebusch, will overlap with the salary increase expected to be announced in the Budget.

NO MENTION

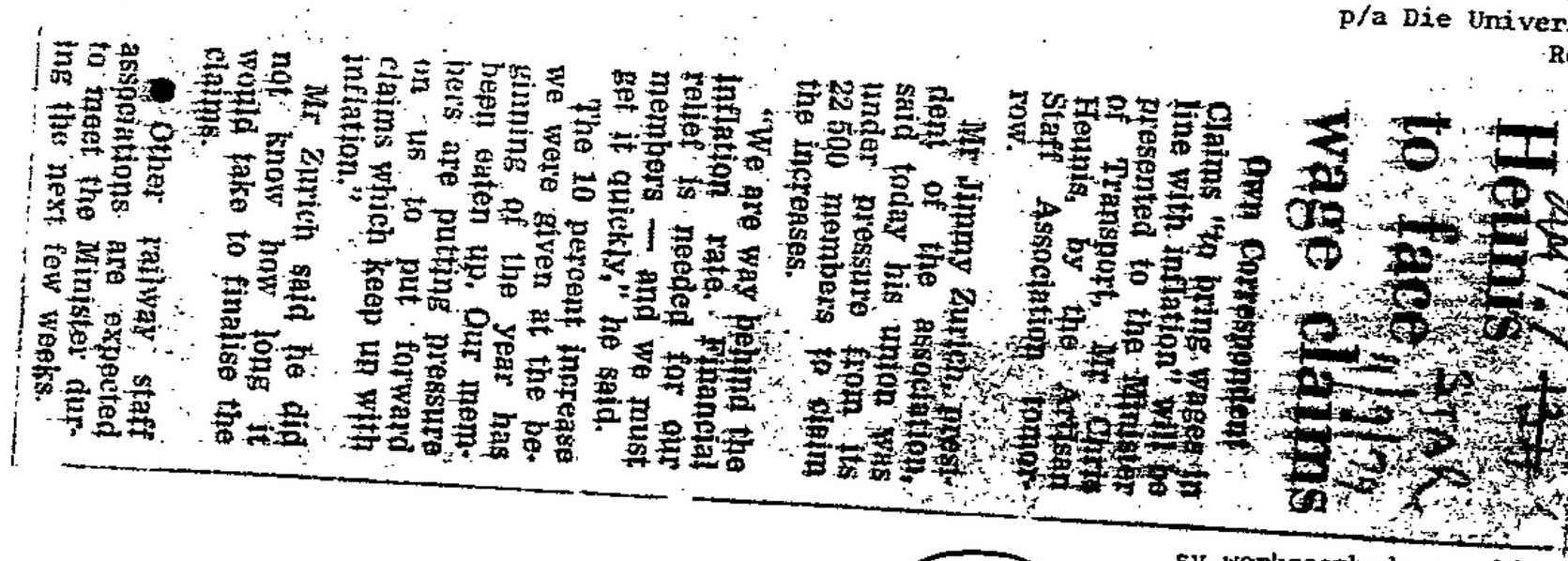
The general secretary of the Public Servants Association, Mr R H Landman, pointed out today that no mention was made in the announcement by the Minister of a specific salary increase.

He said the last increase was the 5 percent granted in January last year in the form of a pensionable allowance.

In political circles it is believed the salary increases might be made possible by the considerable increase in State funds from the higher gold price and the income from General Sales Tax.

It has been pointed out that a general increase could have a stimulatory effect on the economy at the same time, which is in line with Government policy to try to get the economy back on its feet.

Some political spokesmen said today the public service should be the first to get the benefits from the higher State income as they had done more than their bit carrying the can during the anti-inflation campaign.



Helens to take Wage Claims

Own Correspondent

Claims "to bring line with inflation" will be presented to the Minister of Transport, Mr Chris Heunis, by the Railway Staff Association next week.

Mr Jimmy Zurich, president of the association, said today his union was under pressure from its 22 500 members to claim the increases.

"We are way behind the inflation rate. Financial relief is needed for our members — and we must get it quickly," he said.

The 10 percent increases we were given at the beginning of the year has been eaten up. Our members are putting pressure on us to put forward claims which keep up with inflation."

Mr Zurich said he did not know how long it would take to finalise the claims.

Other railway staff associations are expected to meet the Minister during the next few weeks.

JAARVERSLAG

1978

SENTRUM VIR INTERGROEPSTUDIES

(Geregistreer as The Abe Bailey Institute of Inter-Racial Studies Limited
(Beperk deur Garansie))

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354

Gedurende die eerste jaar van sy bestaan het die Sentrum besluit dat dit gepas sou wees indien gereeld 'n jaarverslag oor sy werksaamhede gepubliseer. Om die Sentrum se 10de verjaarsdag op 1 April 1978 te vier is die jaarverslag in 1977 vervang deur 'n Oorsig oor die Eerste Tien Jaar.

DIE OORSPRONG EN DOELSTELLINGS VAN DIE SENTRUM

Die Sentrum word grootliks gefinansier deur die Abe Bailey-Trust wat ingevolge die testament van Sir Abe Bailey gestig is. Dit is geregistreer as The Abe Bailey Institute of Inter-Racial Studies Limited (Beperk deur Garansie) - 'n maatskappy beperk deur garansie en sonder 'n aandele-kapitaal kragtens die Maatskappywet 1973 (Wet Nr. 61 van 1973).

Star
30/11/80

Public Service expects pay rise

Labour Reporter

High hopes for a 15 percent pay increase were expressed today by Mr Jimmy Zurich, president of the Railways Artisan Staff Association, amid warnings of a threatening labour crisis in the Public Service.

He said the going rate for artisans was R4,50 to R5 an hour and would be R7 or more at the end of the year.

"The employer who is prepared to pay is the one who will have the artisans he requires," Mr Zurich said.

"Those employers who pay peanuts will have monkeys."

The Railways was already battling in some trades although the economic revival had not yet begun.

"The prospects for pay increases are good and I am optimistic that we shall get the 15 percent rise we asked for," he said.

Dr C M Cameron, president of the Public Servants' Association, said it was well known that there were many thousands of vacancies in the Public Service at present.

ECONOMIC REVIVAL

"We cannot allow this situation to deteriorate as it must in an economic revival unless Public Service remuneration is adapted," he said.

His association was well aware that the Government was seriously planning to improve the Public Service by restructuring and other means.

But it needed to attract and retain essential staff to maintain effective administration and services.

"The private sector can only function optimally where the Public Service functions smoothly."

Remuneration policy had to be adopted to prevailing circumstances, Dr Cameron said.

Airports were built to serve the major industrial areas and the number of internal passengers carried by South African Airways between 1948 - 1973 rose more than 17-fold from 103 000 to 1 821 000, ~~an increase of 1 718~~.

Telephones had spread through the country districts during the 1920s but another big increase followed the introduction of direct trunk dialling in 1953

Table 12 Communications in South Africa

	Telephones (000s)	Radios[1] (000s)
1936	142.4	139.5
1948	318.6	454.5
1961	879.9	1050.1
1973	1745.5	2159.7

Notes: 1. Licences issued to listeners.

Sources: Union Statistics for Fifty Years.
Statistical Year Books.

The spread of radio, not least into the isolated communities of farm labourers opened up the society, but the skilful use by the state of radio broadcasting and, later, of television did much, through heavy censorship, to close many minds.

Considerable expansion took place not only of material investment in school-buildings and equipment but also of the less tangible but no less important investment in 'human capital'. The proportion of South African children to have passed standard four rose from to thus contributing to the rise in literacy which some perceptive observers regard as one of the most significant changes to have taken place during the period. As regards medical services the number of hospital beds available and the number of doctors per head of population between 1936 and 1976 changed from and :1 to and :1 respectively. In general both educational and medical services were better in town than in the country areas, and better for whites than for blacks.

Electricity, most of which was generated from the coal of the southern Transvaal and Natal, of Escom power-lines in 1936 to 139 000 s and farms which prev. Total production of 3773 million kwH. in

Arbitrator sought for disputes 2/2/80

The Public Servants' Association has repeated its call for an impartial arbitrating body to deal with cases where reconciliation cannot be reached between departments and the Public Service Commission.

Mr R H Landman, general manager of the association, said today that the Public Service Commission was empowered by the Public Service Act to appoint such a body, but it was not compelled to do so.

The association at present had no redress in cases where consensus could not be reached.

The Orange River Project with its great dams and irrigation tunnels was undertaken with little public debate as to its effectiveness compared with other alternatives. On the western side of the Drakensberg there was lots of land but few people whereas on the eastern escarpment imaginative irrigation and hydro-electric schemes on the various rivers that flowed through the Transkei to the sea could have revolutionised the farming potential in a densely populated rural area where people were desperately short of food. ~~An~~Other important ~~infrastructural~~ decisions ~~which were~~ shaped by political considerations were South Africa's decision not to purchase water from Lesotho - thus spiking the Ox Bow scheme - but rather to pump water from the Tugela up the western escarpment to the Vaal from whence it was drawn to the Witwatersrand.

Possibly even more significant in the long run than the giant schemes were the unumbered host of small dams built on farms and in the reserves. This investment did something to offset the appalling loss of top soil as bad farming combined with heavy rain saw much of the country's precious asset being washed into the sea every year. Much soil was also taken away by the wind blowing over treeless miles of ploughed land causing huge dust storms which reminded observers of the creation of the American dust-bowl. The speed with which the desert was encroaching from the south west was an ominous sign of all the irreversible damage due to the loss of what economists, knowing only Europe, were once foolish enough to call the 'indestructible properties of the soil'.

The Cape Times, Wednesday, March 19, 1980

R41 million for increased GPO salaries

THE Postmaster General, Mr Louis Rive, yesterday refused to disclose top, bottom and average percentage increases in Post Office salaries which come into effect next month — in the interests, he said, of keeping inflation down.

By DIANA POWELL

At a press conference on the Post Office Budget, Mr Rive accused the private sector of jumping on the bandwagon every time government salaries were raised, with the effect of creating a significant increase in the consumer price index.

At the same time he promised consumers that they would not be hit again with increased postal and telephone tariffs for some time and, if the present economic boom was maintained, there could even be a slight decrease in Post Office charges.

Mr Rive said the latest increases showed that an upward movement in economic activity was bringing in revenue beyond expectations and the Post Office would not shy away from any decrease in charges which could be passed on to the consumer.

The increased revenue, he said, was attributable mainly to increased telephone traffic.

The latest Post Office tariff increases, due to come into effect last year, were postponed till February 1, 1980, when telephone calls went up by one cent a unit and letters to internal destinations by a minimum of one cent.

The budget, introduced in the House of Assembly yesterday by the Minister of Posts and Telecommunications, Mr Hennie Smit, contained few shocks and several surprises — especially for Post Office staff.

Mr Smit announced: "A differentiated pay structure which will enable the Post Office to compete for manpower on the open labour market." And increased salaries for Post Office personnel totalling R41 million.

These would come into effect on April 1, and in the allocation of the increases the principle of differentiation had already been applied Mr Smit said.

There would be a "high priority for the provision of telephone services in black areas with budgeted expenditure of not less than R59,1 million — R12,4-million for Soweto alone".

More budget reports, page 5

UCT

STUD NO SURNAME FIRST NAMES COURSE DESCRIPTION SYMBOL

EXAMINATION RESULTS IN FACULTY ARTS AS AT 29 02 80 PAGE 1

1301O BACHELOR OF ARTS YEAR : 1

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1383110				POLITICAL SCIENCE I	3	1	1383110N
					(52)		
1617800				ENGLISH I (PRE-1980)	3NX	1	1617800Y
1577000				ECONOMICS IB	UP	1	1577000N
					(57)		
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1533990				POLITICAL SCIENCE I	ABS	1	1533990N
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Big slice of budget for black telephone services

HOUSE OF ASSEMBLY. — A large slice of the Post Office capital expenditure for the coming financial year would be spent on providing telephone services to blacks at an accelerated rate, the Minister of Posts and Telecommunications, Mr Hennie Smit, said here yesterday.

In his Post Office budget speech he announced that capital expenditure would be up 19,3 percent and revenue would increase by an estimated 19,4 percent.

Telephone services to blacks would cost R59 million, R36 m more than the current financial year.

Total capital expenditure would be an estimated R424,5 m, R68 m higher than the revised total for the current year. Revenue was estimated to total R1 090 m, R177 m up on the current year.

Capital expenditure would be financed by an operating surplus of R100,5 m, the provision of R137,6 m for depreciation and higher asset replacement cost, approximately R160 m from investments in Post Office saving services and a further R26,4 m from money on call.

"On this basis, the self-financing component of capital expenditure will amount to 56,1 percent."

The increases in capital expenditure arose from:

- Expected price increases on equipment;
- Further expansion of the telephone network to meet sustained high demand for services;
- Accelerated provision of telephone services to blacks;
- Provision of the new electronic telex exchange in Durban and;
- Further expansion of Saponet to meet the high demand for data services.

Operating expenditure for the next financial year was estimated at R961 m, 19,7 percent (R157,9 m) up on the current year, mainly resulting from:

- Proposed salary concessions and the resultant higher pension liability;
- Service bonus replacing the vacations savings bonus and the department's liability to the Civil Pensions Stabilization Account;
- Expected cost escalation on transport, maintenance, material and stores;
- Higher interest payment on the continued favourable inflow of savings services funds and;
- Higher international payments resulting from growth in international traffic.

Reviewing the finances of the past year, Mr Smit said that owing to favourable developments, and in the interests of economic development it was possible to postpone tariff adjustments for a further period up to February 1 this year, five months later than planned..

The favourable developments had been an estimated increase in revenue of R29,4 m, or 3,3 percent higher than budgeted for and a drop in total expenditure of R15,6 m or 1,3 percent lower than provided for in the last budget.

The higher revenue had resulted from a decision to take up a portion (R12 m) of the profits of the South Atlantic Cable Company, and growth especially in telephone traffic.

In the current year approximately 57,6 percent of the estimated capital expenditure of R355,7 m would be financed from internal funds and 42,4 percent from loan funds.

"A net increase in savings services funds of R160 m was expected during this financial year," he said. — Sapa

methods, but also the goals of extension.

When speaking of extension in the wider sense as illustrated in Fig 1, and from a philosophical, ethical point of view, I find it difficult to accept any other definition. We see clearly that management information, or the provision of information, forms only one facet of extension.

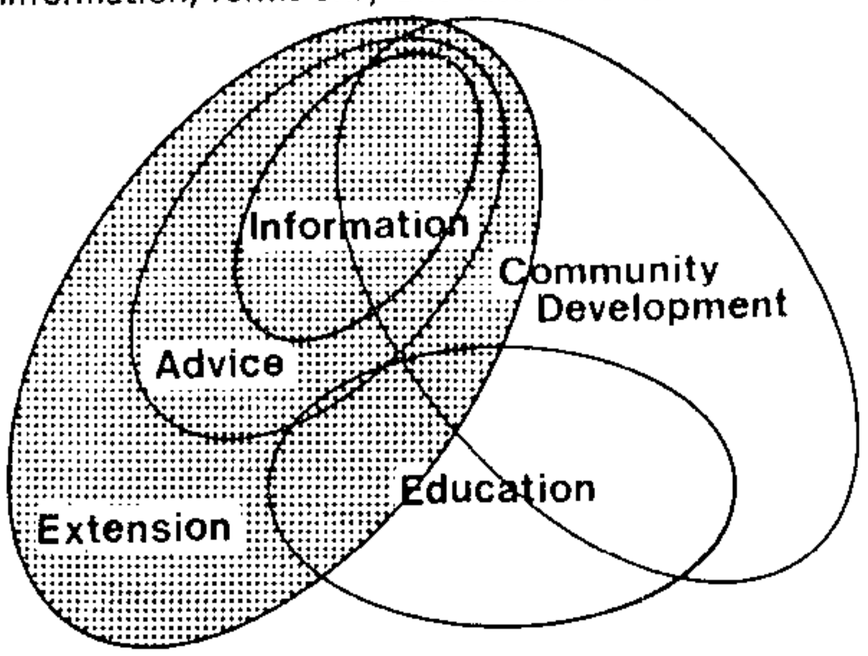

Fig. 1 — The field of definition of extension relative to other concepts.

Extension as a linking system

One of the most important tasks of extension is to relay or transfer the results of scientific studies so that they may be applied in solving problems which arise in the practical situation.

As a linking system, it is the responsibility of extension to transfer and diffuse the message, which originates from research (innovative system) to the farmer (practitioner system), and to see that it is adopted and applied. The latter is often only possible after the message has been adapted to the circumstances specific to the practical situation. Apart from the horizontal function of message diffusion, there is also the important vertical function of message adaptation (Coughenour, 1964).

Developing the message is not the task of extension. The debatable point rather concerns extension's responsibility in the adaptation and adjustment of the message to be communicated. It is in this sense that the function and responsibility of extension as a management information system must be questioned, as such a system must be seen as an aid to the development and adjustment of messages which can then directly, or indirectly via exte
made available to the farmer.

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In South Africa the unfavourable ratio between the extension officer and his clients: 1:718 (Robbertse, 1977), as well as his myriad regulatory duties have resulted in the extension officer being left with time for little more than advising those farmers who, usually as a result of a homophylous communication relationship with the extension officer, had already developed a need for information. These farmers profited by the wind-fall gains, and compounded their advantage by once again making more use of available information and extension services. In this way all that remained for the rest of the farmers, the vast majority, were the proverbial crumbs as far as the extension officer's accessible time was concerned.

We see here the cause of the trend of progressively fewer farmers producing an ever increasing percentage of the total agricultural production. In 1971 it was estimated that 30 percent of the farmers were responsible for some 70 percent of total agricultural output (Van Eeden, 1971), while a more recent estimate puts the figures at 20 and 80 respectively (Möhr, 1977). In South Africa, as in many other countries, extension can be blamed for the widening gap between good and bad farmers.

When theorising on possible policy-options for the future, ethical and socio-cultural as well as economic factors should be taken into account.

This being an agricultural economics congress, I don't wish to diverge in respect of the first-mentioned two factors, yet from a purely economic point of view it would seem as if extension, and by this I mean the preparation phase, i.e. the creation of needs and motivation, should enjoy priority over the purely passive passing on of information, and for that matter, of management information as well.

I base this conclusion on the belief that the time-lag, as far as the majority of farmers is concerned, is still so great that its narrowing constitutes the greatest potential for increasing production and efficiency in the farming sector.

In support of this contention I quote Tomlinson and Van Wyk (1966) (freely translated): "If one compares the knowledge originating from research plus technological aids to the application of these to the practical situation, the lack of knowledge among a large percentage of our farmers is quite startling. The efficiency of most farmers could be increased by anything from 50 up to 100 percent ...

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Civil servants to get salary rise details

PRETORIA — Just how the R480 million in rises for half a million workers of Government is to be distributed, will be explained to personnel officials of state departments at a meeting with the public service commission here today.

A commission source said yesterday the complexity of the operation could be measured by the fact that there were about 600 different work categories.

The structural and salary changes information is contained in four volumes covering about 900 pages.

It is regarded as probable that because of the complex administrative work involved the increases will not reflect in cheques until the end of May.

One objective of today's meeting is to rule out the possibility of over and underpayments when the new cheques are run off the computers.

Meanwhile, public sector workers, including teachers, nurses and police, are waiting anxiously to see just how far the differentiated pay force at a time when a full establishment is needed in a maximum effort to fight rising crime rates in urban areas. — DDC.

Senior police officers are also concerned about the resignation from the nursing profession because of a steady stream of resignations and difficulties in recruiting student teachers and nurses.

The government has been told by staff associations that unsatisfactory pay levels are the reason.

A crisis threatens in both the teaching and nursing professions because of a steady stream of resignations and difficulties in recruiting student teachers and nurses.

The fear is that the gap could be as much as 12 per cent.

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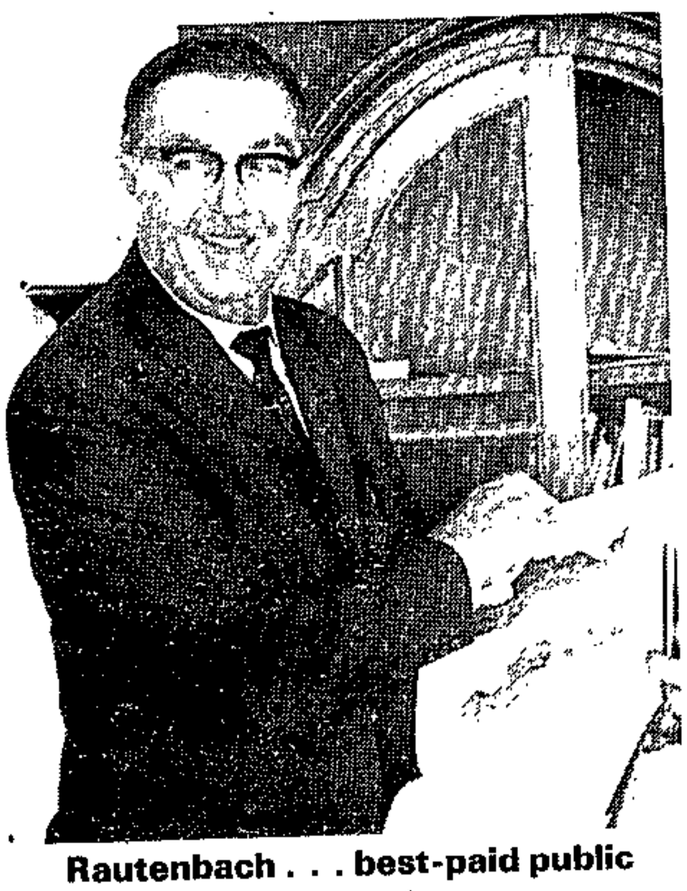
PUBLIC SERVICE FM 4/4/80 354

New broom at the top

The new Public Service pay scales will raise a few eyebrows, especially in the top echelons.

Directors-General of the 17 "rationalised institutions" (departments), which were formally brought into operation this week (April 1), are to be paid R35 700 a year, R9 000-R10 000 less than the corporate levels so confidently predicted in the media.

Somewhat surprisingly, DGs will not be the highest paid bureaucrats under the new dispensation, despite Interior Minister Alwyn Schlebusch's pronouncements that they would be paid in accordance



Rautenbach . . . best-paid public servant

with their new higher status, grading and power.

Fattest salaries will be paid to the Chairman of the Public Service Commission, Dr Piet Rautenbach, chief architect of the current rationalisation programme in the Public Service, and to the Controller and Auditor-General, W G Schickerling, one-time Secretary for Inland Revenue.

Although few will begrudge Piet Rautenbach and William Schickerling their R39 300 a year (former AG Gerald Barrie got paid far less for uncovering the Info scandal), the 17 new DGs (and the five additional DGs who will be appointed later this year) are unlikely to be happy with the fact that ordinary members of the Public Service Commission are to receive R37 500 a year.

Deputy DGs will receive R30 000 a year, Chief Directors R26 700, and Deputy Chief Directors R24 000. Deputy DGs are in most cases former Secretaries of Departments who did not get the nod to head rationalised departments. They include people like Inland Revenue Secretary Mickey van der Walt, Customs & Excise Secretary Daan Odendaal, who will now be known as commissioners of their departments; Industries Secretary Phil Theron, Commerce Secretary Tjaart van der Walt, and Agricultural Economics and Marketing Secretary S D van Schalkwyk. Their advance from R23 000 to R30 300 is fair compensation for missing the DG boat, but DGs probably deserve higher pay, especially key men like Joep de Loor, Ras du Plessis and Brand Fourie.

Although details of the new wage structure in the lower echelons are not known, it appears that starting levels for administrative officers are higher than those for professional officers, although both reach their top wage notches at the same level of about R18 000 a year.

If this principle is carried through in all grades, the Public Service may find it difficult to attract people with professional qualifications.

Public servants' pay rises out today

Political Staff

CIRCULARS containing details of the new salary scales and increases for public servants are being sent out to Government departments by the Public Service Commission today.

The new scales and increases are, however, still being kept 'hush hush.'

According to Government sources civil servants should know by next week how much more they are going to get.

The sources said the increases averaged just over 10 percent, but with police, nurses and teachers receiving more.

It is also known that the more senior civil servants will receive above-average increases.

The increases are effective from April 1.

In his budget speech Senator Owen Horwood, the Minister of Finance, said he was reluctant to give details as he regarded 'salaries as a private matter which should preferably not be dealt with in public and because I know that all sorts of comparisons and conclusions, which will not necessarily be complete or relevant, will be drawn.'

†Indicates translated version.

For written reply:

Public Service: salaries

558. Mr. D. J. DALLING asked the Minister of the Interior:

(1) In what categories has full parity been achieved with effect from 1 April 1980 in the salaries paid to officers of different race groups in the Public Service;

(2) what is the total number of non-White officers who enjoy full parity in salaries with effect from that date?

The MINISTER OF THE INTERIOR:

(1) The elimination of the salary gap between the different population groups occurs from the highest posts and with effect from 1 April 1980 parity exist in respect of the following Non-White posts and comparable ranks:—

Coloureds/Indians

Posts	Comparable White Level
Commissioner of Coloured Affairs	Top management
Deputy Commissioner of Coloured Affairs	Top structure
Chief Specialist/Professor	Top structure
Principal Specialist	Top structure
Senior Specialist	Top structure
Specialist	Top structure
Principal Medical Officer	Top structure
Principal Dentist	Top structure
Senior Dentist	Top structure
Director of Education	Top structure
Deputy Director of Education	Top structure
Chief Inspector of Education	Top structure
Chief Education Planner	Top structure
Inspector of Education	Top structure
Senior Psychiatrist	Top structure
Psychiatrist	Top structure
Medical Officer	Undersecretary
Dentist	Undersecretary
Assistant Director (Technikon)	Undersecretary
Head of Department (Technikon)	Undersecretary
Chaplain	Undersecretary

Blacks	Comparable White Level
No comparable posts exist	Top management
Chief Specialist/Professor	Top structure
Principal Specialist	Top structure
Senior Specialist	Top structure
Specialist	Top structure
Principal Medical Officer	Top structure
Principal Dentist	Top structure
Senior Dentist	Top structure
Chief Inspector of Education	Top structure
Inspector of Education	Top structure
Senior Psychiatrist	Top structure
Psychiatrist	Top structure

(2) With effect from 1 April 1980 1 245 Non-White officers enjoy full parity in salaries. This number does not include comparable staff in the employ of the South African Railways and Harbours or the Department of Post and Telecommunications.

Public servants want new pay setup

The 40 000-strong Public Servants Association has asked for a restructuring of the system under which public servants are paid.

The president of the association, Dr Colin Cameron, said today representations had been made to the Commission for Administration so that these could be considered in the Budget.

"Our approach is not to request a flat rate or homogeneous increase in salaries," said Dr Cameron.

"We are not asking for a given percentage. Our contention is that this merely perpetuates the current situation and, at best, compensates in some way for the rising cost of living and inflation.

"We feel there are inherent deficiencies in the whole salary structure. whole salary structure of the public service. The whole level of remuneration is unsatisfactory.

"What we are asking in principle is that the needs of the public service, with respect to various categories of personnel, and availability of certain groups of trained people, must be borne in mind in the remuneration programme," he said.

State may face R600m pay claims

PRETORIA — Big pay demands from the 900 000 workers in the public service — railways, post office, state and provincial departments — to be lodged during the next few months, will amount to a massive R600 million, according to government sources here.

Rises granted from April this year totalled R400 million — bringing the totral public service salary bill to about R4 000 million — but the staff associations and unions claim that much of this has been neutralised by rampant inflation, which is expected to reach 16 per cent by the end of the year, and at least 17 per cent by the time the Budget is tabled in March.

The seven railway staff associations are due to meet the Minister of Transport, Mr Chris Heunis, during September and October to lodge wage claims.

The Public Servants' Association has already made representations to the commission for admininstration on next year's salary adjustments.

The president of the Artisan Staff Association and chairman of the Federal Consultative Council of Railway Staff Associations, Mr Jimmy Zurich, said the ASA Executive would meet Mr Heunis in September to claim an adjustment of at least 16 per cent.

The general secretary of the Posts and Telegraphs Association, Mr D. Coetzee, said a big percentage of the April pay rises had been swalloed up by inflation. Postal workers claimed they were worse off now than before the increases were granted. — DDC.

prevailing between them, e.g. one might say that he is superior to the other while the other one would say that they are peers (that both of them report to the same superior). Two members of the organization might, likewise, disagree as to the informal relationship existing between them, e.g. when one of the two says that he maintains a close working relationship with the other, while the other fails to mention the first one as one of those with whom he maintains close working relationships. Thus we find, in fact, many inconsistencies in both the formal and informal structures.

The only formal structure which is clear-cut, in spite of relying on perception, is that structure usually referred to as an "organization chart". This chart is nothing but the formal structure as perceived by *one* member of the organization, usually to be found at the top of the chart. The organization chart being the perception of one man only, one cannot expect to find any inconsistencies in it.

The study of the relationship structure is based on data received from members of the organization, which is followed by the processing of these data, comparing the perceptions of the different members of the organization, namely establishing whether they mutually agree as to the relationships existing among them, or whether not. The processing of these data is carried out in most cases, nowadays, by means of data-processing equipment, either conventional equipment or computers.

Every person in the organization has formal relationships which are either congruent or incongruent with his informal relationships. It turns out that in order to enable a reasonable operation of the organization a fair amount of the formal relationships has to be "covered" by informal relationships. We should not, however, drive at too much formalization; namely, we should not aspire to reach a situation where all the formal relationships will be "covered" by informal relationships – because people like to have a certain amount of freedom of choice as to the interactions they maintain with each other in the organization. The study of the relationships structure includes, therefore, among others, a comparison between the formal structure and the

Heunis to face rail unions

Pretoria Bureau

THE seven railway unions will tell the Minister of Transport, Mr Chris Heunis, at a series of meetings starting next month, that they expect to be fully compensated for the inflation rate when pay increases are announced next April.

Railway union leaders claim that this year's increases at just over 12% fell short of fully compensating workers for the rise in living costs during the previous 12 months.

Some claim that the backlog which has built up during the past 10 years amounts to at least 30%.

The president of the Artisan Staff Association, Mr Jimmy Zurich, said the expectation was that the inflation rate for the 12 months to the end of April next year would be 16%.

"And this is the kind of compensation we expect," he added.

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(c) Watch the informal relationship structure and ask ourselves:

What is the best relationship pattern through which we can introduce the changes? And:

What special difficulties could be anticipated during the change introduction process?

The study of relationships structure is usually carried out along with the study of the attitudes of the organizational members, so as to establish what are the attitudes of the people towards the formal and informal structure. This is essential before one can decide what are the necessary changes and how they should be introduced.

STUDYING THE ATTITUDES OF MEMBERS OF THE ORGANIZATION

The feelings, the atmosphere and the amount of satisfaction of people in the organization are enormously important, not only to every one of

Big pay demand by rail union

By GERALD REILLY
Pretoria Bureau

THE 22 000-strong Railway Artisans Staff Association lodged a claim for a 12,5% wage increase with the Minister of Transport, Mr Chris Heunis, in Pretoria yesterday.

The president of the ASA, Mr Jimmy Zurich, said although there was justification for an increase of at least 16% in April next year (this was the expected inflation level by the end of the year) "we felt we could not go for the full amount under prevailing circumstances".

The ASA is the first of the seven railway staff associations to lodge claims for increases. The others are expected to make their demands later this month or early in November.

The costs to the railway administration of a 12,5% increase for the 260 000 railway workers would be in excess of R200-million.

Mr Zurich said that the Minister considered the demand responsible and reasonable.

He said he told the Minister that the huge increases in the meat price and the statement by the South African Agricultural Union that the price of top cuts could be R10 a kilogram by the end of the year were "disgraceful".

"We told him too that the rocketing prices of properties were depriving the small man of owning his own home. We asked for a commission of inquiry into property prices."

The Minister promised to bring both these issues to the attention of the relevant Ministers.

Pay rises may put up rail tariffs

By GERALD REILLY
Pretoria Bureau

RAILWAY union leaders expect rail tariffs will be raised next year — if only on a selective basis — to meet the expected April pay increases of between 10% and 12%.

The chairman of the Federal Consultative Council of Railway Staff Associations, Mr Jimmy Zurich, said in Pretoria yesterday that a 10% average rise for the 27 000 Railways workers would cost the administration about R200-million.

The best surplus that could be hoped for at the close of the 1980-81 financial year was R100-million, and it could be substantially less.

Meanwhile a Railways headquarters spokesman said yesterday the surplus for the first six months of the current financial year — to the end of September — was R33 600 000.

This compared with a budget surplus estimate of R6 700-million for the six months.

However, he added, the months of lowest revenue had started — November, December and January.

The expected loss on passenger services for the 1980-81 financial year was a massive R495-million. The Government had agreed however, to write off R171-million of interest payments on the administration's State loan of R1 800-million.

The spokesman said the Minister of Transport had budgeted for a loss for the entire financial year of R3 500 000.

The increase in revenue during the April-September period is due mainly to the exceptionally high volume of high-rated import traffic.

Mr Zurich said the administration should be cautious in selecting the areas where tariffs would be raised. To load export traffic further could price South Africa out of some vital export markets.

Mr Zurich said the Artisan Staff Association, of which he is president, submitted a claim for 12,5% pay rises, although he forecast, inflation could be running as high as 16% by next April.

5/12/80

Public service could get vital pay boost

STAR 354

By David Breier and Carolyn Dempster

South Africa's crucial military, police, nursing and teaching professions, crippled by staff shortages, stand to receive vital boosts should the Government give them special pay increases next year.

The Minister of Finance, Senator Owen Horwood, announced last night that pay increases for the public service next year could include "vocational differentiation" for certain professional groups, such as teachers.

"On behalf of the Cabinet I wish to give the assurance that recognition will be afforded to the circumstances of each group of employees," he said.

In particular, he said, no decision on the teachers salary structure will be taken before the Cabinet had examined the report of the Project Committee of Enquiry into the Status of the Educator which is expected in a few weeks.

Mr R H Landman, general manager of the Public Servants Association, today welcomed the principle of vocational differentiation which would mean higher salary scales for professions in the public service which had serious shortages or which required special training.

Mr Landman also welcomed the principle that no sector in the public service, including teachers, would receive a separate pay deal by obtaining interim increases.

Teachers countrywide have, however, reacted bitterly to the Minister's announcement that there would be no interim salary increases.

Mr Trevor Long, chairman of the South African Teachers' Association (representing 3 000 Cape teachers) said the Minister's statement had come as a blow to teachers.

"Any teachers who were doubtful about entering, or staying, in the profession, will almost definitely leave now," he said.

In the Transvaal, the province worst hit by the teacher crisis, Mr Peter Mundell, president of the Transvaal Teachers Association said the government was either ignorant of, or indifferent to, the education crisis.

It seemed as if the government had ignored the urgent applications made throughout the year by the Federal Council of Teachers Associations, he said.

Professor Charlotte Searle, chairman of the South African Nursing Association, said nurses were pleased with their increases earlier this year but were not satisfied with pay scales.

New row on SAA salaries

STAR 9/12/80 354

South African Airways cabin staff are up in arms over "false promises" of pay increases made by senior personnel to quell strike threats.

Several cabin crew members told The Star that flight officials had made promises relating to pay and leave in the wake of strike threats last week.

These included a restructuring of salaries for some categories of air staff during February; a rise in salary and a double pay cheque in April; a percentage commission for cabin stewards from liquor sales on overseas flights and computerised roster schemes which would even the workload.

Staffers claimed these promises had been made during briefing sessions, usually before overseas flights.

But a senior SAA management spokesman said today he had knowledge of neither the promised pay increases nor the circumstances in which they were made.

Staff shortages and salary grievances were the reasons behind the cabin staff strike threat last week.

Because of lack of coordination the strike was aborted but air staff continue to protest about working conditions.

An increase in the rate of resignations of senior air crew over the past six months has contributed to deteriorating working conditions.

Conditions improve at SAA

(354) (270) STAR 16/12/80

By Richard Paris,
Air Correspondent

Wages and working conditions of cabin staff on South African Airways start improving at the end of this month, a senior SAA employee said today.

Mr Fred Becker, chairman of Salstaff, the organisation representing about 55 percent of cabin staff, confirmed this morning changes were only days away.

All cabin staff would get paid for the hours on duty — before, after and between flights — as well as for the time spent flying, retrospective to April.

"This represents eight months of extra pay which will be supplemented in April with a 13th cheque and general increases all round, he said.

Accommodation was being built in Ilha do Sal for cabin crews and arrangements were being made for crews to stay in Mauritius. This would meet the complaint that cabin crews often had to work more than 16 and even 19 hours without a break.

A computerised roster system would eliminate discrepancies in time off and duty periods.

All staff were expected to fly 75 hours a month but if they exceeded this, they would receive overtime each month.

About 160 new stewards and hostesses were undergoing training and would join during 1981 so overtime would be reduced.

Still under negotiation is a scheme for cabin crews to get commission for duty-free items sold on board.

'Special treatment' for teachers, policemen and nurses

12pc pay rise

MR HORWOOD

Political Staff

Cape Town

Public servants were today given an average pay increase of 12 percent in the mini-Budget.

Special treatment will be given to teachers, policemen, soldiers, prison officials, nurses, health personnel and the Department of Justice's judicial staff.

The Minister of Finance, Mr Horwood, did not disclose details of the "special treatment" but said fully qualified teachers and those in upper grades would on average be paid "upwards of 20 percent more."

These increases will cost the treasury R720-million, the largest amount ever devoted to this purpose.

Other features of the RS 900-million pre-election Budget include:

- Increases in social, civil, war veterans and military pensions.
- A special, one-off bonus payment to pensioners.
- A 3c a litre tax cut on sparkling and fortified wine, apple, pear and orange beverages.
- An extra R8-million for flood relief, bringing the total to R10-million.

While the mini-Budget does not deal specifically with taxation proposals, Mr Horwood also hinted that the tax threshold would be raised and that some tax payers might no longer have to submit returns.

He said he was contemplating a system of final deduction of PAYE so that people whose incomes were basically salaried would no longer have to render further tax returns.

Payout increases in social pensions are R13 for whites, R9 for coloured people and Indians and R7 for blacks.

The special bonus benefit, to be paid in April, will be R30 for whites, R24 for coloured people and Indians and R18 for blacks.

War veterans' allowances will be increased from R10 to R15 for whites and military pensions by 12 percent.

These concessions will take effect from October 1.

Civil pensions will be increased by 12 percent from April.

A further concession will be granted in respect of the means test so that those with higher incomes will qualify for pensions and grants.

The pensions payout will be R65-million in the coming year and R130-million in a full year.

Mr Horwood said he hoped a further bonus payout could be made to pensioners in the second half of the year.

No decision was announced on the taxing of fringe benefits but Mr Horwood said he hoped a final decision would be taken before August.

New travel allowances were also announced.

In future, travellers will be allowed to take R4 000 on holiday a year and businessmen R7 500.

Discussing details of the Public Service salary increase, Mr Horwood said it would amount to an average of 12 percent, but with a greater percentage increase for lower paid staff and smaller increases for higher paid staff tap-

in the upper echelons.

"The record amount allocated is the furthest the Treasury could conceivably go if there is not to be a grave risk of fuelling the fires of inflation further," he said.

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For the best performance in project, design and practice courses over the 4-year curriculum.

P M Salmon

L T A Construction Prize
For the final year Civil Engineering student submitt the best thesis.

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Increase hopes of PO and Railways workers dashed

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The Railways increases will be announced by the Minister of Transport, Mr Hendrik Schoeman, when his Part Appropriation Bill comes before the Assembly on Monday.

Post Office workers will hear about their increases from the Minister of Posts and Telegraphs, Mr Hennie Smit, when the Post Office's Part Appropriation Bill is read on February 26.

The Railways' 155 000 black workers, and the Post Office's 32 000 black workers, will get bigger percentage increases than those granted to whites.

However, as has happened in the past in spite of the Government's often-stated commitment to closing the wage gap, in actual money terms the gap will again probably widen.

The artisan staff association executive asked the Minister of Transport last year to close the pay gap immediately, and introduce a policy of the rate for job.

This was rejected because of the amount involved, but a commitment to eliminating the gap over the next five years was made.

The secretary of the Posts and Telegraphs Association, Mr Daan Coetsee, said there would be disappointment among Post Office workers if the increases were not in excess of 12%.

"They are all hoping for more.

"It is realised that if they are not, then resignations will continue at a fairly high rate, and recruitment of suitable staff will remain a problem."

Last year the Post Office lost about 17 000 staff members — 22% of total complement through resignations.

Mr Coetsee said there were two solid reasons why Post Office workers expected more than the average public servant.

Most worked a five-and-a-half-day week and they worked two hours a week more than State department workers — 42 hours, compared with 40 hours in the State departments.

Government sources pointed out in Pretoria yesterday that a 12% rise for Railway workers would mean an additional R200-million on the Railways wage and salary bill bringing the total to about R1 500-million a year.

The Post Office's annual wage bill calculated on the latest Department of Statistics figures is R432-million.

Between R50 and R60-million would therefore be needed to provide for a 12% increase.

Malan Chemical Engineering Medals

For the best student in each of the following years:-

Second Year (Bronze Medal)
A H Dabrowski

Third Year (Silver Medal)
C L E Swartz

Fourth Year (Gold Medal)
L Flach

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K W Strickland

S A Institution of Chemical Engineer's Silver Medal
For the best performance in project, design and practical courses over the 4-year curriculum.
P M Salmon

L T A Construction Prize
For the final year Civil Engineering student submitting the best thesis.
G P Mitchell

S A Federation of Civil Engineering Contractors' Prize
For the best final year design showing constructional merit.
K N Hvidston

S A Institution of Civil Engineers Student Chapter Prize
For the best written report submitted in C E 214, design

P C Watt

Civil servants to get 13 percent

Own Correspondent

South Africa's public servants will get increases of no more than 13 percent, it was revealed today.

This is sure to provoke a furious reaction from the Civil Service — already facing a crisis as staff resign to seek better-paid jobs in the private sector.

Details of the pay hikes for the country's 70 000 public servants were leaked to the Pretoria News.

The schedule of increases is being distributed among departments and the different provincial administrations, who have been waiting anxiously for details after the news of pay increases for teachers, nurses and policemen.

Unlike these groups, whose average pay jumped by 15 to 50 percent in some ranks, no special provision has been made for lower and middle order officials — the biggest section of public servants.

Public service leaders are to meet the Minister of Public Administration and Statistics, Dr Treurnicht, next week and an angry confrontation on the salary issue can be expected.

Recently the Public Servants' Association sent an urgent telegram to the Prime Minister, Mr P W Botha, asking him to intervene on behalf of lower and middle rank officials.

Apparently only one group — law officials of the Department of Justice — has been singled out for special treatment.

An attempt was also made further to narrow the wage gap between white and black staff, whose hikes will be from 13 to 15 percent. But the bulk of whites will receive less than 13 percent.

WHO staff member and his counterpart in a government institute, and all documents were anonymous. The support of the executive branch of the ministry was obtained early, and the technical content of the manual approved by a committee of leading pediatricians. Since the project involved the handing down of a doctor's tasks to other staff, it might have

Pay rises upset public servants

increases will solve the problem of staff turnover in the Post Office.
In a statement released in Johannesburg yesterday, Mr Blume expressed satisfaction that the salary adjustments strengthened the principle of equal pay for equal work.
This would mean, among other things, that women employees in the starting grades would achieve parity with their male colleagues, he said.
On the issue of staff shortages Mr Blume warned that only drastic increases in salaries and eventual parity with private enterprise and semi-State corporations would end resignations.

such were "not acceptable" and would be asked to make further adjustments in the main Budget later this year.
He said public servants were falling behind the "prosperity stakes" and the latest increases were lower than the present inflation rate.
"The living standards of officials are deteriorating while those of other sectors of the economy are improving. The gap between the public and private sectors is widening and this makes it difficult to recruit more staff," Mr Cameron said.
The president of the Post and Telegraph Association, Mr Bernie Blume, says he doubts that the

There is widespread dissatisfaction among public servants over the pay increases which come into effect next month.
The Northern Transvaal branch of the Public Servants' Association has called a meeting in Pretoria on Monday to discuss the pay increases which average 12 percent.
The branch represents more than 10 000 of the PSA's 45 000 members and the meeting is expected to demand further salary adjustments.
The PSA has another meeting scheduled with the Minister of Public Administration and Statistics, Dr Treurnicht, next week.
The president of the PSA, Mr C M Cameron, says the salary hikes as

None was experirong competition ted both the trial here.
the district staff ttended a work- is implemented provincial workrrive in the mail. this purpose the nagerial interest put to excellent ach, and change trial districts in

lists have been health services, manuals (7), *vade* microplanning mplete system. ogether. Many particular field link together s and teaching alth "norms" ally sponsored lists. Another

define their technology carefully, use multiple supporting components, and pay great attention to quality control. These programs, however, are directed toward producing a particular kind of worker, the Medex, and make no provision for upgrading existing services.

Finally, the systematic approach to appropriate technology presented here is an individual one and the outcome of a single project. It differs profoundly from WHO's official position in this field, as stated by Parker, Newell, Torfs, and Israel (15).

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Iscor wages to be raised

Own Correspondent

PRETORIA. — Iscor's 60 000 workers are to get average increases of 15 percent from July 1, according to a corporation spokesman.

This means the total wage bill will rise from nearly R400-million a year to R440m.

The spokesman said that to remain competitive in the labour market Iscor had to keep itself in line with the 15 percent increases negotiated by the Steel and Engineering Industries Federation of South Africa (Seifsa) earlier this year.

The pay rise announcement has drawn sharp comment from senior government workers, who protested in vain against the 12 percent granted state department employees from April.

The president of the Public Servants Association, Dr Colin Cameron, said the association had appealed to the government repeatedly to close the gap between salaries earned by state department workers, and workers in the big state corporations.

This had oviously not been done.

Last month, the PSA urgently appealed for interim increases, and at the same time again asked that the differential between the salaries of state department workers and state corporations be eliminated.

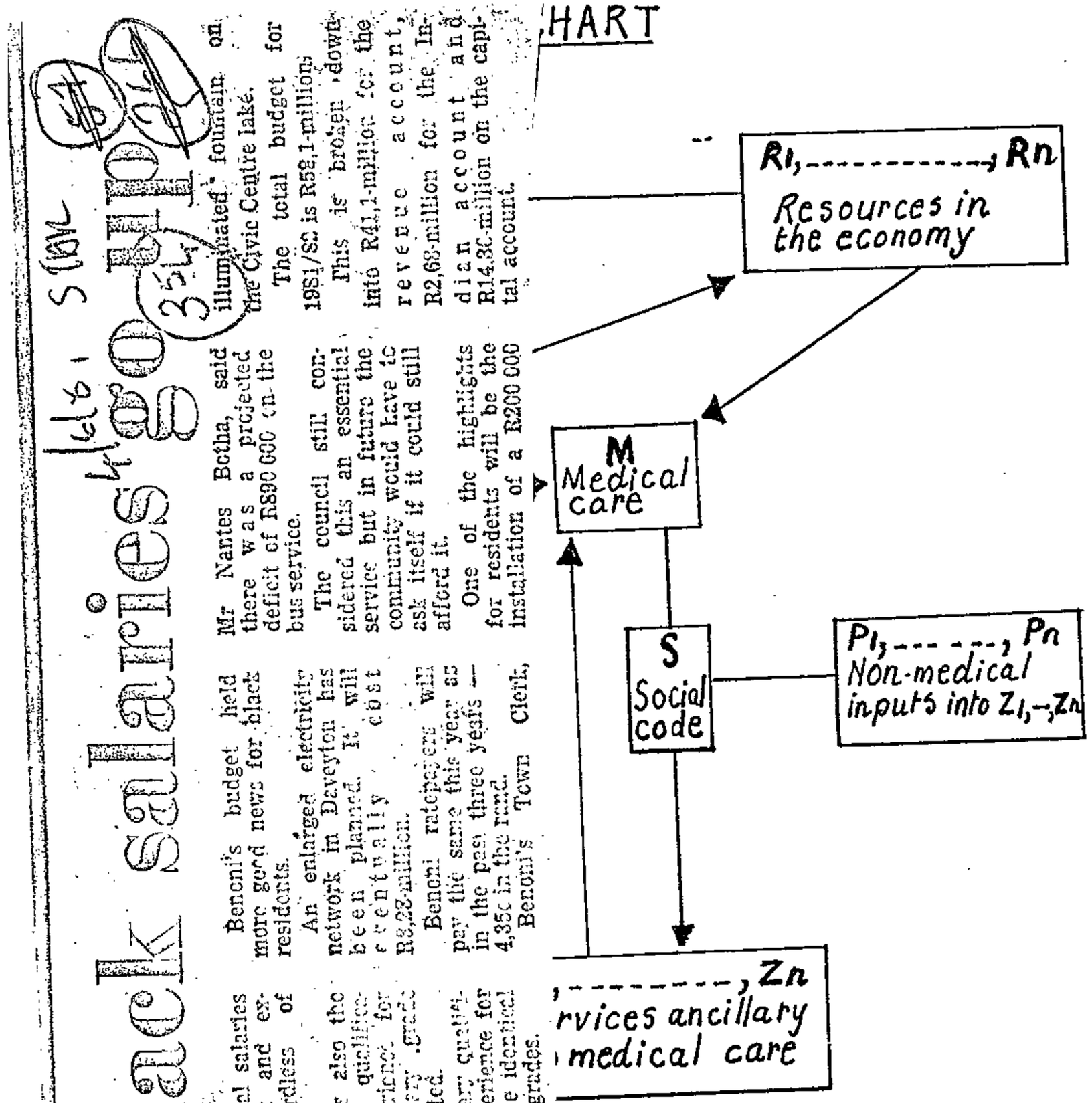
The application for interim increases to supplement the "inadequate" 12 percent granted to government workers was rejected.

Senior public servants warned last night that if the next April's increases failed to wipe out the backlog and compensate fully for the level of the consumer price index, public services would "drop into chaos".

Dr Cameron warned earlier this year that the high resignation rate from the service had begun to affect the efficiency of some vital state services.

Senior Post Office workers are in a similar position. They also received average rises of 12 percent and, it is understood that representations are to be made to the Minister of Posts and Telegraphs next month for interim increases.

If they are successful — and they are not likely to be — it could lead to a clash between the PSA and the Commission for Administration.



UPUY-FUCHS (IEA 1974:529)

VALNEWS

Benoni black sch

By Lynne Cornfield
East Rand Bureau

Benoni Municipality black salaried staff will now receive 74 percent of what their white counterparts are getting, the 1981/82 budget held the promise of this year as three years — Clerk, Town

Presenting the 1981/82 budget, Benoni's management committee chairman, Mr Alan Barrable, said this was the first step in a three-phase plan to pay equal salaries for equal work and experience, regardless of race.

This year was also the first time the qualifications and experience for each black salary grade was formally stated.

In future, salary qualifications and experience for all races will be identical in the different grades.

Mr Nantes Botha, said there was a projected deficit of R890 600 on the bus service.

The council still considered this an essential service but in future the community would have to ask itself if it could still afford it.

One of the highlights for residents will be the installation of a R200 000

Benoni's budget held more good news for residents.

An enlarged electricity network in Daveyton has been planned. It will eventually cost R8,28-million.

This is broken down into R41,1-million for the revenue account, R2,68-million for the Indian account and R14,36-million on the capital account.

The total budget for 1981/82 is R58,1-million.

illuminated fountain on the Civic Centre lake.

NOTES

1. "These events were simply overwhelming when they occurred. I was a medical student at the time of sulfanilamide and penicillin and I remember the earliest reaction of flat disbelief concerning such things. We had given up on therapy a century earlier. With a few exceptions which we regarded as anomalies, such as Vitamin B for pellagra, liver extract for pernicious anemia, and insulin for diabetes, we were educated to be skeptical about the treatment of disease. Miliary tuberculosis and subacute bacterial endocarditis were fatal in 100 per cent of cases, and we were convinced that the course of master diseases like these could never be changed, not in our lifetime nor in any other. Overnight, we became optimists, enthusiasts. The realisation that disease could be turned around by treatment, provided that one knew enough about the underlying mechanism, was a totally new idea just forty years ago. Most people have forgotten about that time, or are too young to remember it, and now tend to take such things for granted. They were born knowing about antibiotics, or the drugs simply fell by luck into their laps".
(Thomas 1977: 165).

2. In 1971 the Nixon administration "announced ... that a central part of its 'health policy for the 1970s' was to be maximum development of health maintenance organisations (HMO) ... defined as 1) an organisation that accepts, on a contractual basis, the responsibility to provide or assure the delivery of 2) relatively comprehensive health services for 3) a voluntarily enrolled group of persons and 4) is compensated by advance fixed periodic payments made by or on behalf of all enrolled members (but individual physicians may be compensated by the organisation in any method they agree upon)."
(Somers 1973:147).

3. "A no less serious mistake would be to see the current inflationary crisis in health care as caused by Medicare-Medicaid. As we have seen, the incentives for waste and inflation were built into our health care system long before 1965; Medicare-Medicaid merely made a bad situation worse. The moral of these measures is not that some people will rip off the government if they get the chance - this was hardly news in 1965 or even in 1865 - but rather that if you pump more water into a leaky plumbing system, the leaks get worse. By the same token, if we pump in still more water, say, through an expanded system of national health insurance without first plugging the leaks, we could produce an inflationary flood".
(Claiborne 1978: 50).

4, The American situation is described in the following terms. "In essence, federal health-care policy is formulated by multistage coalition building: among the bureaucracy, Office of Management and Budget, and policy advisors in the executive; among the parties, committees and regions in Congress; among providers, state and local officials, and HEW; and among many local interests at the point of implementation. This approach produces strange results, but it speaks to the first limitation of 'rational actor' approaches to policy: the uncertainty and disagreement which characterise them. Different institutions in the 'dance of legislation' represent different interests, values, and opinions; lacking a better way to make policy, it is not strange that our system follows its structural instincts and leaves great latitude for their expression and interaction".
(Brown 1978: 57).

Minister announces police pay increases

Sun 4/6/82

354

251

125

Own Correspondent

Policemen are to get better pay and allowances, the Minister of Police Mr Le Grange, announced in Pretoria yesterday.

The Minister told the Pretoria Press Club, that he hoped the increases would come into effect from July this year.

He did not reveal the extent of the increases but said that the whole salary and allowance structure would be adjusted.

The decision folowed a thorough investigation of the special work circumstances of the police.

TAKE-HOME

The increases would come out of the additional amount the Cabinet had given in respect of occupational differentiation, Mr Le Grange said, and would improve the SAP's take-home pay.

"Further details will be announced soon and all attempts are being made to have the improved payments made from July 1981," said Mr le Grange.

Police: 7 000 vacant posts

Political Staff

CAPE TOWN — Against a background of widespread discontent in the South African Police 2 435 policemen resigned last year leaving 7 698 vacant posts.

The huge shortage and the large number of resignations were revealed by Mr Ray Swart MP, Progressive Federal Party spokesman on police matters, who had asked questions on the issue in Parliament at the end of the short session earlier this year.

In a reply received this week the Minister of Police, Mr le Grange, told Mr Swart that in spite of the large number of resignations more people had joined the SAP than had left.

The police had started training 3 895 students this year.

In an interview Mr Swart said students did not replace experienced policemen.

"The shortage is staggering, particularly when the rising crime rate and lawlessness is taken into account.

"Although this is not just a South African phenomenon these facts emphasise the need for the South African Police to be brought up to full complement and to do this a major review of service conditions is required immediately."

The increases would be "quite substantial" and would also be aimed at creating greater parity between salaries for various race groups, the Minister said.

Mr le Grange said he was "very happy" with the new figures.

Police recently received favourable increases, together with other public servants.

Mr le Grange said there had been great changes in the SAP in the past two years and, apart from some isolated cases, they had now reached the same levels as other branches of the public service.

He said a new policeman who worked well and achieved good examination results could do better in the police than in any other government department.

PROMOTION

Constables with matric could achieve a rank of lieutenant within five years and a policeman with a degree entering the force would take only about three to six months to gain a commission. Seven thousand men had been promoted on merit without passing examinations.

Dias plan for 10% increase in pay

Municipal Reporter

THE Dias Divisional Council's Finance and General Purposes Committee has recommended a general salary increase of 10% from next month.

In a report for the council meeting tomorrow, the secretary, Mr N W Anderson, says that the council's grading schemes were delayed after two amalgamations in 1978 and 1981.

When a salary increase of 7,5% was introduced in January this year, the council decided that before another increase in salaries, a job evaluation be undertaken, says Mr Anderson.

A meeting between a council sub-committee, the Cape Province Local Authorities Employers' Association and the South African Association of Municipal Employees was held in May.

Among aspects agreed on were that the council had reached the stage where additional departments were desirable, a standard grading scheme should be introduced and, based on the consumer price index and taking into account the increase in Janaury, a general increase of 10% from July should be acceptable.

The council will also decide on a recommendation that the number of cultivation tunnels in the Theescombe area be restricted, despite a petition

The council will also decide on recommendations that:

- A report on Cape coastal development — including the use of estuaries, dunes and rocky coasts — be adopted and submitted to the Nature Reserves Advisory Board;
- It support any proposals for a provincial subsidy on minor roads, and
- The Loerie Dam, the area immediately surrounding it and the Loerie River Outspan be proclaimed a nature reserve.

QUANTITY SURVEYING

(Continued)

Bell-John Prize
For the best all-round student in any year of study.

P C Key

The Committee of the Western Cape Chapter of Quantity Surveyors' Prize
For the student obtaining the highest marks in Professional Practice.

P R Swift

LTA Prizes
For the best student in each of the courses of Building Economics I, II and III in the third, fourth & fifth years respectively.

I : N D G Sessions

II : A R Low Keen

III: No award

S A Brick Association Prizes
For the best student in the subject of Building Construction.

URBA
REGI
PLAN

By GERALD RICHLEY
Pretoria Bureau

STAFF associations representing more than 120 000 white workers in the Railways and Post Office are expected to take a tough line this year in their demands for 1981-82 salary increases.

This views' Audit increases of 12% -- three per cent below the inflation rate -- caused widespread dissatisfaction, and is a basic reason for the continued high staff resignation rate.

The current, annual wage and salary bill for the 243 000 workers of all races in the two services amounts to nearly R14 000 million

The seven railway staff associations will start a series of meetings with the Minister of Transport, Mr Hendrik Schoeman, from the end of next month.

They are expected to submit demands for increases which will at least compensate for the inflation rate projected to April next year.

By then the rate is expected to be around 16%.

In addition the Artisan Staff Association will demand that the increase should incorporate a productivity.

The six other railway unions are expected to make similar demands.

If the demands are met the railways total wage and salary bill for 1981-82 will jump by about R1 200 000 000 -- 115 000 of them white -- which equates above R1 500 million, according to one Government source in Pretoria.

The issue of reasonable compensation for the inflation rate, and for the backlog, is expected to be raised at the half-yearly meeting later this month of the Federal Consultative Council of Railway Staff Associations.

The Posts and Telegraphs Association — one of the three Post Office staff associations — is due to see the Minister of Posts and Telegraphs, Mr Henthe first, on July 22.

It is expected the association will make demands similar to those being made by the railway staff associations

Staff shortages in the Post Office are more serious than in the Railways , and the need, according to senior Post Office officials, for substantially improved pay scales, especially in the entry and middle grades, is great.

The Post Offices staff totals 77 000, including 46 000 whites.

Big demands expected in salary talks

3571

Fears that Govt will cut pay rises

Pretoria Bureau

WORKERS in the public sector fear the Government is about to impose a phase of financial austerity on the country which will include cuts in next April's rounds of salary increases.

They fear too the inflation bogie, and the slow-down in the economy — it is expected to be more marked in the first quarter of next year — will be used to justify increases which will fall short of the expected inflation rate of about 16%.

The Minister of Finance, Mr Owen Horwood, may give a hint of his intentions when he tables the main 1981/1982 Budget in the Assembly tomorrow.

More than 900 000 workers in State and provincial departments, the Railways and the Post Office earn about R4 500-million annually.

Even a 10% increase would load the public sector pay bill by more than R400-million.

Supplement

The average increases of about 12% in April were bitterly opposed by the Public Servants' Association and by Post Office staff associations.

The Public Servants' Association made two attempts earlier this year to get interim increases to supplement their "unacceptable" rises. Both were firmly put down by the Government.

The Posts and Telegraphs Association also tried for interim rises. They received the same treatment from the Minister of Posts and Telegraphs, Mr Hennie Smit.

The seven Railways staff associations will start a series of meetings with the Minister of Transport, Mr Hendrik Schoeman, next month at which next year's increases will be discussed.

Teachers and nurses will also expect "special treatment" in next year's Budget.

South African Railways Police: rates of pay

Hans 6 Q C. 8/9/81

255. Mr. D. J. N. MALCOMESS asked the Minister of Transport Affairs:

Hans 6 Q S. 8/9/81 (354)

(1) What are the rates of pay for (a) White, (b) Coloured, (c) Asian and (d) Black members of the South African Railways Police Force of each rank;

(2) whether such members are entitled to additional benefits; if so, what additional benefits?

The MINISTER OF TRANSPORT AFFAIRS:

(1) and (2) It is not the policy to make public details of the salaries and other service conditions of the staff.

I am, however, prepared to make such information available to the hon. member on a confidential basis.

tion as at the end of December 1980 in respect of (i) the Railways, (ii) the Harbours, (iii) the Airways and (iv) Pipelines:

(2) what average annual wage was paid as at the end of December 1980 to (i) White, (ii) Coloured, (iii) Asian and (iv) Black employees of the South African Railways and Harbours Administration?

The MINISTER OF TRANSPORT AFFAIRS:

(1) and (2) The information is not readily available and it will demand much time and expense to gather the particulars.

South African Railways and Harbours Administration: wages

272. Dr. A. L. BORAINE asked the Minister of Transport Affairs:

How many (a) White, (b) Coloured, (c) Asian and (d) Black employees of the South African Railways and Harbours Administration earn (i) R100 or less, (ii) between R101 and R150, (iii) between R151 and R200, (iv) between R201 and R250, (v) between R251 and R300, (vi) between R301 and R400, (vii) between R401 and R500, (viii) between R501 and R600 and (ix) more than R600 per month?

The MINISTER OF TRANSPORT AFFAIRS:

The information is not readily available and it will demand much time and expense to gather the particulars.

South African Railways and Harbours Administration: employees/wages

273. Dr. A. L. BORAINE asked the Minister of Transport Affairs:

(1) How many (a) White, (b) Coloured, (c) Asian and (d) Black persons were in the employ of the South African Railways and Harbours Administra-

Prison Service: salary scales

4. Mrs. H. SUZMAN asked the Minister of State Administration:

Whether the salary scales payable in respect of all ranks of officials in the Prisons Service are on a par with those payable in respect of the same ranks in the South African Police; if not, (a) why not and (b) in what respects do they differ?

†The MINISTER OF STATE ADMINISTRATION:

As a result of the implementation of revised and more favourable salary scales for members of the South African Police with effect from 1 July 1981, the salary scales in respect of officials in the Prisons Service differ from that of members of the same rank in the South African Police. The difference in the salary scales is however cancelled out by the payment of a non-pensionable allowance to officials in the Prisons Service, with effect from the same date. A study in respect of the basis of renumeration of the Prisons Service will be undertaken during 1982.

Posts and Telecommunications: salaries

269. Dr. A. L. BORRAINE asked the Minister of Posts and Telecommunications:

How many (a) White, (b) Coloured, (c) Asian and (d) Black persons in the employ of his Department are in receipt of salaries which are (i) less than R100, (ii) between R100 and R150, (iii) between R151 and R200, (iv) between R201 and R250, (v) between R251 and R300, (vi) between R301 and R400, (vii) between R401 and R500 and (viii) more than R500 per month?

The MINISTER OF POSTS AND TELECOMMUNICATIONS:

	(a)	(b)	(c)	(d)
(i)	0	266	3	1 384
(ii)	0	3 053	54	8 764

(iii)	114	1 052	39	6 933
(iv)	487	482	25	2 813
(v)	1 634	1 042	110	1 425
(vi)	7 959	961	492	1 434
(vii)	5 921	280	178	692
(viii)	27 402	881	588	189

Tough stance from Govt

EXPECTED RMT 29-10-81

STANCE

ON PAY RISES

THE Government is expected to adopt a tough stance on the issue of pay rises for the public sector's nearly one million workers, black and white, next year.

This will be part of its intensified anti-inflationary battle, according to Pretoria sources.

By GERALD REILLY

But staff association leaders warned yesterday that the critical shortage of staff in many areas of the public sector would worsen if next April's increases fell short of expectations.

And the expectation is increases big enough to at least compensate for the inflation rate, which, according to economists, may still be hovering around 15%.

The SAR Artisan Staff Association has already submitted a claim for a 17½% pay hike, and the other six railway unions are expected to make similar demands.

Earlier this year the Cabinet limited the 1981/82 increases to an average of 12%.

So the likelihood of anything more than 12% now that the economy has begun to sag — and the expectations are it will continue to sag — can virtually be ruled out.

Another round of 12% increases for the State and provincial departments, the railways and the post office would cost more than R400-million.

"Latest statistics are that the railway's 270 000 workers earn about R1 400-million a year, the post office's 78 000 workers about R400-million, the State departments' 330 000 workers about R1 300 million, and the provincial departments' about R1 000-million.

The Public Servants' Association appealed unsuccessfully to the Government for urgent interim increases to supplement the "unacceptable" 12% rises.

Waiting

And yesterday the president of the PSA, Dr Colin Cameron, said unless more realistic increases were granted in April the already huge staff shortage of about 17 000 would worsen.

There were many State department workers waiting to hear the extent of the increases before deciding whether to resign from public service.

Dr Cameron said after this year's rises the resignation rate, instead of decreasing, had actually increased.

"The same will happen next year unless increases are substantial."

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

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...ooks, notes, pieces of paper or other material may be brought into the examination room unless candidates are so instructed.

2. Candidates are not to communicate with other candidates or with any person except the invigilator.
3. No part of an answer book is to be torn out.
4. All answer books must be handed to the commissioner or to an invigilator before leaving the examination.

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

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WAGE RELATION- Public Service (incl. SAR+H.+P.O.)

1985 — 1986

Farm schools

840. Prof N J J OLIVIER asked the Minister of Co-operation, Development and Education:

(a) How many farm schools were subsidized by his Department in 1984 and (b) what was the average subsidy paid per farm school in that year?

The MINISTER OF CO-OPERATION, DEVELOPMENT AND EDUCATION:

(a) 5 331.

(b) Approximately R9 000 per farm school.

Amount spent on advertisements

885. Mr D J DALLING asked the Minister of Co-operation, Development and Education:

(1) What was the total amount spent by the Department of Education and Training in 1984 on placing advertisements for any purpose in newspapers in the Republic;

(2) what amount was paid to each specified newspaper in the above regard in that year?

The MINISTER OF CO-OPERATION, DEVELOPMENT AND EDUCATION:

(1) R51 500,68 in respect of the 1984/85 financial year.

(2)

	R
Rapport	27 516,22
Sunday Times	23 686,56
SAAN	202,24
Nasionale Koerante	95,66

Occupational differentiation: employment benefits

920. Mr R M BURROWS asked the Minister of Communications:

(1) Whether, during the process of occupational differentiation in the Department of Posts and Telecommunications, any announcements were made to the effect that salaries and/or fringe benefits would be paid from a date prior to the announcement date, i.e. backdated; if so, (a) in respect of which posts were they to be backdated, (b) on what dates were the increases announced and (c) from what date were the increases paid;

(2) whether payments were made only to persons already in service at the date of the announcement; if not, from what date were employees eligible for such payments;

(3) whether persons who retired between the above-mentioned two dates were able to benefit from the increase; if not, why not;

(4) whether, during the period of five years which ended on 31 December 1984, any payments of increases were made to persons who were not in service at the date of the announcement of the increase; if so, (a) in respect of which persons and (b) why?

The MINISTER OF COMMUNICATIONS:

(1) Yes, in a press statement released on 21 October 1983 I indicated that in applicable cases salary adjustments that might flow from the investigation into occupational differentiation would be implemented retrospectively from a common date. In a follow-up action members of the staff groups in question were informed through their regional directors that the effective date would be 1 January 1984 and that, in accordance with standing policy, officials who leave the Service prior to the announcement of the salary adjustments would not be entitled thereto;

(a) *Staff group*	(b)
Administrative and Clerical Staff Uniformed Staff Telephone Exchange Staff Typists Telcom Assistants Drivers Lower graded general, Non-classified and part-time employees *Chief Technicians *Chief Draughtsmen *Senior Lecturers *Laboratory Technicians *Control Inspectors of Works Printing Staff	1 August 1984
Data Personnel (Programmers, etc.) Data Typists Psychologists Psychometrists Design Artists Assistant Press Liaison Officer Journalist Editor Senior Librarian Reprographic Manager Photographers Lithographic Operators Language Officers Assistant Statisticians Restaurant/Catering Personnel; and	9 October 1984

*Occupational-orientated pay dispensations were introduced for these groups on 1 April 1983 and the improvements announced on 1 August 1984 only entailed adjustments that were necessary to retain relative parity with other comparable groups.

(c) 1 January 1984 or the date of appointment if the official joined the Service after the aforementioned date;

(2) no, officials who were appointed subsequent to the dates on which the announcements were made were also eligible for the payments with effect from the dates of their appointments;

(3) no, since in terms of established policy officials who leave the Service for any reason prior to the announcement of any improved pay dispensation are not entitled to a revision of their positions even in the event of such dispensation being introduced retrospectively. As indicated under (1) all staff were informed beforehand of the consequences should they decide to leave the Service prior to an announcement regarding the group to which they belong having been made. In addition, officials who had already given notice of retirement, were approached individually and given the opportunity to postpone their retirement in order to benefit from the increases;

(4) yes,

(a) to a few persons referred to in the announcement of 9 October 1984; and

(b) because the persons concerned should have been included in the announcement of 1 August 1984 and it was considered equitable that they share in the same benefits as the officials referred to in that announcement.

Occupational differentiation: employment benefits

922. Mr R M BURROWS asked the Minister of Home Affairs:

(1) Whether, during the process of occupational differentiation in the Public Service, any announcements were made to the effect that salaries and/or fringe benefits would be paid from a date prior to the announcement date, ie backdated; if so, (a) in respect of which posts were they to be backdated, (b) on what dates were the increases announced and (c) from what date were the increases paid;

(2) whether payments were made only to persons already in service at the date of the announcement; if not, from what date were employees eligible for such payments;

(3) whether persons who retired between the above-mentioned two dates were able to benefit from the increase; if not, why not;

(4) whether, during the period of five years which ended on 31 December 1984, any payments of increases were made to persons who were not in service at the date of the announcement of the increase; if so, (a) in respect of which persons and (b) why?

The MINISTER OF HOME AFFAIRS:

(1) (a) and (b) Occupational differentiated dispensations were implemented as from dates prior to the dates of announcement in respect of the under-mentioned occupational classes:

Occupational class	Implementation	Announcement
Administrative and Clerical Line Functionaries	1.11.83	25.11.83
Planning Administration Officer		
Planning Administration Clerk		
Foreign Affairs Administration Officer		
Foreign Affairs Administration Clerk		
Civic Affairs Officer		
Civic Affairs Clerk		
Third Party Insurance Officer		
Third Party Insurance Clerk		
Liquor Affairs Officer		
Factories Control Officer		
Community Services Officer		
Community Services Clerk		
Community Development Officer		
Community Development Clerk		
Health and Welfare Administration Officer		
Health and Welfare Administration Clerk		
Import and Export Control Officer		
Commerce and Industries Clerk		
Justice Administration Officer		

Occupational class	Implementation	Announcement
Justice Administration Clerk		
Cultural Administration Officer		
Cultural Administration Clerk		
Agricultural Administration Officer		
Agricultural Administration Clerk		
Rural Development Officer		
Rural Development Clerk		
Companies Controller		
Manpower Administration Officer		
Manpower Administration Clerk		
Mineral and Energy Administration Officer		
Mineral and Energy Administration Clerk		
Mineral Laws Administration Officer		
Mineral Laws Administration Clerk		
Industries Development Officer		
Environment Affairs Officer		
Environment Affairs Clerk		
Education Administration Officer		
Education Administration Clerk		
Development Administration Officer		
Development Administration Clerk		
Government Administration Officer		
Government Administration Clerk		
Patents and Trade Mark Registration Officer		
Pensions Officer		
Pensions Clerk		
Provincial Administration Officer		
Provincial Administration Clerk		
Security Officer		
Statistics Officer		
Statistics Clerk		
Relations Officer		
Transport Administration Officer		
Transport Administration Clerk		
Appraiser		
Administrative and Clerical Staff Functionaries	1.11.83	22.11.83
Training Adviser		
Training Officer		
Organization and Work Study Adviser		
State Administration Officer		
Workstudy Officer		
Occupational Safety Personnel	1.10.81	6.11.81
Inspector: Occupational Safety		
Inspector: Occupational Safety (Machinery)		
Managerial Cadre	1.1.84	31.1.84
Institution Manager		
Key Administrator		
Specialist Manager		

(4) yes,

(a) to a few persons referred to in the announcement of 9 October 1984; and

(b) because the persons concerned should have been included in the announcement of 1 August 1984 and it was considered equitable that they share in the same benefits as the officials referred to in that announcement.

Occupational differentiation: employment benefits

HANSARD Q. C. 1839 17/6/85 354

922. Mr R M BURROWS asked the Minister of Home Affairs:

(1) Whether, during the process of occupational differentiation in the Public Service, any announcements were made to the effect that salaries and/or fringe benefits would be paid from a date prior to the announcement date, ie backdated; if so, (a) in respect of which posts were they to be backdated, (b) on what dates were the increases announced and (c) from what date were the increases paid;

(2) whether payments were made only to persons already in service at the date of the announcement; if not, from what date were employees eligible for such payments;

(3) whether persons who retired between the above-mentioned two dates were able to benefit from the increase; if not, why not;

(4) whether, during the period of five years which ended on 31 December 1984, any payments of increases were made to persons who were not in service at the date of the announcement of the increase; if so, (a) in respect of which persons and (b) why?

The MINISTER OF HOME AFFAIRS:

(1) (a) and (b) Occupational differentiated dispensations were implemented as from dates prior to the dates of announcement in respect of the under-mentioned occupational classes:

Occupational class	Implementation	Announcement
Administrative and Clerical Line Functionaries	1.11.83	25.11.83
Planning Administration Officer		
Planning Administration Clerk		
Foreign Affairs Administration Officer		
Foreign Affairs Administration Clerk		
Civic Affairs Officer		
Civic Affairs Clerk		
Third Party Insurance Officer		
Third Party Insurance Clerk		
Liquor Affairs Officer		
Factories Control Officer		
Community Services Officer		
Community Services Clerk		
Community Development Officer		
Community Development Clerk		
Health and Welfare Administration Officer		
Health and Welfare Administration Clerk		
Import and Export Control Officer		
Commerce and Industries Clerk		
Justice Administration Officer		

Occupational class	Implementation	Announcement
Justice Administration Clerk		
Cultural Administration Officer		
Cultural Administration Clerk		
Agricultural Administration Officer		
Agricultural Administration Clerk		
Rural Development Officer		
Rural Development Clerk		
Companies Controller		
Manpower Administration Officer		
Manpower Administration Clerk		
Mineral and Energy Administration Officer		
Mineral and Energy Administration Clerk		
Mineral Laws Administration Officer		
Mineral Laws Administration Clerk		
Industries Development Officer		
Environment Affairs Officer		
Environment Affairs Clerk		
Education Administration Officer		
Education Administration Clerk		
Development Administration Officer		
Development Administration Clerk		
Government Administration Officer		
Government Administration Clerk		
Patents and Trade Mark Registration Officer		
Pensions Officer		
Pensions Clerk		
Provincial Administration Officer		
Provincial Administration Clerk		
Security Officer		
Statistics Officer		
Statistics Clerk		
Relations Officer		
Transport Administration Officer		
Transport Administration Clerk		
Appraiser		
Administrative and Clerical Staff Functionaries	1.11.83	22.11.83
Training Adviser		
Training Officer		
Organization and Work Study Adviser		
State Administration Officer		
Workstudy Officer		
Occupational Safety Personnel	1.10.81	6.11.81
Inspector: Occupational Safety		
Inspector: Occupational Safety (Machinery)		
Managerial Cadre	1.1.84	31.1.84
Institution Manager		
Key Administrator		
Specialist Manager		

Occupational class	Implementation	Announcement
Civil Aviation Personnel	1.7.82	2.9.82
Helicopter Pilot		
Aviation Inspector		
Airworthiness Inspector		
Inspector of Accidents		
Aircraft Maintenance Engineer		
Customs and Excise Personnel	1.5.82	15.12.82
Customs and Excise Officer		
Customs and Excise Clerk		
Electronic Data Processing Personnel	1.9.83	21.9.83
Data Systems Adviser		
Data Technologist		
Programmer		
Computer Operator		
Data Processing Control Personnel		
Medical and Clinical Technologist	1.7.83	1.8.83
Medical Technologist		
Clinical Technologist		
Scheduled Departmental Personnel		
Artisan personnel: SADF	1.1.85	22.2.85
Manager: Guest House	1.4.84	28.7.84
Library Assistant	1.10.84	29.11.84
Foreign Assistant	1.11.83	23.11.83
Data Controller	1.1.82	9.3.82
Data Typist	1.1.82	9.3.82
Dictaphone Typist	1.1.82	9.3.82
Customs Officer	1.1.82	30.7.82
Trade Inspector	1.3.82	15.3.82
Court Stenographer	1.8.84	5.11.84
Chief: Data Capturing	1.1.82	9.3.82
Immigration Officer	1.1.82	17.8.82
Information Photographer	1.10.83	3.11.83
Information Journalist	1.10.83	10.11.83
Inspectors' Aid: Mines	1.10.81	6.11.81
Copy Compositor	1.1.82	8.10.82
Ministerial Typist	1.1.82	9.3.82
Orthopaedic Shoemaker	1.7.83	8.8.83
Roads Superintendent	1.5.82	13.5.82
Personal Secretary	1.1.82	9.3.82
Personal Secretary (DG)	1.1.82	9.3.82
Provincial Revenue Inspector	1.10.81	6.11.81
Provincial Inspector	1.10.81	6.11.81
Provincial Traffic Inspector	1.10.81	6.11.81
Typist	1.1.82	9.3.82

Occupational class	Implementation	Announcement
Highly-qualified Occupational Classes	1.10.83	25.11.83
Archivist		
Business Economist		
Planner		
Vocational Counsellor		
Irrigation Planner		
Command Information Officer		
Librarian		
Biometrician		
Soil Protection Officer		
Forestry Scientist		
Chemist		
Dietician		
Documentalist		
Economist: Agriculture		
Energy Officer		
Ethnologist		
Physicist		
Human Science Researcher		
Community Development Officer		
Medical Physicist		
Geophysicist		
Geologist		
Historian		
Soil Expert		
Hydrologist		
Clinical Psychologist		
Corrosion Officer		
Cultural Officer		
Agricultural Adviser		
Agricultural Management Adviser		
Agricultural Data Documenter		
Agricultural Datametrician		
Agricultural Resource Officer		
Agricultural Officer		
Agricultural Researcher		
Agricultural Training Officer		
Agricultural Production Economist		
Agricultural Product Standards Officer		
Agricultural Specialist Extension Officer		
Agricultural Extension Officer		
Agricultural Meteorologist		
Physical Education Officer		
Air Pollution Control Officer		
Manpower Policy Adviser		
Manpower Training Adviser		
Medical Natural Scientist		
Medical Researcher		
Medicine Control Officer		
Military Strategy Officer		
Mineral Economist		
Mineral Technology Scientist		

Occupational class	Implementation	Announcement
Museum Human Scientist		
Museum Natural Scientist		
National Accounts Economist		
Nature Conservation Scientist		
Research Co-ordinator		
Research Veterinarian		
Commerce and Industry Adviser		
Industrial Economist		
Industrial Researcher		
Industrial Scientist		
Environment Officer		
Survival Expert		
Survey Statistician		
Education Systems Officer		
Educationist		
Oceanographer		
Paleontologist		
Plant and Seed Officer		
Psychologist		
Ship's Surveyor		
Sport Promotion Officer		
State Financial Policy Adviser		
State Herald		
State Veterinarian		
Standards Expert		
Statistics Adviser		
Radiation Control Officer		
Radiation Scientist		
Language Practitioner		
Livestock Improvement Officer		
Road Safety Officer		
Veterinary Researcher		
Nutritionist		
Water Pollution Control Officer		
Meteorologist		
Mathematical Scientist	1.1.82	13.4.82
Taxation Personnel		
Taxation Officer		
Taxation Clerk	1.10.81	6.11.81
Mining Inspection Personnel		
Inspector: Mines		
Inspector: Mining Machinery		
Mine Surveyor		
Educators		
CS Educator (Persons on the pre-revised salary scales at post level 5 with a maximum notch of R28 185 and persons on the pre-revised post level 6)	1.1.84	2.8.84

Occupational class	Implementation	Announcement
Technikon Educators (Persons on the pre-revised post level 5 on salary scales with a maximum of R28 185 and persons on the pre-revised post level 6)	1.1.84	2.8.84
University Educators (Persons on the pre-revised post level 6)	1.1.84	2.8.84
Legal Personnel	1.6.84	31.8.84
Taxation Advocate		
Magistrate		
Military Law Officer		
Legal Administration Officer		
State Prosecutor		
State Advocate		
State Attorney		
State Law Adviser		
State Law Adviser (Public International Law)		
Regional Magistrate		
Chairman and Permanent Member: Appeal Court and Commissioner's and Divorce Court		
Liaison and Publicity Personnel	1.10.83	10.11.83
Information Journalist		
Media Officer		
Liaison Officer		
Liaison Service Managers		
Technicians (Biological and Geological)	1.10.83	25.11.83
Analitic Chemistry Technician		
Control Agricultural Technician		
Irrigation Technician		
Soil Protection Inspector		
Forester		
Forestry Research Technician		
Animal House Technician		
Animal Production Technician		
Vaccine Preparer		
Geohydrological Technician		
Geotechnician		
Heraldry Draughtsman		
Engineer Officer		
Agricultural Datametrical Technician		
Agricultural Resource Technician		
Agricultural Instructor		
Agricultural Research Technician		
Agricultural Product Analysis Technician		
Agricultural Product Standards Technician		
Agricultural Technician		
Agricultural Extension Technician		

Occupational class	Implementation	Announcement
Limnological Technician		
Marine Superintendent		
Medical Technical Officer		
Nature Conservation Research Technician		
Nagivating Officer		
Research Biotechnician		
Oceanographic Technician		
Farm Manager		
Plant and Seed Inspector		
Plant Production Technician		
Explosives Expert		
Radio Officer		
Standards Technician		
Horticulturist		
Livestock Improvement Technician		
Veterinary Technician		
Fishing Mate/Master		
Meat Inspector		
Food Service Manager		
Water Care Technician		
Meteorological Technician		
Wine Controller		
Other Individual Occupational Classes		
Deeds Controller	1.9.81	2.11.81
Biokinetician	1.4.83	30.5.83
Medical Orthotist and Prosthetist	1.7.83	16.8.83
Registrar: Supreme Court	1.6.82	1.7.82
	1.11.83	25.11.83
Trade Metrologist	1.3.82	15.3.82
Chaplain	1.4.84	21.5.84
Landscape Architect	1.9.83	19.9.83
Landscape Developer	1.9.83	19.9.83
Master of the Supreme Court	1.9.81	26.11.81
	1.11.83	25.11.83
Musicians	1.1.84	6.1.84
Industrial Technician: S.A.	1.1.85	8.2.85
Defence Force/Naval Dockyard	1.4.81	24.4.81
Personnel Officer	1.11.83	22.11.83
Personnel Clerk	1.4.81	24.4.81
	1.11.83	22.11.83
Legal Officer	1.6.84	30.1.85
S.A. Naval Dockyard Divisional Manager	1.1.85	8.2.85
Specialist Scientist	1.8.84	5.10.84
Transport System Planner	1.8.84	2.8.84

(c) Departments dealt with the translation of personnel to the relevant dispensations and the Commission does not keep record of dates on which payments were actually made. It is therefore not possible to furnish an answer to this question. In practice the dates of payment in respect of the same groups will differ amongst departments, depending on the volume of work as dictated by the numbers of personnel affected.

HoA

(2) New dispensations are applicable to personnel retrospectively from the date of implementation of the dispensation or from date of appointment, whichever is the latest date. The new dispensations naturally also apply to persons appointed subsequently.

(3) Yes, but only as from 15 June 1983.

(4) Up to 14 June 1983 it was policy that new dispensations which were implemented with retrospective effect, were only applied to persons who had still been in service on the date of announcement. As from 15 June 1983 improved dispensations are also applicable in the case of persons who pass away or retire with pension, between the date of implementation and the date of announcement.

Teachers: salary scales

HANSARD Q. CQ 1853 17/6/85

927. Mr R M BURROWS asked the Minister of Co-operation, Development and Education:

(a) What are the salary scales currently applicable to teachers serving in his Department with qualifications below M + 3 and (b) how many teachers were there on each salary scale as at the latest specified date for which figures are available?

The MINISTER OF CO-OPERATION, DEVELOPMENT AND EDUCATION:

Statistics as on 31 October 1984.

(a) and (b)

Post-level	Category	Salary Scale		Number Male	Number Female
1	a3	Male	: R2 574	1 169	
		Female	: R1 989		5 332
	a2m	Male	: R2 910×336–3 582	736	
		Female	: R2 379×195–2 574×336–2 910		1 092
	a2	Male	: R2 910×336–3 918×540–4 998×600–6 198	478	
		Female	: R2 379×195–2 574×336–3 918×540–4 998		2 392
	a1	Male	: R3 246×336–3 918×540–4 998×600–6 198×690–6 888	4 017	
		Female	: R2 574×336–3 918×540–4 998×600–5 598		13 014
	A	Male	: R4 458×540–4 998×600–6 198×690–8 958×750–9 708	2 113	
		Female	: R3 246×336–3 918×540–4 998×600–6 198×690–7 578		3 697
	B	Male	: R4 998×600–6 198×690–8 958×750–10 458	1 501	
	B	Female	: R3 582×336–3 918×540–4·998×600–6 198×690–8 958		1 001

Post-level	Category	Salary Scale	Number Parity	Male/Female
2	a3	R3 918	159	
	a2m	R3 918×540–4 998×600–6 198×690–8 268	4	
	a2	R3 918×540–4 998×600–6 198×690–8 268	344	
	a1	R4 458×540–4 998×600–6 198×690–8 958	1 545	
	A	R7 578×690–8 958×750–10 458	829	
	B	R8 268×690–8 958×750–11 208	466	

HoA

Occupational class	Implementation	Announcement
Limnological Technician		
Marine Superintendent		
Medical Technical Officer		
Nature Conservation Research Technician		
Nagivating Officer		
Research Biotechnician		
Oceanographic Technician		
Farm Manager		
Plant and Seed Inspector		
Plant Production Technician		
Explosives Expert		
Radio Officer		
Standards Technician		
Horticulturist		
Livestock Improvement Technician		
Veterinary Technician		
Fishing Mate/Master		
Meat Inspector		
Food Service Manager		
Water Care Technician		
Meteorological Technician		
Wine Controller		
Other Individual Occupational Classes		
Deeds Controller	1.9.81	2.11.81
Biokinetician	1.4.83	30.5.83
Medical Orthotist and Prosthetist	1.7.83	16.8.83
Registrar: Supreme Court	1.6.82	1.7.82
	1.11.83	25.11.83
Trade Metrologist	1.3.82	15.3.82
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Landscape Developer	1.9.83	19.9.83
Master of the Supreme Court	1.9.81	26.11.81
	1.11.83	25.11.83
Musicians	1.1.84	6.1.84
Industrial Technician: S.A.	1.1.85	8.2.85
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Personnel Officer	1.11.83	22.11.83
Personnel Clerk	1.4.81	24.4.81
	1.11.83	22.11.83
Legal Officer	1.6.84	30.1.85
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The MINISTER OF CO-OPERATION, DEVELOPMENT AND EDUCATION:

Statistics as on 31 October 1984.

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	a2	Male : R2 910×336–3 918×540–4 998×600–6 198	478	
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	B	Male : R4 998×600–6 198×690–8 958×750–10 458	1 501	
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	a1	R4 458×540–4 998×600–6 198×690–8 958	1 545	
	A	R7 578×690–8 958×750–10 458	829	
	B	R8 268×690–8 958×750–11 208	466	

HoA

3	a3	R4 458	25
	a2m	R4 998×600–6 198×690–8 958×750–9 708	—
	a2	R4 998×600–6 198×690–8 958×750–9 708	162
	a1	R4 598×600–6 198×690–8 958×750–10 458	358
	A	R8 958×750–11 958	248
	B	R9 708×750–12 708	15
4	a3	R4 998	—
	a2m	R6 198×690–8 958×750–11 208	—
	a2	R6 198×690–8 958×750–11 208	55
	a1	R6 888×690–8 958×750–11 958	121
	A	R9 708×750–12 708	108
	B	R10 458×750–12 708×903–13 611	21
5	a3	R6 198	—
	a2m	R7 578×690–8 958×750–12 708	—
	a2	R7 578×690–8 958×750–12 708	49
	a1	R8 268×690–8 958×750–12 708×903–13 611	99
	A	R11 208×750–12 708×903–14 514	217
	B	R11 958×750–12 708×903–15 417	82

Provision of Education in the Republic of South Africa: White Paper

1001. Mr R M BURROWS asked the Minister of National Education:

(1) Whether he has established the data base and approved the set of rules referred to in paragraph 4.4.3(d) of the White Paper of the Provision of Education in the Republic of South Africa, 1983; if not, why not; if so, (a) when and (b) which organizations currently make use of this data base;

(2) whether every organization which agreed to this set of rules is allowed access to this data base; if not, why not;

(3) whether any requests have been received for access to this data base to be made available to members of Parliament; if so, (a) from whom and (b) what was the response thereto;

(4) whether his Department intends to make this data base available to members of Parliament; if not, why not;

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

The MINISTER OF NATIONAL EDUCATION:

(1) Yes.

(a) Information was collected on an individual basis for the first time in 1980 in order to establish an individual data base for educators at educational institutions for Whites.

Since then only aggregated information has been collected in respect of educators at universities and technikons for Whites in order to establish an aggregated information data base to supplement the individual data base.

The Committee on Education Structures (CES) and its Research Committee (RECES) are at present considering the extention of the data base to provide for the regular collecton of individual and aggregated information in respect of educators of all population groups.

The set of rules for the use of the data base has been approved by my predecessor in 1982, and makes provision for access to the data base by all official branches

of the educaton sectors associated with CES/RECES.

(b) The data base is at present only used in investigations undertaken by CES/RECES.

(2) No. Neither the acceptance of the rules nor the use of the data base have been negotiated with these organisations.

(3) No.

(4) Since the individual data base contains confidential information supplied by individuals, this data base will only be made available to those organisations mentioned in 1(a) for internal official use.

Some of the information contained in the aggregated information data base, is tabled in Parliament annually by departments of State responsible for education.

(5) Yes. It is envisaged that negotiations concerning the use of the data base will take place within the following few months.

State Revenue Fund: staff

1010. Mr R M BURROWS asked the Minister of Home Affairs:

(1) Whether the investigation by the Commission for Administration into a system of organized consultation in respect of conditions of service and remuneration structures for staff remunerated from the State Revenue Fund has been completed; if so, (a) when and (b) which organizations were consulted in this regard; if not, (i) why not, (ii) which organizations are to be consulted and (iii) when it is anticipated that the investigation will be completed;

(2) whether any document outlining this system of organized consultation has been devised; if not, why not; if so,

(3) whether this document (a) has been or (b) is to be made available to the public; if not, why not; if so, when;

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

The MINISTER OF HOME AFFAIRS:

(1) No.

(a) Falls away.

(b) Falls away.

(i) It is a comprehensive project which is being executed together with numerous other projects of high priority.

(ii) All government institutions with an interest in the matter, as well as the formally and informally recognized staff associations.

(iii) End of 1985.

(2) No. The investigation has not yet been completed.

(3) Falls away.

(4) No. As from 1 July 1985, the designated Minister of Administration and of Economic Advisory Services, will have to decide on this matter.

Gratuities

1045. Mr D J N MALCOMESS asked the Minister of Transport Affairs:

(a) How many employees of his Department who retired from service in the 1984-85 financial year were paid gratuities and (b) what total amount was paid in respect of such gratuities in that year?

The MINISTER OF TRANSPORT AFFAIRS:

(a) 107.

More for the workers

JOHANNESBURG'S lowest paid municipal workers will benefit most from the salary and wage increases announced in the city's annual budget yesterday

The municipality's lowest paid staff members — unskilled workers employed by the city for the first time — will receive R206 monthly from July 1.

This is an increase of 25%.

Mr Francois Oberholzer said yesterday this was because the black staff, who filled most of the lower salary grades, were the most hard-pressed.

Workers in these categories will receive a wage increase of 20-25%, while salaried employees will get a minimum of 15%.

These increases pushed the council's wage bill for the coming year up a total of 26,3% to R179-million.

6/7/82 354 264 151 165 Mercury

Increase wages, Umzinto told

Mercury Reporter

THE Department of Manpower has warned the Umzinto North Town Board to upgrade the wages of its black labourers after complaints of growing dissatisfaction.

This is the second time that the department has intervened in a row over pay between the Indian-controlled local authority and its black labour force.

Last year the board granted black workers a 10 percent pay hike after receiving an ultimatum from the department to upgrade wages within 48 hours or face prosecution.

A deputation from the black workers' liaison committee this week met Town Clerk Enoch John and demanded an immediate increase of R30 a month for all black workers irrespective of whether they were on a scale or not.

They also pointed out that their take-home pay was insufficient to enable them to live 'decently'.

Since the last increase about a year ago the price of food and other goods had increased rapidly, so much so that even their net take-home pay was insufficient to meet the food bill let alone other household expenses, they said.

In a report tabled at a closed meeting of the board yesterday, Mr John disclosed that the leader of the deputation, Mr Gilbert Mquadi, had informed him that the black workers had threatened strong action when making their pay demands.

The report also disclosed that a senior official of the Department of Manpower had informed the Town Clerk of the dissatisfaction among black workers.

'He said he felt it his duty to alert me that trouble was brewing among the black employees who appeared to be dissatisfied and disgruntled about their take-home pay and that the board should give serious consideration to increasing their pay.

'If this were not resolved amicably between the black workers' liaison committee and the town board, then at the instance and request of the liaison committee it may be necessary for my department to set up a conciliation board to settle the dispute.'

The chairman of the board's works committee, Mr Ismail Moolla, told the Mercury last night that he would support the upgrading of black workers' pay on condition they showed greater efficiency.

Transport men request 25 pc salary increase

354

5/8/85

Transport Reporter STAR

The federal council of S A Transport Services trade unions, which represents about 240 000 workers, today will request a 25 percent salary increase from the Minister of Transport Affairs, Mr Hendrik Schoeman.

Council chairman Mr Jimmy Zurich said today the 10 unions in the council had met on Thursday and Friday to discuss wage demands and had unanimously agreed on the figure.

"I anticipated that we would ask for 20 percent but the unions wouldn't listen to anything lower than 25 percent," he said. "They feel their members have made enough sacrifices. They want the increase to become effective as soon as possible in the new year."

A letter would be sent to the Minister today advising him of this, said Mr Zurich. The council is scheduled to meet with the Minister on August 19, when the wage claim will be discussed.

The last increase granted to railway workers was in April 1984 when they received 15 percent. In September they asked for a further 15 percent increase but the Government froze all salary increases in the public sector because of the recession.

The federal council today also released a statement welcoming the declaration of the state of emergency.

"In lauding the measures, we equally trust that the need for them will be of short duration and that life will soon be returned to peace and harmony."

Government's salary bill is set to rocket

Million public servants want pay increases

354 6/8/85

By Colleen Ryan and Zenaide Vendeiro

The million public servants in South Africa will soon increase pressure on the State for a general pay rise.

There are indications that they will demand at least 20 percent more.

Pay increases and the restoration of bonuses will feature prominently at the Public Servants' Association annual meeting next month, where discussion will take place with the new Minister for Administration and Economic Advisory Services, Mr Eli Louw.

The PSA will demand that parity with the private sector be maintained. This could mean asking for differentiated increases for different professions.

Pay demands will also come from the Federal Council of SA Transport Services trade unions — which represents about 240 000 workers. They want 25 percent more.

If an across-the-board 20 percent increase is granted for the 1986/7 financial year, the State's wage bill will soar. It was nearly R2 300 million for the final quarter of 1984.

PSA vice-president Mr Stan Davis confirmed that salary negotiations would start soon, but declined to give the exact demands.

However, he said the restoration of full bonuses would be a minimum requirement. Public servants were angered earlier this year when the State cut 13th cheques by about a third.

The chairman of the Commission for Administration, Dr Johan de Beer, said there was a great deal of "sympathy" for the PSA's parity demands, but increases had to be realistic in the light of the economic situation.

The last general pay rise for public servants was in January 1984.

SATS Federal Council chairman Mr Jimmy Zurich said the 10 member unions met last week to discuss pay demands and reached unanimous agreement.

'Sacrifices'

"It is anticipated we would ask for 20 percent, but the unions would not listen to anything lower than 25 percent," he said.

"They feel their members have made enough sacrifices."

A letter was sent to the Minister of Transport, Mr Hndrik Schoeman, yesterday advising him of this. The council is to meet the Minister on August 19.

The last increase to railway workers was in April 1984 when they received 15 percent. In September they asked for a further 15 percent, but the Government froze all increases.

Pay row: Silence

354
SOWETAN
8/8/85

By MANDLA NDLAZI

THE Diepmeadow mayor Mr Joseph Mahuhushi on Tuesday refused to say whether he had started investigating the disparity in the salaries paid to the black and white employees of his council.

Mr Mahuhushi promised about a week ago to investigate the matter. This was after he was approached for comment on the disparity issue.

But yesterday Mr Mahuhushi said: "Is this another interview," when he was approached in his office.

Seemingly angry, he refused to talk and led the reporter to the door.

An investigation had found that whites employed by the council earned far more than their black colleagues who have the same qualifications and did the same type of work.

The disparity was unearthed shortly after the council's Town Clerk, Mr Sarel van Rensburg had allegedly made remarks that angered the entire black staff at a white colleagues' farewell function held at the New Canada offices.

Mr van Rensburg allegedly said the council's black staff did not have the qualifications to be paid salaries that compared with those of their white colleagues.

Car

But an investigation found that a matriculated black woman with six years service earned R600 a month, and a white woman with a similar qualification and three months' service was paid R1 300.

Both women are employed as secretaries and the white woman uses a council car that she takes home every day.

Schoeman rejects pay demands by transport workers

STAR 20/8/85

354

By Zenaide Vendeiro,
Transport Reporter

The Minister of Transport Affairs, Mr Hendrik Schoeman, yesterday rejected demands by the Federal Council of South African Transport Services' Trade Unions for a general pay increase in January.

This will come as a blow to the 170 000 members of the 10 unions in the council, who were adamant before the two-hour meeting with the Minister in Pretoria yesterday that they would accept nothing less than a 25 percent increase.

It is also bad news for the country's one million public servants, as annual pay increases in the public sector have been uniformly applied in the past.

The chairman of the Commission for Administration, Dr Johan de Beer, earlier warned that increases had to be realistic in the light of the unfavourable economic situation.

He was not available for comment today.

Pay increases and restoration of full bonuses will be discussed at the Public Servants' Association annual meeting next month.

Preliminary talks are likely to take place with the new Minister for Administration and Economic Advisory Services, Mr Eli Louw.

Railway workers and public servants were disappointed when were not granted general pay increases this year. Their bonus cheques were later cut by one third.

The last wage increase granted to railway workers was in April 1984 when they received 15 percent.

The Government then froze all salary increases in the public sector because of the recession.

The president of the Public Servants' Association, Dr Colin Cameron, was not available for comment today.

Salary bill for white civil servants up R175 m

Mercury Correspondent 24/4/85

JOHANNESBURG—The salary bill for white public servants increased by R175,6 million in the first quarter of 1985, according to statistics released by Central Statistical Services in Pretoria.

The salary bill up to March, 1984, was R1,289 million. The figure increased to R1,465 million in the first quarter of this year. Of this R560,9 million was paid in salaries to government workers, R492 million to provincial employees, R322 million to employees of local authorities and R87 million to employees from sundry statutory bodies.

The figures also show that the number of white public servants in South Africa increased by more than 3 600 during the year. In the first quarter of 1984 the figure stood at 359 000, with the figure rising to 363 000 in the current year.

The number of blacks employed dropped from 510 000 in the first quarter of 1984 to 505 000 in the second quarter. The figure includes blacks employed by the Government, the national States, the provincial administrations, local authorities and various statutory bodies.

The salary bill for black employees stood at R527 million in the first quarter of 1984. This increased to R603 million in the first quarter of this year, an improvement of R76 million.

Public servants seek large pay increases

By Colleen Ryan, Pretoria Bureau

24/9/85 STAR

Public servants today launched their campaign for a double-figure salary increase and a restoration of full bonuses by April next year — demands which are sure to set them on a collision course with the Government.

Addressing the annual meeting of the Public Servants' Association Pretoria, the president, Dr Colin Cameron, said State workers had suffered a 20 to 25 pecent decline in spending power since their last salary increase in 1984. He said they were determined to fight for pay parity with the private sector.

The PSA's uncompromising stand is likely to be met with strong resistance from Government in the present economic climate.

Dr Cameron told the meeting that any further disparity in wages in the private and public sectors could affect the efficiency of the public service. The PSA would ask the Government for the restoration of the full 13th cheque and a double-figure salary increase with differentiations according to profession, to be granted in April 1986.

'WITHIN AFFORDABLE LIMITS'

Dr Cameron also lashed out at the "continuous concerted attacks in the Press and other mass media on the public service and public servants in particular".

He said critics displayed a "total lack of objectivity" when they focused on the public service and its housing and pension scheme.

Speaking for Government, the Minister of Administration in the office of the State President, Mr Eli Louw, warned public servants that the Government's personnel expenditure had to be contained "within affordable limits". He pointed out that just a one percent general pay increase pushed up the State salary and wage bill by R100 million.

Mr Louw assured the meeting that any personnel affected by the Government's plan for privatisation would be treated with "the utmost understanding and compassion".

● Public servants were last granted an increase in January 1984 and this year their bonus cheques were cut by one third. The last wage increase for railway workers — 15 percent — was granted in April 1984.

Public servants hopeful about pay demands

ST HP
25/9/85
354

By Colleen Ryan,
Pretoria Bureau

The President of the Public Servants' Association (PSA), Dr Colin Cameron, says he is "very hopeful" the Government will give sympathetic attention to the request for better pay and services for State workers next year.

Speaking after the PSA's annual meeting in Pretoria yesterday, Dr Cameron said public servants were hoping for a pay increase in double figures — about 12 percent — from April next year.

He said the PSA based its demands on maintaining parity with workers in the private sector, who were expected to receive an increase of about 12 percent in the next 12 months.

"We are aware of the economic relities and we do not expect to make up all that we have lost in spending power in the past two years.

"I think we have a valid cause. Despite the economic circumstances I believe the funds can be found," said Dr Cameron.

PSA delegates yesterday approved a motion which called for a wide range of guarantees from the Government in the 1986/7 budget, including an acceptance of the principle of paying differentiated salaries according to profession.

The motion also called for the restoration of full 13th cheques by January next year and an increase in the R50 000 ceiling on the housing subsidy.

Dr Cameron said he wanted to make it clear that Government workers who had received "notch" salary increases this year did not regard these as cost-of-living increases, but merely as recognition of greater experience gained in certain categories of work.

In contrast to this spirit of optimism, the Minister of Administration in the office of the State President yesterday warned the PSA that personnel expenditure had to be contained within affordable limits.

He said the State currently spent more than R10 billion a year on salaries and other contributions for public servants. The Government's policy of maintaining market-related salaries required responsible management, he added.

The Minister of Transport, Mr Hendrik Schoeman, has already rejected a demand for a 25 percent pay increase from the Federal Council of SA Transport Services trade unions, but has agreed to meet them again in January.

The chairman of the Commission for Administration, Dr Johan de Beer, has also warned that pay increases have to be realistic in the light of the unfavourable financial situation.

Public servants were last granted an increase in January 1984 and this year their bonus cheques were cut by one third. The last wage increase granted to railway workers was in April 1984 when they received a 15 percent increase.

Govt workers ask for 16 to 25 % pay hike

Pretoria Bureau

Transport and postal workers are presenting their departments with pay increase demands for next year ranging from 16 percent — the inflation rate — to 25 percent.

The latest move has been made by the SATS Artisans Staff Association, which this week sent a telegram to the Minister of Transport, Mr Hendrik Schoeman, demanding an interim pay hike.

The association believes its members cannot afford to wait until April 1, when increases traditionally come into effect.

The association has already made it clear it wants a 25 percent increase next April.

This demand has been turned down by Mr Schoeman, but he has agreed to meet with the association again in January.

The president of the Post and Telegraph Association of South Africa, Mr Frikkie Smith, said this morning his members would be needing an increase of at least 16 percent if they were to keep their heads above water.

OWETAN, Thursday, September 26, 1985

Pay row rages on

Sowetan

354

THE opposition in the Diepmeadow Town Council have joined the critics of the disparity in the salaries paid to black and white council workers.

By MANDLA NDLAZI

"There must be something grossly wrong with the council if there are such differences in the salaries of people with similar qualifications," said Mr Moses Julius Khumalo, leader of the opposition.

Mr Khumalo said he first learnt of the pay disparity in **The SOWETAN**.

He said he would ask the council's executive committee to "go deep into the matter" before it was referred to the council for a decision to "correct whatever errors there were."

Mr Khumalo said the council, as an employer, should determine the salaries, "and we will take it from there when we debate the matter."

The pay disparity was unearthed by **The SOWETAN**, shortly after the town clerk, Mr Sarel van Rensburg's alleged remarks at a white colleague's farewell party about a month ago.

He is alleged to have said the council's black staff had poor qualifications to be paid salaries that compared with those of their white colleagues.

The mayor, Mr Joseph Mahuhushi, earlier told **The SOWETAN** that the salaries were determined by the Department of Constitutional Development and approved by the council.

Mr van Rensburg has since delegated Mr Don Manaka, the council's PRO and Mr T Ngwenya, the council's training officer to investigate.

"Kindly note that I have been instructed by the executive committee to ascertain the work performance of all jobs on the council's structure so as to enable me to ascertain the correct salary scales and notches as well as positions on the new structure," said Mr van Rensburg in his note.

MR MOSES KHUMALO . . . something wrong.

Increases unlikely to be implemented immediately

MPs opposed to pay rise proposals

25/1/86 STAR

Widespread anger and fears of a rail strike have been raised by proposed massive pay increases for the Cabinet and parliamentarians.

In Bloemfontein last night, a meeting of about 500 railway workers demanded an immediate public meeting with the State President, Mr P W Botha.

Mr Carel Lezar, executive officer of the Artisan Staff Association of the Free State, said members were prepared to test the law which outlaws strikes among railway workers.

More protest meetings by railwaymen are planned for tonight in Johannesburg and Welkom.

It is believed that there is growing grassroots support for a strike among railway workers who felt insulted by the 10 percent increase they received.

This has been aggravated by the proposals tabled in Parliament yesterday for increases of 55 to 106 percent for Cabinet Ministers, members of Parliament and members of the President's Council.

The increased salary scales for parliamentarians were proposed by the commission of inquiry headed by former Deputy State President Mr Alwyn Schlebusch. The commission appointed professional personnel consultants to asses and quantify the various posts.

A final decision still has to be taken and the report is now in the hands of President Botha.

From Parliament it is reported that the proposed increases will almost certainly not be implemented immediately, to judge from the mood of politicians today.

Two parties have already officially rejected the recommended increases.

But the New Republic Party supports the proposals and says they should be implemented as soon as possible "as we sincerely believe that the remuneration is commensurate with what is expected of a parliamentarian in the new system".

Conservative Party leader Dr Andries Treurnicht said the CP could not accept the increases at such a time.

"It is out of the question that MPs can now accept salary increases as recommended. In view of the current economic climate, parliamentarians should not receive any more than others in government employ," he said.

The Herstigte Nasionale Party rejected with contempt the notion of any increases.

Mr Louis Stofberg (HNP, Sasolburg) said it was disgusting and callous of the Government even to consider tabling such recommendations.

Nationalist MPs agreed today that the proposed increases were too high in the present economic climate although several were keen to take the new R10 000-a-year secretarial and constituency allowance.

Progressive Federal Party leader Mr Colin Eglin said that he had asked several senior MPs to examine the salary proposals with a view to reporting back to the caucus for a decision.

But, privately, PFP members said that the report had gone too far, particularly with regard to the huge increases for Ministers and the State President.

Feelings high

But feelings over the recommendations are running high, with consumer bodies and some staff associations joining railwaymen in the outcry.

Railway workers want another 15 percent rise.

Mr Jimmy Zurich, head of the Federation of Artisan Staff Associations, said that railway workers were feeling insulted and he could not condemn the proposed increases strongly enough.

"The announcement was badly timed and added fuel to the fire which was already burning. I have my hands full trying to put it out," he said.

The situation was explosive and only the Minister of Transport, Mr Hendrik Schoeman, was in a postion to defuse it, he

By Political Staff and Staff Reporters

Mr Malcolm Domingo, head of the coloured Public Servants League, said he hoped parliamentarians would reconsider the 10 percent increase granted to public servants last week to "clear their own consciences".

The Press officer for one of South Africa's biggest trade unions, the National Union of Mineworkers, Mr Marcel Golding, said today that the proposed increases were typical of a governme.* which was not ruling by the consent of the majority.

Although workers would feel outraged, they would not be surprised.

"Rulers always see to themselves first and not the majority," Mr Golding said.

Condemnation of the proposed increases has come from Mrs Jean Tatham, vice-president of the Housewives League. She described them as "insensitive" and "beyond belief".

The president of the Public Servants Association, which represents white civil servants, Dr Colin Cameron, today said there was no problem with the principle behind the proposed increases.

"We have always supported occupational differentiation and, if an objective assesment found these levels of renumeration appropriate, then we would have no problem in principle and would see no reason for delaying implementation so as to keep abreast of trends," said Dr Cameron.

But, added Dr Cameron, these same criteria of maintaining parity between private and public sector salaries must be applied throughout the public service.

Volkskas's chief econcomist, Dr At Engelbrecht, said it was still not clear if the increases would be implemented or not.

But, in general, care must be taken to keep a proper eye on increasing wages and salaries as this could spread to other sectors and defeat the inflation battle.

The 129 000-strong South African Nursing Association today said the profession was stunned to learn of the proposed salary increases.

"The health of the community in this country is obviously not a priority," said a statement by the association.

See Page 17.

Mood of railway workers is 'ugly', says union chief

BUS DAY 354 13/11/86

Public sector 'revolt' if govt fails with pay rises

GERALD REILLY

GOVERNMENT will have a public sector revolt to contend with if it fails to meet the "reasonable" demands for pay adjustments submitted by central government, Post Office and Sats workers, according to senior State officials in Pretoria.

The costs of "reasonable" demands could add another R1bn to State, Post Office and railway expenditure in the 1986/87 financial year.

PFP spokesmen have warned of likely increases in Post Office tariffs and a further rise in railway tariffs from April 1 to accommodate the expected pay rises and what they see as the inflated costs of administering services.

However, according to Treasury sources in Pretoria no decision on pay rises has been taken yet, and none is likely until shortly before the Budget is tabled in March.

This was confirmed on Friday when the representatives of 230 000 Sats workers came away from pay discussions with Transport Minister Hendrik Schoeman empty-handed and without assurances,.

Schoeman told the representatives of the 10 Sats trade unions that he sympathised with their plight and their struggle to maintain living standards with 16% to 17% inflation.

However, he was unable to give them any undertakings at that stage.

He promised to meet the Sats union leaders again before he tabled his budget on February 19.

Minister of Administration and Economic Advisory Services Ely Louw told *Business Day* last week that he was unable to say when a decision — one way or the other — would be taken on public sector pay rises.

Nor could he comment on the restoration of service bonuses, which were cut by a third last year.

After the discussions with Schoeman, Federal Council of Sats Trade Unions president Jimmy Zurich said the CPI since the last increases were granted two years ago.

Zurich said the mood of railway workers was "ugly".

Not only had they not been given pay rises for two years, but overtime had been cut to the bone and incentive bonus earnings reduced.

"It all adds up to a drastic plunge in living standards for railway workers, and we told this to the Minister yesterday."

The unions appreciated Sats financial plight — its losses could exceed R400m for the 1985/86 financial year — but at the same time compensation had to be paid for the inflation-eroded purchasing power of earnings, Zurich said.

Schoeman is sympathetic to pay pleas

STAR 10/1/16

By Zenaide Vendeiro,
Transport Reporter

Railway workers had put forward a strong case for a significant salary increase in April, the Minister of Transport Affairs, Mr Hendrik Schoeman, said in Johannesburg yesterday after a meeting with the presidents of 10 railway unions.

A joint statement released after the meeting said the Minister understood the position of railway workers in that they had not had a salary increase in two years and because of the high inflation rate.

He undertook to meet the unions again before presenting his budget to Parliament on February 19.

The unions' umbrella body, the Federal Council of South African Transport Services' Trade Unions, has lodged a demand for a 25 percent across-the-board increase.

The council's chairman, Mr Jimmy Zurich, said last night: "The Minister did not try to argue us out of our case and was sympathetic.

"He accepts that we are battling. He made no promises, however — not even that there would be a general salary increase."

Mr Zurich said Mr Schoeman reiterated the poor financial position of the South African Transport Services, which was expected to record a loss of between R400 million and R450 million.

Public servants' pay rise may be in pipeline

354 250 STAR 13/2/86

By Sue Leeman, Pretoria Bureau

There are growing indications that public service pay packets will be boosted by between 10 and 12 percent from April.

In addition, informed sources have indicated that the reinstatement of full civil service bonuses is assured. The next few days will be crucial as the Government co-ordinates announcements on the subject.

On Monday, Transport Minister Mr Hendrik Schoeman will announce his department's budget and is expected to make a statement on transport workers' pay.

Postal workers and mainstream public servants will then be anxious to know how they feature in government financial planning for 1986/87.

Sources said the subject of bonuses was not under negotiation — last year's one-third cut in bonuses had been a "one-off" occurrence.

Speculation of a pending increase has been fuelled by the optimism of recent speeches made by Finance Minister Mr Barend du Plessis.

whom and (c) what was his response thereto;

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

The MINISTER OF PUBLIC WORKS:

(1) Yes. After it became clear that Kings House would evidently no longer be utilised as an official residence for the State President, it was decided to use some of the furniture and fittings in other prestige State dwellings. It is necessary from time to time to move furniture from one prestige State dwelling to another and the steps taken in regard to Kings House are therefore not unusual. For example, furniture has in the past been transferred from Westbrooke, the residence of the State President in Cape Town, and also from the Residensie in Bloemfontein, to Kings House. The furniture and fittings removed from Kings House last year, were placed in Newlands House and Westbrooke.

(2) Yes. Since it became known that Kings House would evidently no longer be utilised as official residence for the State President, letters and representations were received from bodies and individuals requesting that the dwelling be used for fund raising, as an art centre, as a museum and as an old age home. I am also aware that the South African National Society wrote to the Administrator of Natal regarding the matter.

At that stage I was still awaiting the recommendation of the committee under chairmanship of the Administrator of Natal regarding the future use of the dwelling and it was therefore not possible to consider the requests and representations.

(3) No.

(4) I have already issued a press statement regarding Kings House but I nevertheless plan to deal with the matter during the debate on the vote of Public Works and Land Affairs when I will furnish further particulars.

Queenstown: Commandos

HANSARD 11/2/86

*26. Mr D J N MALCOMESS asked the Minister of Defence:

(1) Whether any farmers in the Queenstown area were called up to render service in the Commandos in terms of section 44(3)(c) of the Defence Act, Act No 44 of 1957, during September or November 1985; if so,

(2) whether such services required them to be away from their farms overnight; if so, (a) how many farmers were called up to render such service, (b) in respect of how many nights were they required to be away from their farms and (c) on what dates did they render this service?

†The DEPUTY MINISTER OF DEFENCE:

(1) Yes.

(2) Yes.

(a) 287 members.

(b) Of the 287 members, 227 were away from their farms for 3 or 4 nights that were not consecutive.

(c) 26 September 1985 . 76 members
2 October 1985 . . . . . 25 members
7 October 1985 . . . . . 39 members
26 October 1985 . . . . 18 members
16 November 1985 . . 69 members

Maj R SIVE: Mr Speaker, arising from the hon the Deputy Minister's reply I should like to ask him whether he can inform us where these farmers were deployed and whether he is aware of the fact that in the majority of cases their wives and children were left on the farms with no protection whatsoever because no such protection was provided for them?

†The DEPUTY MINISTER: Mr Speaker, the hon member asks me to inform him

where these people were used. There are, however, 287 people involved and therefore he will understand that it is impossible to give him an answer to that question now. If he therefore wishes to lay the question upon the Table, I will try to reply to that.

Maj R SIVE: Mr Speaker, arising further from the hon the Deputy Minister's reply I repeat the second part of the question: A large number of those farmers' wives and children are left on the farms with no protection. What arrangements will be made with regard to that in the future?

†Mr T LANGLEY: Mr Speaker, further arising from the hon the Deputy Minister's reply I would like to know whether persons doing such service are at all times paid?

†The DEPUTY MINISTER: Mr Speaker, to my knowledge that is the case.

At 15h04, Questions on General Affairs interrupted in accordance with Joint Rule No. 59.

Public Service: tax free remuneration

HANSARD 11/2/86 (354)

*27. Mr D J N MALCOMESS asked the Minister of Finance:

Whether any persons employed in the Public Service receive any portion of their remuneration tax-free; if so, (a) what category of public servants, (b) what percentage of their remuneration is tax-free and (c) why?

The MINISTER OF FINANCE:

Yes.

(a) (i) Housing subsidies received by all categories of public servants.

(ii) The rental value of residential accommodation when supplied to public servants whose annual remuneration does not exceed R20 000.

(iii) Retirement gratuities in respect of accumulated vacation leave.

(iv) Lump sum payments made on retirement by a pension fund established by law.

(v) Remuneration paid to staff recruited and employed in a foreign country, if they are not ordinarily resident in the Republic, their services are rendered outside the Republic and they are chargeable with and bear income tax imposed in the country of residence.

(b) (i) 90 per cent at present, reducing to nil over a period of 7 years.

(ii) 100 per cent.

(iii) R30 000 exempt, any excess being taxable.

(iv) 100 per cent.

(v) 100 per cent.

(c) (i) and (ii) See the provisions of the Seventh Schedule to the Income Tax Act, No 58 of 1962, which apply equally to employees in the private sector.

(iii) See section 10(i)(x) of the said Act, which applies generally to retirement gratuities paid in the public and private sectors.

(iv) There is no charge to tax in respect of lump sum benefits paid by a pension fund established by law as such a fund is not capable of manipulation so as to provide unduly excessive benefits.

(v) See section 10(i)(p) of the said Act, which is designed to prevent double taxation.

Khuis lands

*28. Mr J H HOON asked the Minister of Defence:†

(1) Whether the South African Defence Force provided meals and refresh-

Rest of public service 'happy' but railmen threaten strike

By Sue Leeman,
Pretoria Bureau

Mainstream public servants, teachers and postal workers have been cautiously enthusiastic about the 10 percent salary increase they are to receive from April 1 — but angry railway workers are threatening strike action.

South African Transport Services (SATS) Artisans Staff Association chairman Mr Jimmy Zurich has warned the situation is "explosive", saying railway workers may down tools in protest if their demand for another 15 percent is not met.

The salaries of all four groups are to rise by 10 percent from April 1 and the full service bonus — slashed by one third last year — has been restored.

In addition, the 12 percent allowances for public servants and postal workers have been incorporated into fixed salary scales. SATS pensions are to be increased by eight percent.

Public servants last had a general increase in January 1984.

Mr Zurich said there were rumblings about strike action and railway workers were bombarding his offices with complaints.

"The rest of the public service appears to be happy, but they have had their 12 percent allowances as well as occupationally differentiated increases, whereas we have not.

"The Public Service Act says we may not strike — but this Act has yet to be tested."

"Feelings are running very high — the Minister must do something and do it quickly."

Head of the white Public Servants Association, Dr Colin Cameron said public servants were thankful for the increase but had hoped for 13 percent.

It was hoped that the main Budget would contain announcements of occupationally differentiated increases which could boost salaries further.

The coloured Public Service League chairman, Mr Malcolm Domingo, welcomed the increase but said it would not really help public servants cope with the cost of living, which had risen by 30 percent since the last general salary increase in the sector.

He pointed out some public servants were still earning as little as R180 a month and their pay packets needed further attention soon.

Federal Council of Teachers Associations (FCTA) chairman Professor H Q Maree said the adjustment did not represent the backlog which had built up since January 1, 1984. But the FCTA welcomed the promise that further attention could be given to specific adjustments in the profession.

Post and Telegraph Association of South Africa chairman Mr Frikkie Smith said any relief was welcomed but his association had hoped for an increase of 15 percent. The incorporation of allowances would alleviate the situation to some extent.

Public wages top R11 000-m

By Sue Leeman, Pretoria Bureau

Salary increases of 10 percent and reinstated bonuses for public servants will push the State's annual wage bill well beyond the R11 000-million mark, according to calculations based on Central Statistical Services (CSS) figures.

This amount does not make allowance for postal or transport workers' salaries, which will also go up by 10 percent from April 1. Bonuses, which were cut by a third last year, will be reinstated in full.

According to CSS figures, there are more than one million people of all races now employed at various levels of Government (excluding South African Transport Services (SATS) and the Department of Posts and Telecommunications) and the payroll is growing.

Last year Government coffers were providing almost R2 600-million a quarter to pay these workers.

With a 10 percent salary increase and a third more on bonuses, this quarterly wage bill will be closer to R3 000-million.

In central Government alone, the wage bill for 380 000 employees has topped R1 000-million a quarter. This can now been expected to climb to R1 200-million.

According to the CSS figures, the average salary among white public servants in central Government — before the latest increases — was R1 309 a month, while the average coloured salary here was R769 and the average black salary R513.

Opposition spokemen have pointed out that civil service salaries now account for one third of the country's total annual budget.

PFP spokesman on the public service, Major Ruben Sive, has said what is needed is a smaller, better paid public service which is more productivity-orientated.

The privatisation of certain functions could also be a partial solution to the burgeoning public service burden.

However, Government spokesmen say many new posts have had to be created for the new coloured and Indian adminstrations which came into being as part of the new constitution.

They add that many new positions have also been created in the field of black education as part of the Government's drive to achieve eduational parity.

The productivity of all departments is being studied and many civil servants are being asked to work longer hours.

● Sapa reports that the SA Nursing Association said today it was impossible for the association to get enthusiastic about the 10 percent increase for civil servants.

The association said the increase may mean as little as R20 a month for some nurses.

However, the association said it was awaiting announcements on the following priority matters:

● Revision of the Specific Career Dispensation (which would include salaries).

● Parity in salaries.

"Only when there is a positive reaction regarding the above can there be any enthusiasm," the association said.

Pay goes up - but so do train fares

CITY PRESS 23/2/86 354

By SINNAH KUNENE

PUBLIC servants will receive a 10% salary increase from April 1, while air and train passengers face between 10 and 15% tariff hikes.

This was announced in Cape Town by Transport Affairs Minister Hendrik Schoeman and Administration and Economic Advisory Services Minister Eli Louw this week.

The new intercity rail fares from Johannesburg as of April 1 are in the table alongside.

Third class tickets to Mafeking, Pietersburg and Queenstown will cost R15,50; R18,00 and R39,50 respectively.

Schoeman also announced that air fares will go up by 10% from next month. This means a single economy class air fare to Durban will cost R125, business class R144 and first class R163.

The public servants' salary increase will affect all military, prisons services and police personnel, provincial personnel and post office officials, said Louw. Teachers and nurses are also included.

Louw said the last salary adjustments were made in 1984. Service bonuses reduced by one third last year will be paid in full with effect from April 1.

However the salary increase was not approved by trade unionists and the government employees, who claimed it was far below the 35% increase of the cost of living in the past two years.

Commuter (to JHB)

1st class	single	weekly	monthly
Naledi	R1,90	R14,50	R55,00
Krugersdorp	R2,20	R16,50	R61,00
Pretoria	R4,30	R27,00	R99,00
3rd class			
Naledi	80c	R4,10	R16,50
Krugersdorp	90c	R4,40	R17,50

Mainline (single, from JHB)

	3rd class	2nd class	1st class
Durban	R36,00	R72,00	R102,00
Cape Town	R70,00	R139,00	R197,00
Port Elizabeth	R53,00	R93,00	R151,00
Bloemfontein	R20,50	R41,00	R58,00
East London	R50,00	R100,00	R141,00

Rumours of railway workers' strike denied

By Jackie Unwin

The president of the 21 000-strong Artisans Staff Association, Mr Jimmy Zurich, yesterday denied there were any plans for a week-long wildcat strike protesting against the recent 10 percent pay rise which railways workers have rejected.

"There is talk about a strike among the workers, but we are not organising one and will not be party to one," he said.

"But this talk indicates the unrest and dissatisfaction among members on account of the 10 percent increase."

Their unhappiness was an accumulation of events, starting with the cutting of the 13th cheque to a third last year.

"There are 900 apprentices just becoming artisans. There is no work and they are being placed on other jobs at a rate of pay which is a couple of hundred rand a month less than if they were on the artisan's rate.

"Others working under wage incentive schemes are not being paid bonuses, which is costing them up to R300 a month.

"Now getting only a handout of 10 percent is causing a terrible feeling among members.

"We have applied to the Minister of Transport, Mr Hendrik Schoeman, by letter to give us the other 15 percent we requested.

"The ball is now in his court. He must defuse this explosive situation by doing something positive very quickly," Mr Zurich said.

Inflation, the scourge of modern economies, has been tamed by most major Western nations, but in South Africa it has reached record levels. The purchasing power of the rand is shrinking every day and today a R10 note buys what would have cost only R3,83 in 1980.

Putting a price on MPs

25/2/86 STAR

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Proposed remuneration 'takes new duties into consideration'

CAPE TOWN — Proposed new salaries for parliamentarians and high political office-bearers are definitely not to be regarded as just pure increases.

This point was made emphatically by Mr Alwyn Schlebusch, the chairman of the committee which investigated the remuneration and working conditions of the politicians.

Addressing a midday Press conference yesterday on the committee's report, Mr Schlebusch said the President had appointed a committee to recommend a reconcilable structure of remuneration and conditions of service for political office-bearers, with due allowance for their new responsibilities and duties.

He pointed out that President Botha had said at the time that any recommendation made by the committee implying an improvement of the remuneration package and conditions of service of the persons concerned would be postponed until it could be justified with a view to the economic climate.

Mr Schlebusch said in view of this the committee's recommendations were not to be seen as just salary increases. They were salary adjustments to remuneration in line with the new duties and responsibilities of officials.

The State President, for example, carried a lot more duties and responsibilities than the post did under the previous system.

By David Braun, Political Correspondent

CAPE TOWN — In drawing up its recommendations for the revised salary structure of political office-bearers, the Schlebusch Committee had to balance two arguments.

The first of these is the view that parliamentarians' remuneration should not be so low as to deter suitable candidates from entering politics; or that it compels ordinary members to seek additional income elsewhere; or that it bears no relation to what members can earn outside Parliament.

On the other hand, members' remuneration should not be so high as to be unacceptable to the informed public or to create the perception that pecuniary reward is becoming the only attraction.

With this in mind the committee tried to execute its instructions from President P W Botha: to investigate and report, in the light of the revised parliamentary system and associated responsibilities and duties of the State President, Ministers, Deputy Ministers and of members of Parliament and the President's Council, on these aspects:

● A reconcilable structure of remuneration and conditions of service for the various office-bearers, with due allowance for their new responsibilities and duties.

● The need of MPs for facilities — administrative and secretarial — to enable them to perform their task efficiently.

Mr Botha made it quite clear when he appointed the committee that the implementation of any recommendations would be postponed until it could be justified with a view to the economic climate.

The committee, chaired by former Vice State President Mr Alwyn Schlebusch, and comprising former Opposition leader Sir De Villiers Graaff, Mr Justice V G Hiemstra, banker Dr Frans Cronje and business leader Dr Fred du Plessis, decided to interpret its terms of reference as widely as possible.

Before looking at the actual issue of remuneration, the committee took into account certain fundamental considerations.

The first of these sounds almost tongue-in-cheek: a conscientious, hardworking and competent MP has, of necessity, to be postulated for purposes of a report of this nature.

Secondly, because of the additional obligations imposed by the new constitutional dispensation and also as a result of the imminent disappearance of the office of provincial councillor (throwing more constituency duties onto MPs), the committee decided that membership of Parliament had now definitely become a full-time occupation.

A third consideration was that the salary and fringe benefits granted to an MP could not serve as the basis for the calculation of salaries and fringe benefits in the rest of the public sector, for these reasons:

● The demands of modern society made it imperative that successful businessmen, professional people, farmers and industrialists became involved in the country's highest legislative and executive body. This meant that such a person had either to relinquish his profession or career entirely or neglect it to such an extent that great personal loss ensued.

● In view of rapidly changing circumstances in the political sphere or in consequence of voters' new personal preferences, a member could not be assured of a long uninterrupted period of service as an MP. The latest available statistics indicate that an MP's average period of service is only about seven years.

● The interruption of a parliamentarian's career while he is serving as an MP constitutes a measure of professional risk and could damage his career irreparably. As well, he runs the risk of not remaining fully informed on the latest developments in his profession.

● A fourth consideration is that because a prospective member also has to undertake to work out of a sense of vocation, it would not always be feasible to compensate the parliamentarian on the same basis as in the private sector. However, if a person of the right calibre is to be attracted, it is essential that an MP's remuneration should be related to pay levels in the private sector in general.

Having dealt with these considerations, the committee then decided to appoint professional personnel consultants to assess and quantify the various posts.

The consultants found that jobs in Parliament and the council were fundamentally not comparable to other jobs in the private sector.

Grouping the various political jobs into a number of grades, the consultants came up with six levels from ordinary MP and council member to Cabinet Minister.

On that basis, these fully taxable salaries were recommended: State President R212 300; Ministers and other F-level R121 500; Own Affairs Ministers and Chief Whip of Parliament (E-level) R95 500; Deputy Ministers and other D-level R77 400; C-level R64 700; B-level R55 900; and A-level (MPs) R49 800.

when he was shot and (b) why was he shot;

(4) whether any other persons were killed on this occasion; if so, (a) how many and (b) what (i) were the circumstances and (ii) was the cause of death in each case;

(5) whether an investigation was held into the death of these persons; if not, why not; if so, what were the findings;

(6) whether any action has been taken as a result of the findings; if not, why not; if so, what action;

(7) whether any complaints were laid against any members of the South African Police following these events in Duduza on the above date; if so, what (a) was the nature of the complaints and (b) action was taken as a result?

The MINISTER OF LAW AND ORDER: (Reply laid upon the Table with leave of House):

(1) Yes.

(a) 91 members.

(b) and (c) Foot and vehicle patrols were carried out to normalise the unrest situation.

(2) Yes, various Blacks in groups of 20 to 30 threw stones and other objects at the foot patrols.

(3) Yes.

(a) and (b) The person referred to and who acted as leader of his group threatened a police foot patrol with death and ran into a stand in Mofokeng Street. A member of the foot patrol followed him. Within the stand the deceased and four other Blacks threw stones at the policeman who followed him. The deceased was then fatally injured by the policeman.

(4) No, not during this specific incident.

(a) and (b) Fall away.

(5) Yes, an inquest was held only in respect of the person referred to. The court found that death did not result through an action or neglect which constituted a crime on the part of any other person.

(6) No.

(7) Yes.

(a) and (b) Three complaints of assault. In one complaint the Attorney-General refused to prosecute due to lack of evidence and the other two complaints are still being investigated.

Unrest: arms/ammunition issued

*37. Mr R R HULLEY asked the Minister of Defence:

†With reference to his reply to Question No 23 on 11 February 1986, what specified types of (a) arms and (b) ammunition have been issued to each member of the South African Defence Force employed in townships during unrest situations?

†The DEPUTY MINISTER OF DEFENCE:

(a) To individual members:

— 9 mm pistols to Officers and Warrant Officers Class 1.

— R1 rifles to Citizen Force and Commando Other Ranks and Officers to the rank of Major.

— R4 rifles to Permanent Force Other Ranks and Officers to the rank of Major as well as National Servicemen.

Per Buffel Vehicle:

— 37mm Stoppergun.

— Shotgun.

(b) Ammunition for the abovementioned weapons is issued according to a laid down scale per person and vehicle. Each vehicle is also additionally equipped with shock grenades and tearsmoke grenades.

Mr R R HULLEY: Mr Chairman, arising out of the hon the Deputy Minister's reply, did I understand him correctly to say that troops are not issued with weapons that fire rubber bullets, buckshot or birdshot but are issued only with R1 rifles?

The DEPUTY MINISTER: Mr Chairman, I have furnished the hon member with a list of everything that the troops are issued with. I can add nothing to it.

Donkin Commando

*38. Mr A SAVAGE asked the Minister of Defence:

Whether the Donkin Commando in Port Elizabeth has called up any persons for a compulsory camp from 3 March 1986 in terms of section 44 of the Defence Act, No 44 of 1957; if so, how many persons (a) is this Commando required to provide and (b) were issued with call-up papers?

The DEPUTY MINISTER OF DEFENCE:

Yes.

(a) 115.

(b) 397. Statistics and experience have proved that a higher number of persons than the actual requirement have to be called up to ensure that the requirement set, is met. Reasons for this are among others:

— A large number of members are granted deferment of their call-up commitment by the Exemption Board. This number cannot be determined beforehand.

— Many call-up instructions are returned as a result of members failing to advise their change of address.

— Many members do not comply with the call-up instructions.

Given the above, it was, in the case of Donkin Commando decided to call up about three times as many members as was required.

Conditions of service/remuneration structures: investigation

*39. Mr R M BURROWS asked the Minister of Administration and Economic Advisory Services:

(1) Whether the investigation by the Commission for Administration into a system of organised consultation in respect of conditions of service and remuneration structures for staff remunerated from the State Revenue Fund has been completed; if so, (a) when and (b) which organisations were consulted in this regard; if not, (i) why not, (ii) which organisations are to be consulted and (iii) when is it anticipated that the investigation will be completed;

(2) whether a document outlining the system of organised consultation has been devised; if not, why not; if so,

(3) whether this document (a) has been or (b) is to be made available to the public; if not, why not; if so, when;

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

†The MINISTER OF ADMINISTRATION AND ECONOMIC ADVISORY SERVICES:

(1) No.

(a) Falls away.

(b) Falls away.

(i) Due to the comprehensive nature of the project it could not, as envisaged, be finalised by the end of 1985. It is being executed to-

gether with numerous other projects of high priority and should be completed during the course of this year.

(ii) All government institutions with an interest in the matter, as well as the formally and informally recognised staff associations.

(iii) During 1986.

(2) No. The investigation has not yet been completed.

(3) No, because the document will deal with domestic personnel affairs which is only meant for parties concerned.

(4) No.

Mr R M BURROWS: Mr Chairman, arising from the hon the Minister's reply, I should like to ask him whether he is aware of the fact that, since the system of organised consultation does not exist, the Public Service appears not to have been consulted at all and made no submission on the recent 10% increase in salaries?

The MINISTER: Mr Chairman, I should like to draw the hon member's attention to the fact that there are some 400 to 500 different vocational groups in the Public Service and that there are numerous vocational associations. All those people must be consulted. I also want to stress that the hon member need not be more concerned about the Public Service than the public servants themselves. [Interjections.]

At 15h01 Questions on General Affairs interrupted in accordance with Rule No 59.

25/2/86

Deviation from principle of own education

HANSARD 304A

*40. Mr R M BURROWS asked the Minister of National Education:

(1) Whether, with reference to his reply to Question No 26 on 11 June 1985, his Department has now devised the bases in accordance with which and limits within which deviation from the principle of own education in separate educational establishments for each population group may be authorised, in so far as it is the wish of own education departments, in terms of paragraph 4.1.2(d) of the White Paper on the Provision of Education in the Republic of South Africa; if not, why not; if so,

(2) whether any other education departments have requested such deviation; if so, what was his response in each case;

(3) whether the said bases have been incorporated into any document; if so, what document;

(4) whether this document will be made available to the public; if not, why not; if so, when;

(5) whether all education departments have been acquainted with the bases for such deviation; if not, why not; if so, when;

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

The MINISTER OF NATIONAL EDUCATION:

(1) No. The matter is still being negotiated.

(2) Yes, following upon an invitation which I extended to the Ministers of Government Departments responsible for education. In consultation with the Ministers concerned it has however been decided that no final decisions be made until all relevant information has been gathered. The stage has now been reached where an in depth discussion of the entire matter will soon be held at a meeting of all the Ministers concerned.

(3) No.

(4) Falls away.

(5) Falls away.

HoA

Q. COL 199.

(6) Consideration will be given at a later date as to whether or not a statement will be released.

Bakoven: firing of weapon

Q. COL 201.

*41. Mr C W EGLIN asked the Minister of Law and Order:

(1) Whether any members of the South African Police took any action against any suspects in connection with the firing of a weapon at Bakoven on or about 30 January 1986; if so, (a) how many suspects were involved, (b) how many shots were fired, (c) what was the (i) rank and (ii) experience of each of the policemen involved and (d) what were the circumstances surrounding this incident;

(2) whether a warning was given prior to any shots being fired; if not, why not; if so, with what result;

(3) whether any persons were injured in the shooting; if so, what was the nature of the injuries sustained;

(4) whether the policemen involved attempted to assist, or obtain assistance for, the injured; if not, why not; if so, (a) how long after the shots were fired was assistance provided and (b) what was the nature of the assistance;

(5) whether the injured were treated for their injuries; if not, why not; if so, (a) by whom, (b) where, (c) when, (d) what was the nature of the treatment given and (e) with what result;

(6) whether any of the injured subsequently died; if so, (a) when and (b) what was the cause of death;

(7) whether an investigation has been held into this incident; if not, why not; if so, (a) what was the nature of the investigation and (b) what were the findings;

(8) whether any action has been taken against the policemen involved; if not, why not; if so, what action;

(9) whether members of the South African Police are issued with any orders regarding (a) the use of firearms and (b) action to be taken following the use of firearms; if not, why not; if so, what are these orders?

The MINISTER OF LAW AND ORDER:

(1) Yes.

(a) Two white men.

(b) Two.

(c) (i) Constable.

(ii) He has completed 5 years of police service and has sufficient experience of police functions.

(d) At about 02h30 on 30 January 1986, a constable of the South African Police observed two white men under suspicious circumstances at a vehicle in the Bakoven area. One of the men ran away after he saw the policeman and was fatally wounded during the ensuing chase. After a search lasting about 10 minutes he was found among the rocks on the beach. It was then ascertained that he had in his possession a canvas bag with 17 lobsters, of which five measured up to statutory regulations and twelve were undersize.

(2) Yes. Three oral warnings which the fugitive ignored.

(3) Yes, fatally in the left thigh.

(4) No. Before assistance could be summoned, the wounded person died.

(a) and (b) Fall away.

(5) Fall away.

HoA

Proposed pay rises for MPs provoke public servants

GERALD REILLY and Sapa

HUGE pay increases recommended for politicians will send a wave of dissatisfaction throughout the public service, say senior government workers.

A few years ago, they stress, government said politicians would get the same adjustments as public servants.

But now the idea seems to be to pay politicians the same as senior executives in the private sector.

The Public Servants' Association (PSA) has for years fought for its members' earnings to be linked to private-sector levels.

Government workers had been prepared to accept their 10% pay increase because of the recession, but the Schlebusch Committee's proposals on politicians' remuneration have given cause for anger.

Federation of Sats trade unions chairman Jimmy Zurich says that comparing politicians with private-sector executives is "like comparing lemons with oranges".

PSA president Colin Cameron says his organisation has no objection to the proposals provided the same principle is applied to determining government workers' earnings.

National Party politicians say the proposed increases for the State President and MPs are not likely to be implemented in the near future.

Yesterday, NP MPs were in favour of only one recommendation being applied as soon as possible — that MPs should be provided with secretaries.

Opposition MPs support this.

PFP leader Colin Eglin says he has instructed a number of senior MPs to examine the proposals and report to him as soon as possible.

The New Republic Party caucus wants the parliamentary remuneration recommendations implemented as soon as possible, says caucus chairman Brian Page.

"We would ask that careful note be taken of the effect of taxation on the proposals as it will be seen that the higher levels of remuneration have attracted formidable scales of taxation," he adds.

The NRP also welcomes the comparison of areas of responsibility and decision-making with similar posts in the private sector.

"This evaluation and assessment has been long overdue."

But Conservative Party leader Andries Treurnicht says that, due to the recession, it is out of the question for MPs to accept the pay increases recommended.

The South African Nursing Association is critical of the proposed pay increases for MPs.

Sana executive director S du Preez says the recommendations have stunned the association "when the nursing profession is on its knees..

Bus Day 24/9/86

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Govt is 'thick-skinned'

GOVERNMENT had never before shown such a thick-skinned attitude to the plight of the man-in-the-street, Louis Stofberg (HNP Sasolburg) said yesterday.

Referring to the report recommending salary increases ranging up to more than 100% for Cabinet ministers and MPs, in the Second Reading on the Additional Appropriation Bill in the House of Assembly, he said: "Amid all the signs of a sick economy the government has shown a hide as thick as that of an elephant.

"South Africans from the Transvaal to the Cape are shocked, and they are not only Conservative or HNP members, but they are Nationalists."

During the speech Salmon Barnard (CP Langlaagte) interjected across the floor that the ministers had been promised increases if they did not defect from the NP to the CP.

Earlier, Stofberg said SA was in the worst depression the country had ever faced.

He wanted to know when government would stop its "massive overspending".

The reform programme, he added, was one of the major reasons for government's overspending.

Stofberg said the State's debt amounted to about one third of the gross domestic product, but what was more frightening was that a large portion of the debt consisted of short-term loans. — Sapa

STAR 26/2/86

CP, HNP slam salary increase proposals

Political Staff

PARLIAMENT — The right-wing parties in the House of Assembly have attacked the recommendations for big salary increases for parliamentarians.

The criticism came from the Conservative Party and the Herstigte Nasionale Party during yesterday's second-reading debate on the Additional Appro-

Mr Louis Stofberg (HNP, Sasolburg) said he had never seen such a thick-skinned attitude to the plight of ordinary people as that shown by the Government in tabling the recommendations in Parliament.

He likened the Government's attitude to that of the aristocracy during the French revolution when it was said: "If they don't have bread, let them eat cake."

The Government was adopting such an attitude amid all the signs of a sick economy and while children were going hungry and farmers were being strangled economically.

He said there were even Nationalists who could not understand why the Government should have tabled the Schlebusch committee's report at all.

Earlier **Mr Jan van Zyl (CP, Sunnyside)** read a statement issued by CP leader **Dr Andries Treurnicht** disapproving the committee's recommendations.

Replying, the Minister of Finance, **Mr Barend du Plessis**, said the manner in which Mr Stofberg had handled the matter was "irresponsible".

The Government had not compromised itself in any way regarding the report on the salaries of MPs. The committee had been given its task a long time ago and had simply tabled its report in the House.

Mr Stofberg interjected that he had not said the Government had compromised itself.

But he also accused the Government of "enormous overspending" and waste.

Govt given until April 16 on pay issue

By Kym Hamilton, Pretoria Bureau

Militant Free State railwaymen have given the Government until April 16 to implement a 25 percent pay rise — or face strike action.

Mr Carel "Marx" Lezar, of the Free State Artisan Staff Association, said that, at a meeting in Welkom last night, railwaymen passed a motion of no confidence in the Minister of Transport, Mr Hendrik Schoeman, claiming that he was "not competent to run the transport services".

Mr Lezar said key personnel, including telecomps, electricians and signalmen — about 1 200 in the Free State — had backed calls for strike action.

He added that strong militant elements were calling for immediate general strike action and had threatened to use pickets to stop the security forces from moving in to keep the transport services going.

Fears of a split between the militant elements and "those prepared to sit on the fence" were also increasing as some railwaymen were demanding a united front and a commitment to action from more passive colleagues, warned Mr Lezar.

He said Artisan Staff Association members last night called for immediate action and demanded that President P W Botha personally enter negotiations with railway workers.

But members finally agreed on an April 16 deadline for the satisfaction of their demands.

Angry SATS workers vote for walkout

Rail strike looms over wage claim

26/2/86 STAR

By Mike Siluma

The possibility of a major confrontation between the Government and South African Transport Services (SATS) artisans grew last night when about 300 union members decided to go on strike if their pay demands were not met.

Last night's meeting in Johannesburg to protest against a 10 percent pay rise granted railway workers, which they regard as too low, was called against the background of the announcement of a proposed pay rise of between 55 and 106 percent for the Cabinet and parliamentarians.

Rail employees are demanding a further rise of 15 percent in addition to a 10 percent increase offered by the authorities.

However, southern Transvaal railmen are not expected to take industrial action until the Artisan Staff Association (ASA) knows the decision of other regions, which are yet to hold their protest meetings. The regions are East London, Port Elizabeth, Cape Town, Kimberley, northern Transvaal, Natal and the Orange Free State.

The Minister of Transport, Mr Hendrik Schoeman, has warned that a strike by about 23 000 of his employees would be illegal.

Over-taxed

Angry workers who attended the emotion-filled gathering waved placards reading "Hire Schlebusch, Fire Schoeman", "Schoeman hire Schlebusch" and "20 percent inflation, 10 percent increase — shame".

Last night's meeting also passed a motion of no-confidence in Mr Schoeman and one of confidence in both the Federation of Staff Associations and the executive of the ASA.

Most workers who spoke during the meeting complained they were being over-taxed by the Government. They bitterly attacked the proposed increases for members of the Cabinet and Parliament.

One said if the law did not allow rail workers to strike or stage a go-slow, they should embark on a work-to-rule.

Opening the meeting, an ASA executive officer and vice-chairman of the Southern Transvaal region, Mr Frans Gerber, called on the Government to lower the price of petrol, saying a failure to do this would only fill the coffers of the oil companies.

● Both Mr Gerber and the ASA regional secretary, Mr Andre du Plessis, claimed union officials in Germiston had been harassed by SATS security police for organising protest meetings. Police had allegedly told the officials protest meetings were illegal and threatened them with a fine of R1 000 in the event of a strike taking place.

Five Commonwealth 'eminent persons' are in Harare

The Star's Africa News Service

HARARE — Five members of the Commonwealth group formed to promote dialogue for democracy in South Africa arrived quietly in Harare yesterday from Botswana.

Lord Barber (Britain), Mr Malcolm Fraser (Australia), Archbishop Edward Scott (Canada), Dame Nita Barrow (Barbados), and Mr John Malecela (Tanzania) are expected to hold talks with Zimbabwean Prime Minister Mr Robert Mugabe during their stay. They declined to meet the Press on their arrival and no official information was available about their programme.

Group members General Obasanjo (Nigeria) and Mr Sardar Singh (India) were in Lusaka.

P W to handle all talks on MP's salaries

STAR 27/2/86

Political Staff

CAPE TOWN — President P W Botha will personally handle all future negotiations with political parties on proposed salary increases for parliamentarians.

That was the result of Cabinet committee talks on the Schlebusch recommendations today.

The proposed hefty increases stirred up controversy this week and were rejected outright by the Conservative and Herstigte Nasionale parties while the Progressive Federal Party professed to some misgivings.

Instead Mr Botha is expected to try to get an all-party agreement to salary increases in the region of the 10 percent granted to public servants.

MPs are also generally in agreement that some compensation for secretarial services as proposed by the committee should be provided.

Mr Botha is said to have been upset by the publicity and the sharp criticism of the proposals at a time when public servants are dissatisfied with their increases.

But National Party MPs said no final decision had been made on the increases and that Mr Botha had said the implementation of any recommendation would be postponed until it could be justified economically.

Pay up or we strike — railmen

STAR
25/2/86 354

Own Correspondent

DURBAN — Natal railway workers last night decided to take strike action if the Government did not accede to their pay demands by April 1.

At a meeting in Durban the powerful Artisans Staff Association demanded that the Minister of Transport revise his pay increase of 10 percent by April 1 and resolved that if a further adjustment were not implemented by this date, the union would consider further action.

Members also threatened strike action if the third part of their 13th cheque was not paid.

Row over low wages

Political Staff

PARLIAMENT — A heated row erupted in the House of Delegates yesterday over wages paid to 425 workers at the Indian administration's Durban headquarters.

Solidarity Whip Mr **Mohanlall Bandulalla**, MP for Havenside, said some of the messengers, cleaners and tea-makers employed by the House of Delegates at its Malgate House offices earned as little as R130 a month.

Speaking during the second reading debate on the Additional Appropriation Bill, he said the House was "not worried about the plight of people at grassroots level".

NT

28/2/86 300 MS DAY 354

Pensions for councillors?

AN ADDITIONAL twist was given yesterday to the controversy over increased gratuities to parliamentarians with the tabling of a Bill in the House of Assembly proposing that municipal councillors be given pensions.

The proposal is expected to raise more dust over the level of benefits the country's legislators appear determined to vote for themselves.

The motivation for this latest draft legislation is to provide compensation to a large number of municipal councillors who have spent many years serving their communities.

And, in a first response to the recommended large salary increases for Cabinet ministers and MPs, President P W

CHRIS CAIRNCROSS

Botha yesterday released a statement saying that government intended to announce its decision on the matter as soon as possible.

This decision is expected to limit immediate increases to 10% across the board, and acceptance of the R10 000 payment to MPs to cover secretarial expenses for the year.

In his statement yesterday Botha said the report had identified major deficiencies in the remuneration structures and conditions of service of political office bearers, and that these deficiencies should be rectified as soon as possible.

POLITICAL COMMENTARY

By DAVID BRAUN

Is politicians' pay plan really extravagant?

When the dust settled after this week's bombshell Schlebusch committee report on parliamentary salaries, it was clear that — this year anyway — politicians would not get pay increases quite as generous as those that had been suggested.

The very timing of the release of such a report was politically bad, no matter how sound the merits of its recommendations might have been.

Coming right on the day when the Government had slapped down a major public service trade union for daring to ask for more than a 10 percent rise, a report that talked of increases of between 50 and more than 100 percent for the politicians was outrageous.

The Herstigte Nasionale Party was quick to see the political opportunity, and it milked it ruthlessly.

To even think about tabling such a report at a time when people were without jobs, when others got no increases, when their children went to school hungry, and when the country was in such an economic mess was callous and shocking, the HNP's lone MP, Mr Louis Stofberg said.

He pledged to donate every extra cent paid to him in terms of the report's salary recommendations to the funds of the HNP — so that the Government could contribute towards its own downfall in this way.

Many other members of Parliament of all parties grumbled about the way the issue had been handled by the media.

They would dearly have liked to accept the proposed increase in their packages from the present R43 000 to R78 000 (and that excludes excellent car and pension schemes).

But most of the parties realised that in these difficult times, it would have been political folly to do so.

So the parties said that while they welcomed the independent assessment of parliamentary remuneration, and accepted that to attract the highest calibre of people into politics the pay should be competitive, they could not possibly accept more than the 10 percent which government workers were getting.

MPs have a convincing case for the bigger pay packets, and the consultants who recommended the new remuneration levels for parliamentarians did base their calculations on strictly scientific and business considerations.

Using a realistic and conservative formula which was based on each job's relation to required know-how, problem solving and accountability, the consultants who advised the Schlebusch Committee found that an MP's counterpart job in the private sector was worth R49 800 a year.

On the same basis, the State President's private sector counterpart earned (at the lower quarter of the average for this group) just over R500 000 a year.

Ministers' counterparts got R243 000.

On this basis, the recommended R159 688 (tax-free) for the President, R144 080 (taxable) for Ministers and R49 800 (taxable) for MPs seems fair.

But is it?

The problem is that although such salaries may be chicken feed when compared with big private-sector jobs, for the ordinary voter, they are staggering — to say nothing of what the average black person must think of a Minister earning R12 000 a month.

The white electorate which gives politicians their jobs has seen its living standards erode.

Those voters who traditionally support the National Party, many of them blue collar or middle class, would not be enthusiastic about Ministers doubling their salaries under these circumstances.

Added grievances would be that Ministers live in official residences, are driven in official limousines, travel free by air and are assisted by a vast staff which handles their official and private business — all of which is necessary to function efficiently.

But voters ought to think more sympathetically of the ordinary MPs. Many of them are genuinely struggling to make ends meet. And they are poorly off by comparison with their counterparts in other parts of the world.

If MPs get their new R78 000 packages, it will consist of a R49 800 salary, R19 000 allowance and R10 000 allowance for secretarial and constituency expenses.

From this amount, the average MP might have to finance two homes (one in or near his constituency and the other in the Cape for the session of Parliament).

If he has school-going children he would have to equip them with two sets of uniforms (one for the Cape, one for the constituency school).

The average MP would also be required to run two cars (one heavily subsidised and financed by Parliament) — one in the Cape and the other in his constituency for weekend and other visits home (which a conscientious representative would make frequently).

On balance, a person who becomes an MP and who works hard for his constituency hardly does so to enrich himself.

The voters should agree to pay their representatives adequately, but then they should monitor closely what they are getting for their money — and make their assessment at election time.

Affidavit on 'police spies'

Schoeman is to be told of railmen's pay anger

By Zenaide Vendeiro, Transport Reporter

The executive of the Artisan Staff Association (ASA) is to meet Minister of Transport Affairs Mr Hendrik Schoeman in Cape Town today in an attempt to defuse railwaymen's anger over their recent pay increase.

ASA president Mr Jimmy Zurich is also expected to hand Mr Schoeman an affidavit about police spies allegedly infiltrating the ranks of railworkers.

Members of the 23 500-strong union — the third largest of the 11 trade unions recognised by the South Africa Transport Services — have held nationwide protest meetings in the past week and threa tened wildcat strikes if they are not granted another 15 percent pay rise on top of the 10 percent granted last month.

Mr Zurich, who says workers are furious about the infiltration of police spies, will ask the Minister to call them off.

'Situation is explosive'

Mr Zurich told *The Star* that the pay demands would only be touched on at today's meeting with Mr Schoeman, because the union cannot negotiate increases unilaterally. "Representations on pay will be made to the Minister when he meets the Federal Council of SATS trade unions in Cape Town on March 10."

The Federal Council, of which Mr Zurich is chairman, represents 170 000 members of 10 trade unions. The SA Railways Police Trade Union severed links with the umbrella body some years ago.

Mr Zurich said the purpose of today's meeting would be to try to defuse the current explosive situation. "It needn't be about money — other things can be done to ease the problem," he said, without elaborating.

"I have been involved in this union for 31 years and I have never known such labour unrest and dissatisfaction. We put in a claim for a 25 percent increase, and at the meeting on March 10 the Minister must tell us when we are getting the other 15 percent."

his Department in 1985 on placing advertisements for any purpose in newspapers in the Republic;

(2) what amount was paid to each specified newspaper in the above regard in that year?

The MINISTER OF FOREIGN AFFAIRS:

(1) Nil.

(2) Falls away.

Trading licences

147. Mr P R C ROGERS asked the Minister of Constitutional Development and Planning:

With reference to the reply of the Minister of Co-operation, Development and Education to Question No 718 on 26 April 1985, how many trading licences were operative in (a) East London, (b) Cathcart, (c) Queenstown, (d) King William's Town, (e) Komga and (f) Stutterheim as at 1 January 1986?

The MINISTER OF CONSTITUTIONAL DEVELOPMENT AND PLANNING:

The Department of Constitutional Development and Planning is not a licencing authority but has nevertheless succeeded in establishing the number of trading licences operating in the Urban Black townships attached to the cities and townships mentioned in this question.

(a)	East London	20
(b)	Cathcart	3
(c)	Queenstown	19
(d)	King William's Town	5
(e)	Komga	2
(f)	Stutterheim	—

Reservists

184. Mr D J DALLING asked the Minister of Law and Order:

(1) How many persons joined the Police Reserve Force in Sandton in 1985;

(2) how many reservists (a) retired and (b) dropped out from the Police Reserve Force in that year?

The MINISTER OF LAW AND ORDER:

(1) 6 persons.

(2) (a) None.

(b) 8 persons.

Salaries

279. Mr D J N MALCOMESS asked the Minister of Law and Order:

Whether he will reconsider his decision regarding questions on police salaries; if not, why not; if so, what were the rates of pay for (a) White, (b) Coloured, (c) Asian and (d) Black members of the South African Police Force of each rank as at the latest specified date for which figures are available?

The MINISTER OF LAW AND ORDER:

No. I still hold the view set out in my reply to the hon member's Question No 13 on 7 October 1981 and which I confirmed on Question No 45 on 5 February 1985.

Own Affairs:

National Senior Certificate examination

9. Mr H E J VAN RENSBURG asked the Minister of Education and Culture:

(a) How many Whites entered for the full National Senior Certificate examination in 1985 and (b) how many entrants (i) passed, (ii) failed and (iii) obtained matriculation exemption?

The MINISTER OF EDUCATION AND CULTURE:

(a) 12 591.

(b) (i) 1 930 passed the full National Senior Certificate examination.

(ii) The remaining 10 661 candidates, including part-time candidates who did not enter for the full examination obtained subject credits with a view to the eventual acquisition of the national Senior Certificate. The particulars are as follows:

Number of subject entries	37 027
Number thereof passed	19 727
Number thereof failed	8 965
Number thereof absent	8 335

(iii) 326.

TUESDAY, 4 MARCH 1986

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†Indicates translated version.

For oral reply:

General Affairs:
State President:

Recording of meetings/discussions

*1. The LEADER OF THE OFFICIAL OPPOSITION asked the State President:

(1) Whether the meeting he held with the former Leader of the Official Opposition in the House of Assembly on 25 November 1985 was recorded; if so,

(2) whether all confidential discussions which he conducts are recorded; if so, why; if not, what criteria are used in deciding which discussions are to be recorded;

(3) whether participants in discussions which are recorded are informed beforehand that the discussions will be recorded; if not, why not;

(4) whether transcripts are made of all recorded discussions; if not, (a) what criteria are used in deciding which discussions will be transcribed and (b) in what manner are recordings of discussions retained; if so, what steps are taken to ensure the confidentiality of the (i) tapes and (ii) transcripts;

(5) whether participants in recorded discussions are offered copies of transcripts of the discussions; if not, why not; if so, on what basis;

(6) whether any other persons in his Office or any other Government Department have access to the (a) recordings of discussions and (b) transcripts of those discussions; if so, (i) who and (ii) why?

The STATE PRESIDENT (Reply laid upon the Table with leave of House):

(1) Yes.

(2) No. I hold hundreds of interviews on a wide variety of subjects with a large number of local and foreign individuals and groups every year, and a record is kept of important discussions.

(3) When discussions are mechanically recorded, participants are not informed beforehand. Recordings are made for *bona fide* administrative purposes, and are treated as confidential within the Office. The contents of follow-up actions which may possibly arise from such discussions, must for example be determined with reference to the contents of the discussions. When written notes are kept, particpants will obviously know this.

(4) No. Transcripts are made if and when required. Such transcripts are filed in special files—as distinct from departmental files—are held in safe custody and only I, or someone authorised by me, has access thereto. Tape recordings are also held in safe custody.
I respect the confidentiality of private discussions throughout, as persons whom I have talked to over many years, can certainly testify.

(5) and (6) I do not announce the fact of the discussions, nor their contents,

BUSINESS

Markets

$/Rand	50,30c (F-rand 37,00c)
FT close	1267,4 down 10,0
Dow close	1696,67 down 12,39

Commodities

Copper (3-mths)	£1008,50
Platinum	$398,60 ($396,75)
Sugar	£109,00 (£99,50)

Krugerrand Trading
(011) 23 3586/7
Spot and forward transactions
Minimum quantity 50 coins
INVESTEC BANK
Registered Bank Est 1925 Relationship Banking

Vaal industrialists oppose R1-bn public sector pay rise

Financial Staff

The private sector cannot afford the projected R1-billion public sector pay rise, says the Transvaal Chamber of Industries.

In a comment headed "Adding insult to injury" in its latest *TCI Bulletin*, the chamber says it is no argument to insist that as the public sector had all pay "frozen" since January 1984 a 10 percent rise was justified.

"For apart from being otherwise unaffected by the wrath of the economic slump — unlike its much bigger provider the private sector — employees from central, provincial and local government had enjoyed bracket creep so that between March 1984 and December 1985 pay increases of 26 percent, 32,5 percent and 18 percent respectively, thus pocketing R390-million and fuelling inflation.

"Some pay freeze!"

Thousands of businesses had gone under, many more shrank, scores of thousands were laid off by bigger companies, profits plummeted and expansion to absorb the growing unemployed "shrivelled up".

The chamber said most of the major reasons advanced for the economic downturn were linked to government policy or action. There was rampant inflation (now 20 percent and possibly 22 percent once the PPI percolated through) which in many ways suited government receipts, high taxation to feed the insatiable coffers of Pretoria (state overspending hit an historic high of 30 percent of the GNP in 1985), and high interest rates of loans, but no real return on investments.

"They can be extremely grateful for their 10 percent and the reinstatement of their full bonuses for many private sector companies again had neither (a bonus is a privilige not a right). Very few also receive the extra low interest form subsidised home mortgage schemes that public servants enjoy.

Unrealistic move

"And yet members of the SATS are threatening to strike for more pay. Will they also be protected against dismissal?"

The chamber said SATS staff had to realise that any strike had to be paid for by everyone, including themselves, and would aggravate SATS's forecast losses of R396-million.

"Another unrealistic move was the untimely release of the proposed pay ranges for the 368 parliamentarians ranging from 68 percent to 108 percent."

The private sector would not be "anaesthetised" into accepting that 10 percent or 68-to-108 percent increases were justified in the present circumstances.

There were 1 064 110 public servants, outside the TVBC states, employed by various public services and statutory bodies like Escom. In comparison 4 939 014 people worked in the private sector (excluding agricultural and domestic workers) and some 9 130 000 people were actual or potential employees.

"For the public service therefoe to help itself to the few remanining economic crumbs at the expense of the private sector is akin to the tail wagging the dog.

"Because government is undoubtedly fuelling inflation, raising taxes and in so many other ways doing little to help meaningful economic expansion, more manufacturers and other businesses stand on the brink of demise," the chamber argued.

"Many false illusions exist that recovery is in sight and that our balance of payments surplus, which is attributable to dwindling imports arising from the shrinking economy, is healthy. "Don't forget that SA's debt repayments are so far in arrears."

The chamber said massive changes and improvements were needed to bring SA's ailing economy back on an even keel so that most companies could increase employment and training. "Social upheavel is assured if raised economic expectations are not fulfilled.

"One section of the economy cannot milk another dry and flourish. The public sector would be wise to heed this principle, particularly as government and its departments must remember they are the servants of the people and the economy."

Disclosures likely to upset other civil servants

PO wage increases actually 'up to 21%'

THE average Post Office worker will be earning 21% more in 1986 — and not the 10% announced by government last month.

The additional 11% windfall will be achieved by a variety of hidden mechanisms such as "notched increases", "restructuring" and certain "adjustments and consolidations" of benefits, says PFP deputy spokesman on public works Pierre Cronje,.

This "bureaucratic jargon" explained the difference between the "so-called 10%" and the real increase in average salaries and benefits — a difference that amounted to an increase of R122,5m in the total wage bill, he charged.

This disclosure is expected to set off competing claims from other branches of the civil service, particularly rail workers, whose demand for a 25% increase was rejected by government yesterday.

ANTHONY JOHNSON and CHRIS CAIRRNCROSS

In a statement released in Cape Town yesterday after separate meetings with the Federation of Transport Services Unions and the Foot Plate Association, Transport Affairs Minister Hendrik Schoeman stressed the financial position of Sats and the economy made it impossible for him to grant more than a 10% wage increase at this stage.

But he acceded to requests to appoint a committee to investigate urgently the negotiating structure within Sats, leading possibly to the establishment of an industrial council for railway workers.

The disclosures about the Post Office increases could, however, spark a fresh confrontation.

Cronje's revelations came during yesterday's second reading debate of the Post Office Appropriation Bill in Parliament.

"Who is fooling whom?" he asked. "In a period when inflation is running at the all-time high of over 20%, many people felt a twinge of sympathy for the Post Office."

This gave the impression, he said, that the average Post Office worker would be 10% worse off in 1986. "But when the figures are studied more carefully, it would appear that this sympathy is rather misplaced".

"The truth of the matter is that purely in cash terms the average Post Office worker will be earning 21% more in 1986 than in 1985."

● To Page 2

PO increases 'up to 21%'

● From Page 1

Cronje said that in 1985 the average worker earned R7 700 in salary, while his pension, medical assistance, housing subsidies and overtime brought his total package to R13 114.

In 1986 the average salary will be R9 270 (21% up on last year), while the total package will be R15 705 (19% up on last year).

Post Office workers, said Cronje, were having "a pretty smooth ride through the economic storm".

Minister of Communications and Public Works Dr Lapa Munnik is expected to respond to Cronje's charges when he replies to the debate today.

Munnik rejects 21% claim

12/3/86 B. Dun

MINISTER of Communications Dr Lapa Munnik yesterday rejected as "totally untrue" claims that the average postal worker would be 21% better off this year.

The average increase would be no more than the 10% announced by government, Munnik said when replying to the second reading debate on the Post Office budget.

He said calculations by the Progressive Federal Party that indicated that the average Post Office worker was 21% better off this year had not taken into account the cost of bringing about parity

Political Correspondent

between members of the department, certain "adjustments and restructuring".

However, the PFP's deputy spokesman public works, Pierre Cronje — who made the "21%" claim in Parliament on Monday — yesterday stood by his original position.

After the debate, Cronje accused Munnik of "playing around with words" and said there was "absolutely no doubt" the average worker would indeed be better off in cash terms by 21% this year.

PFP attacks 'regrading' while still doing same work

Public servants receive 'hidden' pay increases

By David Braun,
Political Correspondent

CAPE TOWN — Public Service salaries generally are to be raised by more than the 10 percent the public has been told.

As was the case last year, when, in spite of the official freeze on salaries, the average public servant still received substantial pay-packet "adjustments", this year's increase is going to be more than the announced 10 percent.

The Progressive Federal Party spokesman on finance, Mr Harry Schwarz, said yesterday that one of the fallacies of Government budgeting was that public servants got none — or merely inflationary — increases.

On the one hand the public was told about the overall inflationary increase awarded to public servants (such as 10 percent this year, and the freeze on increases last year). On the other hand, a lot of people doing the same jobs were being "reassessed", "notched up", "regraded" or promoted.

"The public gets the impression there are no increases, but there are. In the normal course, if a person gets promotion, he may expect to earn more money. But there are a lot of people who do the same work and whose remuneration is adjusted by a variety of means to upgrade the overall pay," said Mr Schwarz. To a large extent the public was being misled about this.

He said the problem was not so much what public servants were being paid. The reality was that they continued to cost more money.

The whole service needed to be scrutinised to see what was needed, what could be abandoned, and what could be privatised.

The PFP's spokesman on public works, Mr Pierre Cronje, said in the House of Assembly this week that the average Post Office worker would earn 21 percent more in 1986.

The 11 percent windfall, over the 10 percent announced, would be achieved by "notched" increases", "restructuring", and certain "adjustments and consolidation" benefits.

This explained the extra R122 million in the Post Office's total wage bill, he said.

Sive slams size of State staff

GERALD REILLY

GOVERNEMNT's 650 000 staff — excluding post office and railway workers — would cost up to R8,5bn in the new financial year, PFP public service spokesman Reuben Sive said yesterday.

According to calculations based on Central Statistical Service figures, central-government and provincial workers will earn nearly R7bn during the current financial year.

"But when the 10% salary hike, the restored service bonus and the incremental increase are taken into account, the real increase is nearer 20%, if not more," he added.

The 10% pay hike alone would cost R700m.

Sive said it was accepted that public servants had to be paid reasonably and competitively, but "it's not the individual's pay that is the problem; it's the enormous size of the country's bureaucracy, much of it administering the failed policy of apartheid".

He stressed that as long as apartheid existed, taxpayers would continue to pay a heavy price in salaries and perks for government workers.

PFP postal affairs spokesman Alf Widman claimed last week that not only post office workers, but the rest of the public sector, would get increases of up to 21% from April 1.

Federation of SA Transport Services' Trade Unions chairman Jimmy Zurich says most railway workers are excluded from the incremental-salary-increase system.

Transport Minister Hendrik Schoeman is to investigate Zurich's claim.

108% MP pay hikes on ice

Own Correspondent

GOVERNMENT has accepted "in principle" the recommendations of the controversial Schlebusch Committee which last month called for parliamentarians to be granted massive pay increases of up to 108%.

But, in view of the economic situation political office bearers will only get a 10% raise — the same as the rest of the public service — from April 1.

And President P W Botha, whose basic salary was slated to jump by 55% from R84 000 to R130 000 in terms of the committee's recommendations — has indicated he would not accept any increase.

Public outrage and disgust greeted the proposed increases when they were announced and the pay issue became a political bombshell in view of government's steadfast refusal to grant public servants increases of more than 10%.

A statement issued by the Bureau for Information last night noted that government had studied the Report of the Committee of Inquiry into the structure and remuneration and service conditions of political office-bearers.

It had also consulted with all political parties in Parliament.

"Although government has accepted in principle the recommendations of the committee, it does not see its way clear at this stage to implement the recommendations in full," the statement said.

The recommendations accepted by government "in principle" yesterday include a 108% jump in salary for Ministers from R59 000 to R121 000. Salaries of MPs and members of the President's Council would increase by 84,4% from R27 000 to R49 000, and their allowances would be boosted R16 000 to R19 000.

The committee also advised that MPs be granted an additional R10 000 a year for secretarial and cash expenses in their constituencies, with any additional expenses this area being deductable for income tax purposes from the basic allowance. Members of the PC and nominated MPs would not be eligible for this secretarial allowance.

MPs get 10 pc pay increase

Political Staff

CAPE TOWN — The Government has accepted the principle of huge pay rises for MPs and Ministers but is to grant an increase of only 10 percent "at this stage".

The 10 percent is in line with what most public servants will be getting from April 1.

Full implementation will be reconsidered "when the economic situation justifies it".

A committee which inquired into the salaries and service conditions of parliamentarians recently recommended Ministers should be paid R121 500 plus an allowance of R22 560.

The report said "ordinary" MPs should get R49 800 plus an allowance of R19 000 and, for those who represent constituencies, R10 000 for expenses.

The State President, Mr P W Botha, says he will not accept any raise. The committee had recommended that he receive R159 688 tax free, equivalent to a taxable sum close to R250 000.

Earnings increases outstrip the cost of living

Public sector pay rate zooms

24/3/86 BDAY

PUBLIC-SECTOR pay is growing at a much faster rate than that of the rest of the economy.

This is despite claims that there has been no increase in public-sector salaries and wages since January 1984.

In the two years to September 1985, the average public-sector pay packet increased by 39,86% compared with general price increases over the same period of 30.7%.

With the recently-announced 10% pay increase, the average public-sector pay packet will be R985,19 a month, 53,8% higher than in September, 1983. The full restoration of annual bonuses for public servants will boost average remuneration levels even further.

These figures emerge from calculations based on data published by Central Statistical Services. They include all races.

By comparison, the private sector has generally not managed to beat inflation.

JOHN TILSTON

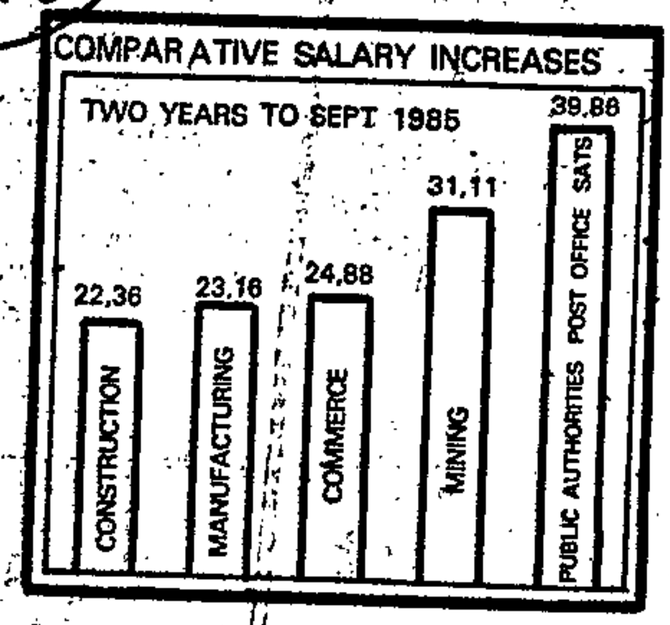
Average pay in the commercial sector increased by 24,88% to September last year. Similar increases were recorded by the construction and manufacturing sectors of the economy.

Even average wages in the buoyant mining sector have increased by only 31,11% over the same two-year period.

Nevertheless, public-sector pay still lags behind that of the rest of the economy in absolute terms. The average wage in the private sector — excluding agriculture — was R1 012,10 a month in September. This is likely to increase by 12%, the most common estimate of private-sector pay increases this year, to R1 133,55.

A sectoral analysis shows that the highest-paid sector of the economy is commerce, where the average wage is

● To Page 2



BDAY 24/3/86

Public pay rate grows

● From Page 1

R2 023,40 a month, twice as high as average public-service rates.

Commercial pay rates have grown by only 24,88% in the two years to September, way below the rate of inflation, and by 15% less than public-sector pay. Average monthly pay in the manufacturing sector was R806,40, in the construction sector R628 and in the mining industry R562.

Between September 1983 and September last year the number of people employed by "public authorities, the Post Office and SA Transport Services (Sats)" declined by 0,75% to 1,198-million.

During the same period the total wage bill, the gross remuneration of employees but excluding any payments in kind, increased by 38,82% to reach R3,2bn a quarter. The average wage, therefore, is R895,63 a month. The recently-announced 10% increase takes this figure to R985,19.

The higher average pay rates in the public sector and in commerce (R2 266,20, assuming the generally-supposed 12% increase), than in other sectors of the economy, are the result of significantly higher proportions of whites in them.

Of the total workforce in each of these sectors, 42% are white. In the construction (13%), mining (16%) and manufacturing sectors (23%) the proportion of white to other employees is much lower.

Despite the decline in employment, the public sector is still the largest employer of whites at 34% of the total. Employment of all races in the construction industry dropped 3,85% over the two-year period, in the manufacturing sector it declined by 3,52% and commerce shed 1,05% of its workforce. Only the mining sector took on more people (5,16%).

In last Monday's Budget speech Finance Minister Barend du Plessis said that 71% of State employees earned less than R10 000 a year (R833,33 a month) in 1985, and 94% under R20 000 (R1666,66 a month).

BDAY 24/3/86 354

POLITICAL OFFICE BEARERS' SALARIES FROM APRIL 1

POLITICAL office-bearers will be receiving a 10% pay increase from April 1 this year. This is what they will then earn:

Level	Office	Salary	Taxable Allowance
H	State President	R84 000	R25 000*
F	Minister	R64 020	R20 900
	Speaker, Chairman of PC	R64 200	R17 600
E	Chief Whip of Parliament	R61 710	R17 600
D	Deputy Minister	R50 490	R20 900
	Leader of the Opposition, Deputy Chairman of PC, Chairman of House, Chairman of a committee of PC	R50 490	R17 600
C	Chief whip of majority party, Leader of House, whip of PC, chairman of commitees, deputy chairman of committees, chief whip of Official Opposition, chairman of standing committee	R40 370	R17 600
B	Whip	R33 440	R17 600
A	MP, member of PC	R29 700	R17 600

*By law the salary and allowance of the State President are tax free (The State President has indicated that he will not be taking the 10 percent increase other political office-bearers will receive from April 1).

The MINISTER OF LAW AND ORDER:

(1) Transvaal 1 190
Natal 510
Cape Province 839
Orange Free State 316

Total 2 855

(2) 3 908.

Parity in salaries

208. Mr D J DALLING asked the Minister of Administration and Economic Advisory Services:

(1) In what categories has full parity been achieved in the salaries paid to officers of different race groups in the Department of Justice;

(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) (a) what steps are being taken to eliminate the existing disparity and (b) when is it estimated that such disparities will be eliminated?

The MINISTER OF ADMINISTRATION AND ECONOMIC ADVISORY SERVICES:

(1) *Coloured and Indian*
State prosecutor and higher ranks
Magistrate and higher ranks
Justice Administration Clerk and higher ranks
Court Interpreter and higher ranks
Security Assistant and higher ranks
Storekeeper and higher ranks
Provisioning Administration Clerk and higher ranks
Personnel Clerk and higher ranks
Accounting Clerk and higher ranks
Legal Officer and higher ranks
Legal Administration Officer and higher ranks
State Advocate and higher ranks
Assistant State Attorney and higher ranks
Assistant State law Advisor and higher ranks
Regional Magistrate and higher ranks
President and Permanent Member: Appeal Court for Commissioners' Courts and Divorce Court
Warder and higher ranks

Black
Magistrate
Chief Court Interpreter
Senior Storekeeper and higher ranks
State Prosecutor
Warrant Officers and higher ranks up to Lieutenant Colonel

(2) Coloured and Indian 2 234
Black 607

(3) *Coloured and Indian*
None (enjoy full salary parity)

Black
Court Interpreter
Justice Administration Clerk
Security Assistant
Sargeant
Warder
Storekeeper
Provisioning Administration Clerk
Assistant Provisioning Administration Clerk
Accounting Clerk

(4) Coloured and Indian ..... Nil
Black 7 003

(5) (a) In order to effect its policy of parity in the salaries of the different population groups. The Government accepted a plan divided into different phases in which the wage gap was to be narrowed and eliminated on a horizontal basis from the highest

to the lowest levels. This plan has to a large extent been effected in concurrence with general salary increases granted in recent years. The elimination of further differences, in both salaries and measures, at present receives attention during occupational specific maintenance investigations.

(b) As and when maintenance investigations into occupational groups are carried out, but within the framework of available funds.

Identity documents/influx control

213. Mr D J DALLING asked the Minister of Law and Order:

How many Blacks in (a) the Sandton municipal area and (b) Alexandra Township were charged in 1985 with offences relating to (i) identity documents, (ii) influx control and (iii) curfew laws?

The MINISTER OF LAW AND ORDER:

(a) Sandton.
(i) 273.
(ii) 254.
(iii) None.

(b) Alexandra.
(i) 5.
(ii) 18.
(iii) None.

Housing

313. Mr R A F SWART asked the Minister of Constitutional Development and Planning:

(1) (a) How many houses were built by each specified Development Board in 1985 and (b) what was the amount spent on (i) housing and (ii) infrastructural development for such housing by each Development Board in the 1984-85 financial year;

(2) whether there is a shortage of housing in townships in any Development Board area; if so, how many units are required in each specified Development Board area?

The MINISTER OF CONSTITUTIONAL DEVELOPMENT AND PLANNING:

	(1)(a)	(b)(i) R	(ii) R	(2)
Eastern Tvl	522	899 388	1 842 878	748
Northern Tvl	Nil	Nil	Nil	279
West Rand	100	884 000	938 000	2 780
East Rand	130	2 942 877	7 587 137	7 961
Northern Cape	Nil	Nil	Nil	5 407
Orange Vaal	503	4 988 392	8 157 548	2 122
Southern OFS	Nil	Nil	Nil	4 300
Eastern Cape	966	4 600 422	1 473 346	8 755
Western Cape	3 001	25 321 737	40 746 919	9 051
Natalia	Nil	Nil	2 893 200	12 400
Central Tvl	Nil	Nil	Nil	1 217
Western Tvl	222	609 420	3 322 603	3 553
Highveld	52	390 000	125 000	4 723

Repatriations

347. Mrs H SUZMAN asked the Minister of Constitutinal Development and Planning:

(1) How many Black workers from (a) Zimbabwe, (b) Lesotho, (c) Swaziland, (d) Botswana and (e) Mozambique were repatriated in 1985;

(2) how many of these workers in each category had been granted exemption

†Mr J H HOON: Mr Chairman, arising out of the reply of the hon the Minister, does he believe that it is fair that the SABC made such a long time available last night for prince Botha of Swaziland to put his case?

†The CHAIRMAN OF THE HOUSE: Order! I do not regard that question as a question arising out of the hon the Minister's reply.

†Mr F J LE ROUX: Mr Chairman, further arising out of the hon the Minister's reply, can he inform the House—with reference to the talk which he had last night with Mr Freek Robinson about his visit to Swaziland—whether he had anything to do with the last question that was put to him about the events at Brits? Did he have a mutual arrangement with Mr Robinson in connection therewith?

†The MINISTER: Not at all. The fact of the matter is that I originally refused to grant an interview and that the SABC telephoned me at my house at 18h00 and repeated their representations. They said, amongst other things, that there was interest in that visit.

I never have foreknowledge of any questions that are put to me by South African or overseas television reporters. Besides, I prefer to speak off the cuff, and I therefore prefer not to have any foreknowledge of any questions. I also had nothing at all to do with it.

†Mr F J LE ROUX: Mr Chairman, further arising out of the hon the Minister's reply, could he perhaps explain to the House what the connection was between his visit to Swaziland and the events in Brits? [Interjections.]

†The MINISTER: No, I cannot, but if questions are put to me, I will answer them directly. [Interjections.]

†The CHAIRMAN OF THE HOUSE: Order! There are many people—I do not speak only of the hon members of the House—who would like to hear the various Ministers' replies. It is required of me to make sure that those people who want to hear the replies, can hear them.

Municipalities

*2. Mr L F STOFBERG asked the Minister of Finance:†

(1) Whether the Croeser Working Group made any recommendations in 1981-82 on the profit margins of municipalities in respect of the provision of services; if so, (a) when and (b) what was the purport of the recommendations;

(2) whether these recommendations have been approved by the Cabinet; if so, when;

(3) whether any steps have been or are being taken to ensure that municipalities implement these recommendations; if not, why not; if so, what steps?

The MINISTER OF FINANCE:

(1) Yes, the Croeser Working Group made recommendations concerning surpluses on trading services.

(a) In June 1981. The recommendation (no. 10.11.7) was published in the Report of the Croeser Working Group on the Report of the Committee of Enquiry into the Finances of Local Authorities in South Africa dated 6 May 1982.

(b) The purport of the recommendation is:

(i) That local authorities still be allowed to apply surpluses on their trading services towards covering deficits on their general services; that the matter be kept under constant review by both the provincial authorities and the city councils themselves in order to avoid or limit possible adverse economic effects.

(ii) That surpluses on trading

services be kept as far as possible to 10 per cent of the revenue of a trading service.

(2) Yes. The recommendations were approved by Cabinet in June 1981.

(3) Yes. The recommendations were conveyed to the various Provincial Administrations and the former Department of Co-operation and Development for transmittal to local authorities.

Local authorities derive their authority to frame tariffs for trading services from the provincial ordinances, and supervision of those tariffs thus inheres in the Provincial Administrations.

Education to civilians

*3. Mr L P STOFBERG asked the Minister of Defence:†

(1) Whether the South African Defence Force is involved in the provision of education to civilians; if so, (a) why and (b) (i) what amount was spent by the Defence Force on such education in the latest specified period of 12 months and (ii) how many man-hours of Defence Force personnel were taken up by this in that period;

(2) whether he has considered or is going to consider having the cost involved in such education included in the estimates of expenditure of another state department; if not, why not; if so, (a) what other state department and (b) what steps have been or will be taken in this connection;

(3) whether the involvement of national servicemen in such education has an effect on the quality and duration of their training; if so, to what extent;

(4) whether he will consider shortening national service; if not, why not;

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

†The MINISTER OF DEFENCE:

(1) Yes.

(a) National Servicemen are employed at the request of the Government Department concerned to render assistance with socio-economic upliftment projects such as e.g. agricultural technical services, education, medical services and administration which also are to the advantage of the defence effort.

(b) (i) R346 613.

(ii) 102 160.

(2) No, because the SA Defence Force also benefits from this assistance.

(3) No.

(4) No, because it can only be done at the cost of effective training and a greater service requirement for the Citizen Force and Commando members. Also see paragraphs 27-29 and 50 of the White Paper on Defence and Armaments Supply, 1986, which was laid upon the Table on 21 April 1986.

(5) No.

Mr R M BURROWS: Mr Chairman, arising out of the hon the Minister's reply, can he state whether the people serving as teachers serve in or out of uniform and whether they are armed?

The MINISTER: Mr Chairman, basically all the people serve in uniform. They are either armed or not depending on their specific situation. It depends on the decision and the policy of the SADF.

Pay issues

*4. Mr D J N MALCOMESS asked the Minister of Transport Affairs:

(1) Whether he has appointed a committee to investigate methods for the

submission of representations regarding pay issues by South African Transport Services staff unions; if so, who are the members of this committee; if not,

(2) whether he will give consideration to appointing such a committee; if not, why not?

The MINISTER OF TRANSPORT AFFAIRS:

(1) and (2) Although I have already decided to appoint such a committee the composition thereof has not as yet been finalised.

Black settlements

*5. Mr P G SOAL asked the Minister of Constitutional Development and Planning:

(1) Whether, with reference to his reply to Question No 13 on 8 April 1986, there are any further Black settlements or communities outside the urban areas that are still to be removed or resettled; if so, (a) how many, (b) what are the names of each of these Black settlements or communities, (c)(i) in which province and (ii) nearest to which White city or town is each of these Black settlements or communities situated, (d) when is it intended to remove or resettle them, (e) why is it considered necessary to remove or resettle them and (f) in respect of what date is this information furnished; if not,

(2) whether any other specified action is to be taken in respect of any Black settlements or communities outside the urban areas; if so, (a) what action, (b) for what purpose, (c) in respect of which settlements or communities and (d) when?

†The DEPUTY MINISTER OF DEVELOPMENT:

(1) and (2) There are no other areas in respect of which negotiations and definite agreements have been reached in terms of which total communities will be resettled. The Government has however received requests to assist people from certain communities with their moving.

Mr P G SOAL: Mr Chairman, arising out of the hon the Deputy Minister's reply, may I ask him what has happened to places such as Mathopestad? They were not included in the original list of 67 with which the hon the Deputy Minister provided me.

†The DEPUTY MINISTER: Mr Chairman, I clearly stated in the reply that no negotiations and agreements have been entered into with communities. On today's Question Paper the hon the member of Johannesburg North puts a question—Question No 7—about Mathopestad and he will get an answer to that. If there are other specific questions, we will be glad if the hon member would table them.

Mathopestad

*6. Mr P G SOAL asked the Minister of National Health and Population Development:

(1) Whether, since his reply to Question No 11 on 21 May 1985, his Department has found any reference to a request from the residents of Mathopestad for the provision of (a) clinics and (b) any other specified health facilities; if so, what was the nature of the facilities requested in each case;

(2) whether this request was granted; if so, (a) what facilities were provided and (b) on what dates; if not, (i) why not and (ii) what health or medical facilities are available to the residents of Mathopestad?

The MINISTER OF NATIONAL HEALTH AND POPULATION DEVELOPMENT:

(1) No.

(2) Falls away.

Mathopestad

*7. Mr P G SOAL asked the Minister of Education and Development Aid:

(1) Whether, with reference to the reply of the Minister of Co-operation, Development and Education to Question No 14 on 7 May 1985, any meetings have been held with the residents of Mathopestad to determine a date for resettlement; if not, when will such meetings be held; if so, (a) when, (b) where, (c) what are the positions or ranks of the Departmental representatives who attended these meetings, (d) to whom did they speak, (e) on what date will these residents be moved and (f) what was the response of the residents of Mathopestad in this regard;

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

†The DEPUTY MINISTER OF DEVELOPMENT AND OF LAND AFFAIRS:

(1) No. Further negotiations with the view to resettlement will take place as soon as the investigation regarding the ownership of the land has been completed.

(a) to (f) Falls away.

(2) No.

Cricket team

*8. Mr R A F Swart asked the Minister of Law and Order:

Whether a South African Police cricket team has been given any instructions not to enter a Durban and coast cricket league; if so, (a) why and (b) who gave these instructions?

The MINISTER OF DEFENCE (for the Minister of Law and Order):

No. Matches of the cricket league concerned *inter alia* take place on Sundays.

Since 1964 it has been the policy of the South African Police not to partake officially in organised sport on Sundays.

(a) and (b) Fall away.

Acasia Park: Directors-General

*9. Mr B W B PAGE asked the Minister of Public Works:

Whether any Directors-General are housed in Acasia Park; if so, how many?

†The MINISTER OF PUBLIC WORKS:

Yes, nine.

National servicemen

*10. Mr C UYS asked the Minister of Finance:†

(1) Whether the services of national servicemen who already possess accounting and/or B Com qualifications are made use of in offices of Receivers of Revenue in the Republic; if so, how many persons perform such service;

(2) whether these persons receive any additional remuneration; if so, what is the amount of the additional remuneration?

The MINISTER OF FINANCE:

(1) No. The persons with the qualifications mentioned or equivalent qualifications, of whom there are at present 182 in service, were granted extension of initial military service on certain conditions. They are full-time officials of Inland Revenue, are not subject to military discipline and do not receive military pay.

(2) The following allowances are paid to 97 persons in possession of the Chartered Accountants' qualification:

R4 200 per annum in the case of a senior taxation officer;

R3 000 per annum in the case of an assistant director.

Appeal over skilled labour

GERALD REILLY

THE public sector's claim on the country's limited skilled labour force should be restricted, according to the 1985 report of the Central Economic Advisory Service.

This could be done only through privatisation, deregulation and functional rationalisation of public sector responsibilities, it adds.

The report stresses that public sector pay is the largest component of government expenditure and excessive increases in it should, therefore, be guarded against.

The report says the committee of the previous economic advisory council made good progress with the formulation of a national economic strategy on consultation.

The call for a national strategy, the report says, stems from the clear need on the part of businessmen in particular, but also from other decision-makers, for greater clarity on the development of the economy and on the nature of government involvement in the economy.

The formulation and maintenance of a strategy was a continuous task.

On privatisation, the report says, it was apparent from investigations this would have to involve more than merely selling off State assets.

WEEKLY M. 16/5/86 (357)

Angola: The rain's over; now the blood has begun

Unita, backed by it's new US weaponry, is all set to take on Luanda once again. But Luanda has its own fresh supplies of Soviet hardware. KEVIN TOOLIS reports

WITH the rainy season over, the military clash in Angola is expected to heat up again. Backed by newly-acquired equipment from the US, Jonas Savimbi's rebels will have a stronger hand.

But Luanda has also been resupplied — by the Eastern bloc — and hopes to wipe out Savimbi once and for all.

After a recent lull in hostilities, which Savimbi used to visit Washington and secure promises of supplies, this fight is about to intensify.

The Angolan army, Fapla, has been reinforced with new Soviet military hardware and is expected to launch an all-out assault on Savimbi's Jamba stronghold in a bid to crush the rebels once and for all.

Military observers believe the retrained Fapla army is capable of succeeding. Western intelligence reports emanating from South Africa already claim Fapla has deployed four mechanised brigades at the strategic Cuito Cuanavale base in Cuando-Cubango, and another brigade to the north, at Lucusse in Moxico province, in preparation for a repeat of last year's classic pincer-style offensive.

Despite Washington's recent $30-million aid package to Unita, Fapla is in an overwhelmingly superior military position. According to the London-based Institute for Strategic Studies, Fapla's strength now stands at 49 500 men, an increase of 6 000 in the last year, backed by 20 000 Cuban troops and 5 000 advisers.

In addition there are up to 3 000 other foreign personnel including 700 Russians and 500 East Germans who Unita claims are closely involved in the planning of battles and the operation of radar and anti-aircraft installations.

Because of large-scale arms shipments over the last two years, Angola's air defences have risen by 800 percent with the acquisition of 160 Sam-3 missiles and an unknown number of Sam-8 and Sam-9s. The Angolan air force has also acquired 12 MiG-19 and 30 MiG-21 interceptors in a bid to combat South Africa's air superiority.

Unita soldiers stand to attention as their leader, Jonas Savimbi, inspects troops at Munhango, Angola. Picture by REUTER

Hind helicopter gunships, destroyed by the South African air force at the key battle for Mavinga last October, have also been replaced and some reports claim the Angolans have also been supplied with advanced MiG-23 Flogger G fighters — one of the latest weapons in the Soviet arsenal.

With just under 20 000 troops and an unknown number of irregular forces, Unita alone would be no match for Fapla without Pretoria's aid.

South African help was essential last year in the battle for Mavinga, 200km north of Savimbi's Jamba stronghold.

Fapla wanted Unita-occupied Mavinga as a southern base for its battery of Soviet anti-aircraft missiles to challenge South African air superiority over the remote south-east province. The road would then have been open to attack Jamba.

In early October last year the two sides finally squared up just north of Mavinga in a battle in which more than 1 000 men are estimated to have died. In the end the South African air force turned the tide in favour of the Angolan rebels. Wave after wave of Mirage jets bombed and strafed Fapla supply columns.

Fapla's failure at Mavinga still left Luanda with considerable territorial gains, which it hopes to exploit this year. If it succeeds, it will damage Pretoria's efforts in Namibia and undermine Savimbi's rebellion.

If it fails, and Pretoria repeats its bloody bruising of the Angolan army, it may force Luanda into some form of unity talks with Savimbi, including pressure to expel Swapo from Angola.
— Gemini

SOME of the workers from the Tembisa Town Council who went on strike yesterday.

Council workers on strike

By LANGA SKOSANA

THE entire workforce of the Tembisa Town Council is out on strike, following a dispute over wages and working conditions.

Union spokesman said the strike was initially sparked off by about 300 policemen who downed tools last Friday, demanding a monthly salary of R700, instead of the about R270 they were getting.

They were joined on Monday by workers from other departments who demanded better working conditions, the re-instatement of dismissed workers, the removal of certain white officials, the recognition of their union, the South African Black Municipality and Allied Workers' Union (Sabmawu) by the council in addition to the salary demands.

Another issue which prompted the strike, was the deduction of a day's pay from the workers' wages, because of last Wednesday's stayaway in the township.

R2 343 a day

That's what he gets for NOT turning up at Parliament!

By GEORGE MAHABEER

ABSENTEE MP Aboobaker Ismail has earned R2 343 a day in taxpayers' money — by staying away from Parliament.

Mr Ismail, the MP for Durban Bay, has spent only 32 days in Parliament since assuming his seat in the House of Delegates last year.

Despite his absenteeism he has picked up more than R75 000 in salaries — an average of R2 343 a day.

The wealthy director of companies has attended only nine of the 94 sittings in the House of Delegates' 1986 session.

Last year, Mr Ismail attended only 23 of the 95 Parliamentary sessions.

"I don't know the number of days I was present or absent — but I will not dispute the figures," Mr Ismail said.

He could not say how many times he had spoken in Parliament.

"But it's possible that it could have been on only two occasions.

MP ABOOBAKER ISMAIL

"I was forced to keep away from Parliament because of illness. But I am very fit now. I feel so young that I could even kick a football," said 73-year-old Mr Ismail.

But his regular absences led this week to a call for his resignation as an MP from the chairman of the Durban Bay constituency for Solidarity, Mr Ahmed Rafi.

"Mr Ismail must go. If what he says about his health is true, then he must resign immediately.

"He must accept that, because of his health, he is not fit, physically, to represent the large constituency which includes Cato Manor, Clairwood and Merebank.

"We believe that Mr Ismail holds a record for attending the least number of parliamentary meetings, and has also spoken the least.

"He has attended one in every six meetings. He spoke once last year and once this year," said Mr Rafi.

Mr Ismail said, that while he was away from Parliament on sick leave he had been "doing a lot of work" for his constituency.

"I was very sick and under medical care. But my health has improved. I will take my seat in Parliament when it opens on August 18.

"I will not resign."

Mr Pat Poovalingam, MP for Reservoir Hills and former national chairman of Solidarity, said: "The time has now come for Mr Ismail to decide whether he can really claim to represent the voters of Durban Bay."

Magawana

Angry civil servants want 15%

10/8/86 SUN TIMES

354

By Udo Rypstra

PUBLIC servants are angered by huge increases in pay for Cabinet Ministers, Members of Parliament and directors-general.

Some trade unions in the State and parastatal sector are demanding immediate pay increases of at least 15%.

Several unions which asked for 25% pay increases last year but accepted 10% from April 1 this year because of the poor state of the economy have expressed disgust and shock at higher pay for the top brass. They call the decision a scandal.

Dismay

The first flak has been fired by two SA Transport Services unions — the Artisan Staff Association and Salstaff. They have called for wage increases to be discussed as a matter of urgency at a meeting of the Federation of Sats Trade Unions on August 27.

Senior members of other unions, including the Post and Telegraph Association and the Public Servants Association, have expressed their dismay privately. Official statements could not be obtained because some spokesmen are touring SA to address meetings of members.

"It's a bloody disgrace — and you can quote me," said Jimmy Zurich, president of the 23 000-strong Artisan Staff Association (ASA). He rejected the Government's argument that the increases were justified in terms of the additional work loads and responsibilities its members are now carrying.

Mr Zurich said: "We have 15% pay increases outstanding and if they are not granted immediately, we will experience more labour dissatisfaction. The people are disgusted."

Inopportune

Mr Zurich says the announcement of pay increases for politicians and senior State officials was inopportune. He recalled that President Botha had said earlier this year that no member of the Cabinet or Parliament would receive an increase of more than the 10% granted on April 1.

Mr Zurich says that because these pay increases amount to between 20% and 30%, "the ASA now appeals to the Government to immediately increase the salaries of Sats workers — at least by 15%".

Salstaff president John Benwell says: "Here I sit with 30 000 members and we tell them that because of poor economic conditions we have to accept 10%. We were told that when the conditions improved there was hope that we would get more. But has the economy improved?"

Equality

It is reported that the Government is edging towards an across the board salary lift for State employees in an attempt to end pay discrepancies among races. About 385 000 public servants would be affected, but not Sats and Post and Telecommunications employees and 261 000 former provincial administration officials who joined the payroll of State departments this week.

This could not be confirmed, but explains the immediate outcry by Sats unions about being left out.

Unspecified salary adjustments for nursing and paramedical personnel will take effect on September 1 and will eliminate pay disparities to a large extent, says the Department of National Health and Population Planning.

Job security

A spokesman for the Free Market Foundation questions the Government's wisdom in comparing the income and responsibilities of its top officials with their counterparts in the private sector.

He says: "Apart from anything else, State officials have automatic job security, which is immeasurable in financial terms. The senior manager or executive working for a company has no such security."

The Government's position over pay is particularly sensitive as far as transport workers are concerned. They expressed anger over the approval of cheap housing loans to top Sats executives. Most Sats employees were refused loans for houses and improvements because of the poor state of the economy.

Concern is also building up about the decision to privatise Sats inter-city bus services.

Mr Zurich says the concern relates to possible unemployment and the cancellation of the bus-travel benefits Sats workers have enjoyed.

Govt faces pay demands

BUSDAY 354

GERALD REILLY

DEMANDS on government for big pay increases for more than 700 000 workers in central government, the railways and the post office will be made before the year's end.

Pay demands by government workers will be a major issue at the biennial congress of the Public Servants Association (PSA) which opens in Durban on September 8. Senior public servants claim they are running at least 20% behind the Consumer Price Index.

PSA sources said any appeal for moderation would be rejected against a background of the "extravagant" increases the politicians had granted themselves.

According to the PSA the controversial pension issue will also be thoroughly discussed at congress against a background of the actuarial report on the biggest of the five funds.

PSA chairman Colin Cameron claims a lot of uninformed nonsense is being spoken about the fund.

Next month or early in October the Federal Council of Railway Trade Unions is due to meet Transport Minister Hendrik Schoeman to demand an immediate 15% pay hike. Post Office staff associations will also have discussions with Posts and Telecommunications Minister Lapa Munnik.

PW's pay may soon increase

Political Staff

CAPE TOWN — Legislation is on the cards to pave the way for a salary increase for President P W Botha following recent substantial increases for Members of Parliament and Cabinet Ministers.

President Botha, who earns R109 000 a year tax free, has not had an increase since he changed hats in September 1984 when he "retired" as Prime Minister with a R300 000 tax free golden handshake. He became President hours afterwards.

At the moment Mr Botha earns R5 000 a year less than the most junior member of his Cabinet — but then he does not get taxed.

The Schlebusch Committee, which examined salary structures for public representatives, has recommended that the President should be given R160 000 a year tax free.

Mr Botha did not get a salary increase at the same time as other MPs and Cabinet Ministers last month.

His salary, unlike the others which can be increased by proclamation in the Government Gazette, can only be approved "by resolution of Parliament".

And this hurdle, contained in the constitution, the Government apparently wants removed, according to Parliamentary sources.

This would put the President in the same position as the rest of the public representatives.

Ministers' salaries went up 54 percent this year to R114 930, while MPs had increases of 35 p[illegible]t, taking them up to R58 050.

Unlike the President, their income is taxed.

The increases were widely condemned, particularly by public servants and the Transport Services Union.

The Schlebusch Committee, which was appointed by the Government to get an outside opinion, recommended a total income of R144 000 for Ministers and almost R60 000 for MP's.

PUBLIC PENSION FUNDS

Time to cut the fat

South Africa's public sector pension schemes are bloated, yet dangerously underfunded. Many people suspect they are propped up by current revenue. They are patently unaffordable and need to be re-written. This, we are told, is now on the cards.

The two critical issues are buy-back benefits (which should be scrapped) and funds' investment portfolios (whose growth lags the rate of salary increases, let alone inflation).

A government spokesman assures the *FM* changes in one main problem area can be expected within weeks. The system of pension buy-backs could be amended immediately. But changes to pension fund investment rules, allowing fund managers to move into equities and other non-prescribed investment areas, will obviously take time to implement, if severe overheating of the JSE is to be avoided.

A decade of double-digit inflation has exposed weaknesses in public pension funds. Two critical areas — buying back service and how the funds are invested — are to be overhauled. The painful details can be expected within weeks.

The critical problems are self-evident. In a public service buy-back negotiated recently, the total cost computed at R175 000; the cost to back-date to age 16 was R25 000. The buy-in cost — immediately following back-dating — computed at R250 000. So the R25 000 paid immediately became "worth" R75 000.

Not all cases are as advantageous as this.

But the practice is tantamount to printing money. Another perk — for public pension benefits are perks in everything but tax law — is that the R25 000 cost can be redeemed over fairly lengthy periods. Interest payable is a mere 5,5% a year.

The *real* cost of public pensions is a direct result of pressure from bureaucrats to increase government salaries to levels commensurate with those in the private sector. In the late Forties and early Fifties, when parliament was more susceptible to electoral control because of a smaller ruling majority in the House and the Senate, large (visible) salary increases would have come under heavy attack.

To feed the animal, so to speak, large increases in "hidden" remuneration — perks and pensions — were effected. Even if anyone noticed, it attracted little attention because the civil service was tiny, barely a fraction of the behemoth it is today. Nor, unlike today, was it the feedstock of the ruling party's power, although the real or imagined swing of support of battalions of civil servants to Nationalist Afrikanerdom's rightwing may well have been one of the reasons for bringing public pensions into line with the rather austerely managed private sector funds.

Solvency crisis

The solvency crisis overhanging public pensions has been well documented. The report of a firm of consulting actuaries shows that the largest of ten public funds was under-funded by R7,6 billion a year ago. And in the 1986 Budget taxpayers contributed R1,2 billion to public pensions — up from R857m a year before. That is the nub of the problem: public pension funds, by definition, cannot go broke.

In essence, the current public pension fund crisis is not new. No actuarial valuation has ever shown public funds as 100% "solvent." On the contrary, an actuary notes that the latest investigation shows up to 50% underfunding. On a less conservative basis, he adds, the figure is nearer 30%.

A feature of the Botha administration has been a "new" preoccupation with the civil service. First, the then PM set himself the task of creating a "clean" machine. Then he

'I should have been a civil servant'

introduced a system of "occupational differentiation" by which bureaucrats with scarce skills would be paid market-related packages, ostensibly to stem the flow of officials to the private sector.

But now rates of pay, and perks, appear way in excess of "comparable" remuneration in the private sector. They are the new Hoggenheimers, except they don't take risks or produce things, and they cost over R10 billion a year in salaries alone. Their real cost, which would include pension benefits, is impossible to measure.

The answer is simple: inflation has destroyed the basis of classic pension fund theory which was based on the ideas of an English peer a century ago when there was zero inflation.

Perks tax, effective since March 1985, largely equalised the treatment of public and private sector perks, although bureaucrats were singled for special treatment in respect of housing. Pensions were ignored by perks law.

Public servants are given 1/55th of salary at retirement multiplied by their period of pensionable service, plus a tax-free gratuity of 6,72% of final salary for each year of pensionable service. Final salary, moreover, means exactly that — and not the average of the last three years' service as in the private sector.

Comparing public and private sector pensions unveils a host of tax anomalies. Public servants' contributions are tax-deductible in full; in the private sector the greater of 7,5% of remuneration or R1 750 applies. Public sector withdrawals are not taxable; for private sector withdrawees only R1 800 of the take-away is tax-free.

The commutation of lump-sum benefits by public servants is tax-free; in the private sector any lump-sum commutation is tax-free up to a maximum of R120 000 — or the number of years' service multiplied by R4 500. The two take 27 years' pensionable service to equalise. One more: public and private sector employees qualify for a R30 000 lump-sum payment on retirement in the form of a gratuity.

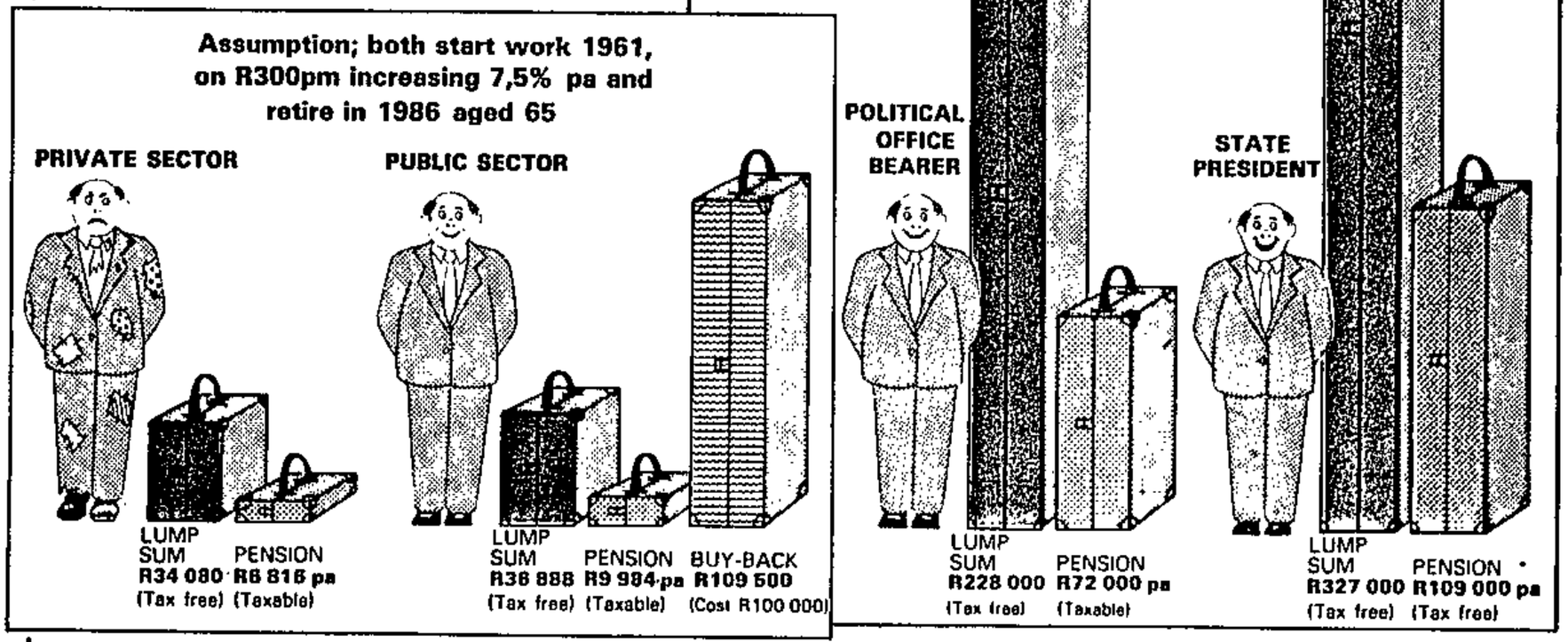
To illustrate just how much better off civil servants are, take the *typical* case of a male aged 40 when he starts work under either fund. His starting salary is R300 (in 1961), his retirement age 65, and his salary is increased 7,5% a year until 1986, when he ultimately retires.

A typical private fund would provide a 2%/year accrual rate, and the employee's salary would be averaged for retirement over his last three working years.

On this basis the private fund would produce a pension of R852 a month; or, assuming a commutation factor of 10:1, a lump sum of R34 080, and a remaining pension of R568 a month.

The same employee in the public sector would receive a gratuity (lump sum) of 6,72% for each year of service of his *actual* annualised pay on the last day before retirement — equal to R36 888.

He would be paid, in addition, a pension based on the formula of 1/55th of each year of service of final



Govt workers claim massive pay backlog

Public servants likely to demand 15% rise

DEMANDS on government for pay increases of about 15% are expected to be made by the Public Servants Association (PSA) before the year's end.

At the PSA annual congress in Durban yesterday, it was decided to ask government to make funds available for general salary increases from April next year.

Government workers claim a huge pay backlog has built up over the past two years and that dissatisfaction in the service is rife.

They say their earnings were frozen in the 1985/86 financial year and they were granted meagre 10% increases in the current financial year, against an inflation rate in excess of 15% in each of the two years.

PSA president Colin Cameron says salaries must be kept abreast of those in the private sector, particularly under current conditions when an economic upturn has started and staff poaching could again become a real problem.

Referring to the huge increases granted politicians and State depart-

GERALD REILLY

ment director-generals, Cameron indicated demands would be made for similar adjustments for public servants in management slots.

However, PFP public sector spokesman Reuben Sive said there was no basis for comparing the earnings of legislators with public servants. Comparisons could not be used to justify big pay hikes for government workers.

Sive said about a third of the national budget was spent on public sector earnings. Government workers must realise, he said, funds for their salary adjustments were not unlimited.

Cameron also lashed out yesterday at State pensions critics and said the payouts were adequate but not exessive.

Cameron said the three-day congress had put the delegates' minds at rest about the prospective privatisation of certain government activities.

'It was clear the whole privatisation programme is being handled in a very circumspect way.'

He said government had a stated policy of privatising some of its activities, particularly those that had major economic components.

Referring to prospective Regional Services Councils (RSCs) and the restructured provincial governments, Cameron said the congress had decided to ask the authorities that uniform service conditions be established in current and new structures.

PFP finance spokesman Harry Schwarz said yesterday that lowering pensionable age limits in the public service would not solve the overstaffing problem, reports NORMAN SHEPHERD.

Reacting to a report that government was considering extending the option to retire earlier to certain civil servants, Schwarz said staff should instead be rationalised, and their ability to buy back service reviewed.

Lowering pensionable age-limits had failed to create jobs in West Germany, he said, where job continuity and task familiarity had suffered. A loss of skills had also resulted.

Call to discipline state salary hikes

CAPE TOWN — Strict discipline will have to be applied to salary increases for public servants if South Africa is to develop a successful anti-sanctions strategy, according to Sanlam's latest economic review.

It says that in the light of the negative implications of sanctions — which are likely to become "relatively comprehensive" — it is important for a purposeful anti-sanctions strategy to be part of a comprehensive national strategy.

Economic growth should be promoted by placing great stress on "inward industrialisation" since it was obvious that the country could not depend on an export-based revival.

"Unnessary laws and regulations which hinder the development of small businesses and the informal sector will have to be abolished without delay," the survey says.

"Developments in this area will play an extremely important role in our efforts to meet the growing need for job opportunities."

In addition, the government's current expenditure will have to be strictly controlled.

"This means, amongst others, that strict discipline will have to be applied in respect of salary increases in the pubic sector following the example set by the private sector, which will be obliged to do so because of market forces.

"It should be clearly understood that sanctions will require sacrifices from all South Africans — even those who are not directly affected by market forces."

Import control will have to be tightened since the shortage of foreign currency will be a major problem, according to the survey.

As regards exports, South Africa will have to concentrate on goods whose origin is hard to identify.

The survey also calls for "appropriate" tax concessions to spur private savings, since the country cannot depend on new foreign capital, and says interest rates should not be allowed to reach levels which will discourage investment.

Comprehensive sanctions could seriously disrupt the South African economy and certain adjustments would have to be made to economic policy.

"This could mean that we shall have to move away from a market-orientated policy in respect of some aspects of the economy, with more direct government action and management of the economy," the survey concludes. — Sapa

Sunday Times 14/9/86 350

Give us more 354 — civil service

By LESTER VENTER
Political Correspondent

AS indignation mounted this week over cushy benefits for "fat cat" civil servants, public sector employees held out a collective hand for more.

The Public Servants Association (PSA) resolved at its congress in Durban this week to press for pay hikes for management level and other specific groups of public servants.

And the Government revealed it was investigating a PSA call for the pensionable age to be lowered to an optional 60 — instead of the compulsory 65 — for all public servants appointed after June 24 1955.

This could immediately make an unknown, but very large, number of civil servants eligible for the enormous tax-free cash gratuities the top men take out of the public pension funds on retirement.

Strain

The strain on the already seriously under-funded state pension coffers would have to be taken by taxpayers, who have already seen their contributions shoot up by a staggering 150 percent in six years to stand at the current financial year's R1,2-billion.

Top public sector earners with long service walk out of their jobs with, apart from pensions nearly equal to salary, cash gratuities of more than R100 000. Some even exceed R200 000.

This week's developments fueled escalating anger in the private sector, giving rise to allegations that the Government is buying loyalty among the roughly one million public sector employees with taxpayers' money.

Already public servants' salaries and benefits swallow up about one third of the national budget.

The PSA's call for "occupational differentiation" salary increases is aimed at keeping certain key job groups on par with the private sector, according to PSA president Dr Colin Cameron.

Fixed pay rises called absurd

Sanlam call draws public service ire

PUBLIC sector staff associations have been angered by a Sanlam plea to government to curb public service pay increases.

In its economic review, Sanlam stresses that much more discipline will have to be applied in fixing pay rises in government services if the country is to develop a successful anti-sanctions strategy.

Senior government workers said they were "tired of being Aunt Sallies for every Tom, Dick and Harry in the private sector".

To claim that a successful strategy against sanctions depended on the extent of public sector increases was absurd.

Public Servants' Association (PSA) president Colin Cameron said the association was striving for parity with the private sector and adequate rewards for those in key management and professional posts.

The PSA board of directors meets in Pretoria next week and is expected to formulate a general salary-increase demand for submission to the Commission for Administration.

GERALD REILLY

Political observers said that with an election expected within the next six months, government workers could expect adequate pay hikes.

At the last count there were 155 000 whites in central government services, 107 000 in SA Transport Services (Sats) and 70 000 in the Post Office.

That constitutes a powerful political force government cannot afford to antagonise.

Sats Trade Unions' Federal Council chairman Jimmy Zurich said government should ignore the Sanlam plea and treat all demands for increases on merit.

The Federal Council of Teachers' Associations also responded angrily to the Sanlam call.

Council chairman Hennie Maree said he had no quarrel with the view that all South Africans would have to make sacrifices in the fight against sanctions. However, the sacrifices must be the same for all sectors.

PFP: Barend needs R600m

DD 29/9/86

Dispatch Correspondent

JOHANNESBURG — The Minister of Finance, Mr Barend du Plessis, will have to add at least R600 million to his 1987/88 Budget if 385 000 central government workers' pay-rise expectations are to be met, says the Progressive Federal Party's public sector spokesman, Mr Reuben Sive.

The management committee of the Public Servants' Association (PSA) meets in Pretoria this week to discuss salary increases in the new financial year.

Although the PSA speaks only for central government department workers, whatever deal is negotiated will apply to police, prisons and defence force personnel. If precedent is followed, the 230 000 SA Transport Services (Sats) and 95 000 Post Office workers will get the same treatment.

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Whatever the extent of the salary hikes granted Post Office and Sats workers, they could only be provided for by higher tariffs, Mr Sive stressed.

Meanwhile, a further increase in state pensions and grants for Indians from October 1 was announced in Durban yesterday by the Minister of Health and Welfare in the House of Delegates, Mr Ismail Kathrada.

The increases, ranging from R7 to R12 a month, are over and above the general R18 a month increase from October 1 announced in Parliament by Mr Kathrada in his mini-budget.

October 29 1986

BUDDAY

What pay rise should 875 000 public servants get?

Government's Big Three face R1bn-plus dilemma

THE country's three key budgets — the main Budget, Posts and Telecommunications and Sats — are being prepared and the dilemma facing government is what to allocate for public sector salary and wage hikes.

The Public Servants Association had pay discussions with the Commission for Administration on Monday, but was given no indication what to expect.

The discussions, it was learnt, were "not entirely satisfactory".

Senior public servants claim the economic uncertainties thrown up by sanctions, and rampant, nearly-20% inflation, are issues which could mean scaled-down increases of 10% or less.

PSA president Colin Cameron will meet his management committee tonight to report back on the pay discus-

GERALD REILLY

sions.

Even a 10% increase for all public sector workers would add about R1bn to the pay bills of central government, Post Office and Sats.

This financial year, Posts and Telecommunications Minister Lapa Munnik budgeted R884m for salaries and wages.

That did not include provision for overtime, housing benefits and medicalaid contributions.

Transport Minister Hendrik Schoeman is expected to pay out about R3bn this year, and the central government, including police, prisons and SADF, about R4,5bn.

It is emphasised that the R3bn and R4,5bn are provision for actual pay and do not, as in the Post Office, provide for other staff benefits.

Economists pointed out that whatever the extent of the pay hikes in Sats and the PO, they would be passed on to consumers in higher tariffs.

In the House of Assembly earlier this year, Administration and Economic Advisory Services Minister Eli Louw gave figures to indicate the alarming people-inflation in the public sector.

He said last year nearly 875 000 worked in the sector — 20% more than 10 years ago — 375 000 blacks, 343 000 whites, 126 000 coloureds and 28 000 indians.

The number of whites in central government jobs has increased by more than 40% in the past decade — from 106 000 in 1975 to 150 666 at the end of last year.

Later figures indicate that the public sector has continued to grow.

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Sats unions in pay talks with govt

GOVERNMENT's attitude to pay demands from public sector staff associations should be clarified today after a meeting between the Federal Council of Sats Trade Unions and Transport Minister Hendrik Schoeman.

The council, led by chairman Jimmy Zurich, will ask for an immediate 15% pay hike.

Pretoria sources said it was virtually certain their demands will be rejected.

Schoeman is expected to indicate to the council the kind of increases it can expect from the start of the new financial year in April.

This would apply to all public sector workers.

For the past decade, in site of strong protests from railway unions all public sector organisatin workers — Sats, Post Office, central government and provincial administratins got the same increases.

Last April it amounted to 10%.

This is why the Federal Council has demanded a new system of salary negotiation which will give railway unions the right to negotiate directly with Schoeman.

The investigation committee under labour authority Nic Wiehahn is now putting together its recommendations.

Among leading railway trade unionists there is a growing demand for the right to the same conciliation procedures available to all other trade unions, including the right to strike.

Legislation prohibits public sector workers from strike action on grounds they are providing essen tial basic services.

Star 9/10/86

Backlog of demands is building up

Public servants set for pay battle

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By Kim Hamilton,
Pretoria Bureau

Public servants have started drawing up battle plans for the next round of pay negotiations for 1987.

Spokesman for railway and postal workers are hoping for salary increases which match the rising inflation rate.

Across-the-board increases for other public servants from April 1 next year appear likely. But some sources said they did not expect pay rises to exceed 10 percent.

The public sector received a 10 percent salary increase in April this year, the first pay rise in two years.

Many members of the service fear that unless another general salary increase is awarded the wage gap between private and public sectors will widen dangerously again.

There is also still some resentment among transport workers who feel they received a raw deal in the 1986 increases, particularly in the light of later rises in the salaries of parliamentarians.

South African Transport Service workers are damanding an immediate adjustment of 15 percent — the balance of the 25 percent demand rejected by the Goverment earlier his year.

A spokesman for the SATS unions confirmed that its council would meet the Transport Minister, Mr Hendrik Schoeman, early next week.

At the recent congress of the Public Servants' Association, the president, Dr Colin Cameron, warned that the public sector would be seeking salary adjustments in 1987.

But a Commission for Administration spokesman said yesterday no formal representations in connection with 1987 salary increases had been received.

Meetings with staff associations were held regularly and such a request could be put forward at a future meeting, he said.

The president of the Post and Telegraph Association of South Africa, Mr F Smith, confirmed that the association had requested an interview with the Post and Telecommunications Minister, Mr Lapa Munnik, to discuss salaries.

Mr Smith hoped the meeting would be scheduled within the next month.

Public servants' salary campaign gaining momentum

PRETORIA — The annual campaign by public servants' associations for pay increases for their members is gaining momentum.

Organisations are expected to demand rises at least equal to the inflation rate while Government will hedge with offers of around 10%, observers say.

The annual inflation rate stood at 18,7% last month.

Observers said in Pretoria yesterday that strategy precluded Government from taking an open stand on the demands.

The Progressive Federal Party's public sector spokesman, Major Reuben Sive, was yesterday quoted as saying that the public sector salary bill would exceed R6 billion this financial year. — Sapa

Pay rise talks soon

Dispatch Correspondent

PRETORIA — The public sector's battle for salary increases to match the inflation rate has started in earnest.

The federation of Sats trade unions meets the Minister of Transport Affairs, Mr Hendrik Schoeman, here on Monday to demand an immediate 15 per cent salary adjustment — the balance of the demand for 25 per cent increases rejected by Mr Schoeman last October.

The posts and telegraphs association has asked for a meeting with the Minister of Posts and Telecommunications, Dr Lapa Munnik, to discuss increases.

The Public Servants Association will have discussions with the commission for administration later this month.

Across the board general increases are certain from the start of the new financial year in April, but whether they will exceed 10 per cent is doubtful, according to Pretoria sources.

A 10 per ceht pay hike would mean increased Sats tariffs, even though Sats is expected to show a modest surplus at the close of the financial year, and higher post office charges.

The Progressive Federal Party's spokesman on the public sector, Major Reuben Sive, estimates that the pay bill for central government workers, including police, prisons and SADF personnel, will soar above R6 billion for the current financial year.

R1,5bn Govt pay rise?

GERALD REILLY

THERE is strong speculation that government is planning increases for public sector workers which could add R1,5bn to the salary bills of government, the provinces, the Post Office and Sats.

There are nearly a million such workers and salary hikes of between 12% and 15% are expected for them.

Economists point out, however, that if the gold price remains at the current low level — or goes even lower — shrinking State income from mining taxation could be trimmed back to 10%.

This is one reason why the decision on the size of the rises is only expected to be taken shortly before Budget day in mid-March.

Based on Central Statistical Services figures, estimates are that nearly 400 000 central government workers earn about R4,5bn; 96 000 Post Office workers R1,2bn; 260 000 provincial workers R2,8bn; and 220 000 Sats workers about R3bn.

Senior Government workers believe the expected general election in the first half of next year — and the need for Government to prevent a crumbling of its main political base, public-sector workers — stands in their favour.

There are 160 000 whites in central government; 120 000 in provincial departments; 69 000 in the Post Office; and 105 000 in Sats.

With their families, they form a massive block of voters which, according to PFP public service spokesman Reuben Sive, government would antagonise with lower-than-expected increases.

WAGE REGULATION — PUBLIC SERVICE
(INCLUDING SARY H + PO.)

1987 — 1990 up — JULY

Public service pay bill leaps by R2bn

THE explosion in the cost of government and public administration since 1983 is clear from the latest Central Statistical Services' figures.

The cost of paying 1 130 000 workers in the service of central government, provincial administrations, local authorities, statutory bodies, governments of national states, universities and technikons nearly doubled between 1983 and 1986.

In 1983, the salary and wage bill for 1 045 755 workers was R7,56bn. For the first nine months of last year, that payout soared to R9,45bn.

About 1 045 755 workers were employed in public service at the end of 1983, but by the end of the third quarter last year that had increased by 81 937 to 1 127 692.

During that time, the number of whites employed increased by 22 102 to 389 957.

GERALD REILLY

The substantial increases paid to white workers was also clear. They were paid R4,79bn in 1983, but that rose to R5 64bn for the first nine months of last year. Coloureds' total pay increased from R663m in 1983 to R923m; Asians from R261m to R356m; and blacks from R1,84bn to R2,52bn.

PFP finance spokesman Harry Schwarz said the figures clearly illustrated government's public service rationalisation scheme had failed. The duplications caused by government's "own" and "general affairs" policies, and the increased staff establishments involved, was part of the whole problem.

☐ The Public Servants' Association has angrily rejected a suggestion by the Afrikaanse Handelsinstituut that salaries of State and mining workers be frozen for three years in an effort to curb inflation.

Ice cream! you scream . . .

SOUTH AFRICANS are becoming a race of music-hating, ice-cream-guzzling, vinegar-swigging hedonists whose chief pleasure is playing with toys.

That's the simplest conclusion to draw from official figures showing six-year production trends of every item manufactured in SA.

Manufacture of musical instruments is down to one-third of what it was in 1980, while toy production has increased by more than 20%.

DAVID FURLONGER

boycotts are to blame, production of writing paper and notebooks — while better than 1980 — is down sharply from 1983 levels.

They can't, however, be accused of tastelessness. Production of vinegar and flavour essences has risen by more than two-thirds in the last six years.

On the basis that 1980 production volumes are equal to 100, production of ice-

Public servants to push for 15pc

Dispatch Correspondent

JOHANNESBURG — Representatives of the Public Servants Association (PSA) are to press for blanket pay increases of up to 15 per cent at a scheduled meeting in two weeks time with the minister responsible for the Commission for Administration in the State President's office, Mr Alwyn Schlebusch.

If agreed to, the increases will be introduced from April, boosting the civil service wage bill by R1,5 billion to R11,5 billion — accounting for almost a third of total state expenditure.

The PSA is to also ask for the ceiling to be raised substantially on the low interest soft loans offered to civil servants for property purchases.

The present ceiling for this 100 per cent subsidy, estimated to have cost taxpayers at least R200 million last year, is R50 000.

Government sources indicated yesterday that the pay demands will almost certainly be met — as an obvious sweetener to an important component of the electorate in advance of the forthcoming election.

Opposition spokesmen said yesterday that they had no quarrel with civil servants getting pay rises.

But, at the same time, they demanded that government should clearly indicate how taxpayers are going to have to shoulder this extra burden.

The burgeoning size of the State's wage bill clearly demonstrated that South Africa is now saddled with a bureaucracy that is far too costly to maintain, commented the PFP MP for Edenvale, Mr Brian Goodall.

PSA meets Govt to discuss pay rises

28/11/81 Star (35)

Pretoria Bureau

A delegation from the Public Servants' Association (PSA) met members of the Cabinet in Cape Town yesterday to negotiate for an annual salary increase of between 10 and 18 percent, says PSA president Dr Colin Cameron.

But, while the Ministers listened sympathetically, they did not commit themselves to a move which could boost the State's annual wage bill by as much as R1 500 million to almost R12 000 million.

Dr Cameron and his delegation met the Minister in the office of the State President in charge of the Commission for Administration, Mr Alwyn Schlebusch, and Finance Minister Mr Barend du Plessis.

Dr Cameron has stressed public servants want salary increases which are on a par with those granted in the private sector, which has received 10-18 percent.

The possible raising of the R50 000 ceiling on public service housing subsidies and civil servants pensions were also discussed.

Opposition spokesmen have expressed fears the National Party will grant particularly generous pay increases this year to garner support for the NP in the coming general election.

Economists warn of consequences

Public pay hikes will fuel inflation

GERALD REILLY

THE R1,5bn expected to be paid out in pay hikes to nearly a million public sector workers from April would give inflation a powerful punt, economists warned yesterday.

They said — with PFP finance spokesman Harry Schwarz's support — that unless the increases were accompanied by a compensating increase in work output they would accelerate the price spiral.

Recently, a report commissioned by the Afrikaanse Handelsinstituut said curbs on increases for public sector workers and the mining industry were basic to an effective fight against inflation.

And earlier this week, Stellenbosch Bureau of Economic Research economist G E Moore cautioned government against buying votes with salary increases at the cost of rekindling inflation at a later stage.

Schwarz said yesterday as a result of government's inability to inject the needed confidence into the economy, and because of the strengthening rand, the CPI had shown a downward trend.

That would continue in the months immediately ahead, but when the expected big increases, and other government election-winning extravagances hit the economy, the trend would come to a juddering halt.

The increases would have to be paid for by taxpayers, just as it was expected the same increases for railway and post office workers would be recovered through higher tariffs.

SAPA reports that SA's public servants would hear whether their demand for pay hikes had been met by government when the Budget was tabled around March.

Public Servants' Association (PSA) GM Hans Olivier said no further discussions would be held after the PSA's meeting with three Ministers in Cape Town yesterday.

Estimated 1,5 m state employees w

PSA and Govt negot

By Michael Chester

The pay trends of no fewer than 1 556 000 government employees may be at stake as the Public Servants' Association (PSA) enters negotiations with the Government over wage demands for across-the-board increases of 15 percent for the civil service.

The PSA team enters the talks as representatives of a mere 150 000 white workers engaged by central government. But that shows only the tip of an iceberg.

By tradition, any new pay scales that may emerge will automatically be passed on to another 230 000 central government employees drawn from other race groups in central government. Increases normally also filter through to public servants at provincial administration level — with an influence that goes down to municipal level.

The PSA estimates that no fewer than 830 000 government employees will be involved in the direct impact of the general pay adjustments that will be under discussion.

In turn, the final decision will have an indirect influence on pay trends over the entire public sector — whose overall labour force numbers above 1,5 million, when the total is swollen by counting everyone in public service, from nurses in provincial hospitals to postal workers and meter maids to university professors.

Whatever the outcome of the PSA talks, it will generate renewed controversy over the cost and efficiency of the civil service, a sour point with taxpayers, who end the day footing the bill.

That, of course, is aside from inevitable cynical suspicions that any decision on pay increases may be intended as a political sweetener ahead of the approaching general election.

The temptation to buy votes with salary increases, at the expense of rekindling inflation, has already been noted by the Bureau for Economic Research at Stellenbosch University.

(The BER commented: "Perhaps indirect stimulation of the economy, via tax relief, will accomplish more by winning the support of not only the public but also the private sector.")

What has jolted the PSA, however, was the advice recently handed to the Government by Mr Lawrence McCrystal, chairman of the Board of Trade, to impose price and income restraints in a new bid to counter inflation — advice that is bound to be on the minds of negotiators at the pay talks.

Civil service reaction to advice from the Afrikaanse Handelsinstituut to clamp a three-year freeze on salaries and wages of State employees, along with mining company employees, as an anti-inflationary mechanism, can be best described as horror.

Dr Colin Cameron, president of the PSA, remains convinced he can deliver persuasive arguments that the pay scales of public servants have lagged far behind the wages spiral in the private sector and that increases are crucial.

An independent source of support on that score alone is PE Corporate Services, the Johannesburg consultancy which monitors pay trends in the private sector.

Where agreement comes to a sharp halt, however, is discus sion about the justification for the mushroom expansion in the size of the public sector.

"Public servants have a sound platform for arguments that they deserve reasonable increases," says Miss Naomi Brehm, manager of PE salary surveys. "But it is vital that a simultaneous examination is made of the horrendous growth of the public sector labour force."

Miss Brehm has compiled statistics showing that the average basic salaries of white workers in the private sector increased by 232 percent over the 10-year span from mid-1976 to mid-1986 — but even then lagged behind an inflation spiral that bounded 255 percent higher.

Black workers on average saw their pay packets swell by 357 percent, Asians by 294 percent and coloureds by 259 percent.

Over the identical 10 years, according to the PSA, central government employees had general salary adjustments — applicable to workers of all race groups — that trailed behind with raises that amounted to only 117,5 percent.

Moreover, Mr C H J van Rensburg, deputy manager of the PSA, believes the wage gap between the private and public sector threatens to grow even wider on information that 44 percent of employers in the private sector intend to hoist wages by between 10 and 12,5 percent in the current year and that 42 percent of them are braced to thicken pay packets by between 12,5 and 18 percent.

PE Corporate Services has conducted its own salaries survey which agrees, in general terms, with the figures.

"PSA demands for increases of around 15 percent look quite reasonable in view of the rate of inflation," says Miss Brehm. "Even that will fail to match the inevitable rises in the consumer price index.

"There's a lot of mythology about the value of widescale perks in the civil service. several of the perks are better than in the private But unless they are near of the tree, civil serv

out on such perks as cars and entertainment ances and many more almost standard in senior management in vate sphere.

PAY GUIDES IN PRIVATE SECTOR AND PUBLIC SERVICE

JOB DESCRIPTION	Public Service Grade	ANNUAL RANGE Private Sector	ANNUAL RANGE Public Service
UNSKILLED — Operatives — Cleaners — Warehouse/Stores Clerk — Machine Operator	19-17	3 600-9 500	1 890-9 600
SEMI-SKILLED — Copy Typist — Typist/Secretary — Clerk/Clerical Supervisor — Bookkeeper — Technical Assistant	18-14	7 700-19 000	5 400-14 130
SKILLED — Programmer — Warehouse Supervisor — Artisan — Draughtsmen — Technician — Chemist — Geologist — Journalist	16-10 15-13	15 000-34 000	10 368-30 918
MIDDLE MANAGEMENT — Accountant — Internal Auditor — Systems Analyst — D P Manager — Economist — Admin Manager — Workshop Manager — Engineer	13-8	22 000-55 000	16 983-41 820
SENIOR EXECUTIVE Head of Function Medium size Co Turnover: R20-R50 million pa	7-6	45 000-77 000	42 000-55 200
TOP MANAGEMENT General Manager	5-2	50 000-130 000	56 000-62 205
TOP EXECUTIVE DIRECTOR Managing Director Medium size Co Turnover: R20-R50 million pa	Director General	130 000	62 205-105 000

How wage levels compare according to approximate job brackets, with private sector estimates compiled by P-E Corporate Services and public sector figures prepared by the PSA.

WAGES

PRIVATE

Whites

Asians

Coloureds

Blacks

PUBLIC SE

All Races

INFLATIO

CPI

Percentage

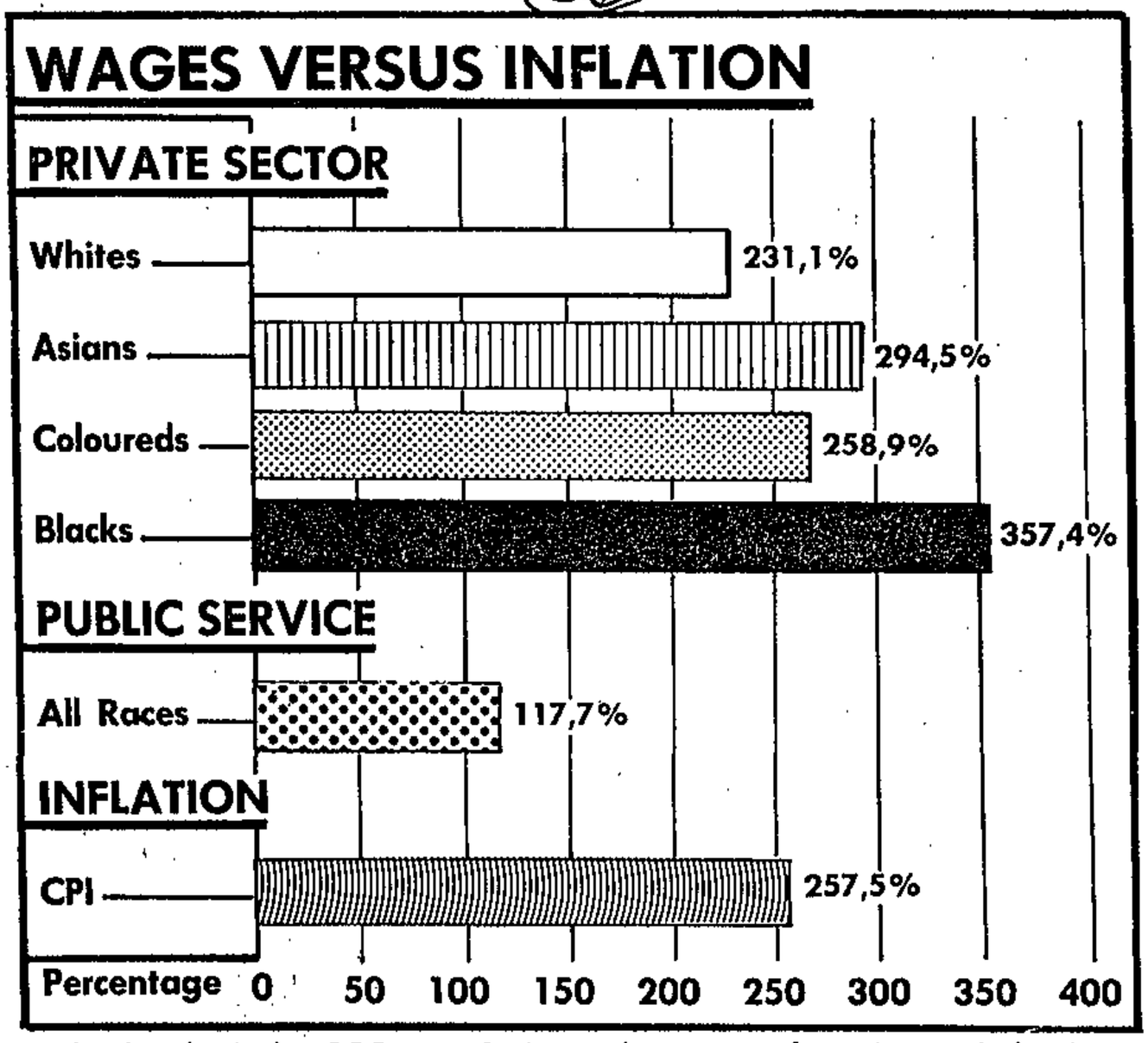
A bar chart showing sector over the past

PERIOD
'76 to '77
'77 to '78
'78 to '79
'79 to '80
'80 to '81
'81 to '82
'82 to '83
'83 to '84
'84 to '85
'85 to '86

The PSA and P-E set public se

employees wait for outcome as . . .

negotiate wage rises



A bar chart showing how P-E Corporate Services see the movement of wage increases in the private sector over the past 10 years and how the Public Servants' Association argues that increases for employees in the public sector have fallen behind.

BASIC SALARY INCREASES

PERIOD	Whites	Asians	Blacks	Coloureds	Public Service all race groups	CPI
'76 to '77	7,3	17,1	16,7	13,2	10,0	10,6
'77 to '78	8,2	10,5	28,1	13,9	5,0	9,2
'78 to '79	10,9	12,4	13,2	14,5	7,6	13,5
'79 to '80	16,4	17,1	13,8	18,2	10,3	14,6
'80 to '81	15,6	22,1	24,6	14,3	12,0	14,5
'81 to '82	14,6	24,2	20,3	18,0	15,0	14,4
'82 to '83	12,3	12,1	13,6	12,3	—	12,8
'83 to '84	10,0	10,3	11,6	11,5	12,0	12,4
'84 to '85	9,9	10,7	12,3	10,3	—	16,4
'85 to '86	11,0	11,6	11,3	10,4	10,0	16,9

The PSA and P-E set out the year-by-year track record of general pay adjustments in the private and public sectors since 1976 and comparisons with rises in the consumer price index.

ECTOR

RANGE

Public Service
1 890-9 600
5 400-14 130
10 368-30 918
16 983-41 820
42 000-55 200
56 000-62 205
62 205-105 000

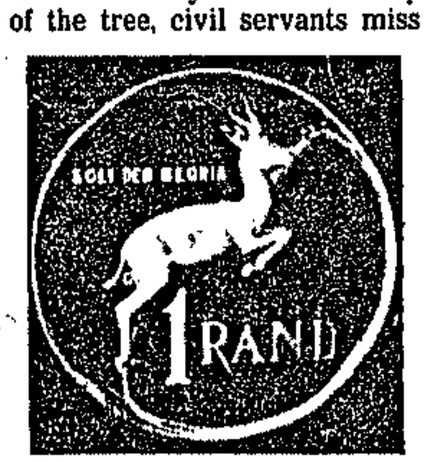
sector estimates by the PSA.

percent.

ver, Mr C H J van deputy manager of believes the wage gap the private and public eatens to grow even information that of employers in the tor intend to hoist y between 10 and in the current year 12 percent of them are thicken pay packets 12,5 and 18 percent. porate Services has its own salaries sur- agrees, in general h the figures.

mands for increases 15 percent look quite in view of the rate of " says Miss Brehm. will fail to match the rises in the consumer

's a lot of mythology value of widescale perks in the civil service. True, several of the perks are much better than in the private sector. But unless they are near the top of the tree, civil servants miss



out on such perks as company cars and entertainment allowances and many more that are almost standard in middle and senior management in the private sphere.

"And the perks tax has flattened out many of the old differentials. Moreover, a 13th cheque, which used to be a sore point, is now almost as commonplace in the private sector as in the public sector.

"Still, it is difficult to find a true assessment of pay trends inside the civil service because of the camouflage of pay increases that come about by promotions that can be shuffled around.

"Also hard to calculate is the value that can be placed on job security in the public sector in all the economic ups and downs. Look how the size of the public sector has increased in the last three or four years, while thousands of jobs have had to be axed in the private sector be cause of the recession.

"If the pay demands go through, the PSA must in turn agree to a sweeping review aimed at cutting the size of the civil service. South Africa simply cannot afford its growing army of bureaucrats."

Dr Cameron sounds more dismayed than angered by the storm about the growth of the public service labour force.

"We need to rivet attention on the effectiveness of the administration of all our national services," he replies.

"All too often, mention of the public sector raises the vision of hordes and hordes of bureaucrats. In fact, they are in a distinct small minority. There will be much more balance and less emotion if everyone remembers the invaluable roles performed by our technologists, social welfare officials, nurses, teachers ...

"The whole crux of the issue is that the pay of all of them has lagged behind the wage and salary increases seen in the private sector. Quite simply, unless pay levels in the public sector are improved and keep pace, we'll fail to retain the talent we have and attract the new talent that is essential."

"Nor should the general public believe that the jobs of civil servants are inviolate sinecures. True, not so very long ago, one had to rob a bank or commit murder to be fired from the civil service — but no more.

"Nowadays, there is instant dismissal for poor performance or misconduct.

"There is no longer room for dead wood. Two years ago, all government departments were ordered to cut down their numbers by slashing the number of advertised vacancies by half — whatever the size of establishments in the past.

"There have been efforts to close the wage gap between the private and public sector in recent years. Even so, to make allowance for relative job security, the public services follow rules that insist that while the wages in particular occupations are now related to the going rates in the labour market, they are always fixed at 15 percent below the pay for the equivalent job in the private sector.

"Nevertheless, we were closing the overall wage gap. All we seek to do now in the next round of negotiations is to maintain some sort of equilibrium".

The Association of Chambers of Commerce remains unmoved by the PSA arguments. A recent survey that it conducted found that the labour force of central government had soared from 295 462 in 1976 to 397 227 by last year.

Moreover, the survey found as it delved deep into actual wages that the average monthly earnings of employees had rocketed from R265 to R1 138, an annual rate of 15,4 percent compared with an average inflation rate of 13,7 percent over the identical 10 years.

Assocom is convinced it has found a solution to it all: the introduction of "value for money" tests on the work of civil servants and all public sector operations.

It believes all government departments should face regular special audits on both their efficiency and effectiveness.

Mr Rocky Ridgway, former Assocom president, has worked out that while every R1 in fixed capital stock contributed about 83 c to the economy every year as a national average, in government service the level sank to only 14c.

While the economic contribution of the average worker in South Africa as a whole worked out at R6 670 a year, in the public sector the average trailed behind at R5 460.

Call for 12% to 15% pay hike

State spending must be curbed, Barend tells PSA

GERALD REILLY

FINANCE MINISTER Barend du Plessis warned during pay talks with the Public Servants' Association this week that State spending could not be allowed to get out of hand.

Addressing a PSA deputation in Cape Town, he stressed that every effort was being made to limit government spending. Du Plessis was accompanied by Minister in the State President's Office Alwyn Schlebusch.

● DU PLESSIS

PSA president Colin Cameron said yesterday the PSA had asked for: 12% to 15% increases; an increase in subsidised housing loans above R50 000; better pensions for widowers; and a uniform optional retirement age of 60.

Cameron told the Minister the gap between public sector and private sector salaries was widening, and would widen further with the expected economic upswing.

He claimed government workers' pay was running 32,6% behind the consumer price index.

He claimed, in support of bigger housing loans, that it cost at least R73 000 to build a house.

In talks with Health Minister Willie van Niekerk, Cameron was assured officials need not fear being deprived of their work privileges.

Calculations based on the latest Central Statistical Services figures show that to grant the 400 000 central government workers a 15% increase would cost about R750m, bringing the total annual payout to about R5,5bn.

For the 265 000 provincial workers the same increase would mean a hike in the salary bill of R450m and an annual total of nearly R3,5bn.

● See Page 13

US visa inquiries flood in

HAMISH McINDOE

THE US Consulate, Johannesburg, this month received several hundred inquiries from foreign nationals living in SA about the issue of special immigration visas to the US.

Washington is to issue 10 000 more immigrant visas to nationals of 36 countries over a two-year period. South Africans are not included, but nationals from "adversely affected" countries resident in SA are eligible.

Deadline for the applications, vetted on a first-come, first-serve basis in Washington, expired on Tuesday.

A US Information Services (USIS) spokesman said yesterday 200-300 information sheets on the visa — dubbed NP-5 — had been distributed by USIS and the consulate.

"But we will never know how many applications came from SA because Washington is not doing a count. I understand that applications received before the January 21 processing start were simply thrown away," he said.

□ Sapa-Reuter reports that in the week that an election campaign started in Ireland the US State Department received 200 000 Irish applications for visas. Ireland has a population of only 3,5-million.

Political comment in this issue by Ken Owen. Newsbills by Michael Acott.

Govt's wage bill rises to R12,6bn

GERALD PROSALENDIS and HELENA PATTEN

WHILE public servants are demanding hefty salary increases, government's share of SA's total wage bill has risen sharply during the last seven years.

Official figures showed government's share of the country's total remuneration, which was 20,8% in 1980, had grown to 25,4% by the end of 1986.

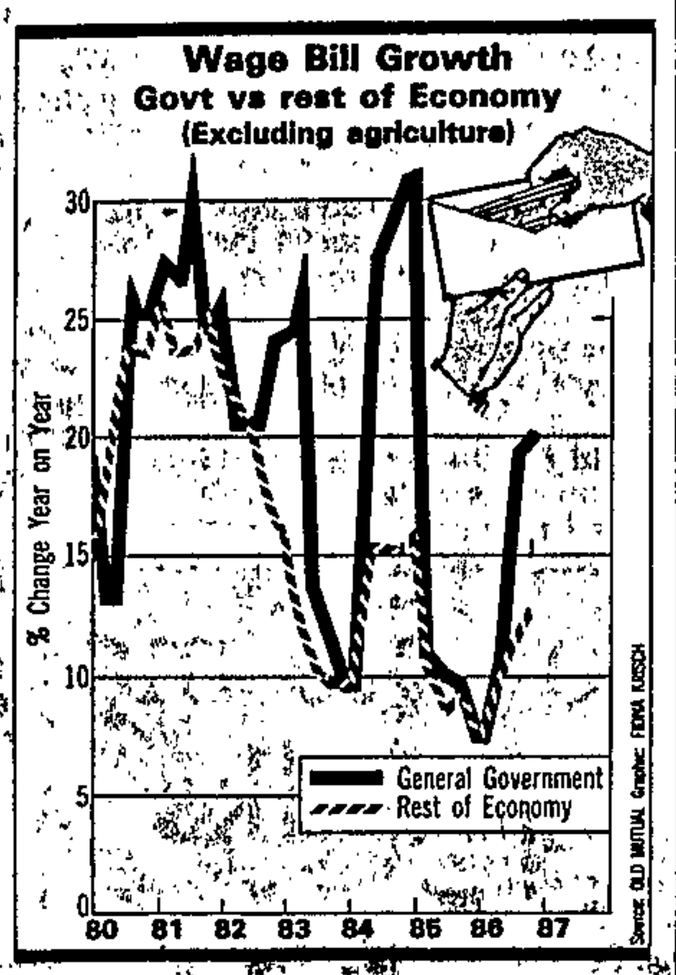
It had increased by 190,5% to R12,6bn last year from R4,3bn in 1980. On the other hand, the increase in private sector remuneration was 124,1% to R37bn from R16,54bn in 1980, Central Statistical Services figures showed. During this period the consumer price index (CPI) increased by 144,9%.

While total private sector wages trailed behind inflation, the increase in total civil service wages outstripped the increase in the index.

Government's wage bill includes central government, provincial administrations, local authorities, state bodies, the homelands, universities, and technikons.

Part of the higher outlay on government employees results from a larger labour force. Official figures show the number of government employees has increased by 20% since 1980.

Public Servants' Association (PSA)



● To Page 2

Govt wage bill now R12,6bn

● From Page 1

president Colin Cameron says the higher number of government employees is largely owing to an increase in black teachers, a larger police force and army.

He says: "If these are removed from the total figure, the growth in government employees was not substantial."

Cameron says any comparison between public and private sector wages and salaries depends on the base year used.

He says: "It is true that in 1982 there were significant adjustments in public service wages and salaries that brought them up to a reasonable parity with the private sector. However, during the last 18 months the situation has deteriorated. Our projections show there is a variance between public and private sector remuneration of between 10% and 18%, depending on job category."

Economists have expressed concern over the PSA's demands of a 12%-15% increase in wages for central government employees.

An increase of this magnitude could stimulate consumption spending and result in a rerun of the 1983/1984 mini-boom. The inevitable higher level of imports would erode the current account surplus and could cause difficulties in SA meeting its foreign debt commitments.

Also, the emergence of demand-led inflation, which is absent at present, could force the monetary authorities to tighten monetary policy by raising interest rates.

Most economists agree the pay-hike would be an inappropriate way to stimulate the economy and point rather to a tax cut, the benefits of which would be felt by all.

Assocom CE Raymond Parsons says: "While we accept that public servants are entitled to seek a salary review, their claims must be evaluated within the existing government spending priorities and should not rule out some tax relief to the general taxpayer."

Public sector pay forecast to rise by about 25 percent

Star

6/2/87

354

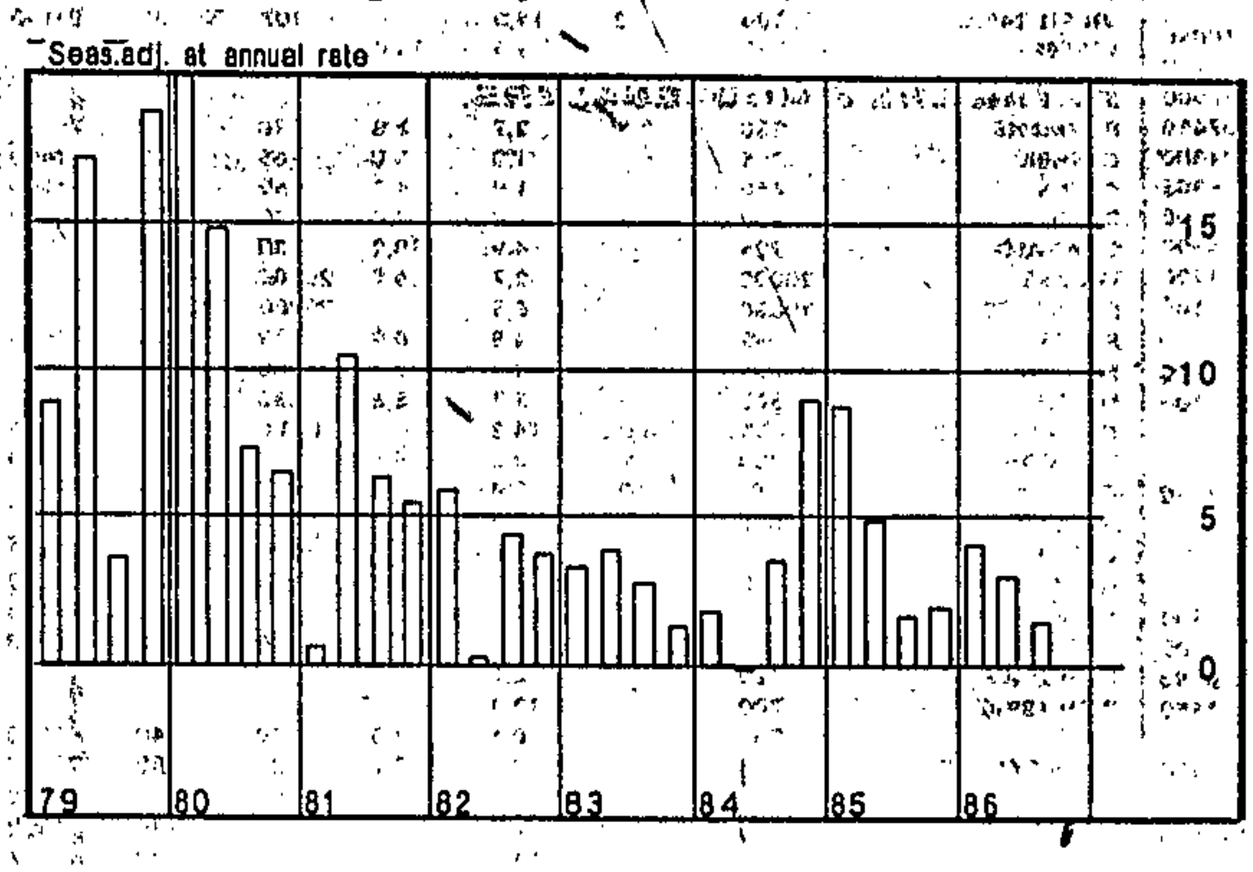
Magnus Heystek,
Finance Editor

Remuneration in the public sector is expected to rise by about 25 percent this year, forecasts Dr Hans Falkena, economist of the United Building Society. In contrast, the increase in the total pay package of the private sector will be much lower at approximately 13 percent.

"Total remuneration of employees is expected to rise materially this year. Public sector staff will probably enjoy wage adjustments in the order of 15 percent (the election sweetener) and the total pay package of the public sector (including normal scale adjustments) could even increase by more than 25 percent given the anticipated rise in government staff", he says.

As the private sector is still suffering from the consequences of the recent recession, their remuneration increases will be much lower than in the public sector.

An increase of some13 percent is predicted with total employment in the private sector stabilising after indications that retrenchments have started to taper off significantly.



Personal savings ratio, seasonally adjusted at annual rates.
Graph — UBS.

Farming

Income of the self-employed should also improve materially, mainly arising from an increase in farming income (owing to better agricultural conditions) and as always, supported by the inflation-linked income of professionals. As a whole, Dr. Falkena expects personal disposable income to increase by 20 percent, compared with an expected average inflation rate of 18 percent.

As real consumption expenditure is forecast to increase by more than 3 percent, it should lead to a further decline in personal savings by about 8 percent to R1,2 billion and an savings ratio of about 1,2 percent.

Public servants angered by pay hike delay

Business Day Reporter

PUBLIC servants have been left hanging by Finance Minister Barend du Plessis's mini-budget speech in the House of Assembly.

But the mini-budget was welcomed by the National Association of Automobile Manufacturers of SA (Naamsa) and the SA Agricultural Union (SAAU).

Public servants are to be kept in suspense for four months before they hear what their pay hikes are going to be. Du Plessis yesterday refused even to hint at the extent of the increases, which will only be revealed on June 3 when the main Budget is tabled.

Federal Council of SATS trade unions chairman Jimmy Zurichs said: "They must stop playing cat and mouse with us."

Teachers Federal Council (TFC) chairman Dudley Schroeder said the public sector was being made to pay a high price for the postponement of the Budget because of the election.

He said that because of the delay there would be serious implications for the payment of service bonuses and for persons planning retirement on pension.

The SAAU welcomed the Minister's announcement of an additional R117m primary contribution to a five-year agricultural restructuring plan.

Spokesman Derek van der Walt said the union also appreciated a further R120m to assist several agricultural sectors.

Naamsa president Peter Searle said the impending reduction in the tax burden on individual taxpayers, together with the early repayment of the 1983 loan levy, would improve consumer sentiment and could be expected to have a beneficial effect on the public's ability and willingness to spend.

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Country cannot afford Public Service salary increases

LETTERS TO THE EDITOR

The article "PSA and Government negotiate wage rises" by Michael Chester (The Star, January 29) uses estimates compiled by P-E Corporate Services to compare pay increases in the public sector with those awarded to the Public Service.

However, I seem to recall an article published by yourselves a few weeks ago, in which it was reported that research by a Stellenbosch academic indicated that the increases of the public sector were, in fact, greater than those awarded to the private sector. This contradicts the statistics used in your article.

With all due respect to P-E's estimates, it is my opinion that your reporter erred in relying on only one source for data, especially when the issues are as contentious as they usually are with regard to public service salaries.

One aspect omitted from the article concerns housing subsidies. Over the last six years interest rates have steadily escalated upwards. The effects of these increases on the public service's bond-holders, and also other subsidised personnel in parastatals, municipalities and financial institutions in the private sector were nil, since they were protected by their four to five percent subsidies.

However, consider for example the effect of interest rate increases for an individual in the private sector not enjoying a housing subsidy, and with a bond of R50 000, repayable over 20 years, over the last three years:

- Monthly repayment at 12 percent pa: = R551.
- Monthly repayment at 15 percent pa: = R658 — increase = R107.
- Monthly repayment at 17 percent pa: = R733 — increase = R75.
- Monthly repayment at 22 percent pa: = R929 — increase = R196.

Of course, the figures in this example cannot apply to everyone in both the public and private sectors, but they do represent a significant, if albeit unmentioned aspect of the public service's remuneration package, made even more significant by the increasing number of building society foreclosures.

One final point in this regard — I am quite frankly amazed that Dr Colin Cameron, PSA President, is negotiating improved home loan aid, and that Government is even prepared to include this on the negotiation agenda.

Any estate agent will privately admit that Sats/Armscor/government housing aid schemes have substantially contributed to hyper-inflated housing prices.

In other words, inflationary forces are now to be even further encouraged by government by way of even better housing aid schemes for public servants.

The article also did not refer to previously published reports of serious "underfunding" of public service pension funds.

It was then stated that underfunding had been caused by excessively generous benefits and that the taxpayer was expected to make substantial contributions in order to provide for public servants in their old age at current salary levels.

It does not require much imagination to see what the multiplied effect will be on the taxpayer if public service salaries are increased and if pension benefits are increased over and above the increases associated with higher salaries.

I have no objection, under normal circumstances, to the public service salary awards, but with a growth rate of one percent for 1986, can the economy afford it?

The individual taxpayer is already overtaxed, and with the delays in publishing the Margo Report on taxation, there appears no relief in sight.

Depressed

Kempton Park

BUSINESS DAY, Friday, February 13 1987

Public sector warns on backdated pay rise issue

GERALD REILLY

PUBLIC sector staff associations warned yesterday if their pay increases were not backdated to April they would make adjusted demands.

Finance Minister Barend du Plessis has refused to say whether the increases to be announced in the June 3 Budget will be retrospective to April.

Association spokesman felt that between April and July the inflation rate could rise by another 4%.

They believed it fair to add this 4% to their original demands for increases of 12% to 18%.

In Cape Town earlier this week, Transport Minister Eli Louw refused to tell the presidents of the ten Sats unions whether their increases would be backdated to April.

In Pretoria yesterday, Public Servants Association president Colin Cameron said the increases would have to be retrospective to April "or we will have to take the issue up with the authorities".

If the increases came into operation from July, it was only right they should include compensation for the three months' delay, he said.

Sats unions are aslo concerned about the thirteenth cheque, which is normally paid on April 1.

"We are going to lose out and there are several millions of rands at stake if the increases are not granted from April 1 and the thirteenth cheque is based on current pay rates," a spokesman said.

Call for equal police pay

By Rich Mkhondo

Katlehong mayor Mr Thami Siluma has called on the Government to equalise the salaries of municipal police and South African Police since they have all been receiving a six-month training from December 1.

Mr Siluma, whose municipal police went on rampage in October last year demanding salary increases, has requested an urgent meeting with the Minister of Constitutional Development, Mr Chris Heunis, and Law and Order Minister Mr Adriaan Vlok.

The municipal police, previously called law enforcement officers, dispatched into the trouble-torn townships after a shortened three week-course in basic police work, revolted.

They are now demanding a salary increase from R250 a month to R500.

B1 Diary 19/2/87

Pressure on govt over pay hikes

GERALD REILLY

GOVERNMENT is being pressured into making a pre-election announcement about public sector pay increases.

The Federal Teachers Council had urgent discussions with National Education Minister F W de Klerk in Cape Town yesterday.

It is understood the council stressed widespread dissatisfaction among teachers — because they had not been told the extent of increases and because it was rumoured the increases might not be retrospective to April.

The Federal Council of Sats Trade Unions has reacted angrily to government's refusal to say whether the rises will be backdated.

The anger is shared by members of the Public Servants Association — who also saw their Minister, Alwyn Schlebusch, earlier this month.

They claim there is no reason why government cannot announce whether the rises will be retrospective.

Rewarding public servants

Sir — The decision of the minister of finance not to review salaries of public-sector employees before June follows several months of campaigning by opposition political parties, spokesmen for big business, and certain sectors of the press against any increases.

The major arguments used to support this campaign appear to have been that:

☐ State sector salaries have increased more than those in the private sector and have kept up with inflation;

☐ Public sector employees do not produce a socially useful output compared with the private sector;

☐ Most of the public sector should not exist and its functions should either disappear or should be privatised; and

☐ The act of increasing public sector salaries is inflationary.

A good deal of this criticism is misleading.

As university lecturers, we have shared the experience of a large number of public sector employees who have received, over the period since October 1984, a 10% increase in salary scales. Over the same period (1985-1987) the consumer price index increased by 50%.

The State sector produces socially vital goods (for example the services of nurses, teachers, policemen, social workers and welfare administrators), while many private sector products are arguably less important (such as casinos, luxury consumer goods and tobacco).

Poorly paid

In many cases, the individuals producing these public-sector goods are poorly paid compared with private sector employees. The argument that the public sector in general does not produce "wealth" in the form of socially useful products is clearly fallacious.

While accepting that some parts of the public sector in SA exist purely to maintain apartheid structures and that others can possibly be privatised, the practical reality is that the greater part of the public sector will in all probability remain just that.

The theoretical link between public sector salary increases and inflation is a tenuous one, as much depends on the way in which these increases are financed.

We appeal to the minister of finance to treat the issue of salary increases for civil servants on merit, remembering that inflation continues to erode their purchasing power at a rate which is frightening, particularly for those who are in unskilled occupations.

P J Corbett, J W Fedderke, J S Hart, J F Hofmeyr, T B Jones, G Lenta, G G Maasdorp, C Meth, R A Simson, G P Smith, G J Trotter, C H van Gass and A Whiteside, Department of Economics, University of Natal.

B/Day 24/3/87

Delayed pay hikes 'could lose Govt many votes'

GERALD REILLY

PRETORIA — Government could lose thousands of votes if it fails to give details of public sector increases before election day on May 6, senior government workers warn.

Public servants are particularly angered by the fact that there is no certainty the increases will be backdated to April 1.

President P W Botha said at the weekend government had reacted positively to representations for salary hikes, adding increases would be introduced as soon as possible.

Botha said fair remuneration for government workers was justified and he would see that they got it.

Although Sats trade unions, Post Office staff associations and the public servants' associations had asked for clarity on the two issues of "how much and when", the relevant Cabinet Ministers have remained silent.

Meanwhile, the Federal Teachers' Council, which has had several meetings recently with National Education Minister F W de Klerk, is due to meet in Pretoria this week for more salary talks.

It is understood teachers will not be satisfied with the general increase of about 12% expected to be granted to central government, Sats and post office workers.

500 FACE PAY CUTS

MONTHLY salaries of more than 500 employees of the Thokoza Town Council on the East Rand will be reduced by as much as half at the end of this month.

This follows a directive issued by the constitutional committee of the Transvaal Provincial Administration which claims that the employees were earning "high" salaries which were not approved by the Government.

The salaries were increased by between R200 and R800 a month last September.

By MZIKAYISE EDOM

Early this year the TPA indicated that these increases would be nullified and be restructured again.

The acting mayor of Thokoza, Mr Jacob Sekete, yesterday confirmed that salaries will be slashed at the end of this month. He said the TPA had notified the council that the increases were "abnormal and unofficial".

He added: "The increases will be restructured again. I cannot say when this will happen."

A delegation representing the workers yesterday morning met council officials to discuss the matter. The meeting ended in a deadlock.

A spokesman for the workers said they intended applying to court next week to stop the council from reducing their salaries. "We also intend taking the matter to the industrial court if our salaries are reduced," he added.

354 SMM 19/5/87.

Bitter disappointment at salary increases

Civil servants to consider action

Staff Reporters

Reaction to the 12,5 percent general salary increase for civil servants announced by the Government last night ranges from disappointment to derision — with some associations threatening further action.

The president of the 55 000-member Public Servants' Association, Dr Colin Cameron, said the PSA was "particularly disappointed" with the increase. He said the figure could have been reasonable if announced last April but was now inappropriate.

"It doesn't address the economic problems with which the people in the lower ranks are confronted and, because of taxation, it is not satisfactory for those in the middle and higher ranks," he said.

Dr Cameron, who had a meeting yesterday with Mr Stoffel Botha, the Minister of Home Affairs and Communication, said the public service was in an inferior economic position, with the gap between it and the private sector widening. "As a result, we are finding it increasingly difficult to recruit sufficient capable people."

The PSA had indicated that a differentiated increase of between 15 and 18 percent would have been adequate — the 12,5 percent was distinctly below that mark, he added.

The PSA executive will meet tomorrow night to "take stock" of the situation and decide what further action would be appropriate, said Dr Cameron.

In a statement last night, the PSA said morale of public servants has been dealt a blow by the "very limited" salary increase.

In some sectors the situation is acute, with salaries lagging between 20 and 25 percent behind those in the private sector.

The PSA will make an urgent appeal to Government to make available additional funds throughout the year to restructure these salaries to bring them in line with market-related salaries in the private sector, the statement said.

Executive members of the Federation of Sats Trade Unions met with the Minister of Transport Affairs, Mr Eli Louw, in Cape Town yesterday and were not available for comment last night.

But Mr Jimmy Zurich, former chairman of the federation and the man who tabled railwaymen's 15 percent wage claim last August, said the 12,5 percent granted was "lousy".

Mr Zurich said the 15 percent claim put forward by railway workers was "the absolute minimum" they had expected to receive.

Civil servants will receive a 12,5 percent pay rise on July 1. Military pensions will increase by 10 percent and civil pensions by 10 to 20 percent on June 1.

The Government announced the increases yesterday.

The pay rise will be for all civil servants, including teachers and employees of tertiary educational institutions, parastatals, SA Transport Services, and the Post Office.

The increase in civil pensions will be 1 percent for each completed year after retirement, with a minimum of 10 percent and a maximum of 20 percent, calculated as at May 31, 1987.

The Government also announced that it was ready to "consider limited occupational specific adjustments for certain occupational classes on a priority basis during the course of the year".

How will pay increase be financed, asks PFP

Political Correspondent

CAPE TOWN — Opposition parties today criticised the latest 12,5 percent pay rise for public servants.

The Conservative Party said it was too small and the Progressive Federal Party wondered how it was going to be financed.

It was also not clear whether the increase would apply to parliamentarians. The various parties were fudging the issue this morn ing, but it is understood the mat-

Meeting planned on pay increase

Eveiost 19/5/87 354

PRETORIA — A Public Servants' Association (PSA) spokesman said that PSA directors would meet tomorrow at 5pm to discuss the "unsuitable" and "disappointing" general pay increase of 12,5% announced yesterday.

It would be decided then what course of action to pursue.

The Transvaal Teachers' Association (TTA) today slated the pay hike as "a total embarrassment".

The TTA chairman, Prof H O Maree, said: "Each facet of it creates the impression of ineptitude and controversy."

He said the association's executive committee would meet tomorrow to discuss the matter with a view to taking further action.

The TTA agreed with the Teachers' Federal Council that strong action was called for.

The Teachers' Federal Council chairman and headmaster of Queen's College in Queenstown, Mr Dudley Schroeder, said today that although teachers were thankful for any improvement aimed at alleviating the high cost of living, it was likely that further submissions to the Government would follow soon.

He also lashed out at the "regrettable" way in which the salary adjustment had been handled, referring specifically to the "unfortunate" postponement of the announcement and the late date of implementation.

Mr Schroeder warned that present negotiation procedures were untenable and adjustments would have to be made "to eliminate mounting tensions and conflict", adding that in the past two years the Government had only partially compensated public servants for inflation and the rise in the cost of living.

The nursing profession has also expressed disappointment that the pay rise is below the inflation rate of about 17%.

The executive director of the SA Nursing Association, Mrs Susan du Preez, said the "ideal situation" would have been an adjustment which at least matched inflation.

The official Opposition in the House of Assembly regards the increases as insufficient as they do not keep pace with the rate of inflation.

The Conservative Party spokesman on finance, Mr Caspar Uys, says pensioners who retired fewer than 13 years ago are now worse off than at the time of retirement and that in real terms all salary earners and pensioners have become poorer.

Mr Uys attributes the whole situation affecting salaries to poor economic management, inadequate control of inflation and to the increasingly socialistic policies of the Government.

The Federated Chamber of Industries says the increases are in line with prevailing increases in industry. It says they indicate an awareness by the State not to generate inflationary pressures. — Sapa

19/5/87 Sowetan (3SY)

Civil service pay rise

CIVIL servants are to receive a 12,5 percent general salary increase from July 1 this year.

The Minister in the State President's Office entrusted with the administration and broadcasting services, Mr Alwyn Schlebusch, made the announcement in a statement released yesterday.

He said the general salary adjustment applied to the public service, teachers, tertiary education institutions and parastatal institutions.

"Furthermore, it may also be possible to consider limited occupational specific adjustments for certain occupational classes, on a priority basis, during the course of the year."

Statement

Mr Schlebusch's statement was accompanied by two other Press statements from the Minister of Home Affairs, Mr Stoffel Botha, and the Minister of Transport Affairs, Mr Eli Louw, confirmed that the increment also applied to employees of the Post Office and SA Transport Services.

Mr Schlebusch said that earlier this year the State President, Mr P W Botha, announced that he had noted the need and representations for a general salary adjustment in the public sector.

"He had emphasised the Government was sympathetic and positive towards the merits of the representations but had to postpone the decision until the 1987/88 Budget had been compiled. — Sapa.

It may be bad news on PO and Sats tariffs next week

By PATRICK CULL
Political Correspondent

SOME of the post-election medicine forecast by the PFP's Mr Harry Schwarz is likely to be handed to the consumer next week when both the Post Office and South African Transport Services (Sats) budgets are presented.

The Post Office budget will be presented by Mr Stoffel Botha, Minister of Communications, on Monday. Mr Eli Louw will present the Sats budget the following day.

A wide range of increases seems inevitable, particularly in the light of the 12,5% increase given to all Government employees this week.

The two part appropriations (mini-budgets) presented in February this year were particularly mild and the only increase announced was a 2c rise to 16c in the standard letter rate.

But there were hints at the time that more increases would be announced later — after the election.

In February, Mr Botha said that the current cross-subsidisation of services could not continue at current levels and would have to be phased out.

Just how he is going to do this will be disclosed on Monday.

Across-the-board increases in postal tariffs seem likely. Bearing in mind the R130-million loss projected for this year, it is likely that telephone tariffs will also rise.

A warning of further increases in this area was given in last year's budget.

A general round of increases has also been predicted when the Sats budget is presented on Tuesday.

Again a mild mini-budget was delivered in February prior to the election. And, safely back in power, the Government can now hand out the medicine.

The main Budget will be tabled on June 3.

354 23/5/87

EVA POST

Pay us more, say academics

By JILL JOUBERT

GRAHAMSTOWN — Staff at Rhodes University have written to the Government asking for their salaries to be increased by more than the 12,5% to be paid from July 1.

They base their argument on a calculation made by the Rhodes University Staff Association (Rusa) that their standard of living has declined by an effective 40% in the past five years.

Rusa says in a letter to National Education Minister F W de Klerk that academic salaries have declined in value in that period by a "very conservative" minimum of 25%. Meanwhile, rates in all categories of personal tax have greatly increased.

"Greater numbers of our best students will not consider university careers but will emigrate or go into commerce," says the letter.

...would, Hibbert said.

Civil servants still disgruntled

Business Day 27/5/88

GERALD REILLY

DISSATISFACTION with the 12,5% pay hikes is still rumbling through the public sector.

The Teachers' Federal Council has committed itself to continue negotiations with government on a better service dispensation for teachers, including salaries.

TFC president Dudley Schroeder says a strategy involving seven recognised teachers' associations has reached an advanced stage of planning.

Private consultants are to be appointed to investigate market related salaries for teachers on a basis of earnings in the private sector and in the rest of the government sector.

Meanwhile, the executive of the Sats Artisan Staff Association is to meet on June 3 to review the "unacceptable" pay rises and the refusal of government to make the increases retrospective to April 1.

On the same day, the Posts and Telegraphs Association will meet to decide on further action following the rejection of their demands for linked increases.

Earlier this month the Public Servants Association stressed its dissatisfaction at the funds made available for "occupational differentiation" increases.

Speedup of Sats staff parity scheme

E.P. 27/8/82

Political Correspondent

CAPE TOWN — The South African Transport Services (Sats) was committed to the "systematic elimination" of disparities in salaries and other service conditions, Transport Minister Mr Eli Louw said yesterday.

Presenting the Sats budget yesterday, Mr Louw said a five-phase plan had been agreed to with trade unions to achieve this parity and the third phase was to have been implemented along with the salary increases announced last week.

However, Mr Louw said, it had been decided to expedite the programme and the full five phases, with the exception of medical and travel benefits, would be implemented now at a cost of R72-million.

There would as a result be one set of service conditions for all employees, he said.

Striking Sats employees dismissed last month stand to benefit from the salary parity if they are re-employed.

The Minister said that for personnel dismissed because of the strike also to share in the improved service conditions, Sats was prepared to re-employ most of them.

Mr John Malcomess, PFP spokesman on transport affairs, welcomed the move to bring about staff equality this year.

Situated at (nearest town)	*Surface (ha)*
Natal	
Pinetown	± 300,0000
Louwsburg	± 125,0000;
Orange Free State	
Bethlehem	777,9130
Bothaville	309,8973
Hoopstad	5,2677
Welkom	184,8391;
Transvaal	
Balfour	± 85,0000
Middelburg	509,8985
Witbank	2454,4282
Ogies	81,6560
Greylingstad	57,4197
Ermelo	261,0869
Boksburg	62,2555
Boksburg	11,1349
Boksburg	39,9644
Boksburg	67,9597
Boksburg	21,4133
Boksburg	226,3896
Boksburg	905,7597
Boksburg	158,1259
Boksburg	169,2409
Germiston	288,0380
Roodepoort	149,3938
Johannesburg	4,5000
Johannesburg	173,4393
Johannesburg	± 11,6000
Johannesburg	47,5259
Johannesburg	13,5426
Johannesburg	21,1469
Alberton	± 41,2000
Sandton	70,6657
Kempton Park	1359,3784
Pretoria	28,7366
Pretoria	1282,8843
Nigel	468,1933
Krugersdorp	13,9660
Fochville	± 815,0000.

(2) (a) (i), (ii) and (iii) (aa) Since 1 October 1986, the provincial administrations, and not the Department, deal with the inclusion of new land into Black local authority areas of jurisdiction. The information regarding applications dealt with by the four provincial administrations in total, is furnished hereunder. (The reference to 15 September 1986 is regarded as a *bona fide* oversight. On that date the Regulations relating to Township establishment and Land Use in respect of Black townships came into operation).

(a) (i) (aa) 1
(ii) (aa) 15
(iii) (aa) 5;

(b) (i) (aa) None
(ii) (aa) None
(iii) (aa) None.

Concerning applications for the designation of new land as development areas received by the Department, the reply is as follows:

(a) (i) (bb) 18
(ii) (bb) 4
(iii) (bb) 46;

(b) (i) (bb) 1 (one)
(ii) (bb) None
(iii) (bb) None.

(3) Because the provincial administrations do not deal with applications for the designation of development areas, the words "development areas" in this question must be substituted by "establishment of black townships". The reply to the question is then as follows:

(a) (i) 56
(ii) 2
(iii) 11
(iv) 6;

(b) (i) None
(ii) None
(iii) None
(iv) None.

(4) (a) 180 days in the case of Transvaal. Applications received by Natal and the Cape Province have not been finalised yet and no applications have been received by the Orange Free State.

(b) 169 days.

Coloured management committees

421. Mr K M ANDREW asked the Minister of Constitutional Development and Planning:

(1) Whether any (a) salaries, (b) allowances and (c) other specified emoluments or fringe benefits are paid to (i) members and (ii) chairmen of Coloured management committees in (aa) the Cape Peninsula, (bb) the Witwatersrand, (cc) Eersterus, Pretoria, and (dd) the Bloemfontein area; if so,

(2) what were the relevant rates of remuneration paid to such (a) members and (b) chairmen in respect of each of the above categories during 1984, 1985, 1986 and the period 1 January 1987 up to the latest specified date for which information is available, respectively?

The MINISTER OF CONSTITUTIONAL DEVELOPMENT AND PLANNING:

(1) (aa) *Cape Peninsula*

(a) (i) No.
(ii) No.

(b) (i) Yes—Annual Allowances.
(ii) Yes—Annual Allowances.

(c) (i) No.
(ii) Yes—Entertainment Allowances.

(2)

	Year	(a) *Members*	(b) *Chairmen*
	1984	R 3 600	R 3 600
	1985	R 3 600	R 3 600
	1986	R4 140-5 520	R4 140-5 520
	1987	R4 140-5 520	R4 140-5 520
Entertainment Allowances	1984	—	R 50
	1985	—	R 50
	1986	—	R100
	1987	—	R100

(1) (bb) *Witwatersrand*

(cc) *Eersterus, Pretoria*

(a) (i) No.
(ii) No.

(b) (i) Yes—Annual Allowances.
(ii) Yes—Annual Allowances.

(c) (i) No.
(ii) No.

(2) *Witwatersrand*

	Year	(a) *Members*	(b) *Chairmen*
Alberton	1983-84	R 840	R 1 050
	1984-85	R 1 140	R 1 425
	1985-86	R 1 140	R 1 425

(2) *Witwatersrand*

	Year	(a) *Members*	(b) *Chairmen*
	1986-87	R 1 800	R 2 250
	July 1987	R 5 400	R19 350
Boksburg	1983-84	R 900	R 1 200
	1984-85	R 1 920	R 2 400
	1985-86	R 1 920	R 2 400
	1986-87	R 2 100	R 2 625
	July 1987	R 6 000	R18 000
Brakpan	1984	R 840	R 1 050
	1.1.1985	R 960	R 1 140
	1.4.1985	R 1 140	R 1 425
	1.5.1986 to 30.6.1987	R 1 260	R 1 575
	July 1987	R 7 200	R21 600
Nigel	1.1.1984 to 30.3.1986	R 1 140	R 1 425
	1.4.1986 to 30.6.1987	R 1 260	R 1 575
	July 1987	R 7 200	R21 600
Randfontein	1984	R 1 140	R 1 425
	1985	R 1 140	R 1 425
	1986	R 1 140	R 1 425
	1.4.1986 to 30.6.1987	R 1 800	R 2 250
	July 1987	R 7 200	R21 600
Roodepoort	1984-85	R 1 140	R 1 425
	1986 to 30.6.1987	R 1 260	R 1 560
	July 1987	R 3 600	R10 800
Johannesburg	1984 to 28.2.1986	R 1 470	R 1 950
	1.3.1986 to 31.5.1986	R 2 220	R 2 775
	1.6.1986 to 30.7.1987	R 2 460	R 3 075
	July 1987	R12 000	R36 000
Eersterus			
Pretoria	1984	R 1 200	R 1 725
	1985	R 1 620	R 2 025
	1986 to 30.6.1987	R 1 800	R 2 250
	July 1987	R12 000	R36 000

(1) (dd) *Bloemfontein*

(a) (i) No.

(ii) No.

(b) (i) Yes—Annual Allowances.

(ii) Yes—Annual Allowances.

(c) (i) No.

(ii) No.

(2)

Year	(a) *Members*	(b) *Chairmen*
1984 Until 30 June	720	960
1984 From 1 July	1 040	2 080
1985	1 040	2 080
1986	1 040	2 080
1987 Until 30 June	1 540	3 080
1987 From 1 July	9 600	28 800

City councils: management/executive committees

422. Mr K M ANDREW asked the Minister of Constitutional Development and Planning:

(1) Whether he will furnish information on the (a) salaries, (b) allowances and (c) other specified emoluments or fringe benefits paid to (i) councillors and (ii) chairmen of management or executive committees of the city councils of (aa) Pretoria, (bb) Johannesburg, (cc) Bloemfontein and (dd) Cape Town; if not, why not; if so,

(2) what were the relevant rates of remuneration paid to such (a) councillors and (b) chairmen in respect of each of the above categories during 1984, 1985, 1986 and the period 1 January 1987 up to the latest specified date for which information is available, respectively?

The MINISTER OF CONSTITUTIONAL DEVELOPMENT AND PLANNING:

(1) (a) (aa), (bb), (cc) and (dd)—No, salaries are not paid.

(b) (aa), (bb), (cc) and (dd)—Yes, annual allowances.

(c) (aa), (bb), (cc) and (dd)—No, no other emoluments or benefits are paid.

(2) PRETORIA

	1984	*1985*	*1986*	*1987*
(a)	R5 760	R6 840	R7 500	R7 500-12 000
(b)	14 400	17 100	18 750	18 750-48 000
JOHANNESBURG				
	1984	*1985*	*1986*	*1987*
(a)	7 440	7 440	7 440-8 816	8 160-12 000
(b)	26 040	26 040	26 040-28 560	28 560-48 000
BLOEMFONTEIN				
(a)	2 970-4 260	4 260	4 260	6 310-9 600
(b)	9 504	14 910	14 910	22 090-38 400
CAPE TOWN				
(a)	6 087	6 924	7 440	7 440
(b)	16 653	21 012	24 912	26 040

Black local authorities: management/executive committees

423. Mr K M ANDREW asked the Minister of Constitutional Development and Planning:

(1) Whether any (a) salaries, (b) allowances and (c) other specified emoluments or fringe benefits are paid to (i) members and (ii) chairmen of

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PUBLIC SERVANTS WANT ANOTHER PAY INCREASE

GERALD REILLY

PRETORIA — Public servants wanted provision made in the Budget for increases later this year, the Public Servants Association (PSA) said.

It said they also wanted a bigger allocation for market-related earnings in specific occupations in the service.

Public sector workers got 15% pay hikes from January — hikes which will cost an additional R4bn in the new financial year.

Last year, an amount of R400m was allocated for occupational differentiation which, PSA GM Hans Olivier said, "was insufficient to meet the need for adjustments in certain key areas in the service.

"We are still not keeping pace with earnings levels in the private sector and, until adjustments are made, we will continue to lose skilled staff."

Olivier said representations were made at the end of last year on the need for a bigger allocation for occupational differentiation as well as for more adjustments to general salary levels during the new financial year.

The 15% granted at the start of the year still left government workers well behind equivalent workers in the private sector.

Olivier agreed with Commission for Administration retiring chairman Johan de Beer that, in real terms, government workers were worse off than five years ago. Increases had failed to keep pace with inflation.

Olivier also agreed with De Beer that goverment workers could be lagging by as much as 20%-25% behind the private sector.

Public servants are to demand new salary rise

Star 30/6/89.

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Pretoria Correspondent

Public servants are calling for a 15 percent salary increase and an adjustment of pensions.

The Public Servants' Association (PSA) is to ask the Government for a second pay adjustment this year.

This follows a meeting of the PSA board of directors in Pretoria at which details of a salary survey were discussed.

In a statement yesterday, the PSA said the Government had failed in its policy of occupational differentiation and public servants earned 17 percent to 46 percent less than counterparts in the private sector.

The survey indicated that South African Transport Services (Sats) workers would get an additional 10 percent from July 1, and employers in the private sector would grant increases of 14 to 18 percent during the year.

The only remedial action would be another general salary adjustment, said the PSA.

PSA general manager Mr Hans Olivier attributed the failure of the occupational differentiation policy to insufficient funds allocated for public service salaries.

A total of R50 million was allocated during the current year.

This, he said, would be enough to adjust only the salaries of 27 occupational classes.

There were 179 occupational classes, he added, which had received no real improvements in the past three years.

Referring to the plight of public service pensioners, he said the average annual annuity was R15 000 a year.

Traffic man worked overtime on leave

JOHANNESBURG Traffic Department superintendent Piet Nortje has worked 3 500 hours overtime in the past 3½ years, some of which was claimed while he was officially on leave.

It is estimated that this cost city ratepayers at least R50 000.

Traffic department records show that last year, Nortje claimed 99 hours overtime for a period when he was on holiday.

The overtime has been described as "abnormal" by incoming city treasurer Willie Siebert, who yesterday promised to conduct an investigation into Nortje's overtime.

EDYTH BULBRING

Three other superintendents in the same department averaged 65 hours overtime a year in the same period, DP chief whip in the council Paul Asherson said.

Siebert said: "I will need to investigate what the man has been doing to earn this abnormal amount of overtime."

Records show that during the past 3½ years, Nortje has averaged 1 000 hours overtime a year. Siebert said he could not believe that a person could claim overtime while on leave.

Current records show that during the first six months of this year, Nortje has taken 12 days' leave, during which he has claimed 45 hours overtime.

In 1988, he took 47 days' leave and claimed 99 hours overtime during that time.

Nortje, who earns R2 800 a month, would earn in the region of R12 an hour overtime, Asherson said last night.

According to council salary scales, Nortje would earn R18 an hour overtime after normal working hours and R24 an hour on a Sunday or public holidays, Asherson said.

☐ To Page 2

Overtime

"I would welcome an investigation into Nortje's overtime record," he said, adding that he was scheduled to meet Traffic Department director Theo Olivier and other traffic personnel on Thursday about his suspicions concerning the overtime, which he hoped would be allayed.

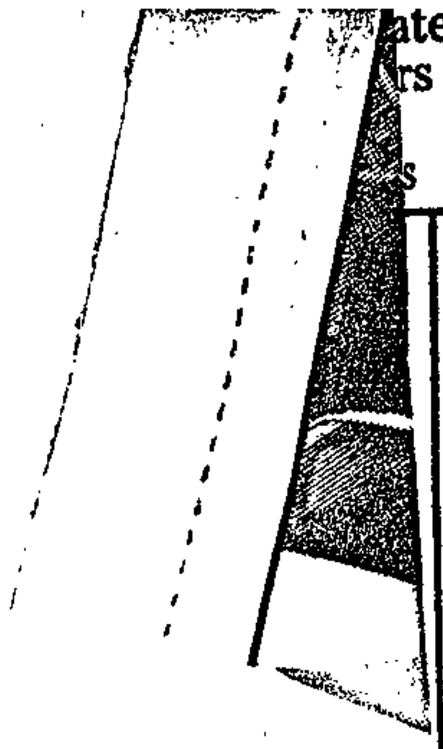
Asherson said he believed Nortje also operated as Public Safety chief director John Pearce's chauffeur, and had accompanied him on at least two overseas trips in the past three years.

☐ From Page 1

Olivier said last night he could not comment on the matter unless he had the overtime records in front of him.

A Traffic Department spokesman said Nortje still worked as a traffic superintendent, but had been seconded to Pearce's Public Safety Department in January this year. A description of his seconded job was not available, said the spokesman.

Nortje could not be reached for comment.



ately ing for themselves, police fired shots,
rs of killing two civilians and wounding a
few others before police regrouped
s of and moved in to restore order.

Pay hikes welcomed

TIM COHEN

GENERAL Council of the Bar chairman Ralph Zulman yesterday welcomed judges' 50% salary increases.

The new salaries were commensurate with judges' responsibilities, he said.

He rejected a claim made by Association of Law Societies head Andries Geyser that judges were getting such a large salary increase because the country was having trouble attracting advocates to accept appointments to the Bench.

Geyser had also suggested that attorneys be appointed to the Bench as a solution.

Pearce 'responsible for Nortje's overtime'

B1Day 5/7/89

MANDY JEAN WOODS
and EDYTH BULBRING

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JOHANNESBURG's public safety chief John Pearce — as the former head of the traffic and security department — would have been solely responsible for authorising 3 500 hours' overtime worked by traffic department superintendent Piet Nortje, city treasurer Perry Rabe said yesterday.

"The head of that department for that time — in this case John Pearce — would have approved the overtime. The responsibility remains with the department head," he said.

"But if Nortje acts as a chauffeur for him and sits around at a function waiting for him, then that is Pearce's responsibility. He may have been doing special overtime relating to Pearce," he said.

Rabe said he was still deciding whether or not to conduct an investigation.

However acting town clerk Pieter Mathee said last night he had instructed incoming city treasurer Willie Siebert to tell Rabe to begin an investigation immediately.

Rabe said the function of the city's internal auditors in respect of overtime was to verify that it had been properly authorised.

Asked if the large amount of overtime would, at least, give rise to queries from the council's internal auditors, Rabe said it would not.

"If we suspected the overtime was illegally claimed, then we would investigate, but if Nortje worked those hours and Pearce approved it, then there is no problem," he said.

Mathee said town clerk Manie Venter was Pearce's superior and would, therefore, have been in a position to query the reason for the large amount of overtime.

Venter is on holiday and could not be

☐ To Page 2

Overtime

B1Day 5/7/89. (354)

☐ From Page 1

reached for comment.

Traffic Department director Theo Olivier said there were other employees in the department who were "on a par with Nortje's overtime or had worked more hours overtime than Nortje."

Efforts to establish exactly what Nortje's duties entailed were met with "I don't really know" replies from council and department officals.

Siebert said he did not know if Nortje was "Pearce's bodyguard or what", but that he was always "waiting around" at meetings where Pearce was present.

Olivier said Nortje had been seconded to the Public Safety Directorate in January for "special assignments". However, he was was still in charge of the traffic warrants section.

"What Pearce gives him to do I don't know," he said.

He said in 1986 Nortje was an ordinary traffic officer. He was made an assistant superintendent in 1987 and a superintendent in 1988.

Commenting on Business Day's report yesterday that Nortje had claimed overtime while on leave, Olivier said that although he was convinced this could not have happened, he would check the departmental records.

He declined to comment on claims by council officials that Nortje was Pearce's bodyguard and chauffeur.

Pearce could not be reached for comment yesterday.

Privatisation: scrapping of posts outlined

GERALD REILLY

PRETORIA — Significant progress had been made in government's aim to strip the public service of all activities which could be served by the private sector, Commission for Administration chairman Piet van der Merwe said yesterday.

The structure of the entire public service could change, he said.

Recently announced was the privatisation over the next three years of catering, cleaning and horticultural services. Currently 38 000 public servants were employed by these services.

Projects

The contracting out of road-building and maintenance would reach 75% by 1994/95. At present an annual budget of R2,2bn and 32 000 workers were involved in these activities.

In addition to functions already approved for privatisation, more than 80 possible projects were in the pipeline. Duplication and overlapping of functions in the public service was a cause for concern, but since rationalisation during 1979/80 much had been done to eliminate this.

He pointed out a personnel standstill was imposed in the service in 1978 in an effort to curtail staff expenditure. Since then a large number of posts had been abolished.

During last year the net result of all establishment changes was a reduction of 5 286 posts. The commission also recommended nearly 500 officers for early retirement.

In the drive towards greater productivity, work programming and financial incentive schemes had been implemented.

Van der Merwe said in determining public service salaries, the point of departure was the levels of pay and other service conditions in the general labour market. Job security enjoyed by the professional group in the service was taken into account.

He stressed that public service salaries did not lead the market, but followed it.

...a note of them required the facility then ● Comment: Page 6

Nortje's overtime 'not irregular'

EDYTH BULBRING

TRAFFIC Department head Theo Olivier said yesterday he had checked Superintendent Piet Nortje's overtime records against his leave records and was satisfied there were no irregularities.

DP chief whip Paul Asherson said this week Nortje had clocked 3 500 hours overtime in 3½ years, and had also been paid overtime while on leave.

Asherson is to meet Olivier and Nortje today. BDay 6/7/89.

Olivier said one of the periods in question in February last year, when it was recorded that Nortje was paid 35 hours overtime, had in fact been cancelled. He had been informed about this yesterday on making inquiries to the personnel department.

Olivier said a DP councillor who was told by him that Nortje had taken leave in February this year had been incorrectly informed. The leave was taken in March.

"Either he heard me incorrectly, or I read it incorrectly."

Olivier said he would look into the possibility that Nortje was paid for a few days more than he should have been.

He said the amount of overtime paid to Nortje was calculated on a rate which had changed over the 3½ years in which the payments were made.

This rate had ranged from R8 to R15, depending on Nortje's promotions.

Calculations by Business Day indicate he was paid a total of R48 800 for overtime.

Attempts by Business Day to contact Nortje yesterday were again unsuccessful.

However, Die Vaderland reported him as saying he was "no one's chauffeur" — a reference to reports that he had worked as a chauffeur for Public Safety chief John Pearce. Investigations would show he had not claimed any overtime he had not worked, Nortje said.

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MANDY JEAN WOODS

Jo'burg city council employees charged with misconduct

DEPUTY DIRECTOR Traffic and Security Tony Thompson and the senior deputy director Gas Works Stan Verrier have been charged with misconduct in terms of the Johannesburg City Council's conditions of service.

This follows a disciplinary hearing before a deputy town clerk after Press reports in which it was alleged Thompson used a council bricklayer for three months to do private work at his Linden home between December and February this year.

In terms of the local government ordinance an employee who does private work should first obtain the council's consent.

They have been given verbal warnings.

Johannesburg Muncipal Employees Association (JMEA) general secretary Theo Crouse said at the hearing it was established the bricklayer was paid by Thompson for his work. It was also established the bricklayer was on paid and unpaid leave.

Thompson was charged because he allowed the bricklayer to work at his house without the necessary permission in terms of the local government ordinance. Verrier was charged as the deputy head of the department for failing to notify the council of the bricklayer's part-time work outside council hours.

The JMEA, which represented the men at the hearing, yesterday confirmed they had been charged.

"We are awaiting the town clerk's ruling on the matter before deciding if any further action is required," Crouse said.

Faked death fraud: man jailed

STW 7/7/84 (354)

Traffic officer's claims 'are not excessive'

Councillor drops overtime accusation

By Sue Olswang

The Democratic Party's chief whip in Johannesburg City Council, Mr Paul Asherson, today said he fully accepted the traffic department's explanation about the thousands of hours overtime claimed by traffic superintendent and former Traffic Officer of the Year Mr Piet Nortje.

Mr Asheron, who met Johannesburg traffic chief Mr Theo Olivier for three hours yesterday afternoon, has released a statement in which he said he was "fully satisfied that Mr Nortje and his staff of seven are required to perform legitimate and necessary duties beyond any normal working hours".

Mr Nortje's overtime, according to Mr Asherson, was not excessive when compared with that of other staff.

"Superintendent Nortje is a properly qualified traffic officer who is, of necessity, required to accompany the city's director of public safety, Mr John Pearce, on various assignments as a bodyguard," Mr Asherson's statement said.

"Mr Nortje possesses special skills which the council is lukcy to be able to utilise. I am further satisfied that very little of Mr Nortje's overtime relates to his attendance on Mr Pearce. Much of that is spent of his own free will."

Mr Asherson said an examination of the traffic department's personnel records had revealed the correct situation about Mr Nortje's overtime hours allegedly claimed while he was officially on leave.

Nothing to hide

"After discovering the cancellation of leave by Superintendent Nortje, it does not appear to me that any overtime was claimed during any period of leave," Mr Asherson said.

"Superintendent Nortje is in charge of the warrants section of the Traffic Department. That position entails long overtime hours ... serving warrants of arrest for contempt of court on traffic offences and summons.

"I can only submit that from my intensive examination of the records and fullest discussion with Chief Traffic Officer Mr Olivier and Superintendent Nortje that the department has nothing to hide in respect of Mr Nortje, his work, overtime and personal financial position," Mr Asherson said.

He added that his statement should not be seen as a backdown because he had an obligation to investigate the "numerous" allegations brought to him about the traffic department.

"The bottom line is that the situation looked suspicious and was worthy of investigation. I have taken the trouble to investigate and I am fully satisfied with the traffic department's explanations regarding Mr Nortje.

"There are, however, other allegations which I will discuss with Mr Pearce when he gets back from leave."

Warning for city council men over bricklayer's work

Staff Reporter

Two Johannesburg City Council employees have been given verbal warnings in connection with private work done by a council bricklayer.

The city's deputy director of traffic and security, Mr Tony Thompson, and the senior deputy director of gas works, Mr Stan Verrier, recently appeared before a deputy town clerk.

Mr Jan van Niekerk, deputy secretary-general of the Johannesburg Municipal Employees Association (JMEA), today confirmed the men had appeared before a deputy town clerk.

Mr van Niekerk said the JMEA represented the men at the hearing.

It was determined Mr Thompson had paid a council bricklayer for his work. The bricklayer was on paid and unpaid leave for a three-month period when the work was done.

The Local Goverment Ordinance stipulates that a council employee must first obtain the council's consent before doing private work.

The warnings are subject to confirmation by the town clerk.

Public sector seeks promise of hikes by year-end

B10an 13/7/84

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PRETORIA — Public sector staff associations are maintaining pressure on government for undertakings of pay hikes before the year-end.

Post Office workers are demanding 20% pay hikes from July.

But Communications Minister Stoffel Botha told a Postal and Telegraphs Association delegation this week he could

GERALD REILLY

give no assurance of across-the-board rises in the immediate future.

However, he said, salaries were continually adjusted to match private sector pay levels.

The teaching profession is also agitating for pay adjustments before the year-end. Teachers got a 7% increase last December and a general 15% public sector rise in January.

The pay issue and "inadequate" housing benefits were raised again recently in talks between the Teachers' Federal Council and National Education minister F W de Klerk. Further talks are expected soon.

Wassenaar 'talking nonsense'

GERALD REILLY

THE Public Servants Association (PSA) has "irrefutably proven" workers' salaries are substantially lower than those earned in the private sector, PSA GM Hans Olivier said yesterday.

He described the claim by former Sanlam chief Andreas Wassenaar that MPs and government worker salaries were the root cause of the inflation problem as "nonsense".

Private consultants' investigationsshowed beyond question that public servants lagged well behind private sector workers.

Wassenaar claims that MPs and public service salaries accounted for nearly 50% of state spending and were a political and constitutional problem.

Most SA voters had supported a goverment that had introduced a tricameral parliament and this was supported by a greater public service.

If, as Wassenaar suggested in his book Squandered Assets, goverment imposed public service cuts and granted smaller salary increases, "essential work would be neglected and resignations could reach disastrous proportions," Olivier said.

Wassenaar claimed government workers were relatively overpaid and this years' 15% increases, with notch rises, amounted to about 20%.

"He forgets the 1988 pay freeze, so if he is looking for a scapegoat he must look elsewhere for the prime causes of inflation and not at the public service." Oliver added.

industry's total employment ered from about 85 000 early ear to about 95 000.

by a graduated scale of duties offering a reasonable concession on imports of specific commodities.

sions with par... ing it welcomes a lower import tariffs

PSA declines to disclose the contents of pay study

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GERALD REILLY

PRETORIA — The Public Servants' Association (PSA) yesterday declined to disclose the contents of a report which, it claims, shows private sector salaries are running ahead of government salaries.

A spokesman said the information was confidential and the PSA had undertaken not to divulge details of the probe.

FSA Remuneration (Pty) Ltd of Johannesburg, which did the investigation, also said the pay study was confidential.

Earlier this week a PSA spokesman claimed former Sanlam chief Andreas Wassenaar was talking nonsense when he claimed goverment workers' and MPs'salaries were at the root of SA's inflation problem.

Wage strike over

SCORES of Mamelodi City Council employees who downed tools on Monday over a wage dispute returned to work yesterday after the council agreed to meet their demands.

A spokesman for the Transvaal Association of Employees of Black Local Authourities (TAEBLA) yesterday said the council had agreed to pay increases which should have been paid in 1987 when the council moved from grade 8 to grade 9 status.

The council, after a lengthy meeting with executive members of TAEBLA on Monday, also agreed to pay a general increment of 15 percent at the end of next month. This increase will be paid retrospectively to January this year.

A spokesman for the council yesterday said workers resumed work after the council agreed to pay out the increases which were described as "long overdue" by the workers. The spokesman said the council resolved in April this year to pay the 15 percent general increase.

"We were just waiting for the date to implement the increase". He added that the 1987 increases would vary from person to person because these were actually salary adjustments".

Council employees stage work sit-in

Star 6/1/89

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Pretoria Bureau

About 700 dissatisfied Atteridgeville Town Council employees staged a sit-in yesterday over alleged delays in implementing pay increases.

At a meeting held yesterday, they voted unanimously for the sit-in.

The workers resolved to report for work as usual yesterday but not take up tools.

They said that they had been promised a 13,1 percent pay increase last July.

The workers last week submitted a petition calling for the immediate dismissal of town clerk, Mr Solly Rammala.

Star 28/7/89.

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PSA says resignations are going up

Govt stands by 'no salary rise' decision

By Norman Chandler, Pretoria Bureau

The Government has for the second time in a week turned down a request by public servants for a general salary increase.

Dr Dawie de Villiers, the Minister for Administration and Privatisation, told a delegation from the Public Servants' Association (PSA) at a meeting yesterday that the economic situation made it impossible to raise salaries.

His statement comes after a categorical TV statement this week by the Minister of Finance, Mr Barend du Plessis, that there would be no increase.

Salary market

The last general increase, of 15 percent, took effect on January 1, this year.

The PSA says it submitted a memorandum to Dr de Villiers on July 4 in which it asked "for a general salary increase which should be granted during the present financial year to bring public servants' salaries closer to the salary market."

According to the PSA, Dr de Villiers indicated it would be possible to give attention to "specific occupational adjustments" and gave an assurance that an in-depth investigation of remuneration practices would take place as well as the possibility of improved salary structures.

The delegation, headed by the president of the PSA, Dr Colin Cameron, said in a statement to The Star that the 15 percent increase in January had to a certain extent stemmed the exodus of well-trained personnel "but in the light of the present tendencies and movement evident in the salary market, it seems that resignations are again on the increase."

Extra funds were asked to be made available for "moderate market related salary adjustments especially with regard to those occupations which were in need, and for low-paid workers who are barely living above the breadline."

The PSA was upset that some occupations have for three years not been suitably rewarded in terms of salary adjustments.

It adds that there was concern that only R50 million had been set aside in the current financial year for "occupational differentiated maintenance investigation" — salary increases in areas where there are acute staffing problems.

"The amount is clearly hopelessly inadequate," said Dr Cameron.

An increase in the housing subsidy limit of R50 000 and the introduction of a uniform retirement age of 60 was also requested.

Rammala in a new storm

Sowetan 28/7/89

By MONK NKOMO

ABOUT 700 employees of the Atteridgeville City Council staged a sit-in yesterday in support of their demands for "overdue" wage increases and the dismissal of the town clerk, Mr Solly Rammala.

The workers, who included policemen, staged the sit-in following a resolution taken at a meeting on Wednesday. They demand a 13,1 percent wage increase which they say they were to have received in October last year after promises by the council.

They also demand a 15 percent general increase which they claim was budgeted for with effect from January this year.

Rent

The employees are all members of the Transvaal Association of Employees of Black Local Authorities (TAEBLA). The sit-in is expected to affect the payment of rent at the administration offices, the running of creches and essential services which include the collection of refuse.

At their meeting on Wednesday, the workers condemned the findings of Mr Justice Hiemstra who recently acquitted Rammala on 12 counts of irregularities.

The workers called on the council to fire the town clerk "because we are convinced that he is guilty".

Allegations by a senior council official that some of the workers were forced to sign a petition calling for Rammala's dismissal were found to be untrue when the workers confirmed at Wednesday's meeting that they signed the petition voluntarily.

Rammala was yesterday not available for comment. His office reported that he was "still out."

The mayor, Mr Velaphi Mathebula, told the Sowetan that the council had not yet taken a decision on the petition which was hand to the executive committee last week. Mathebula said he was going to ask Rammala to call a special council meeting next Tuesday to discuss the petition which was signed by about 92 percent of the staffers calling for his dismissal.

A similar "sit in" was staged by employees of the Mamelodi city council on Monday. The workers also demanded "long overdue" wage increases dating back to 1987.

The council, after negotiations with the executive committee of TAEBLA, agreed to pay the increases from Monday, July 31. The workers were also promised a 15 percent pay hike at the end of August.

Atteridgeville town clerk, Solly Rammala.

Mamelodi shooting inquest adjourned

Sowetan 28/7/89

THE inquest into the police shooting of 12 Mamelodi residents has been adjourned until January 15 next year.

When the hearing resumes in January, it will be more than four years after the incident in which police opened fire at people who had gathered at the local administrative office to present their grievances.

The hearing was set down for three days this week for further cross examination of a policeman who killed two men in the township. The hearing was in the Pretoria North Magistrate's court.

BOYCOTT AT VISTA

Sowetan 28/7/89

MORE than 1 000 students at the Mamelodi campus of Vista university are boycotting lectures in protest against the increase of fees and other education -related issues.

A spokesman for the Students Representatives Council (SRC) said the boycott which started last Thursday was sparked off by the announcement by university authorities that fees for first and second year courses would be increased from R350 to R470 and that fees for third year courses would go up from R600 to R840 with effect from January next year.

Students also complained about the library which they claimed was "congested and did not have enough reference material".

Students

According to a spokesman for the students, the scope of study at the campus was not "open" and no sports facilities were available for future teachers who had to be sports - orientated.

Professor Elwyn Jenkins, the campus director of the university, could not be reached for comment yesterday. An answering machine at the switchboard replied: "This campus is closed and will reopen on Friday July 28. Please call again".

A representative of the students complained that African languages were taught in English and accused the university authorities of not fulfilling their educational role meaningfully. The students also complained about the "make-shift structures" within the campus.

The spokesnman for the SRC said: "The university authorities made a promise four years ago to build a permanent structure similar to the one in Soweto. This has not been done. We are aware of the inflation rate and the fact that things must go up. We are also prepared to pay but we just cannot pay for nothing.

We will boycott classes until our demands are met".

Sowetan 28/7/89

Bus fares will not increase

PUTCO has assured commuters in Mamelodi that fares will not be increased because of the recent hike in the price of fuel, according to Mamelodi's mayro, Mr Zikhiali Ndlazi.

The mayor made this announcement during the Mamelodi City Council's monthly meeting when reporting on a meeting held between the council and Ptco officials on July 6.

In a letter addressed to Ndlazi, Putco's public relations officer in Pretoria, Mr Bruno Mautla, stated that his company was aware of the financial problems the community was facing.

ANGRY SAA ENGINEERS WARN OF INDUSTRIAL ACTION

FURIOUS SAA flight engineers are threatening industrial action if their demands for redundancy pay are not met.

And the irate engineers have warned of serious safety risks on the flight decks of aircraft.

Many of the 170 members of the SAA Flight Engineers' Association believe they will lose their jobs as the airline begins introducing hi-tech jets late next year that don't require flight engineers.

Realising that jobs were on the line, the association began negotiating with SAA in 1982 over severance pay and alternative employment opportunities — without much success, they say.

They have now appealed to the Minister of Transport, Mr Eli Louw, for an urgent meeting in an attempt to resolve the issue.

In a statement to the Sunday Times, the association says the situation "has become untenable and poses a serious safety risk on the flight deck. This is a serious threat to the safety of the travelling public," it said.

By ROGER MAKINGS

A spokesman for the association said: "Flight engineers cannot afford to be preoccupied with worries about their futures and those of their families while on the flight deck. We have to have our wits about us all the time."

□□□

Although the association was considering industrial action, he ruled out any possibility of a strike.

The association said it realised in 1982 that jobs were on the line and a year later approached SAA and Sats management.

In 1984 the association hosted an international workshop, attended by other associations from Britain, the US, Europe and the Far East, to consider the problems of redundancy.

Proposed solutions included pilot training, alternative employment and severance packages. Most of the foreign associations began negotiating with their airlines and reached agreements on redundancy.

However, two years ago irate flight engineers called for a meeting with SAA chief executive Gert van der Veer. He informed them that there would be no redundancies, saying "Julle soek vir 'n bobbejaan agter die berg" (You are looking for something that doesn't exist).

However, Mr Van der Veer refused to provide this guarantee in writing, the association says.

The association then asked to meet Sats general manager Dr Bart Grové, but its request was ignored.

At a meeting with Dr Grové which eventually took place in November 1987, he gave flight engineers the assurance that SAA had not purchased any aircraft not requiring their services.

He did, however, acknowledge that a problem existed and that it should be rectified.

Later that month it was announced that SAA would buy the revolutionary fly-by-wire Airbus A320 — which does not require flight engineers.

Four days after the meeting with Dr Grové, the Helderberg crashed and SAA management asked that the redundancy issue be put on ice.

Then in May this year the Sunday Times revealed that SAA intended buying new Boeing 747-400s that didn't require engineers.

By this time the Flight Engineers' Association had still not held talks with SAA management about the future of its members.

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In July this year, talks resumed at which it was agreed that the redundancy issue would be finalised on August 15. However, at last month's meeting, SAA refused to sign any agreement, saying further extensive actuarial investigation was required.

Now the association has appealed to Mr Louw for an urgent meeting to resolve the issue. It received a reply this week saying that he was looking into the matter.

SAA spokesman Francois Louw said yesterday: "Although the airline is acquiring new-technology aircraft, there are no plans to sell off the existing fleet on which the flight engineers are employed.

"These aircraft still have many years of service ahead of them during which time the problems of redundancy should be satisfactorily resolved."

Mr Louw added that if the new A320s did replace any aircraft, these would be Boeing 737s which did not have flight engineers anyway.

As for the new Boeing 747s, he said these were additional aircraft and would not replace existing 747s.

GERT VAN DER VEER
'No redundancies'

Star 5/9/89

PSA makes demands

Public servants want New Year break

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Pretoria Bureau

Public servants are agitating for a holiday over the Christmas/New Year period.

This has been revealed in the report of the Public Servants Association's executive committee, to be presented to the PSA's annual meeting in Pretoria on September 25.

The report says that various general service conditions were submitted to the Commission for Administration — the body which controls the public service — for discussion.

One is for the introduction of a "Christmas recess" and another that a shift allowance to be introduced "to compensate for the inconvenience caused by working shifts".

Overtime

The PSA also says the maximum salary to which overtime pay is calculated should be increased, a housing loan scheme implemented and a motor vehicle loan scheme for officials at Assistant Director and higher levels introduced.

Subsistence allowances should also be revised, while benefits to assist officials stationed at isolated centres "with regard to visits to larger centres for medical reasons and to purchase basic essentials" be introduced as well.

● In the meanwhile, the PSA has also been told by the Commission for Administration that recommendations regarding leave of absence by public servants had been received. The PSA had asked for the introduction of maternity leave, special leave for officials in isolated areas, compassionate leave and leave during official transfers.

Public servants will ask for a 20% pay increase

B/Day 26/9/88

PRETORIA — The Public Servants Association (PSA) was committed to "earnestly" negotiating for a 20% general salary increase from April next year, PSA president Colin Cameron said here yesterday.

In his address to the PSA's AGM, he stressed this was needed if a semblance of a market-related renumeration packet was to be maintained.

The request for a 15% pay increase during the current financial year had been rejected because of lack of funds.

Cameron stressed the policy of occupational differentiation had failed and lost its credibility year after year for the same reason.

"Major discrepancies have developed and we implore the authorities to rectify this position by immediately attending to all those categories that have not yet been assessed during the past three years." In the medium and long term the conventional approach to pay had failed to satisfy the stable corps of effective public servants.

Year in and year out they were forced to go through the demoralising and degrading processes of negotiation when the role of the PSA should have been one of consultation with the authorities.

To solve the "insidious" problem

GERALD REILLY

would demand innovative and even radical thought and action.

Pay and other service conditions should be in equilibrium with statutory bodies and state corporations. He had no vendetta against state corporations but it was undeniable that service conditions for similar personnel often differed greatly.

Cameron said a deliberate effort was being made to discredit government and its officials and to give the impression that improper benefits and inefficiency were rife in the public service. This was clear from a survey of Press reports over the past year, he said.

Obligation

He called on the media to stop their "one-sided, biased and often distorted reporting".

"Every government department and the mass media has an obligation to do more to promote the image and activities of the public service," he said.

Most work done by public servants was a service and of a benevolent nature, but the public perception was public servants were merely fat-cat bureaucrats. It was imperative this image should be changed.

On privatisation Cameron said this was supported by the PSA as long as it did not result in monopolies, and became an easy mechanism to channel public money into private pockets.

Cameron said the negative effect of privatisation on the morale of personnel in the service was a source of great concern. With the introduction of the personnel freeze in the service, privatisation could have a demoralising impact on personnel. It was disturbing that so many senior officials had one thing in mind — to retire as soon as possible.

Stressing the need for good administration Cameron said without this it would be fruitless to go through all the planning and consultation exercises only to find out in practice the system would not work because of a lack of the basic principles of good administration.

It was hopeless to try to motivate people if the basic principles of good administration were neglected.

On the free market system Cameron said this had a tendency to result in an accumulation of wealth by a relatively few persons and organisations. However it was a generator of jobs and encouraged initiative and productivity.

Star 26/9/89 (354)

Public servants 'play crucial role in new SA'

Pretoria Correspondent

The success of the "new" South Africa lies in the hands of the public service, says Dr Piet van der Merwe, chairman of the Commission for Administration.

Public servants had a crucial function in reconciliation between the race groups, discussions and negotiations, economic growth and development, the handling of unrest and the promotion of peace.

The public service needed to maintain high ethical standards and be attractive to the young, capable and talented so it could be restored to the organisation it should be.

Speaking at the annual general meeting of the Public Servants' Association (PSA) in Pretoria yesterday, Dr van der Merwe called on public servants to build up the public's confidence in the public service because a break of confidence would jeopardise any government's chances for success with plans for a "new" South Africa.

He said public servants should also strive to promote confidence in the economy, without which South Africa would land on the "ash-heap", he said.

Temporary solution

Referring to the call by PSA president Dr Colin Cameron for a minimum general salary increase of 20 percent in April, he said general increases were only temporary solutions. Inflation had to be brought under control as it was the cause of dissatisfaction.

The commission was looking at occupational differentiation which could be extended to differentiation within certain groups, with higher salaries paid for example to those in the expensive PWV-area.

Dr van der Merwe had a special appeal for those "willing to degrade and destroy the public service" to consider living in a situation where there was no faith in government or its leaders and institutions — including the courts and education systems.

Dr Cameron criticised the media for its apparent attempt to discredit the Government and its officials in "one-sided, biased and often distored" reporting, in order to create the impression of inefficiency or that public servants were "fat cat bureaucrats".

Public sector wants 20 pc increase

By Norman Chandler, Pretoria Bureau

Public servants want a minimum salary hike of 20 percent — and they want it next April.

This was said at the annual meeting of the Public Servants' Association (PSA), which began in Pretoria yesterday.

Dr Colin Cameron, who was re-elected president of the PSA, said in his presidential address that it was now common knowledge that public servants' request for a 15 percent general salary increase in the current financial year had been turned down because of lack of funds.

"Similarly, the policy to address remuneration issues by means of occupational differentiation has failed and lost its credibility because of lack of funds.

"We will naturally now have to negotiate earnestly for a general salary increase of at least 20 percent from April 1 1990 if we wish to maintain the least semblance of a market-related remuneration packet."

Dr Cameron, who described pay negotiations as "demoralising and even degrading," said the solving of the problem would require innovative and radical thought and action.

He also called on the government to reach finality on privatisation "so that stability could be restored" within the public service because the current situation was causing problems in terms of loyalty, enthusiasm and dedication.

Many officials were more interested in how quickly they could retire than in loyalty and service.

He also called on the media to promote the public service.

The idea that public servants were "merely fat-cat bureaucrats" had to be changed, Dr Cameron said.

1600 Fri Mon Tue Wed Thu 2730 Fri Mon Tue Wed Thu Fri Mon Tue Wed Thu

AHI slaps down call by civil service for 20 percent pay rise

SPMK 29/9/89 354

By Derek Tommey

The call by the Public Service Association for a 20 percent pay rise has sent ripples of alarm through business circles.

This is both on account of the effect it could have on business pay rolls and because it would presage another spending spree by the Government at the expense of hard-pressed companies and individual taxpayers.

The public sector's pay demand comes at a time when much of business is already being squeezed by the Government's measures to curb consumer spending.

Business would not like to have go through a repeat performance of the squeeze this time next year because the Government has undone all the beneficial effects achieved so far by handing out over-generous pay rises to the public sector.

It is no surprise, therefore, that the public service's pay call has drawn a sharp response from the Afrikaanse Handeslinstituut (AHI), which represents most Afrikaans businessmen.

AHI vice-president Tom de Beer said yesterday that between now and the end of the year the Government and the private sector must expect to be confronted by a flood of claims for salary and wage increases.

But it was neceesary, in the national interest, that restraint be exercised since large increases in wages and salaries could damage the balance of payments and seriously harm the fight against inflation.

The call by the Public Service Association for a 20 percent rise in basic salaries and wages would have far-reaching implications for the whole of the economy, he said.

He pointed out that even given the rises in consumer prices in the past 15 months, the figure of 20 percent looked on the high side when one took into account that public sector increases also resulted in an additional increase in the wage scales.

He said the ultimate measure (of public service wages and salaries) ought to be the total salary and wages account of the state, considered in relation to the number of employees.

Although the private sector's profitability automatically disciplined its salary and wage increases, Mr de Beer said the AHI still called on its members to exercise the same restraint it was requesting from the public sector.

He said that the AHI was perturbed at the Public Service Association's call for wage and salary parity with the private sector, while at the same time expressing reservations over privatisation because it could possibly affect the security which, so far, has been inherent in state service.

Mr de Beer said the AHI welcomed the high priority being given to curbing inflation, together with the emphasis on greater efficiency and discipline in the public sector.

Mr de Beer said that although the economy was cooling down, this was not happening as quickly as desired.

Consumer spending was still high, despite the level of interest rates.

Demand for credit remained strong, especially from the corporate sector.

Imports, so far, showed little sign of falling and money supply remained alarmingly high.

If the gold price remained at $350 or higher, the AHI believed that further measures to cool the economy would not be needed.

At the same time, there was no room for any relaxation in the existing measures, Mr de Beer said.

have recently purchased a new car and going to hear reference to

Please, sir, we want . . .

ST Times 1/10/89

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THE PUBLIC Servants Association (PSA) call for a 20% salary increase for its members has provoked the wrath of taxpayers.

PSA president Colin Cameron said at the association's annual meeting this week that the increase was necessary to iron out the pay discrepancies which had resulted from the policy of occupational differentiation.

Dr Cameron said: "Due to a lack of funds our request for a 15% general salary increase this year has been turned down. We now need an increase of 20% effective from April 1, 1990, to give public servants a market-related remuneration package."

Dr Cameron says an analysis of newspaper reports in the past year shows there has been a deliberate effort to discredit the public sector by insinuating that it is inefficient and receives excessive benefits.

EXPERIENCE

Unfortunately for Dr Cameron, it appears that either the newspapers and magazines have done their work well in influencing the public, or ordinary people have formed their own opinions on inefficiency through experience.

I listened to a Transvaal radio station's phone-in programme the day after Dr Cameron presented his demands. All the callers were incensed by the request for a 20% increase.

They complained about inefficient and rude staff members in many Government departments.

The public sector, in its broadest sense, increased from 1,3-million servants in 1978 to 1,7-million last year — 16% of SA's economically active population.

The cost to the nation has been enormous. In 1983, public-sector salaries and service benefits cost R5,3-billion, rising to R13,4-billion in 1988. In five years, the cost of this sector has risen by 51%.

Public servants do need an increase (at a 16% annual inflation rate, they have to live too), but the factors which must be taken into account are productivity and how much the State can afford.

.This dividend is payable in the currency of the Republic of South Africa.

...South African Income Tax Act 1962, as amended, a non-resid

B/Day 2/10/89 354

20% public sector salary increase 'will cost R3,6bn'

GERRY REILLY

PRETORIA — The 20% pay increase demanded by public sector workers would cost R3,6bn and increase government's salary bill to R22bn, economists said at the weekend.

According to the commission for administration, in the year to September last year the payout totalled R15,859bn — an average salary of R16 562.

The 15% given to all public sector workers from January this year added another R2,4bn to the total wage and salary bill on an annual basis.

Afrikaans Handelinstituut vice-president Tom de Beer said after a meeting of the AHI executive committee that the 20%, if granted, would have far-reaching implications for the whole economy.

Even taking the increase in the CPI over the past 15 months into account the demand was big, especially taking into account, too, that notch rises would also be given during the year.

Public Servants Association GM Hans Olivier said the PSA was bound to a policy of striving for market related salaries.

"In our demands we follow the lead given by the market. We ask for no more and no less than market related adjustments."

It was ridiculous too, to lay the blame on the public sector pay bill for the country's chronically high inflation rate, he added.

Meanwhile De Beer warned against big upward adjustments in the private sector.

Economy

The delicate balance of the current account of the BoP could be disturbed and the fight against inflation made even more difficult.

On the national economy De Beer said it had begun to slow but, not as fast as planned.

Consumer spending was still high in spite of the level of interest rates. The demand for credit was also still strong, particularly in the corporate sector. Imports showed little indication of declining and the rise in the money supply remained disturbingly high.

Some plans up, some down

Public sector wages leap R1bn in year

(354) GERALD REILLY

PRETORIA — Public sector workers were paid a huge R7,9bn in the second quarter of this year — an increase of more than R1bn compared with April-June last year, Central Statistical Service figures show.

This is nearly R32bn on an annual basis — a total that could rise to around R40bn if public sector workers get the 20% salary rise they have asked for.

However, the total numbers employed decreased by 12 297 — mainly because of staff cuts in public corporations including Sats and the Post Office.

The statistics show the civil services of the self-governing states continue to expand. At the end of June they employed 196 290, an increase of 16 972 compared with June last year. They were paid R598,9m — an increase of R168,8m.

The figures show that the central government also continues to expand. Its workforce increased by 7 720 to a high of 336 615. B/Dag 11/10/87

And they were paid R1,75bn for the three months — R374m more than in April/June last year.

More workers were also employed in the own affairs departments. They increased by 2 451 to a total of 184 648 and were paid R1,1bn — up R239m.

Central government and the provincial administrations combined employed 748 569 — up by 11 217 on last year at end-June. Total payout jumped by a huge R746,7m to R3,7bn.

Sats decreased its workforce by 5 874 to 178 307 — and the three months' pay bill amounted to R921m — a decrease of R45,4m.

Post workers at end-June totalled 94 449 — a decrease of 324 and they were paid R432,5m — an increase of nearly R35m compared with April/June last year.

The number of workers in public corporations dropped by 41 487 at the end of June to 134 954 due to privatisation. Public corporations workers earnings also fell sharply by R137,5m to R795,6m.

Dozen cops leave force daily for higher pay

By DE WET POTGIETER

AN average of 12 SA policemen leave the force every day. This staggering — and frightening — statistic came to light during a Sunday Times investigation this week.

In the wake of the current spate of bad publicity about alleged hit squads, upset senior policemen spoke of the dilemma between continuing to do their sworn duty and their fight for financial survival.

The reasons vary from officer to officer, but the main reasons for the flood of resignations emerged as:

- Poor salaries;
- Virtually non-existent housing facilities for new families; and
- The present adverse publicity surrounding the police force.

And there is little that officers in the SAP can do publicly about their plight.

Increases

For, unlike teachers and other public servants, who can openly demand salary increases and better living standards, it is forbidden for policemen to publicly fight for their cause.

"They want to double the police force in the near future," an upset officer told the Sunday Times this week.

"What are they doing at present to improve our standards of living? By the time they start doubling the force there will be nobody left in it."

Although the statistics are chilling enough, they hide an even more worrying fact. Most policemen leaving to find alternative means of feeding their families are skilled officers with six or more years of service.

"The police force is losing its expertise to the private sector, which is offering lucrative salaries and perks for the men," a senior officer said.

A policeman works an average of 12 to 13 hours a day, receives no overtime pay, and housing for newlyweds and members transferred from other districts is almost non-existent.

"We have the best police force in the world with the best criminal success rate anywhere — but we are losing all these good men," he said.

$Times 17/12/84

No end seen to bitter rail strike

By ANDREW GILLINGHAM

SA Transport Services and the union Sarhwu are locked in bitter confrontation as a crippling strike enters its sixth week.

And while there seems little hope of a settlement, both sides admit there is room for compromise.

A Sats spokesman said: "We have reached deadlock. There have been no new initiatives or meetings."

Previously Sats estimated the number of strikers at about 20 000, but the numbers grew to 26 530 this week.

Sats said it had dismissed 19 667 strikers since the strike began on November 2, leaving 6 863 strikers still officially employed.

Angered

Sarhwu vice-president Mr Johnny Potgieter said: "Despite the dismissals we are not losing the strike. The violence being used against strikers has angered workers throughout the country and they are joining the strike.

"Sarhwu is willing to negotiate. We have said we want a minimum wage of R1 500 and talks about the disciplinary code. We have never said the demands were not negotiable."

Sats said it would not negotiate with Sarhwu, the South African Railway and Harbour Workers' Union, until it became a "recognised" union. Sats said the union had either to register with the Department of Manpower or provide proof of membership.

Killed

- Seven people have so far been killed and hundreds injured in battles between strikers, non-strikers and passengers;
- A bomb exploded at Johannesburg Station on Monday. Two men were killed, one of whom is believed to have been carrying the device when it exploded. Police said the bomb was connected to the strike;
- Houses belonging to non-strikers have been petrol-bombed;
- Damage to Sats property has been extensive with 26 carriages destroyed and 36 damaged. The cost is estimated at R37-million.

The strike is also proving costly to striking workers — they have lost R17-million, not including bonuses, since the strike began.

Post office pay talks back on line

By Drew Forrest

Vital pay talks covering thousands of post office workers resume today against the background of burgeoning black worker militancy.

In demands first tabled in October, the Post and Telecommunications Workers' Association (Potwa) has called for a doubling of the basic minimum wage to R1 100 a month and a R400 across-the-board increase.

Potwa vice-president Mr Floyd Mashele said that as middle management won a sizeable increase in mid-1989, the union wanted the award backdated to July for lower-paid workers.

RACIAL PARITY

The post office employs about 96 000 people, of whom some 30 000 are black.

Potwa is also demanding:

- Racial parity in pay.
- Scrapping of plans for post office privatisation, which the union fears will cause job losses.
- Scrapping of "apartheid practices" in the postal sector.
- Permanent status for about 4 000 temporary employees.

Warning that the talks were likely to be tough, Mr Mashele said black workers "were in militant mood" and had staged wildcat strikes recently.

He said Potwa leaders would plan a campaign of action at a meeting on January 14 if the talks failed to make progress.

Cabinet faces R6bn pay decision

PRETORIA — The Cabinet will have to take a R6bn decision early next month — the cost of giving exchequer personnel an expected 15% pay hike in the new financial year, according to sources here.

Paying the one-million personnel in the state departments and administrations, the homelands' public services and parastatal institutions takes an increasingly bigger bite out of the budget — in excess of 25% of the total every year.

The Public Servants Association (PSA) has asked for an across-the-board increase of 20% from April 1.

Provision will also have to be made for special increases for personnel in key positions and for routine notch increases.

GERALD REILLY

Based on the R16bn paid in salaries and salary-related expenditure in 1988, and taking into account the 15% salary increase from January last year, the 1989 payout exceeded R18,5bn.

BP cut
10/11/90

Benefits

354

Assuming a 15% increase — the 20% demand seems likely to be rejected — the total required for salaries in the new financial year would be in the region of about R22bn.

And when other benefits are added, including medical aid contributions, housing subsidies, car benefits and overtime the total could rise by another R4bn.

Meanwhile the PSA will have meetings with Finance Minister Barend du Plessis and Administration Minister Wim de Villiers within the next few weeks to press their 20% claim.

The PSA argues that in April it will be 15 months since its members' last increase, and that they got no increase at all in 1988.

Against this background and taking into account the public and private sector backlog, a claim in excess of 35% could be justified, they say.

Meanwhile economists say it has become "critically urgent" that the enormous slice taken from the overall budget to fund SA and homelands' monstrous bureacracies be drastically reduced.

This, they stressed, should be De Villiers' dominating aim in the new year.

PSA: Market related wage plan a failure

PRETORIA — The market related wages ideal for public service has failed hopelessly because of the chronic lack of funds, says the Public Servants Association.

Public servants had been impoverished over the past four years with living standards plunging by a 33% average, the PSA said in The Public Servant.

Uncertain career prospects because of privatisation, destructive and unfounded criticism and poor pay had created conditions for widespread unhappiness in the service and accelerated resignations.

In 1985 the average earnings per person was R11 762. This had risen to

GERALD REILLY

R14 472. Because of higher living costs effective earnings were reduced to R7 853 compared with 1985.

"In this state of impoverishment public servants can no longer financially absorb other external factors that erode their net salary."

Among these were increasing interest rates on morgage bonds, personal loans, HP transactions and overdrafts.

On top of this, income tax failed to provide for the decline in real earnings

The PSA said the net salary of a director since 1984 had increased by 84%, but his income tax had increased by 98% and his living costs by 122%.

Private sector salaries had generally kept pace with the increases in living costs, the PSA said.

Measured against private sector levels public servants had a salary backlog of 19,9% for personnel management, up to 31,5% for lower level skilled manpower, and up to 23,84% for the unskilled.

The majority of unskilled personnel were paid less than the recognised minimum breadline earnings.

The public service had a 9% vacancy rate resulting in a saving for the state of about R400m a year, the PSA said.

Hefty increase of R1,3bn in govt's pay package

354

BIPAV 17/11/90

GERALD REILLY

PRETORIA — Pay in all segments of the country's vast public sector escalated sharply last year, according to Central Statistical Service figures.

In the quarter to end-September, the total payout soared by R1,338bn to R8,035bn compared with the same period in 1988.

This was 20% more than the 1 683 876 workers — a slight decrease — earned in July-September 1988.

In central government (general affairs), the workforce increased by 10 141 to 337 550, while the quarterly payout soared by R359,997m to R1,690bn.

In own affairs departments, the workforce also increased, by 1 876 to 185 349. Their combined pay in the three months increased by R217,797m to R1,058bn compared with July-September 1988.

Combined, the central government and provincial administrations employed 751 757 people — an increase of 12 548. Their pay escalated by a huge R781,794m to R3,649bn.

Unlikely

Over the same period, the large and growing bureaucracy in the six self-governing states increased by 11 136 to 197 664 people. Here the payout rose R186,200m to a total of R620,059m compared with the third quarter in 1988.

The Public Servants Association is pressing government for a 20% pay hike from April 1. If government agrees — an extremely unlikely move — the quarterly pay for central government and provincial workers will have to be increased by R730m a quarter based on the latest figures and provided the number of workers stays the same.

The public sector includes Sats, the Post Office, universities and technikons, control boards and parastatal organisations.

The statistics show the continued shrinking of Sats staff, which started about four years ago. In the year to end-September 1989, the number of Sats workers decreased by 4 402 to 177 026.

But their pay shot up by R182,051m to a quarterly total of R941,737m.

The Post Office workforce increased by 100 to 95 483 and the pay bill by R60,400m to R437,410m for the July-September period.

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354

B/pays 17/11/90

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POTWA TO GET AN ANSWER BY MARCH — PO

8/Dec/91

ALAN FINE

POST Office (PO) management yesterday told Post and Telecommunications Workers Association (Potwa) representatives that Mineral and Energy affairs and Public Enterprises Minister Dawie de Villiers would respond to Potwa's wage demands by early March.

A Department of Posts and Telecommunications statement said senior GM Pieter Senekal had told Potwa the Minister "had sympathy with a deserving case".

Potwa has demanded a R1 100 monthly minimum wage and an across-the-board increase of R400. The present minimum is R522,50.

Senekal told Potwa at yesterday's meeting that De Villiers had requested that discussions with the other six staff associations also be held, and this was being done.

Potwa general secretary Vusi Khumalo confirmed the PO version of the meeting, but said Potwa was concerned that the other staff associations were to be consulted.

"This means our negotiations depend on the other organisations, which may have no demands at all," he said.

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Potwa also wondered whether it was not more appropriate to negotiate with the minister directly.

home was smashed.

The man ran off, but Mr Towrey pursued him to Fifth Street. The suspect was later shot in the left hip.

home, Monday to Sunday.

For further information, call our Customer Services staff on 492-3420.

Baker shoots assailant

A Johannesburg baker, Mr Ettore Milano (57) of Eldorado Bakery in Kensington, was shot twice in the chest by three gunmen while walking to work on Tuesday at 5 am. Although seriously wounded, Mr Milano managed to draw his gun and fired three shots at his attackers, killing one. The other gunmen escaped in a minibus. — Crime Reporter.

Minister seeks union talks

The Minister of Mineral and Energy Affairs, Dr Dawie de Villiers, has asked for wage talks to be held with six coloured, Indian and white postal unions before he responds to the pay demands of the Post and Telecommunications Workers' Association (Potwa). — Labour Reporter.

Bank employee is hijacked

A Volkskas bank employee was held up by a gunman on Tuesday at 10.30 am as he was loading a money trunk into a minibus at the South Rand Hospital. The gunman forced the employee into the vehicle and drove to South Hills, where he was dumped unharmed. — Crime Reporter.

BMF plea to back De Klerk

EAST LONDON — South Africans need to help and encourage President de Klerk to move forward boldly and create the right climate for negotiations.

The national president of the Black Management Forum (BMF), Mr Don Mkhwanazi, told the East London Chamber of Commerce yesterday that change in the country was inevitable.

He said the private sector was one of the key players in the creation of a new South Africa.

"Unavoidable change has created great fear among whites and it has robbed our beloved country of the best brains, thus compounding the critical shortage of skilled manpower," Mr Mkhwanazi said.

"South Africa stands on the threshold of a new era. We must put in place all the components to achieve new heights. History is not something that merely happens of its own accord." — Sapa.

Sun loses exclusive gaming rights

By Norman Chandler

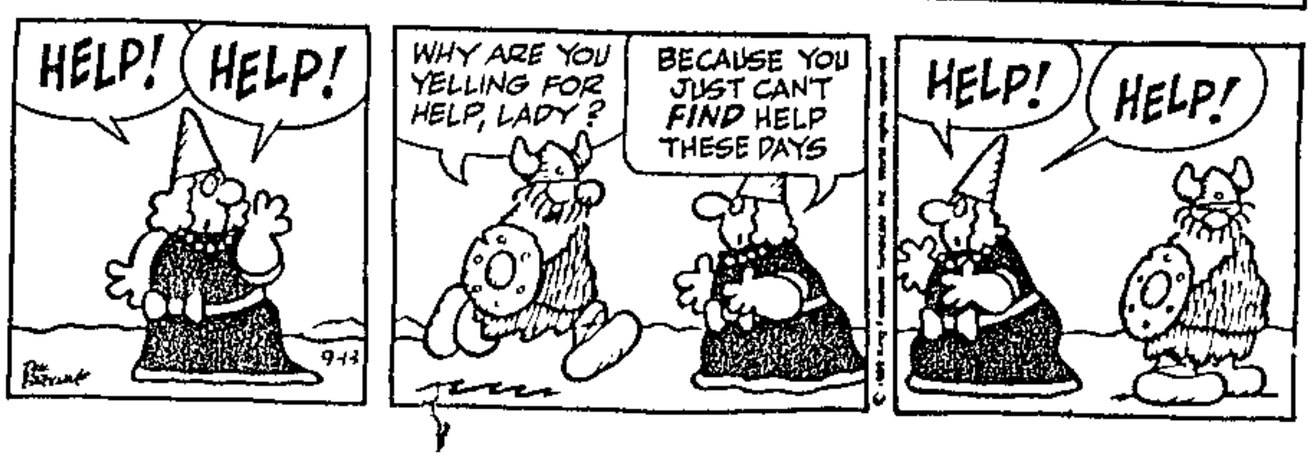
UMTATA — Hotel giant Sun International has lost its exclusive gaming rights in the Transkei, but has been guaranteed eight years without competition in the north of the country.

The Transkei Supreme Court yesterday ruled that, with immediate effect, the rest of the country was open to other casino hotel developers.

The country has, in terms of the court order granted to the Transkei government been divided into north, central and southern areas and initially only one casino complex would be allowed in each area.

Yesterday's action came as a result of Major-General Bantu Holomisa's government challenging Sun International's exclusivity in gaming rights. These were granted to Mr Sol Kerzner by the previous government.

HÄGAR the Horrible ® **By Dik Browne**



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Govt is expected to hold down pay

GERALD REILLY

PRETORIA — Public servants fear that government could use modest pay hikes this year to demonstrate its determination to cut the enormous costs of administration.

The increases are expected to be made known by Finance Minister Barend du Plessis in the Budget on March 14.

The Public Servants Association has asked for a 20% increase for nearly a million exchequer personnel. This would cost government an estimated R6bn.

Speculation in the public service now is that increases will be between 12% and 15%. However, provision is expected to be made for significant increases for key personnel where the shortage of professional and skilled workers is causing serious concern.

'Inadequate'

In the current financial year R50m was set aside in the Budget for "career differentation" increases. The PSA condemned this as inadequate, claiming it indicated a lack of understanding for the critical staff situation in vital areas of the service.

PSA GM Hans Olivier said last week that many resignations in the past 12 months had justified the PSA's stand.

Well trained personnel — the core of the service — were being lured away to the private sector with higher salaries and better service conditions.

"We hope this time round there is a greater appreciation of the problem, and that a substantial amount will be allocated for these special increases," Olivier said.

Shortfall shocks Cabinet

B10 aug 29/11/90

CABINET members are reported to be shocked by the extent of the Sats pension funds' deficit revealed in the report on an actuarial evaluation.

A source close to J A Carson & Partners, the actuarial consulting company which undertook the evaluation at the invitation of government, said last week the deficit ran into "billions of rand".

Industry estimates have put the shortfall of assets to liabilities in the Sats' funds at R5bn. Former Sanlam chairman Andreas Wassenaar has suggested they could be as high as R6bn.

And merchant bankers have said that the pension fund deficits could be a major stumbling block in the way of the planned privatisation of Sats.

The source said that when the report was seen by Cabinet ministers, "everyone

ROBERT GENTLE

(354)

was shocked".

A senior official from the Sats pension funds said he was unable to divulge any information. "The acturarial report will be discussed at the next session of Parliament. I cannot comment further."

There was no formal comment from J A Carsons, except to say the report was completed last year and was in the hands of the government. Government officials in Cape Town could not be reached for comment.

Among factors named by the source as having contributed to the shortfall were the buy-back scheme — first highlighted by Wassenar — inadequate financial support and low investment returns.

"They were doing 9%, maybe 12%, while

☐ To Page 2

Sats pension funds

☐ From Page 1

private pension funds were making 20%," the source said. "They have been going backwards."

(354)

However, he emphasised the actuarial nature of the deficit and cautioned against viewing it in straight accounting terms.

Actuarially speaking, he said, it was a capitalised, discounted value which summarised the state of the fund if it had to meet all its obligations tomorrow — a highly unlikely scenario.

"For the man in the street, it's going to be a major shock. But the fund is not insolvent. It can meet its immediate needs," he said.

BDay 29/11/90

That view was echoed by an assistant GM of a leading bank.

Analysts canvassed for their opinion said that while it was well known the Sats pension fund was in actuarial deficit, a figure of "billions" meant the situation was more serious that previously thought.

"This doesn't augur well for privatisation," one said.

And another said: "There must be a link between privatisation delays and these shortfalls."

Defence cuts to hit pension fund

LINDA ENSOR

THE current account of the civil service pension fund, which has a floating deficit of R23bn, will be hard hit by the retrenchments of staff arising out of the rationalisation of the defence forces.

About 2 300 members, staff of the SADF, are to be pensioned off or given early retirement. Over 2 000 of these will be navy personnel.

Government Service Pension Fund (GSPF) chief director Japie Visser said the terms of the retirement packages would be based on long-standing regulations which made provision for added service on the occasion of early retirement.

Visser said in such cases a member could claim additional service of one third of pensionable service or the period between the date of early retirement and the date he would otherwise retire, whichever was less. The maximum additional service which could be claimed would be five years.

In addition, those with 10 years of service could claim an extra year for each four-year period employed and would receive a lump sum gratuity of 6,72% of their salary on retirement multiplied by the number of years of pensionable service.

Those with less than 10 years service would not get a pension but a large gratuity.

Visser could not say what the total withdrawal would be as the SADF had not

☐ To Page 2

Defence cuts

☐ From Page 1

given him numbers. Three months notice would be given to those to be retrenched.

"The policy is to start off with older people," Visser said. "This will not affect their pensions much as they will be near retirement age."

Visser said that while the fund's assets presently stood at R19bn, the withdrawal would be "a blow" to it.

An SADF spokesman said people going on early retirement or being retrenched were treated on an individual basis in accordance with normal personnel procedures.

"Furthermore, they will be treated according to the provisions of the applicable pension funds. Therefore it is not possible to provide a single, universal package applicable to all."

Pinetown DP MP Roger Burrows said the withdrawal would have a significant impact on the GSPF's overall debt position as it would deplete current assets. He added, however, that 2 300 was a small percentage of the fund's total 600 000 membership.

Potwa starts wage talks

Sowetan 31/11/90

By LEN MASEKO

THE Post Office management and Post and Telecommunication Workers Association have resumed annual wage negotiations with the union demanding a minimum pay of R1 100 for its members.

But the talks are likely to stall after management accused Potwa of planning a strike ahead of a deadlock between the two parties.

The union has refuted this claim, saying it was not aware of any strike action being planned by its members.

The union's demands include an across-the-board increase of R400 a month and improved working conditions. If granted, the increases will become effective from April 1.

Post Office general manager, Mr Pieter Senekal yesterday warned the union that management would take tough action against Potwa members if they went on strike.

"During a strike both the department and those on strike will suffer. It is thus to the advantage of both parties to rather discuss matters and see to what extent mangement can assist in meeting salary demands," he said.

Potwa members to march in protest

CHARLENE SMITH

MORE than 5 000 Post Office workers will march through central Johannesburg today in protest against their wages and working conditions, according to their union.

A Post Office and Telecommunications Workers' Association (Potwa) spokesman said negotiations with the Post Office, which had been taking place since October, had broken down yesterday after six hours.

He said the union had not sought permission for the march.

The spur to the present dispute appears to be a notification to North Rand workers that the Post Office would no longer offer them transport to and from work. The Potwa spokesman said this could cost workers up to R100 a month in transport bills.

Workers are also demanding a R1 100 living wage — the present minimum wage is R500 — plus a R400 across-the-board increase.

In addition, they have called for an end to racism in the Post Office.

No comment could be obtained from the Post Office last night.

SALARIES F|M 2|2|90

Paying the way (354)

The two government-owned organisations, next on the list for privatisation, have decreased numbers of staff employed. Central Statistical Service figures on employment, salaries and wages for the public sector in the third-quarter 1989 show Sats and the Post Office reduced staff by about 1 000 and 500 employees respectively, to 177 000 and 95 000.

However, salaries and wages paid over the period increased — presumably a sign of paying better wages to fewer, better qualified people. Sats paid R20m more in the third quarter than in the second at R942m, while the Post Office's salary bill rose by about R4m to R437m.

The same trend is noticeable with public corporations (enterprises in which the State has a major holding). The number of employees decreased by 1 000 to 134 000 while salaries rose about R70m to R870m. However, though the number of employees at parastatals (institutions such as the Council for Scientific & Industrial Research) decreased by about 500 to 20 500, salaries also decreased — from R130m to R113m. ■

Nurses ask Minister for 60 pc pay rise

Own Correspondent

DURBAN — Nurses have asked the Minister of Health and Welfare, Mrs Rina Venter, for a 60,2 percent pay increase, it was announced at the "nursing in crisis" conference which opened at Natal University last week.

The socio-economic manager of the South African Nursing Association, Miss Eileen Brannigan, said the increase was asked for particularly to try to keep clinical nurses in the field, but also in respect of administrative nurses, nurses in education and student nurses.

Clinical nurses' salaries had always been far behind the others, she said, and as a result their salary increase needed to be the largest.

ENTHUSIASTIC RESPONSE

Miss Brannigan said surveys had shown that this increase would keep nurses' salaries in line with other professions on the same market scale.

Health care workers in Government hospitals, administrative positions and private practice from around the country are represented at the conference — and they responded enthusiastically to Miss Brannigan's announcement.

The main topics discussed by delegates, during sometimes heated debates, were apartheid, wages, working conditions and education.

They also debated the need for nurses to be able to belong to organisations of their own choice to ensure a more democratic representation within the profession.

In his keynote address, Dr Coen Slabber, director general of the Department of National Health and Population Development, said there was an urgent need for change, but the nursing profession also needed to be strengthened or the health care system in the country would be in danger.

Representatives of "alternative" nursing and health organisations emphasised the removal of apartheid in health as the most important need in the nursing crisis.

It was also said that solutions would not arise from the conference because "alternative views to that of the South African Nursing Association (SANA) and the Government" were lacking.

RACIAL DIVISIONS

Ms Mondi Gungubele and Ms Ntsiki Matakana, representing the South African Health Workers Congress, the National Education Health and Allied Workers Union, the Organisation of Appropriate Social Services of South Africa and the National Medical and Dental Association, said no one could look at the South African health care system and ignore the racial divisions in it.

"The racial selection and training of nurses still continues today, and there is a severe shortage of nurses in black hospitals which is exacerbated by the greater need for health services in the poorer black communities," read a statement issued on behalf of the organisations represented by Ms Gungubele and Ms Matakana.

SANA, too, came under fire and was accused of failing miserably when it came to speaking for nurses, despite compulsory membership.

Poor management of the economy, dissatisfaction in the ranks, lack of representation and primitive labour laws were also highlighted by the "alternative" organisations.

Star 7/2/90 354

Nurses seek 40 percent more

By Winnie Graham

A petition demanding a 40 percent increase in nurses' salaries is being circulated at provincial hospitals.

The petition is a sequel to reports on nurses' poor pay.

A sister who does not want to be named said the South African Nursing Association had advised members to write individual letters outlining problems with pay and working conditions and how these were affecting hospitals.

The petition was a spontaneous reaction but it will have to be conducted quickly," she added. "We understand all documentation has to reach the department (of national health) by February 12 so that proposals can be formulated before the budget is presented to Parliament."

Information sent to The Star details some of the problems nurses face in trying to make ends meet.

Many nurses say they are forced to work overtime — or do permanent night duty — to survive. One said she was forced to rely on her daughters' earnings to cover living costs.

A junior professional nurse who qualified in 1987 and is a divorced mother of three listed her salary as R1 450. She received R300 a month maintenance from her former husband and an additional R100 a month for an extra night shift.

Her expenses include pension of R87, insurance (R19), hospital funds (R2), a house loan of R433, tax (R283), medical aid (R73), telephone (R30), groceries R400, lights and water (R116), school fees (R30) and petrol R100.

A senior professional nurse who qualified four years ago and has had 15 years' experience lists her take-home pay as R745. She is a single parent — her son is 10 years old and she receives no maintenance.

"My mother assists me whenever possible," she added.

The nurse earns R1 904 and has deductions of R114,29 (pension), R465 (income tax), R485 (sundry) and R94,21 (insurance).

Her monthly expenses include a study policy of R15, water and electricity (R150), rates and taxes (R40), with a clothing account, school funds, telephone, insurance, groceries and petrol and car maintenance absorbing the rest.

Nurses who "live in" are slightly better off. A sister with 20 years' nursing experience earns R1 980,50. Her deductions include pension fund (R118), PAYE (R258), medical aid (R58,60), parking (R2) and miscellaneous R1,50. Her take home pay is R1 542.

Anyone wishing to sign the petition should contact Mrs Genene Buchanan at (011) 435-6361 (after hours).

FM 9/2/90

across-the-board increase. The decision rests with Public Enterprises Minister Dawie de Villiers; his reply is expected in early March.

Potwa has about 16 650 members. Discussions with the other six Post Office associations, representing about 41 500 members, are still going on.

Senior personnel manager Pieter Senekal says the Post Office wants to avoid a confrontation, as previous action had adversely affected labour relations — "especially between the workers and the first line of supervision." But he warns that if strikers are fired, re-employment is not guaranteed.

The importance of mail, telephone and other services means that casual labour must be employed during a strike. Senekal says such strike-breakers "naturally cannot be easily dismissed after a strike has been resolved. There is thus no guarantee that the Post Office will be able to take back dismissed staff immediately."

Should the union decide to call a strike, says Senekal, "the Post Office might be compelled to withdraw stop-order facilities for Potwa members who will receive no salary during that period."

Union spokesman Sizwe Matshikiza accused management of negotiating in bad faith by issuing such threats and by putting up notices in the workplace asking workers "to be patient." He says there would only be a strike if a proper mandate is received from members in a ballot. ■

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POST OFFICE FM 9/2/90

Warning signals

Postal and related services could be hit by a strike by the Post Office & Telecommunications Workers' Association (Potwa), affiliated to Cosatu.

Officials and union representatives were locked in discussion earlier this week. The union is demanding a minimum wage of R1 100 a month — up R578 from the present minimum. The union also wants a R400

investigated and would be included in the ...derstated by 41%. — Sapa.

Allow private sector to invest govt pension funds, DP says

CAPE TOWN — The sooner the investment management of government pension funds, which had an actuarial deficit of R23bn in 1988, was transferred to the private sector, the better for the taxpayers of SA, Democratic Party pension expert Brian Goodall yesterday.

Self-administered funds had a return of 18,76% in 1987, but the return on state-controlled funds was 9,36%.

Political Staff

"For every rand contributed by a self-administered fund, it generated R1,52 of income," Goodall said during the mini-Budget debate. "For state-controlled funds the figure was 96c."

The difference in investment returns meant the increase in income for the General Services Pension Fund would be R2bn a year.

It was the practice of the Registrar of Pension Funds to declare a private sector pension fund to be financially unsound if the value of the assets of a fund was less than 95% of the accrued liabilities.

"The 1988 actuarial valuation of the General Services Pension Fund showed that its assets were equal to 41% of its actuarial liabilities, if you take into account fund increases."

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Public service warns of need for pay hike

GERALD REILLY

PRETORIA — The current 9% staff shortage in the public service could rise above 10% this year unless government agrees to adequate pay increases from April.

This was emphasised here yesterday by Public Servants' Association GM Hans Olivier, who said the drain of professional and skilled personnel would continue without a pay hike.

The closest the PSA had got to an assurance of pay adjustments from Finance Minister Barend du Plessis was last December when Du Plessis said the PSA's 20% pay demand would be considered against a background of available funds in the new financial year.

He undertook to deal with the pay issue in his Budget speech on March 14.

Olivier said by the end of March it would be 15 months since government workers had had their last pay rise and many had had to adjust living standards drastically.

Olivier said aside from an acceptable general pay hike in the service, the need for a realistic allocation of funds for career differentiation was urgent.

There were key areas in the service where pay levels had fallen far behind the private sector and where big increases were urgently needed to lessen resignations.

And, in an editorial in the PSA's The Public Servant, it is claimed the public service has not kept pace with rapid developments in labour legislation.

Because of this personnel were dismissed without a fair hearing and some were victimised when they insisted on their rights.

Grievance procedures were ineffective and incomplete.

However acceptance by the service of higher authority was giving way to resistance, the editorial warned.

WAGES F|M 16/2/90

Worker inflation

Despite the high-profile SA Breweries and Sats strikes (*Leaders* January 19) the incidence of industrial action over wages has dropped substantially. This is according to the latest wage settlement survey, for the period September 1989 to February 1990, by Levy & Piron. It adds, though, that comment must be tentative at this early stage of the year's wage bargaining round.

Other main findings by the consultants are:

☐ On average, unions continue to negotiate settlements over 1% higher than the official inflation rate (CPI was 15,3% in December);

☐ Significantly different bargaining strategies are being adopted by unions in the high-pay and low-pay sectors;

☐ Where industrial action takes place 54% of diputes are settled through mediation;

☐ Government's growing awareness of the potential impact of wage settlement levels on its anti-inflation strategies; and

F|M 16/2/90 354

☐ A hint, not yet a trend, of employers bringing their own demands to the bargaining table.

In sectors with relatively high average minimum wages (for example, R5,02 an hour) union opening demands in the period averaged 31,4%. At the lower end (R3,96 an hour) initial demands averaged 107%.

Since 1987, the time required to settle has increased considerably from 67 days to between 86-89 days. In the higher paid categories parties reached settlements quicker (average 69 days) compared to the lower average negotiating time of 110 days. Whether this indicates more mature bargaining relationships in higher paid sectors, or a Cosatu strategy to even out wage differentials, is not clear.

Wage curve

It is observed that collective bargaining traditionally results in flattening the wage curve, to the benefit of the lower paid, as a result of across-the-board increases. An idea of the steepness of the pay curve being negotiated by various unions is provided by the differentials between average minimum rates and general average rates within certain sectors (see graphs).

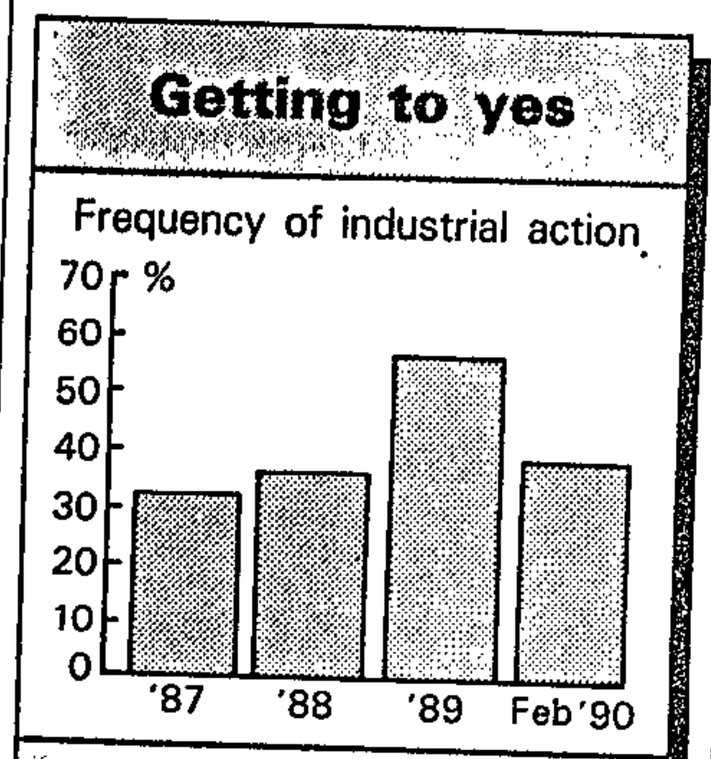
Levy & Piron points out that Reserve Bank Governor Chris Stals now sees the labour market as an essential third element — together with emphasis on tight monetary and fiscal policies — in combating inflation. The bank's latest *Quarterly Bulletin* reports that unit labour costs rose 0,3% in 1988 and at a year-on-year rate of 0,5% in the first quarter of 1989.

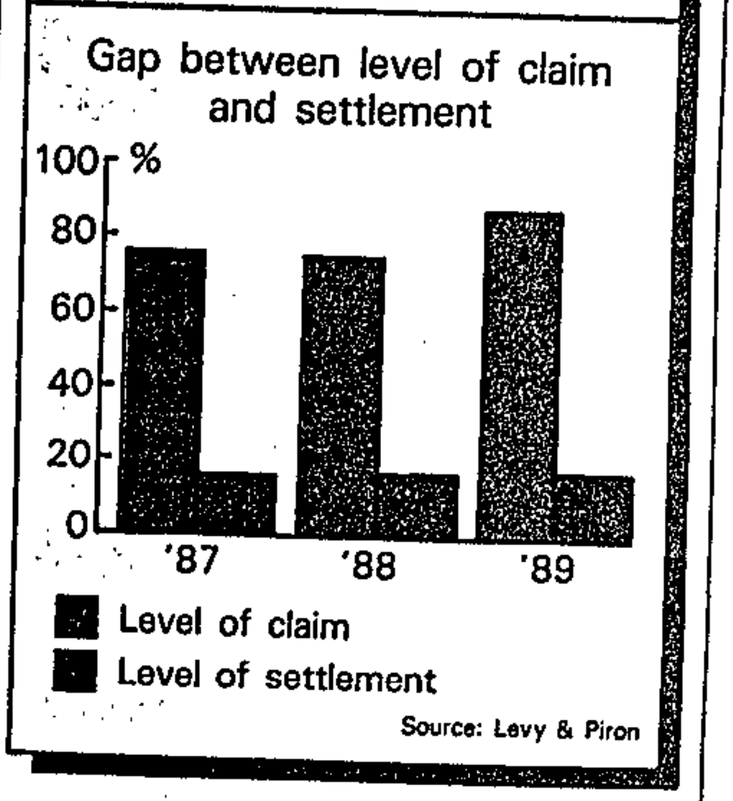
"In a time when the economy is slowing down," says Levy & Piron, "labour productivity may well decline, and if wage increases remain linked to some informal 'indexation' principle related to the CPI, the process will simply help to perpetuate inflation."

Stals has warned that, in spite of strict financial discipline, rising labour costs in the current economic environment will put pressure on firms' profitability, which will result in higher unemployment. Unions, however, will continue efforts to shield their members from the effects of inflation, which they did so effectively in the Eighties.

The period saw management tabling their own demands in 56% of negotiations. These involved attempts to regulate overtime, introduce shifts and highlight hidden labour costs such as transport, housing and food subsidies. "Perhaps the time of one-way wage bargaining is coming to an end," says the survey.

Getting to yes





Sats severance offer could cost R20m

MATTHEW CURTIN

SATS management expects only a few thousand employees to take up the voluntary severance package offered last week.

Such a response could cost the company an estimated R20m, labour relations director Jan Bredenkamp said yesterday.

He said if workers were not committed to the company, the offer would allow them to leave with a better package than if they resigned.

Sats's 170 000 employees would be allowed to leave the company with three months' salary and pension contributions before a March 15 deadline. Sats is due to become a registered company on April 1.

Bredenkamp said the move did not represent a retrenchment prior to the April listing. Such a retrenchment would have to be negotiated with all unions represented at Sats. He said Sats might lose valuable employees through the severance package.

Bredenkamp confirmed many employees were concerned about the commercial re-organisation of Sats.

Unofficial union response had so far indicated few workers would take up the offer and he expected response from the SA Railway and Harbour Workers' Union (Sahwru) would not be "over-enthusiastic".

He said the proposal was unrelated to the imminent recognition of the Sahwru and redundancy negotiations. Management talks with Sahwru over the union's status would start within two weeks.

Three key factors in spending brake

B/Day 19/2/9 354

GRETA STEYN

THREE major factors — modest civil servant pay hikes, cuts in defence spending and a reduced interest bill — are likely to restrain the increase in government spending in the next fiscal year to below the expected inflation rate of 13%.

The civil servants' general salary increase is expected to be less than 10% in spite of the Public Servants' Association's demands for 20%. Government's cost of borrowing will show much slower growth than in the past while defence spending will be slashed, possibly by 20%.

Monetary officials said at the weekend the general salary increase for civil servants, which does not include notch increases, would "not reach double figures," although special adjustments would be made for certain occupations.

Government wanted to get the message across that wage increases had an important role to play in fighting inflation.

Another factor of major importance for the increase in government spending in the next fiscal year is the interest bill — representing 15% of the Budget last year and rivalling Defence in size. Only a small increase is expected in this item.

In the last Budget, the cost of servicing government's debt was budgeted to increase by 22% — but the next Budget should see this rate more than halved.

Economist Louis Geldenuhys of stockbrokers George Huysamer said: "The increase in spending on servicing debt could be as low as 7,5%. Reasons for this small rise include the use of privatisation proceeds to reduce debt."

Government last week used about R2bn in privatisation proceeds to redeem government stock that had expired.

Another contribution towards lowering the interest bill, Geldenhuys said, would come from the re-introduction of the stabilisation fund. He speculated this could yield some R1,6bn for the next year.

In addition, the Reserve Bank's strategies in the capital market should also help to contain the cost of borrowing. Reserve Bank deputy Governor Chris de Swardt said: "The Reserve Bank has been operating in the options market to contain the cost of borrowing during 1990/91. The Bank will manage its options book actively with a view to lowering borrowing costs even further."

Also helping to keep the interest bill down is the sharp fall in capital market rates triggered by foreigners piling into SA gilts. De Swardt said: "Favourable conditions during December 1989 and January 1990 enabled the Reserve Bank to do some pre-borrowing for the next fiscal year by selling stock for payment in April and May 1990."

● See Pages 3 & 4

S

Govt improving nurses' salaries and conditions

CAPE TOWN — Government would increase nurses' salaries and improve working conditions to keep them in the hospitals, National Health Minister Dr Rina Venter said yesterday.

Addressing the Cape Town Press Club, Venter said the problems faced by doctors working long shifts in state hospitals was also being looked into.

But that was a manpower problem. Many young doctors were leaving the country and government would try and make conditions attractive enough to keep them here.

She said she would soon be presenting a report to Cabinet.

Health service fragmentation was often made the scapegoat for problems of finance, but even the end of fragmentation would not provide sufficient funds, she said.

Venter said about 5,2% of the total health budget was spent on administration and this was in line with acceptable world-wide standards.

"Thus, the assertion that enough funds would be available for an increase in nurses' salaries if there was to be a single health department, was totally unfounded."

She said a situation had developed where 13 academic hospitals took up about 50% of the health budget. The demand for more funds for these institutions increased daily, while a relatively small number of patients were being catered for at such institutions.

"We need to ask ourselves whether we need so many academic hospitals and such a duplication of services.

Meanwhile, DP Durban North MP Mike Ellis told Parliament yesterday SA had to return to a single ministry of health — free of racial overtones and equal in all respects — to rescue the ailing health services.

Government's introduction of own affairs health services had segregated and fragmented the services to such an extent that they were the most controversial, if not the most costly, in the world and hospitals were in a crisis.

Recognised

The hospital crisis was underlined by the fact that there were black hospitals with a 150% occupancy rate and white hospitals with less than 50%.

☐ The SA Nursing Association (Sana) will be recognised as a staff associaiton to negotiate conditions of service for nurses, Administration and Privatisation Minister Dawie de Villiers said yesterday.

Replying to a question put by Ellis, he said the Commission for Administration had recently made this recommendation after Sana had sent it an application. — Sapa.

Govt warned not to slash salaries

GERALD REILLY (354)

PRETORIA — The Public Servants Association (PSA) will sternly resist any Cabinet attempts to "unreasonably" restrict increases for government workers from April.

PSA President Colin Cameron was reacting to a call this week by Finance Minister Barend du Plessis and Reserve Bank Governor Chris Stals for restraiht in the granting of wage and salary increases to support the fight against inflation.

And yesterday senior government workers said they feared a decision had already been taken by cabinet to slash the PSA's demand for a 20% general pay hike.

The fear is backed by the fact that having called for salary and wage restraints generally, Du Plessis will be obliged to set an example by cutting pay hikes for goverment workers.

Cameron said late last year a PSA delegation told Du Plessis a private survey had shown state department workers were running between 17% and 36% behind private sector pay levels.

And he said, the minister had accepted this. BP 27/2/90

Cameron said the PSA had always kept pay requests to the minimum needed to maintain equilibrium with the private sector.

On resignations of key personnel in the service Cameron warned that even a 20% increase would not fully plug the drain of professional and skilled workers.

"But if our demand is to be significantly reduced the drain will quicken."

Star 22/2/90 ( ) ( ) 354

Pressure for better police pay

By Monica Nicolson

Requests by the Support the Police Action Group (Spag) to meet President F W de Klerk to discuss the "shocking, casual and uncaring treatment" meted out to policeman and women have not been successful — but the group intends to increase pressure to improve working conditions for the police force.

At a press conference in Johannesburg yesterday, spokesman Mr J Lambson said more than 1 000 supporters had signed a petition demanding the Government double the salaries of the lower and middle ranks of the police force immediately and launch an effective recruiting campaign to increase police strength.

The police support organisation intends to present the petition to the Government.

"The salaries of the lower and middle-ranked policemen are a national disgrace. The Government appears unwilling to acknowledge the seriousness of the situation. Members of the police force cannot be expected to continue to barely exist on a miserable pittance," he said.

Mr Lambson said there were other reasons for the increasing number of resignations from the force.

"For the last few years our police have been the target of a sustained, well-orchestrated campaign to vilify, denigrate and discredit them.

"Radical revolutionaries have been responsible for vicious attacks on police. Many have been killed — others badly injured and their houses destroyed."

Mr Lambson said although police did a magnificent job and often risked their lives, they received little thanks or appreciation from top government circles and the public.

Chairman of Spag, Mrs Avril Budd, said the morale of the police became very low when political mass marches were allowed by the Government last year.

"Police felt they were being undermined because history shows these marches normally proceed the overthrow of the country by communists," she said.

SATS PENSION FUND DEFICIT

Watch this space

354 FIM 23/2/90

Total deficit of Sats' two pension funds — the Superannuation Fund for white employees and the Railways & Harbours Fund for blacks — will reach R17,4bn by April. This was revealed by Sats last week after publication of actuarial valuations of the pension funds in parliament, almost two years after they were completed and presented to Sats by actuary J Carson & Partners.

Conflicting reports have appeared about the actual deficit incurred by the funds because their obligation is R7,7bn. The remaining R9,7bn of the total deficit will be met by Sats out of current income.

The first figure is based on an annual 2% pension increase required under the Sats Act. But pension increase of 7,5% (5,5% above the statutory limit) add another R9,7bn, for which the fund is not liable.

The deficit of R17,4bn to April 1990 is up R3,2bn on the valuation to March 1988.

Sats decided to make these deficits public after months of silence because it is to become a public company on April 1. A news release last week from the minister of mineral & energy affairs and public enterprises said: "It is essential not only to determine the total actuarial deficit of the statutory pension fund, but also any other pension liability which might exist." The deficit will be accounted for in Sats' books when it becomes a public corporation.

According to an actuary, annual increases in private-sector pensions are based on investment return, less 4,5%. Average annual investment return on Sats' pension funds was a mere 12% because it was legally allowed to invest only in government stock.

The statutory 2% annual increase was based on long-outdated inflation projections. Even 7,5%, approximately half today's rate, is not the norm for private-sector funds.

"Some funds give an annual increase equivalent to the year-on-year increase in CPI. Most aim for at least two-thirds or often three-quarters of CPI per year," a consulting actuary says.

Sats believes the deficits can be financed within five years. It suggests liabilities could be met from cash raised from privatisation. Another suggestion is that Sats bonds could be issued to the pension fund (formed when the existing two combine).

Much of the funds' assets have already been handed to five private institutions to manage. Higher yields expected on this will further cut the deficit. The actuary says: "In private-sector funds, a 20% compound yield on investment is not unreasonable."

BANKING LEGISLATION

Under scrutiny

FIM 23/2/90

The first draft of a Bill to replace the Banks Act of 1965 and Building Societies Act of 1986 could have serious implications for life

Public servants to get pay rise from April 1

Star 23/2/90 (354)

Political Staff

CAPE TOWN — The bulk of public servants are to receive a 10 percent pay increase from April 1.

And the Government today pledged to make a start in the Budget next month on what it envisages as "substantial" cuts in personal income tax for all South Africans.

These announcements were made today by Administration and Privatisation Minister Dr Wim de Villiers

He said the pay rise included all central government and provincial employees, police, teachers, nurses, SA Defence Force members and public office-bearers of central and provincial authorities.

Dr de Villiers said the improvement comprised a non-pensionable allowance based on basic salary.

Progress had also been made in addressing problems on a differentiated basis in respect of law enforcement personnel, security services, and nursing.

Dr de Villiers said these differentiated improvements would be subject to the limited funds available.

They would also take effect on April 1.

"The Government realises that the general increase is a modest one," he said. "However, it is the maximum that can be afforded, taking into account the need to curtail government expenditure."

Dr de Villiers said it was also important to bear in mind that the Government was committed to the implementation, over a period of time, of a substantial decrease in personal income tax.

"It is foreseen to start this process already in the forthcoming Budget."

Dr de Villiers appealed to the private sector, in the light of the example set by the Government, to handle salary increases with the "same zeal and constraint".

S1 Times 25/12/90

Salary boost for cops, nurses

By ALAN DUGGAN and PIETER VENTER

THE stream of resignations by nurses and policemen may be stemmed by substantial salary increases they will receive over and above the 10 percent general salary hike announced for public servants.

Mr Roger Burrows, Democratic Party spokesman on the public service, said it was almost certain that the Government's investigations into the salaries of nurses and police would lead to an increase of up to 20 percent.

The expected further increase for nurses was confirmed by Dr Rina Venter, the Minister of National Health and Population Development.

She said the current inquiry into the nursing profession and the attendant structural changes and salary adjustments would continue, and the changes in salaries which might result would be backdated to April 1 — the day the 10 percent hike comes into affect.

'Unrealistic'

Teachers will receive a 12 percent increase on March 1 — with another 10 percent which will be added a month later with the general hike.

However, the rest of the nearly 1-million public servants are up in arms about the 10 percent rise announced on Friday — six percent less than the inflation rate.

Mr Burrows said the 10 percent increase would cost the Government approximately R1,8-billion.

Mr Malcolm Domingo, national chairman of the Public Servants' League of SA, called the general hike "autocratic and unrealistic" and did not rule industrial action.

He said the PSL had been negotiating through the joint advisory council of the Commission for Administration for six months.

"Our bottom line, based on careful research, was a 20 percent increase — and that was the barest minimum to bring relief.

"Then we are suddenly told we're getting 10 percent and there's nothing else to talk about. We simply don't accept that."

Tense

Thousands of PSL members were still earning under R300 a month and some were earning only R200, said Mr Domingo. "This is ludicrously low in anyone's terms."

He said the announced increase would serve only to aggravate the "electrified and highly tense" situation which already existed.

Meanwhile, confusion rages about the increases announced for politicians as some believe they will receive a double salary hike — the increases announced for them plus the 10 percent given to public servants.

All MPs will receive an annual increase of R12 000, while their expenses allowances will be increased from R10 000 to R18 000. Cabinet Ministers will also receive another 7,6 percent hike.

Meeting of angry PSA

GERALD REILLY

PRETORIA — Anger at the public servants' pay increase will be given voice tonight at a meeting of the Public Servants' Association (PSA) executive committee. B 10a1 26/2/90

Although civil servants were barred by legislation from strikes and go-slow actions, an even more demotivated public service would result, senior government workers said.

The political consequences for government would be serious. There were thousands of civil servants who, especially at the lower pay levels, were now soft targets for the CP.

PSA GM Hans Olivier said anger among state workers had been aggravated by the lavish increases granted Members of Parliament. They would get a 15% pay hike in addition to the 10% public servant pay increase.

Government workers found this "hypocritical" attitude totally unacceptable, he said, especially against a background of the appeal made by Finance Minister Barend du Plessis and Reserve Bank Governor Chris Stals last week for restraint in the granting of wage and salary increases.

He said the public service had been running on a 9% staff shortage. The saving in salaries because of this should have been used to grant realistic increases.

"They have been using us as a battering ram against inflation when, in fact, public service pay has only a marginal influence, if any at all, on the price spiral," he said.

A serious consequence of the unacceptable pay rise would be an acceleration of resignations and a deterioration in the quality of state services.

☐ Sapa reports CP state administration spokesman S C Jacobs called the salary adjustment "totally inadequate".

Victims (354)

"The CP points out that an increase of 10% is far lower than the current inflation rate and the continual price increases, not to mention the present high interest rates," Jacobs said.

"Civil servants are asking why they must be the victims of the inability of the government to stem inflation, while workers in the private sector receive increases of from 20 to 30% and more."

Jacobs added that the time had now apparently come for an independent statutory body to be created to consider salary adjustments in consultation with the civil service and to make recommendations to government.

354

Modest pay increase applauded

GOVERNMENT's salary bill is set to rise by at least 15% — or about R3bn — in the next fiscal year in spite of the modest general pay increase for civil servants announced at the weekend. BTday 26/2/90

Economists, while applauding the decision to limit the general pay rise of the civil service to only 10%, hasten to point out the effective increase will be more. Notch increases, special adjustments and the continued rapid expansion of the civil service will drive the wage bill higher.

Government's target is for overall

GRETA STEYN

spending to shrink or remain the same in real terms in next month's Budget. A 15% increase in its wage bill, which accounts for about a third of total spending, will compel major cutbacks in other areas to keep overall spending in line with or below the inflation rate.

Economists were pleased the general rise in civil servants salaries of 10% was well below last year's 15%. In addition,

☐ To Page 2

Pay increase BTday 26/2/90.

☐ From Page 1

savings on defence spending, interest payments and transfers to the homelands will help rein in spending. Rand Merchant Bank economist Rudolf Gouws said the relatively low salary adjustment augured well for next month's Budget.

"An overall increase in government spending of 11%-12% in the next fiscal year seems likely," he said. This could be negative in real terms.

Old Mutual's Rian le Roux described as "surprisingly low" the 10% general rise, but noted: "The civil service will probably grow in size, and this could add another 1% to the wage bill with notch increases and special adjustments taking us to a possible 16% rise in the overall spending on salaries and wages."

Standard Bank's Nico Czypionka repeated his call for government to stop the growth in the bureaucracy.

"I agree we need more nurses, teachers and policemen. But there are other areas where staff numbers can be reduced and we see no evidence of this happening. In the meantime, government spending is being cut in the wrong places."

Nedcor's Edward Osborn said the obvious effort to contain spending on salaries and wages was an attempt to demonstrate government was earnest about fighting inflation.

Announcing the 10% wage adjustment on Friday, Administration and Privatisation Minister Wim de Villiers said: "Given the government's example in this regard, I appeal to the private sector to handle possible salary increases with the same zeal and constraint."

He said government realised the general increase was a modest one, but it was the maximum that could be afforded.

This issue would also get priority attention.

where people can live." His department was treating this issue urgently.

Transnet increases could add R600m to wage bill

354

PRETORIA — Salary increases for 170 000 Sats — now called Transnet — workers could cost R600m in the 12 months from July. B 10 a 27 2 90

This would bring the total wage and salary bill for workers in all Transnet services to around R4,5bn, according to calculations based on Central Statistical Service figures and on an expected demand for 15% net increases.

In the third quarter of last year workers were paid a total of R941,737m — an increase of R182,051m compared with July-September in 1988.

At its meeting with the Labour Council early in April, the Federation of Sats Trade Unions will ask that pay increases be linked to the consumer price index.

Transnet workers also claim, like state department workers, that their pay levels are not keeping pace with private sector pay increases.

Their last increase was in July last year

GERALD REILLY

— 10%. The previous increase of 12% came after a prolonged dispute which resulted in an arbitrator's award.

Meanwhile the Federation of Sats Trade Unions has strongly advised its members to reject the early retirement offer made by management.

Federation general secretary Abe Koekemoer said yesterday that apart from the fact that management had failed to consult the federation on the premature retirement deal, the inadequate offer had been linked to privatisation.

Management had stated there were some workers who feared the consequences of privatisation on employment security who might take advantage of the offer.

"This has shaken the confidence of many staff members in privatisation."

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Sowetan 28/4/82

Public Servants strike threat

354

PRETORIA black public servants may strike for higher pay.

This was the warning from Mr Herbert Nhleko, general secretary of the 15 000-member Institute of Public Servants (IPS), who said black labourers in the public service earned an average wage of R240 a month.

For them the 10 percent increase on April 1 represented a pityful R24. a month, and he said they could not be expected to be satisfied with that.

The IPS had warned Dr Wim de Villiers of the danger of strike action – even though strikes were illegal in the public service.

"How can a man live on R240, and that R24 extra he gets means nothing with the price of basic food like bread and milk going up all the time," he said.

The IPS negotiated for a minimum wage of R800, with an average 20 percent increase for other public servants.

He said IPS members would not believe the government did not have money to pay them more.

Public servants reject 'pittance'

South 1/3 — 7/3/90

354

THE Public Servants League (PSL) plans to continue its 'living' wage campaign, and described the governments 10 percent pay rise as a "pittance".

The PSL is also seeking an urgent meeting with state president Mr FW de Klerk to express its "strongest rejection" of the increases.

PSL secretary Mr Bernard Wentzel said the PSL had vowed to "mobilise its 46 000 members across the country to fight for a living wage".

"We intend to express our strongest rejection of the pittance the government has offered," Wentzel said.

He said the PSL planned to hold a series of mass meetings throughout the country.

The first meeting is due to take place on Saturday morning at the Gordons Institute in Mowbray.

Wentzel claimed that many PSL members were earning between R200 and R300 a month, despite years of service.

He said the organisation wanted all public sector workers to get a living wage as the minimum salary.

They needed a further 20 percent increase to bring them on a par with the private sector, he said.

CIVIL SERVICE SALARIES FM 21/3/90 (354)

Tussling with Hydra

The 10% increase in civil servants' salaries may not look generous against inflation of around 15%. But it will turn out "closer to 15%, given notch increases, promotional increases and salary revisions due to occupational differentiation," says Standard Bank chief economist Nico Czypionka.

Moreover, as Standard Bank's economics division points out in a position paper, growth in wage payouts has generally been substantial. And "despite all previous announcements, growth in employment by the overall public sector has not yet been successfully reversed." And salaries continue to rise ahead of inflation.

So, while numbers in total public-sector employment fell 1,1% in the year to September 1989, to 1,68m, remuneration increased 20% to R8bn. Even this was only achieved because numbers employed by parastatals, as defined by Central Statistical Service (CSS), fell 3,5% to 20 500, while payouts rose only 9,7% to R113m. Public enterprises, which include public corporations, also saw big cuts in staff — 10,3% to 406 000, with salaries declining 14,7% to R868m.

These reductions presumably came ahead of privatisation, an indication of how effectively costs can be trimmed when the market is final arbiter of efficiency.

Central government bureaucracy remains a massive problem — payouts are described by Standard Bank as "staggering" — and presumably will remain so with no similar spur to productivity.

CSS shows that in the year to September, central government numbers grew by 2,6% to 949 000, and payouts by 29,3% to R4,3bn. "Most disturbing feature (is) the swelling number of civil servants in the self-governing states," says Standard Bank. Their numbers grew 6% to 198 000 and their salaries by a "phenomenal" 42,8% to R620m. "The number of civil servants of the so-called TBVC states is not included (in CSS figures) but there is no reason to believe the trend would be any different."

Smallest increase in central government numbers was in own affairs, rising only 1% to 185 000. However remuneration was up 25,9% to R1,1bn.

A huge bulge is to be found on agricultural boards. Staff increased 11,1% to 3 100 and salaries 27,8%, to R23m — "contrary to the intention of reducing state control over the marketing of agricultural products."

The figures include fringe benefits but if these were excluded, "percentage increases would at most be about 2% smaller." ■

lit business interest groups."
Professor Seneque says accounting recognise that it has a positive contributory role to play in changing so- ensure their survival as a respected set of professional bodies in a new SA."

Perks overlooked

5 Times 4/3/90

354

ANGER about the 10% pay rise for public servants should be tempered because they receive notch increases, subsidies and special adjustments.

The Public Servants League (PSL) and the Public Servants Association (PSA) have expressed outrage at the 10% pay rise announced by Administration and Privatisation Minister Wim de Villiers.

The PSL and PSA say members of Parliament have been granted lavish increases of 15% in addition to the 10% public servant pay rise.

The PSL, which represents about 46 000 Government employees nationwide, has even threatened that its members will consider strike action should the Government not meet its demands.

The Conservative Party backs the two associations, saying the increase is an insult. CP chief whip Frank le Roux says the party is particularly worried because the increase is lower than the rate of inflation.

But what must be taken into consideration are the notch increases in the public service which have no bearing on general adjustments. They are part of a system of remuneration in which salary scales consist of several notches.

In 1988, for example, more than 60% of public servants received notch increases — and that was a bad year because a large proportion of the personnel corps were on the maximum notches.

Add this to service bonuses, housing subsidies and car and other benefits, and the increase in the Government's overall spending on salaries and wages could rise by about 16% — or more than R3-billion.

In contrast to the PSL and the PSA, the Teachers Federal Council (TFC) has welcomed the general salary adjustment, effective from April 1.

The council says it appreciates the granting of a pay rise at a time when Government policy is to limit expenditure to a minimum. The 10% rise will contribute to the profession's ability to retain teachers.

It asks that the Government attend to weaknesses in the tax system, such as fiscal drag.

Angry public servants revolt

By CHIARA CARTER

THE government faces a widespread revolt by public servants outraged at the recent announcement of a 10 percent wage hike in the public service.

The major public sector unions and several staff associations are mobilising their members to demand union recognition, a living wage and an end to privatisation.

These demands are similar to those which precipitated the bitter SA Transport Services strike last year.

In Cape Town this week, about 4 000 hospital workers downed tools at 10 provincial hospitals. More hospital workers were reported to be poised to join the strike.

Members of the Health Workers' Union (HWU) are refusing to work until the government agrees to meet with their union.

The chairperson of the Groote Schuur branch of HWU, Mr Patrick Twala, said the workers wanted a minimum wage of R1 100 a month, a 40-hour working week, maternity benefits and permanent status.

Twala said the workers demanded that the government recognise their union and agree to halt privatisation.

The chairperson of the Groote Schuur branch of the Public Servants' League, Mr Arthur Farred, said the PSL fully supported the strikers and was prepared to use the full strength of the organisation to assist the strikers.

The 40 000-strong Public Servants' League has threatened a country-wide strike if the organisation's demand for a minimum wage of R850, union recognition and permanent status for general assistants is not met within three months.

The decision was taken at a heated meeting in Mowbray last weekend. About 500 PSL members took part in a protest march after the meeting.

Several PSL members have joined the strike at Groote Schuur hospital, where hospital superintendent Dr Jocelyn Kane-Berman this week warned that essential services were under threat.

Dr Kane-Berman said the hospital management was sympathetic to the strikers' demands and that the present minimum wage was "totally inadequate."

The general secretary of the National Education, Health and Allied Workers' Union (Nehawu), Mr Sisa Njikelana, said the union was mobilising its members to fight the state for a living wage and an end to privatisation.

He said workers at several Transvaal hospitals — including Baragwanath, Johannesburg General, Hillbrow and Nelspruit — this week delivered a memorandum outlining their demands to hospital superintendents.

About 6 000 teachers went on strike in the Transvaal earlier this week.

A spokesperson for the Post and Telecommunications Workers' Association (Potwa) said union members were presently meeting to discuss action.

"Together with Sarhwu, Nehawu, Samwu and the Transport and General Workers' Union, we are calling on all public sector workers and organisations to reject the 10 percent increase," he said.

The spokesperson said a march through central Johannesburg by workers in the public sector — which was due to have taken place last week — was being rescheduled for later this month.

According to sources, several staff associations, usually regarded as "sweetheart unions," are under pressure from their members to take action in support of the more militant unions' demands for higher wages.

About 1 000 Groote Schuur workers marched through the hospital grounds this week after going on strike.

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Numsa demands yearly

By CHIARA CARTER

THE giant National Union of Metalworkers of South Africa (Numsa), this week submitted demands for annual wage negotiations to the industrial councils for the motor and the iron and steel, engineering and metal industries.

The NBC also accepted a demand relating to job security, including the prohibition of temporary labour, tighter conditions on retrenchment and redundancy, and minimum severance pay of one month's wages for each year of service.

Numsa will demand that companies implement a job-creation programme and end all segregated

Hospital crisis in Cape grows worse

Star 9/3/90 (354)

CAPE TOWN — A retired chief magistrate of Cape Town, Mr Charles van Zyl, has been appointed "to give a hearing" to strikers in the escalating Cape hospital crisis.

Cape Administrator Mr Kobus Meiring said yesterday: "This has been done to give (striking) workers another chance to make representations in a responsible manner."

He made an urgent call to strikers to return to work.

More than 4 000 striking workers at 12 Cape Provincial Administration hospitals are demanding a R1 500 living wage, maternity leave, permanent status for all workers, a 40-hour week, recognition of their union and an end to privatisation.

As the strike spreads to more hospitals in the Peninsula and Boland, a Health Workers' Union official said yesterday that after special representations by Groote Schuur Hospital management on Wednesday, the union had met strikers and decided to make workers available in emergency units.

Nurses at Groote Schuur, where 1 600 workers are striking, said yesterday they were "overworked and under incredible strain" after filling in for absent staff.

"Things are becoming chaotic and we're all exhausted," said one nursing sister. — Sapa.

... new type of life assurance product would probably revive the "sinking fund" ... renewals with only commissions considered as new business. The LOA was happy with this, Wharton-Hood said.

Resignation rate underlines the urgency of a pay rise for police

PRETORIA — The resignation of 600 policemen in January and more than 700 in February underlined the urgency of a pay rise for police, an SAP source said here yesterday.

The major reason behind the resignations was cited as dissatisfaction with pay.

Law and Order Minister Adriaan Vlok could make an announcement on pay in Parliament today when he responds to a CP motion claiming security forces could no longer maintain law and order.

If the SAP's pay hike is the expected 15%-20%, in addition to the 10% general salary increase for public sector workers, the police pay bill for the 1990/91 financial year will exceed R2bn.

Meanwhile, Sapa reports from Cape Town that there are perhaps six times as many private security guards in SA as there are members of the SAP, according to Tony Leon (DP Houghton).

In the second reading debate on the Security Officers Amendment Bill yesterday, he said the standing committee on Law and Order had been told the industry employed between 250 000 and 300 000 people.

Policing and security was one government activity that should not be privatised.

GERALD REILLY

The process had resulted in the creation of private armies, with hired guns available to the highest bidder, Leon said.

Wealthy people fortified behind high walls and assisted by armed response units could buy their peace of mind while ordinary citizens had to rely on a police force from which members were resigning at the rate of about 15 a day, and which could not provide motorised or foot patrols.

Stringent regulations were necessary as some security organisations were ill-equipped and ill-trained fly-by-night set-ups with a "suburban Rambo" image.

The Security Officers' Board had been unable to control East London security guard Louis van Schoor, who in less than five years had shot dead 34 people.

"The question that arises is who guards the guards. This is as necessary in private armies as in the organs of state security such as the CCBs," Leon said.

Security firms were involved in sensitive areas such as industrial relations disputes, political meetings and as enforcers of slumlords' dictates in buildings occupied by Group Areas transgressors.

Cape hospital crisis worsens

CAPE TOWN — The strike by non-medical workers in the western Cape, which has now spread to 13 state hospitals, a nursing college and six day hospitals, will not end, say union officials,until they are given a Cabinet audience.

A Health Workers Union official yesterdayconfirmed that the general assistants' strike, now in its eighth, would continue until demands to speak directly to the ministers concerned were met.

The hospitals affected are Somerset, Woodstock, Conradie, Valkenberg, Groote Schuur, Tygerberg, Victoria, Karl Bremer, Mowbray Maternity, Brooklyn Chest, Lentegeur, Paarl and Vredenburg.

The strike has also spread to the Nico Malan Nursing College and day hospitals at Guguletu, Langa, Khayelitsha, Crossroads One and Two, Nolungile and Elsies River.

At a meeting at Salt River at the weekend about 1 500 union members voted to continue the strike.

They rejected the appointment of a former chief magistrate of Cape Town, Mr Charles van Zyl, as mediator on the grounds this would delay the issue.

"Over the past few years, workers have been raising their grievances with local management and these have been passed on and nothing has been done," said a spokeman for the workers.

The official said that there had still been no response to union representations through hospital managements to see the Cabinet ministers concerned.

General assistants are demanding a starting wage of R1 500 a month (the present starting wage is less than R300 a month), permanent status — large numbers of cleaners and domestic workers have worked for years without being granted permanent employment, maternity benefits, union recognition and an end to privatisation, which they see as a threat to their jobs.

In a statement released by the Hospital Personnel Association of SA (Hospersa) yesterday, vice-president Dr P J Fourie urged general assistants to return to work "in the interests of the patients they serve".

Dr Fourie said Hospersa had met the Minister of Administration and Privatisation, Dr W J de Villiers, on February 23 and was waiting for a reply to their request for an urgent interview with Dr Rina Venter, the Minister of Health and Population Development.

The administrator, Mr Kobus Meiring, has cancelled official duties he was to have held in the northwest Cape due to the worsening crisis.

Meanwhile, there have been reports that conditions are chaotic in the strike-torn hospitals, with patients cleaning floors and making tea. — Sapa.

Cops want pay rise

354

THE Police and Prisons Civil Rights Union yesterday demanded a 100 percent pay increase for policemen and prison warders, and rejected the 10 percent pay rise for civil servants announced recently.

The union said in a statement that it intended to launch a campaign later this month for a living wage.

It was concerned that the low pay rise would mean an increase in the number of policemen leaving the force, which already stood at 20 a day.

"We believe that to stop the tide of resignations, members should receive a 100 percent increase," the statement read. Sowetan 14/3/90

Charges

Most police and warders worked up to 40 hours overtime every month without extra pay, the Union said.

* The organisation also said that disciplinary charges against three East London police constables for attending a meeting of the Duncan Village Civic Association had been withdrawn.

A union spokesman said the three, whose names he gave as Constables Kok, Jacobs and Janette, were members of Popcru. - Sapa.

Workers poised for mass protests

B/Day 14/3/90

354

ADELE BALETA

THOUSANDS of black public sector employees are poised to take mass protest action against the 10% pay increase announced recently by government for public sector workers.

A meeting of shop stewards from Cosatu's public sector unions will be held tomorrow to decide what unions will be involved in the action, National Education Health and Allied Workers' Union (Nehawu) national organiser Mondi Mditshwa said yesterday.

Protests could take the form of go-slows, withdrawal of goodwill, overtime bans, marches, demonstrations and work stoppages.

Mditshwa said it was decided after a recent privatisation march by thousands of public sector workers in Johannesburg to broaden protest action to include the community and other progressive unions.

Future action would be directed at issues causing "worker concern" such as privatisation and deregulation.

A Cosatu co-ordinating committee, consisting of two delegates from public sector unions, was organising and discussing countrywide action.

Post Office and Telecommunications Workers' Association (Potwa) president Vusi Khumalo said yesterday strike action against the announced increase could not be ruled out if Post Office management was not prepared to respond positively to workers' demands.

Minimum

Potwa was also considering mobilising community support on the issue of increased tariffs and demands for a living wage.

The current monthly minimum wage was R522,50, which Potwa wants increased to R1 100 a month, and an across-the-board increase of R400, he said.

A 10% increase would raise the minimum wage by R52,25 to R574,75. "The increase of 26% for government ministers was in line with the rate of inflation and should have been extended to workers," he said.

The Durban-based SA Post and Telecommunications Employees' Association and the Cape Town-based Post Office Employees' Assocation of SA have indicated their members would support protest action against the increases.

General secretary of the Nactu-affiliated National Union of Public Service Workers Sipho Radebe said members rejected the 10% increase and the union had indicated it wanted to be part of the action.

SA Railway and Harbours Workers' Union vice-president John Potgieter said the union would align itself with other public sector union members.

He said the current minimum for Sarhwu members was R600 a month. The union was demanding a minimum of R1 500 a month and an across-the-board increase of R500.

Increase in police pay announced soon

AN INCREASE in police salaries, details of which would be announced soon, were announced by Finance Minister Barend du Plessis.

In his Budget speech yesterday, he said government placed a premium on an efficient, well-motivated police force.

He said it had been recommended that an additional sum be set aside for specific salary adjustments for the police as government had realised the force was burdened by a severe manpower and resources shortage.

He also proposed that a non-recurrent R100m be made available to buy badly needed equipment.

He said the release of defence funds would also help the proper exercise of law and order.

Business Day Reporter

An amount of R2,233bn was included to improve public servants' conditions of service.

This included the already announced non-pensionable allowance on basic salary as well as additional improvements being introduced to address specific bottlenecks regarding the police, nurses and other law enforcement personnel.

He said the salary dispensation for the lowest remunerated groups of State employees was being investigated.

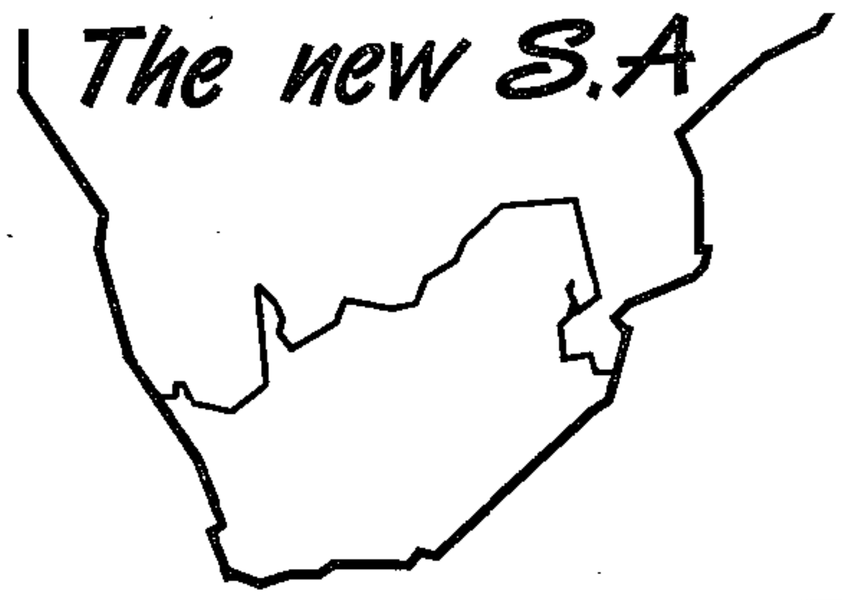
More details of these adjustments would be given by the Minister for Administration and Economic Coordination in due course, he said.

SOWETAN
Building the Nation

OLD MUTUAL

BUDGET '90

The new S.A



Police, govt staff to get pay hike

354

Sowetan 15/3/90.

POLICE salaries, social, civil, military and occupational disease pensions were to be increased, the Minister of Fianance, Mr Barend du Plessis, announced in presenting a R72, 932 billion Budget yesterday.

In his Budget speech, he said that the lowest paid public servants also deserved attention, that health services were under investigation and that education was receiving the largest slice of the budget cake.

The Budget was an 11,9 percent increase on the revised expenditure of last year and again included a R1b contingency reserve for unforseen expenditure.

An amount of R2,233 billion was included for the Vote:Improvement of Conditions of Service for all public servants.

This included the already announced non-pensionable allowance on basic salary as well as additional improvements being introduced to address specific bottlenecks regarding the police, nurses and other law enforcement personnel on a differentiated basis.

"The position of the lowest-remunerated groups of employees of the State also deserves attention," the Minister said.

"The salary dispensation for these categories of employees is being investigated with a view to making structural changes."

More details of these adjustments would be given by the Minister for Administration and economic Coordination in due course.

There would also be a one-off amount of R50m provided for universities and technikons to enable them to finance adjustments.

In dealing with his expenditure proposals, Mr Du Plessis first pointed out that curtailed defence expenditure as announced in December last year would bring a considerable real decline although the precise impact would only emerge after a few years.

"The release of funds that previously were necessarily devoted to defence purposes, should improve the ability to address socio-economic development questions as part of the programme of restructuring.

The Government placed a premium on an efficient well-motivated police force, a precondition for orderly reform and stability.

"It is realised by the Government that the police are burdened by a severe shortage of manpower and resources at the moment.

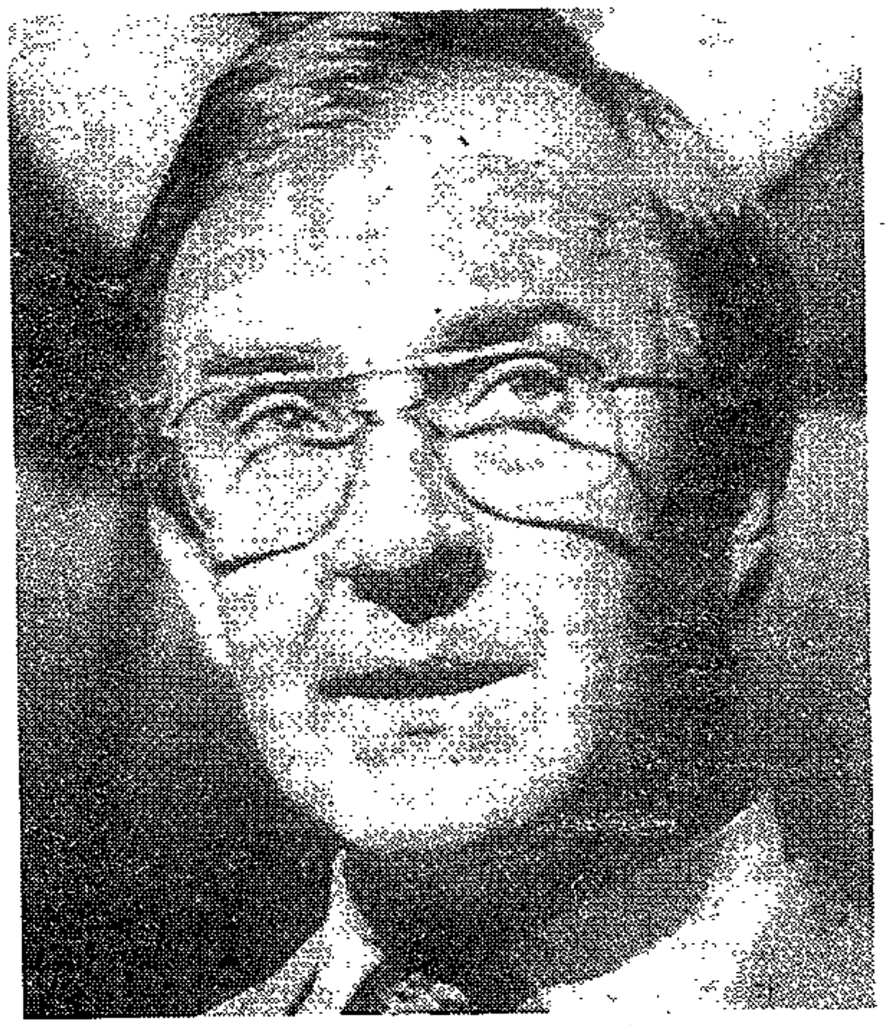
It is recommended therefore that an additional amount be set aside for specific salary adjustments for the police."

This formed part of a package for the improvement of conditions of service.

He also proposed that a non-recurrent R100 million be made available for the purchase of badly needed equipment.

Education was receiving almost 19 percent of the budget, excluding the recent improvements to conditions of service.

It had to be given an important role in the process of economic development and upliftment and enjoyed the largest single allocation in the Budget, making it comparatively high by international standards.



Minister Barend du Plessis.

There will be smiles in the civil service today with police, social workers and others staffers getting a hefty pay rise

ON THE MARCH: Crossroads residents marched to the rent offices in Nyanga this week to demand the disbanding of the local town council

South 15/3 - 21/3/90

Striking workers slam PSL

STRIKING hospital workers have hit out at the Public Servants' League (PSL) which, they say, is trying to undermine their strike.

The Health Workers' Union (HWU) this week claimed that the PSL was urging strikers to return to work, intimidating workers into joining the PSL and slandering the HWU.

The HWU also claimed that PSL members were scabbing during the strike which has severely affected provincial hospital services in the Western Cape.

The PSL denied the allegations.

PSL secretary, Mr Bernard Wentzel, said the PSL supported the demands of the strikers but had not been consulted by HWU before the strike began.

Wentzel said the PSL did not have a mandate for strike action and had pointed out to PSL members who had joined the strike that they were taking part in a HWU action.

Meanwhile, other public sector unions are discussing possible support action for the strike which began last week.

Representatives from a wide range of organisations active in the public sector met last weekend to discuss the strike which was triggered off by the announcement that public servants would get a 10 percent wage increase.

Health Workers' Union general secretary, Mr Hassan Mahamed, said 5 500 workers had downed tools at 14 state hospitals, a nursing college, a central laundry depot and six day hospitals in the Cape.

Ibhayi council workers on strike

Sowth 15/3 - 21/3/90

By ZOLA NTUTU

THE Ibhayi City Council in Port Elizabeth was paralysed this week when more than 1 600 council employees downed tools in support of wage demands.

The strikers include senior administration officers, social welfare staff, traffic department officials and general labourers.

They demonstrated outside the Ibhayi mayor's parlour to highlight their grievances.

A spokesperson for the strikers, Mr TH Ngcume, said that the workers wanted substantial wage increases to be backdated to July last year.

Ngcume claimed that the majority of council workers had earned R250 a month for the past three years.

The strikers have also called for an end to "maladministration" in the council, the resignation of councillors and recognition of the South African Municipal Workers' Union (Samwu).

Ibhayi mayor, Mr Mhlobo Jemsana, said the workers' demands were legitimate and the council intended to give them an increase.

Hospital strike: sabotage alleged

Star 15/3/90 354

Own Correspondent

CAPE TOWN — Hospitals have allegedly been sabotaged by "intimidators" as the current provincial non-medical hospital strike enters its tenth day.

The situation has reached crisis-point as it was reported that hospital toilets have been blocked by debris being thrown down them and volunteers have been threatened with having their houses burnt down, according to Professor J P van Niekerk, Dean of the Faculty of Medicine at the University of Cape Town.

"The problem is neither side is giving in and, secondly, the authorities are not allowed by law to meet the strikers. We say it's time to get beyond the law and get the thing going."

The strike, which started on Monday March 5 at Groote Schuur and Tygerberg Hospitals spread to 14 state hospitals in the Peninsula and Vredenburg, six day hospitals on the Cape Flats, the Nico Malan Nurses Training College and a hospital laundry centre in Pinelands and involves at least 5 500 employees.

Services most affected are sterilising, cleaning, catering and laundry.

At the weekend the defence force was called in to clean and cook.

Already overburdened nursing staff report they are being forced to clean toilets and floors and are exhausted and frustrated.

Nurses report they are being threatend with dismissal if they speak to the press and say hospital administrations are black-listing those who complain.

A nursing sister said resentment was fuelling a rebellion.

Strikers are calling for a minimum wage of R1 500, a 40-hour week, permanent status, maternity benefits, recognition of the Health Workers Union and an end to privatisation.

A Faculty of Medicine board meeting this week acknowledged the validity of many of the grievances of the hospital and health workers.

Workers at Red Cross War Memorial Childrens' Hospital, who up to now have not come out on strike on the grounds they were caring for children, were to meet yesterday afternoon to decide whether or not to join the strike.

Teachers in 'chalk-down' strike

By MONO BADELA

JOHANNESBURG - The "chalk-down" strike by more than 5 000 Johannesburg teachers is to continue, following a meeting at the Regina Mundi church in Soweto on Wednesday. Sowetan 15/3 - 21/3/90

At the meeting, the teachers reversed a decision taken earlier this week to suspend their strike conditionally and return to work.

"The teachers have decided to continue strike action until their demands are addressed," NECC general secretary, Mr Ihron Rensburg, said.

The teachers were due to return to school on Wednesday but most did not go back to the classroom, although DET's regional director, Mr Peet Struwig, reported some teachers were back at school.

The teachers' immediate demands include an end to visits by school inspectors and subject advisers and the suspension of extra-mural activities.

Long-term demands include the reinstatement of retrenched teachers, a minimum wage of R1 500 a month and an across-the-board increase of R500. 354

The striking teachers have received support from the students who on Monday endorsed their demands for better conditions.

Tens of thousands of students and teachers are expected to march from Orlando Stadium to the DET regional offices next Tuesday to present a petition of grievances.

Govt labourers get special raise

(354)

Star 16/3/90

Political Staff

Civil service labourers — the lowest paid workers in the government — are in line for a wage increase back-dated to April 1.

Minister for Administration and Economic Co-ordination Dr Wim de Villiers also said salary increases for nurses, police, SADF members and other security personnel would also be back-dated to April 1.

concern at the turn of events which led to vil-

The soldier escaped unhurt.

ing with Ravhele.

Special pay increase for public servants

354

THE lowest paid public servants - mostly black - are expected to get a special pay increase this year over and above the general 10 percent public servants increase already announced.

Minister of Administration and Economic Co-ordination Dr Wim de Villiers was expected to announce details yesterday. Sowetan 16/3/90

It is understood that the investigation is already far advanced and that any pay increase agreed upon will be paid retrospectively to April 1. Finance Minister Mr Barend du Plessis referred to this during his Budget speech on Wednesday.

"The salary dispensation for these categories of employees is being investigated with a view to making structural adjustments," he said, adding that Dr Villiers would make an announcement in due course.

The move appears to be part of a concerted drive by government to upgrade the living conditions of blacks.

Political commentators suggest part of the motivation may be to demostrate the merits of free enterprise and counter the ANC's policy of nationalisation.

WM 1613-22/3/90

Behind the strike that plunged 25 hospitals into chaos

GAYE DAVIS reports on the hospital workers who went on strike

RONALD MBANA is 33 years old. He has a wife, an eight-year-old child and supports his elderly parents.

He works as a cleaner in the public lavatories at Cape Town's Groote Schuur Hospital, where he has been employed for three years.

His take-home pay is R400 a month. Most of it — R287, to be exact — goes on a loan repayment for the home he bought in Khayelitsha .

There is little left for food, the education of his child and other expenses, despite the contribution of his wife's wages as a domestic worker.

"When you get paid, the first thing you have to do is get a loan. So you end up living on loans and getting threatening phone calls from where you bought your clothes, your furniture," Mbana told the *Weekly Mail*.

"How you survive is to pay one this month and hope the other will wait to get paid the next month. But there is never enough money."

For Mbana, to strike was the only opportunity he saw of getting an improvement to his salary and working conditions.

"I could see the only way out was collective action. Everyone had the same problem, but the way things were structured meant each person had to approach with their problems individually. It was frustrating, you didn't get anywhere," he said.

Mbana is one of about 6 000 non-professional hospital workers whose strike in support of better working conditions and more pay has plunged some 25 Cape provincial hospitals, day hospitals and related service institutions into a crisis.

Wards have been closed and moratoriums placed on non-emergency surgery. Hundreds of volunteers and off-duty staff have been called in to fill for striking workers, most of whom are cleaners, porters, domestic workers, catering staff and clerks, and for whom the minumum monthly starting wage is R260 and the average monthly salary between R300 and R400.

Some hospitals are faring better than others, as Cape Administrator Kobus Meiring discovered this week: at the Khayelitsha Day Hospital, one of 10 hospitals he visited, he found blood-smeared floors, walls and overflowing refuse baskets. Fears of retribution were given as the reason for volunteers failing to come forward, and the refusal of nursing staff to step into the breach.

Represented by the Health Workers' Union, a non-aligned union which has organised workers at Cape hospitals and health centres since 1985, but is not yet recognised, the workers are holding out for face-to-face talks between their union and Minister of Health Dr Rina Venter and Minister of Public Administration Wim de Villiers.

They have rejected presenting their grievances to retired Chief Magistrate Charles van Zyl, appointed last week by the Cape Provincial Administration in a bid to defuse the crisis, saying they were weary of dealing with "messengers" when the government was already aware of their demands.

The workers want a "living wage" of R1 500 a month, six months' paid maternity leave, a 40-hour week, recognition of their union and permanent status.

According to union officials, most of the workers are classified temporary staff, meaning they face dismissal on 24-hours notice and reduced pension benefits, although many boast long service records.

The demands are almost identical to those listed in November 1988 when workers at three large Cape hospitals downed tools for a day, resuming work on being promised an investigation into their grievances.

"Nothing ever came of the investigation," a union official said.

He said union membership before the strike started was around 4 000. He claimed that since the strike, it had soared as workers threw their weight behind the strike. This week the strike spread to the Vredenburg Hospital on the Cape West Coast and workers at a central laundry depot serving hospitals also stopped work.

That the workers have a case is underscored by Groote Schuur Hospital medical superintendent Dr Jocelyn Kane-Berman's comment that the minimum wage was "completely inadequate". She felt workers' other demands were justified, and that they had been "very patient".

Medical students at Groote Schuur have also demonstrated in support of the workers' demands.

But as the strike drags on and hospital services face collapse, claims and counter-claims of intimidation are mounting.

The dean of the University of Cape Town's faculty of medicine, Professor JP van Niekerk, this week accused workers of failing to honour their side of an agreement to maintain emergency services and claimed they were intimidating workers who wanted to return to work.

Workers in turn accused hospital authorities of encouraging scab labour by paying higher-than-usual wages and taking advantage of the workers' agreement to continue emergency services.

"We don't want our concession abused," said one. "We give them people and then find they are used for cleaning."

The situation reflects the overall crisis in South Africa's under-funded health services and the fiscal implications of having 14 separate health departments.

Disillusioned nurses, many highly trained, are leaving the profession. Specialist units and wards have been closed because they cannot be adequately staffed.

Despite threats that their failure to return to work could result in dismissal and the loss of a month's wages, the workers are committed to continue for as long as they can.

Said Mbana: "To resolve the issue they (the government) must meet some of the demands.

"The strike will go on until the government decides to talk in language which the workers respect," he said.

Star 17/3/90 354

Hospital strike spreads

Star 18/3/90

Minister urged to help prevent more violence

GILL TURNBULL and SAPA

CAPE TOWN — As the hospital strike reached crisis levels yesterday, urgent appeals have been made to Minister of Health Dr Rina Venter to meet aggrieved hospital workers.

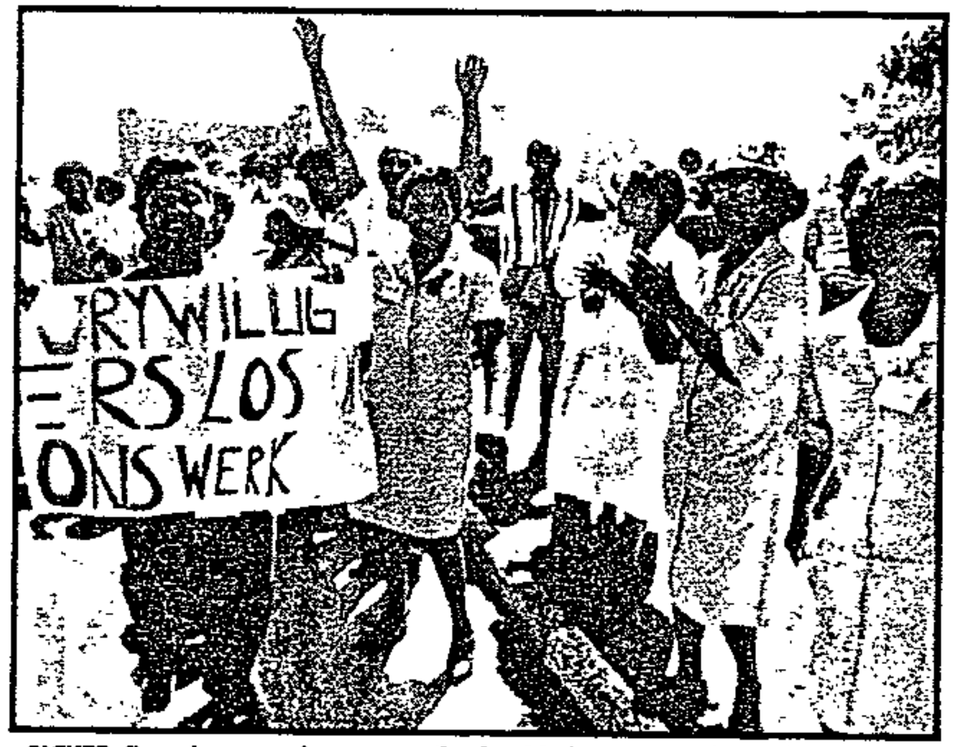
Amid reports of increasing intimidation and violence against nursing staff, and vandalism to hospital property, Dr Venter flew to Pretoria. A spokesman said she would not return to her office until Monday.

The Democratic Party has called on Dr Venter to return to Cape Town immediately to deal with the crisis.

The South African Nursing Association made an urgent appeal yesterday to health authorities to resolve a crippling strike.

The call for official intervention in the crisis was made by the president of the Sana, Miss O H Muller, and the organisation's central board after a meeting in Pretoria.

Sana was deeply concerned about the deteriorating circumstances under which nursing personnel were having to function because of the strikes.



PICKET: Tygerberg workers, on strike for 10 days, yesterday held a protest outside the hospital.

Patrolling

Security was yesterday stepped up at Groote Schuur. Walkie-talkie-bearing security guards patrolled the grounds and building.

Hundreds of workers who have been on strike for 10 days demanding more pay and improved working conditions, yesterday streamed to the Nico Malan Hall where they have held meetings since the strike started.

The Administrator of the Cape, Mr Kobus Meiring, said: "Major intimidation is occurring at all the strike hospitals.

"Intimidation varies from unauthorised occupation of critical service points and turning over of bins to deliberate blocking of ablution facilities.

"Those who are determined to continue working and refuse to take part in the strike are being subjected to physical threats."

Mr Meiring said that at Groote Schuur Hospital patient care was down to 30 percent of normal. Heart and kidney transplants had been cancelled "for the time being".

He appealed to strikers to return "if they have the welfare of patients at heart".

DP spokesman on medical matters Mr Mike Ellis said his investigations confirmed reports of violence and intimidation and he called on strikers not to damage their communities.

"We support their grievances, but essential services must be kept running," Mr Ellis said.

Nurses were injured and hospital property was damaged at Groote Schuur Hospital during a demonstration against strike breakers yesterday. Nurses and doctors have said that they fear for their personal safety.

A nurse reported to work with a black eye after being punched at the gates of Groote Schuur Hospital yesterday.

An angry Plumstead father telephoned The Argus in Cape Town to say his daughter was a nursing sister at Somerset Hospital and she and other nurses were being threatened by strikers who demanded that they support the strike.

"Somerset is in chaos. Patient files are being destroyed, they are defecating in the passages."

A Health Workers' Union official said the strike committee would meet Groote Schuur medical superintendent Dr Jocelyn Kane-Berman about damage to the hospital and injuries to staff.

Officials of the Health Workers Union have denied a Health Ministry claim that no direct approach had been made to Dr Rina Venter for an audience.

About 120 workers at the Red Cross Children's Hospital in Rondebosch have joined the Cape Peninsula hospital strike, a spokesperson for the workers said yesterday.

Members of the Transport and General Workers Union pledged their support for the strikers yesterday.

Talks aimed at solution

CAPE TOWN — Representatives of the Cape Provincial Administration, the Office of the Commission for Administration and the Health Workers' Union met late yesterday following the reported strikers rampage through Groote Schuur Hospital on Thursday.

A brief statement issued by Cape Administrator Kobus Meiring late last night said issues of mutual concern were discussed. He said a decision had not yet been reached, but a further meeting was planned for Monday.

"The parties involved will then continue to seek a solution to the conflict," Mr Meiring said. — Sapa.

BACK ON THE JOB: Former nursing home matron Mrs Anne Parrott (left) and volunteer Mrs Jean Carlsen help out in the Tygerberg Hospital kitchen.

Govt moves 'a letdown' for most public servants

By Dawn Barkhuizen

Public servants were generally disappointed by a budget which promised salary adjustments for nurses, police and other law enforcement personnel only, and undertook to investigate salary increases for the lowest-paid civil servants.

Hopes had been high for a further increase after the bitterly disappointing 10 percent pay rise announced earlier this year.

Protest action

Nurses and police — who were promised an adjustment but not told how much or when — were even more disillusioned than ever, representatives said.

SA Railways and Harbours Union (Sarhwu) vice-president, Mr Johnny Potgieter, warned that intensified protest action could result.

"We are very disappointed. We have 33 000 members. This could unleash frustrations that will be very hard to control. There seems to be no consideration by the government for public sector workers," he said.

The secretary-general of the 46 000-member, multiracial Public Servants' League, Mr Bernard Wentzel said:

"The Minister knows full well the demands and circumstances of public servants.

"Some people earn salaries that are totally unacceptable (R240 a month). People want their money now. We don't want investigations — we have told them about these below-the-breadline salaries for years."

National Medical and Dental Association spokesman, Dr Max Price said: "Many nurses have been holding on to their jobs in expectation of the Budget speech. Now, because no specific amounts were mentioned, we believe the salary adjustments will be similar to the 12 percent given to teachers earlier this year — which is four percent behind the inflation rate.

Salary adjustments

"Nurses are extremely badly paid — this will only make them more disillusioned. The nursing shortage is already critical, top nurses are resigning because they don't have enough staff. Why should they carry on when they can earn better money working as reps?"

The chairman of the Support Police Action Group, Mrs Avril Budd, said that at a time when morale was rock bottom and the rate of resignations higher than ever before, it was important to spell out salary adjustments.

"The situation is not satisfactory at present and it cannot be left for another six months. We suggest a minimum increase of 66 percent and say that immediate attention needs to be given to overtime."

Junior constables earned R870 a month with a R41 annual increase. A sergeant in his 19th year was paid R2 136 a month.

Public Servants' Association president, Dr Colin Cameron, who is negotiating for increased salaries after warning of a show of force earlier this year, said he had not expected increases.

He was pleased to note the increase in pensions and the fact that additional funds had been made available for adjustment of lower income salary groups.

Prisons Service: staff shortages

163. Mr D J DALLING asked the Minister of Justice:

Whether the Prisons Service is experiencing staff shortages; if so, what (a) is the extent of the shortages and (b) is being done to remedy the situation?

Hansard 19/3/90 B382E

The MINISTER OF JUSTICE:

(a) and (b) Yes. Personnel shortages are experienced in the following vocational groups:

— Disciplinary Personnel.
— Work Study Officials.
— Computerised Information System Personnel.
— Agriculturalists.
— Agricultural Technicians.
— Artisans.
— Financial Personnel (Accounts Clerks).
— Logistics Personnel (Material Support Clerks).
— Musicians.
— Nurses.
— Social Workers.
— Psychologists.
— Typists.

Due to the general under-supply in the labour market, some of these vacancies simply cannot be filled.

The existing fixed establishment as on 1 February 1990, does however not reflect the shortage of 5 716 posts which in consideration of financial realities are attended to on a planned and continuous basis, by the provision of funds on the South African Prisons Service budget.

Robben Island: prisoners

164. Mr D J DALLING asked the Minister of Justice: Hansard 19/3/90

How many prisoners were being held at the (a) maximum security and (b) medium security prison on Robben Island as at the latest specified date for which information is available? B383E

The MINISTER OF JUSTICE:

On 2 March 1990, the figures were as follows—

(a) 344 Hansard 19/3/90

(b) 303.

Department of Posts and Telecommunications: staff housing subsidies

167. Mr R M BURROWS asked the Minister of Mineral and Energy Affairs and Public Enterprises: Hansard 19/3/90

What total amount was allocated by the Department of Posts and Telecommunications in respect of the 1986–87, 1987–88, 1988–89 and 1989–90 financial years, respectively, for the payment of staff housing subsidies on a (a) compulsory and (b) voluntary basis? B386E

The MINISTER OF MINERAL AND ENERGY AFFAIRS AND PUBLIC ENTERPRISES: 354

(a) and (b)

1986/87: R 79 378 850,12;
1987/88: R 84 319 829,38;
1988/89: R101 805 544,09; and
1989/90: an estimated R142 000 000. The final figures will only become available after the closing of the financial year on 31 March 1990.

Notes

(i) Separate figures in respect of compulsory and voluntary additional payments are not readily available as the Department's computerized system does not, unfortunately, distinguish between the two amounts. The time and cost involved in consulting every housing subsidy file, of which there are ± 26 700, to obtain the required information cannot be justified.

(ii) The higher than normal increase in subsidies in the 1989/90 financial year can be attributed to the additional subsidy payable in respect of loans of R50 000 and higher for the period June 1989 to March 1990 as well as the fact that building society interest rates were adjusted upwards twice during the relevant financial year.

Self-governing territories: size

172. Mr P G SOAL asked the Minister of Development Aid: Hansard 19/3/90

What was the size in hectares of each of the self-governing territories as at 31 December 1989? Hansard 19/3/90 B391E

The MINISTER OF DEVELOPMENT AID:

KwaNdebele	224 632 hectares
Gazankulu	774 793 hectares
Qwaqwa	105 133 hectares
KaNgwane	438 221 hectares
Lebowa	2 244 078 hectares
KwaZulu	3 243 703 hectares

Self-governing territories/independent Black states: consolidation cost

173. Mr P G SOAL asked the Minister of Development Aid:

What was the cost of purchasing land for the purpose of consolidation in respect of each (a) self-governing territory and (b) independent Black state as at 31 December 1989? B392E

The MINISTER OF DEVELOPMENT AID:

Separate statistics are not available. The total accumulative cost, however, amounted to R1 321 555 549 on 31/12/1989.

Mr Nelson Mandela: cost of imprisonment at Victor Verster

176. Mr A P OOSTHUIZEN asked the Minister of Justice:† Hansard 19/3/90

(1) (a) For how long was Mr Nelson Mandela detained in a house at the Victor Verster Prison and (b) (i) what facilities were at his disposal during this period and (ii) what (aa) was the daily cost involved in these facilities and (bb) is the daily cost in respect of an ordinary prisoner;

(2) whether Mr Mandela (a) received and (b) entertained any guests during this period; if so, what was the cost involved, in each case;

(3) whether (a) Mrs Winnie Mandela and (b) any other persons visited Mr Mandela at public expense during this period; if so, (i) which other persons and (ii) what was the cost to the State in each specified case? Hansard 19/3/90 B412E

The MINISTER OF JUSTICE:

(1) (a) From 7 December 1988 until 11 February 1990.

(b) (i) In a comfortably equipped and properly secured home on the Victor Verster Prison grounds. The furniture and other equipment of the house are still being applied and utilised efficiently at other points for departmental purposes.

(ii) (aa) and (bb) Not readily available. The per capita cost per prisoner per day differs from institution to institution due to a variety of variables per place.

(2) (a) and (b)

Mr Mandela received visits continuously during this period. The cost relating to the entertainment of these visitors were borne by Mr Mandela himself. Unfortunately no specific amount can be given as this matter is of a personal nature.

(3) (a) and (b) (i) and (ii)

Mrs Winnie Mandela and other private visitors visited Mr Mandela at own expense.

*21. Mr K M Andrew—Planning and Provincial Affairs. [Question standing over.]

Regent Road, Sea Point: satellite police station

*22. Mr C W EGLIN asked the Minister of Law and Order:

(1) Whether the South African Police is considering closing down the satellite police station in Regent Road, Sea Point; if so, why;

(2) whether he will give an assurance that the station will not be closed down until adequate and effective alternative crime prevention and policing facilities exist in that part of Sea Point

B518E

†The MINISTER OF LAW AND ORDER:

(1) and (2).

This matter is at present receiving attention. As soon as a final decision has been taken I will inform the hon member accordingly.

*23. Mr E W Trent—Defence. [Withdrawn.]

Strand, factory: retrenchments

*24. Mr R R HULLEY asked the Minister of Defence:

Whether any workers have been retrenched at a certain factory in the Strand, the name of which has been furnished to the South African Defence Force for the purpose of the Minister's reply; if so, (a) how many, (b) on whose orders, (c) for what reasons and (d)(i) when and (ii) by whom were these workers advised that they were to be retrenched?

B520E

†The DEPUTY MINISTER OF DEFENCE:

Yes.

(a) 252.

(b) The Board of Directors of the company.

(c) The decision was taken as a result of cuts on the workload of the company which followed cuts in the 1990/91 SA Defence Force budget.

(d) (i) On 27 and 28 February 1990.

(ii) The Management of the company.

*25. Mr P G SOAL—Planning and Provincial Affairs. [Question standing over.]

Orange Farm settlement camp: schools

*26. Mr P G SOAL asked the Minister of Education:

(a) How many schools are there at the Orange Farm settlement camp, (b) what is the name of each such school and (c) how many pupils can they accommodate?

B522E

†The MINISTER OF EDUCATION:

(a) 5

(b)

Names of schools		(c) Number of pupils that can be accommodated
Orange Farm Public Primary School		920
Qoquisiswe Primary School	(Private)	Particulars not available
Mpanza Primary School	(Private)	Particulars not available
Tsakane Sizwe Primary School	(Private)	Particulars not available
Black Forest Secondary School	(Private)	Particulars not available

Inward industrialisation

*27. Mr H H SCHWARZ asked the Minister of Trade and Industry and Tourism:

Whether any steps are contemplated to implement, encourage and further the policy of inward industrialisation; if not, why not; if so, what steps?

B523E

The MINISTER OF TRADE AND INDUSTRY AND TOURISM:

Inward industrialisation is not so much a strategy as a process; the government is not in a position to "implement" it by fiat, but should rather be seen as removing obstacles to what is actually a perfectly "natural" process in any industrialising country.

The essence of inward industrialisation, in the South African case, is a growing mass demand for basic goods and services with high labour-intensity but a low import coefficient: in particular, housing. Inward industrialisation is the flipside of urbanisation; and, to the extent that government is promoting or encouraging

urbanisation, it is advancing inward industrialisation.

Indeed, the provision of physical and social infrastructure on the periphery of the metropolitan areas is itself part of the initiating impulse of inward industrialisation. This opens up the whole vista of government's *housing* and *education* policies; or, at a wider remove, of its social spending as a whole.

Inward industrialisation naturally rests also on a broad base of small-scale economic activity in both the formal ("small business") and informal sectors. The former is being promoted through various bodies, notably the Small Business Development Corporation, an institution that has been and is receiving substantial financial support from government (including R60 million in the Budget of 14 March 1990). The informal sector is growing appreciably, and is being promoted by means of deregulation and training programmes.

A macro element in inward industrialisation is the raising of labour-intensity in production. As was stated in the Budget speech, government is seeking to bring about a situation where the relative prices of labour and capital better reflect their relative scarcity. The pursuit of positive real interest rates (accepted as a guiding principle by government) will contribute to this.

Inward industrialisation can also be said to rest on a redistribution of income towards those with a high propensity to consume. The latest Budget involves just such a shift.

The government's dramatic R3 billion upliftment and development fund is bound to accelerate the whole process of inward industrialisation.

Prison labourers: tariff paid by employers

*28. Mr D J DALLING asked the Minister of Justice:

With reference to his reply to Question No 17 on 20 February 1990, what is the current daily tariff paid to the Government by private employers of prison labourers?

B525E

The MINISTER OF JUSTICE:

(Reply laid upon the Table with leave of House)

TARIFF SCALE A (URBAN AREAS, DEVELOPING TOWNS AND INDUSTRIAL COMPLEXES)

Weekdays	: Prisons Service guard	: Salary of special guard per day plus R1,40 per prisoner per day to a maximum of five (5) prisoners per guard.
	: Hirer's guard	: R1,40 per prisoner per day.
Saturdays	: Prisons Service guard	: Half of the salary of special guard per day plus R1,10 per prisoner per day, to a maximum of five (5) prisoners per guard.
	: Hirer's guard	: R1,10 per prisoner per day.

TARIFF SCALE B (RURAL AREAS)

Weekdays	: Prisons Service guard	: Salary of special guard per day plus R1,15 per prisoner per day to a maximum of five (5) prisoners per guard.
	: Hirer's guard	: R1,15 per prisoner per day.
Saturdays	: Prisons Service guard	: Half of the salary of special guard per day plus R0,75 per prisoner per day, to a maximum of five (5) prisoners per guard.
	: Hirer's guard	: R0,75 per prisoner per day.

The above-mentioned tariffs are revised from time to time on the basis of inter alia the following factors:

— the hirer's expenses involving the wage of his guard;

— transportation cost;

— limited number of hours which a prisoner can work and the relative lower productivity; and

— the current minimum scale of wages.

More anger at govt pay

GERALD REILLY

PRETORIA — Government workers at protest meetings throughout the country in the past two weeks have been demanding talks with the President F W de Klerk on their "meagre" 10% pay increase.

At a meeting in Durban earlier this week, the Public Servants Association's largest Natal branch passed a motion of no confidence in government for its indifference to its worker's financial plight.

The PSA wants to by-pass Administration Minister Wim de Villiers and have direct talks with De Klerk.

The Durban meeting, in line with other protest meetings, also called for a speeding up in the passing of legislation now before parliament to provide for a more effective bargaining mechanism for public servants.

Meanwhile, senior government workers in Pretoria say lack of motivation and low morale in the service because of the "unacceptable" increase may result in a go-slow strike.

Government workers are prohibited from strike action, but a slowdown in the work tempo could threaten the efficiency of key services.

The PSA has called a special general meeting for April 9 to decide on a line of action.

IPS hold talks on wages

354
Sowetan 22/3/90

A five-man delegation representing the Institute of Public Servants meets the Minister for Administration and Privatisation, Dr Wim de Villiers, today to discuss, among other things, better wages for the public servants.

The meeting, which starts 5pm, will be held in Pretoria.

President of the IPS Dr SK Matseke, who will lead the delegation, said they will mainly discuss about the working conditions of public servants. "We will also demand better wages for our members."

B/Day 22/3/90 354

Settlement package for Cape hospital staff includes extra pay

CAPE TOWN — General hospital assistants under the jurisdiction of the Cape Provincial Administration (CPA) will receive an additional salary improvement with effect from April 1, which will be over and above the 10% general increase to all public servants.

This was one of the agreements reached after a 16-day strike by non-medical workers which seriously affected 21 Peninsula hospitals, the central laundry at Pinelands, six maternity clinics and the Nico Malan Nurses College.

Cape Administrator Kobus Meiring yesterday released a memorandum of agreements reached between delegations from the Health Workers' Union (HWU), the Commission for Administration (CFA) and the CPA which led to the strike being called off.

Meiring put the number of CPA strikers at 3 200 and said they would return to work today.

The strikers had demanded a minimum wage of R1 500, a 40-hour week, maternity benefits, permanent status, an end to privatisation and the recognition of the HWU.

In respect of remuneration, the CPA and CFA explained that despite the Budget allocation of money to improve wages of the lowest paid workers, it was not able at this stage to indicate what the future wage would be — however, the additional increase would be announced by April 16.

The CPA said that rescheduling of all work programmes to facilitate a 40-hour working week, to be instituted not later than May 1, was also being investigated.

It was agreed the "temporary" worker designation should be used only for persons employed for a period not exceeding three months.

The CPA advised it was also investigating the extension of the present two-month maternity leave system.

It was also agreed that the formal recognition of the HWU would be held over pending new legislation, which was being drawn up.

In addition, it was agreed that, as a result of privatisation, employees should in principle lose neither their jobs nor benefits. — Sapa.

...police stations.
...ndent reports that Rockman

...Fort Beaufort Youth Congress spokesman said black staff at Fort Beaufort prison protested in solidarity with suspended warders.

Retrenched SAA staff rehired at top rates

CAPE TOWN — Some former SAA staff members who recently took attractive retrenchment packages which precluded them from seeking re-employment with SAA for three years are back at their posts and earning more per hour than some colleagues who decided to stay on.

An angry SAA staff member — a computer operator who declined to be identified — said that a few of the approximately 10 people in an SAA office in Cape Town who had left voluntarily were back on a temporary basis.

BILLY PADDOCK Own Correspondent

SAA public relations officer Janie van Vuuren said yesterday the airline had been experiencing problems in some of its offices at peak times and had asked former staff to help out "for a couple of hours a day. They get paid per hour."

She said SAA was recruiting and training computer operators and then temporary staff would no longer be needed.

Gandhi wants to launch SA scholarship fund

WINDHOEK — Former Indian prime minister Rajiv Gandhi yesterday announced his intention to start a $30m Nelson Mandela scholarship fund for black SA students because of what he had seen in Namibia.

He was joined by US civil rights leader Jesse Jackson and SA church leader Allan Boesak at an impromptu Press conference in Windhoek.

The money would come from the Non-aligned Movement and Gandhi said he had already discussed the idea in detail with Zambian President Kenneth Kaunda. He would raise the idea with Zimbabwe President Robert Mugabe today.

BILLY PADDOCK

Gandhi said the idea was prompted by the experience of Namibia "where SA had removed vital educational equipment and resources during the run-up to Namibia's independence".

Under the plan, the initial $30m would be used to establish 500 scholarships for black students.

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B/Day 26 | 3 | 90

Minister hears PSA complaints

GERALD REILLY

PRETORIA — The Public Servants' Association bluntly told Administration Minister Wim de Villiers at a meeting here last week that levels of discontent in the service were a grave threat to efficiency in state departments.

Main complaints concerned the latest 10% pay hike for goverment workers, lack of funds for occupational differentiation and inadequate negotiating machinery.

PSA GM Hans Olivier said the discontent could depress workers' morale further, and weaken staff motivation.

"We also said we could not understand why government had talked to an unrecognised trade union."

This was a reference to the Health Workers' Union.

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Post Office pay rise 'will fuel protests'

Star 27/3/90 (354)

By Drew Forrest

Recently announced pay rises for black postal workers raised the spectre of strike action and would fuel protests by thousands of public sector workers this week, unionists said yesterday.

Cosatu unions in the rail, postal, health and education and municipal sectors are spearheading nationwide protests tomorrow and on Thursday over privatisation and the Government's 10 percent wage rise for state employees.

Rallies are planned in working hours in all major centres tomorrow. On Thursday, marches are to be staged on the Johannesburg Stock Exchange and offices of public sector employers in other cities.

Mr Floyd Mashele, of the Post and Telecommunications Workers Association (Potwa), said the Post Office last week announced pay rises, to take effect from April 1, of between nine and 20 percent in talks with postal unions.

Management says the 20 percent is for workers in lower ranks, adding that it is open to union representations on minimum pay. Potwa has demanded a R1 100 monthly minimum wage and an across-the-board increase of R400.

Mr Mashele said workers had reacted angrily in union report-backs and that a strike could not be ruled out.

He said the increase would fuel this week's protests, which could involve up to 150 000 workers.

R South 29/3-4/4/90

Rallies against privatisation

By CHIARA CARTER

UNIONS will step up their anti-privatisation campaign this week. The action may lead to protests involving thousands of public sector workers.

The vice-president of the Post and Telecommunications Workers' Association (Potwa), Mr Floyd. Mashele, said more than 150 000 workers were expected to take part in marches and rallies in major centres throughout the country on Thursday.

The centres include Pretoria, Johannesburg, Bloemfontein, Kimberley, East London, Durban and Port Elizabeth and Cape Town.

Mashele said the marchers would include members of the unions which belong to the public sector forum — the South African Municipal Workers' Union, Potwa, the South African Railway and Harbour Workers' Union and the National Education, Health and Allied Workers' Union.

Independent unions and staff associations such as the Health Workers' Union and the Public Servants' League might also join the marches.

In Johannesburg, workers will march to the Stock Exchange to demonstrate against the sale of post office shares on the exchange.

"The government has repeatedly ignored our representations. Now we are taking serious action," Mashele said.

"We are prepared to negotiate peacefully. If the state presses ahead with privatisation, however, we are prepared to take whatever action is necessary."

Sources within the public sector forum say the unions have not ruled out "more sustained strike action".

The anti-privatisation drive comes amid unprecedented militancy in the public sector.

There was a bitter marathon strike involving up to 40 000 Sarhwu members throughout the country last year.

A strike involving about 5 000 workers at Cape Provincial hospitals ended last week in what Health Workers' Union general secretary, Mr Hassan Mahomed, called a "major victory" for the public sector.

In terms of the agreement, the hospital authorities agreed to meet with the union, give workers permanent status, improve maternity leave benefits and reduce working hours significantly.

Wage increases for both Sats and CPA hospital workers are to be announced next month.

This month, workers also downed tools at Ibhayi Town Council, in the prison services and police force and at DET schools in Soweto.

Potwa, the South African Post and Telecommunications Employees' Association (Saptea) and the Postal Employers' Association of South Africa this week issued a joint statement, warning that their members might take action in support of wage demands.

The statement said the present minimum wage of R624 was "unacceptable" and that workers demanded a minimum wage of R1 100 and a R400 across-the-board increase.

The statement compared this to cabinet minister's salaries of R15 084 and the salaries of MPs, who earn almost R8 000 a month

and Currie — of Cape Town. Romagna. It is believed she broke her neck.

Outrage over pay rise for councillors

Star 6/4/90

By Louise Burgers, Municipal Reporter

The 20 percent pay increase announced for mayors and councillors throughout the country has enraged local communities, who say it will exacerbate tension in the townships.

Yesterday the Administrators of the four provinces jointly announced that a 20 percent increase for all councillors would be backdated to January 1. Chairmen of regional services councils will receive a 12 percent increase.

Black community leaders are up in arms over the increase, but white councillors feel the increase is justified as the previous pay rise was in 1986. In Johannesburg, a city councillor earns R840 a month. The increase will mean R160 extra a month.

United Democratic Front executive member Mr Azhar Cachalia said the increase was an effective vote of confidence in black local authorities, which did not have the support of their communities and were alleged to be corrupt.

Mr Cachalia said the money for the pay increases could be better used in the upliftment of the community, rather than wasting it on people who had no contribution to make.

"Bad timing" is how Kensington Ratepayers Association chairman Mrs Jane O'Connor-Bailey described the rise.

Democratic Party leader in the council, Mr Ian Davidson, agreed that the timing was unfortunate. But the increase was long overdue.

SUNDAY STAR . . . THE BEST ON SUNDAYS

How we kill each other

Fly with us to the Far East for a price that is simply unbelievable!

Govt urged to review police pay to halt crime

By Michael Chester

The SA Chamber of Business (Sacob) yesterday urged the Government to order an urgent review of pay scales in the SA Police to halt a growing crime wave which had singled out small businesses as "soft targets" across the Witwatersrand.

Legal manager Mr Ken Warren revealed at a news conference in Johannesburg that Sacob had created a special security sub-committee to seek solutions to a dramatic increase in the number of armed attacks and robberies aimed at small business operations.

There was particular concern over evidence that the crime gangs were selecting businesses that operated after normal shopping hours — emergency chemists, corner-stores, cafes and restaurants — as easy "soft targets", as the police force was denuded by resignations.

Sacob blamed the high rate of resignations from the SA Police on inadequate remuneration and poor working conditions.

The crime wave had spread across the entire Witwatersrand, white and black areas alike.

The only comfort to small business operations in Soweto and other townships was that many shops run as informal neighbourhood stores and were protected by special street security committees that had been formed to deter attacks.

Sacob intended to make formal approaches to the Government to stress its deepening concern about the general wave of violent robberies.

It would urge the release of extra funds "to stop the outflow of junior as well as senior policemen and enable the Minister of Law and Order and the Commissioner of Police to meet the pressing need for reducing the escalating scale of violent crime aimed at the business sector".

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Pupils in Pretoria clean-up

PRETORIA — Squads of holidaying Pretoria schoolboys have swapped their pens and books for brooms and rubbish bags in a stopgap effort by the municipality to sustain the city's strike-hit refuse removal services.

And as the unlawful stoppage by municipal workers dragged into its seventh day yesterday, trade union organisers and city council officials met in a bid to resolve the deadlock over wages.

Nearly 5 700 city council workers are demanding a R1 000 starting "living wage" instead of the current R434 a month. They were given increases on April 1.

The strike was induced by rivalry between unions and there hadbeen claims of intimidation, an SA Municipal Workers Union spokesman said.

The strike, involving workers in the engineering and electricity departments, had not yet posed a health hazard, a council spokesman said. — Sapa.

Boost for lowest-paid govt workers

Star 12/4/90 354

Political Staff

More than 260 000 of the lowest-paid members of the public service are to receive pay boosts of between 16 and 122 percent.

And further increases have been announced for 75 600 women teachers in a bid to narrow disparities between their service conditions and those of their male colleagues.

Nursing assistants were also in line for a pay boost, the Government announced yesterday.

The rises, increasing the public service pay bill by hundreds of millions of rands, are in addition to the 10 percent non-pensionable allowance given public servants across the board on April 1.

The Minister of Administration, Dr Wim de Villiers, said yesterday that the remuneration adjustments for the poorest paid of public servants, "general assistants", would be backdated to April 1.

It is understood some general assistants presently earn R270 a month. Cases of black workers earning R210 a month had been brought to the attention of the Public Servants' Association (PSA), a Pretoria meeting of black members heard last month.

Latest figures

Although salaries are no longer based on race, black workers tend to occupy the worst-paid jobs.

Latest available figures from Central Statistical Services in Pretoria show that a black worker could, on average, expect to be employed in a job earning only 35 percent of that held by his or her white colleague.

In the public sector, black workers earned, on average, R965 a month, compared with R2 738 for white workers in December last year.

More than 800 000 black people were employed full time in the public sector in December last year, compared with about 580 000 whites.

The total pay bill for black workers in the public sector was R2,3 million, less than half that for whites.

A spokesman for the Public Servants' Association, Mr Hans Olivier, said his organisation had long pressed for an improvement in the lot of the lower-paid workers who "trailed the market by more than 100 percent".

Pay rises for some govt workers

356

BARRY STREEK

SIGNIFICANT increases are to be given to more than 360 000 of the lowest-paid public servants, black women teachers and health workers.

It is understood the annual starting pay of the lowest paid public servant, which was R3 141 or R262 a month last year, will be more than doubled to nearly R7 000 a year.

According to Administration and Economic Co-operation Minister Wim de Villiers, the new dispensation provided for improved salaries in general; a substantial improvement in the commencing salary on the lowest level of renumeration and area allowances.

It would also recognise persons with many years of uninterrupted and loyal service, as well as payment of a night-duty allowance to general assistants who perform night-duty at hospitals.

☐ GERALD REILLY reports from Pretoria that National Education Minister Gene Louw's move to narrow the gap between the salaries of men and women teachers,will benefit black, coloured and indian teachers most.

A department spokesman said about 75 600 college and school educators at post level one would benefit to the extent of R184m this year. This would be in addition to the 12% pay rise for all teachers from March 1 and the general public sector 10% increase from April 1.

National Health Minister Dr Rina Venter said yesterday the salary improvements for nursing assistants would also be backdated to April 1. The matter would be addressed during the current investigation into the dispensation for nursing personnel.

Both the night-duty allowances and the salaries of nursing assistants were among the reasons cited by the Health Workers Union for the recent strike in Cape Town hospitals.

Sowetan 12/4/90

Warm welcome . . . Mr Nelson Mandela, accompanied by his wife, Winnie, at Wembley Stadium yesterday where the 72 000 capacity crowd gave the couple a standing ovation. ● Picture by Reuter

FW expected to maintain Govt's reform initiative

By Peter Fabricius,
Political Correspondent

CAPE TOWN — President de Klerk is expected to throw further light on the Government's reform plans in an important speech to Parliament today.

He will be speaking in the debate on the State President's vote, traditionally an occasion for dealing with weighty political matters.

Although political observers believe that Mr de Klerk will clarify several important Government policy issues, they do not believe he will make any momentous announcements. But they do believe he will try to maintain the initiative by keeping the focus on the Government's reform plans.

The timing of today's speech is important, coming as it does before the Government's crucial talks with the ANC starting on May and Mr de Klerk's expected visits to Britain, Europe and America after that.

The speech may give some indication if any important decisions were made when the Cabinet held a special "bush indaba" session two weeks ago to discuss basic policy.

It is understood that the Cabinet agenda included ways of dealing with remaining apartheid legislation such as the Group Areas Act and the Land Acts. There has been speculation that Mr de Klerk will today announce a timetable for the abolition of these measures.

National Party sources said today this was unlikely and that the Government had already made enough of the running.

"Mr de Klerk cannot keep making concessions while the ANC gives nothing in return," one source said.

Mr de Klerk may also discuss the continuing violence and the ANC's continued refusal to renounce the armed struggle.

Mr de Klerk indicated before the Easter recess that he would deal with the Conservative Party's claims that it has discovered a secret ANC plan to assassinate right-wingers and that the Government was not dealing satisfactorily with the threat.

Intelligence sources said today that the ANC plan was "nothing more than an informer's report" which had not been confirmed.

Mr de Klerk is also likely to address the question of whether or not the NP should admit members of other races or seek alliances with other parties.

Teachers set to end strike tomorrow

Staff Reporter

Thousands of teachers and pupils are expected to return to classes tomorrow when schools controlled by the Department of Education and Training reopen for the second term.

The decision on April 4 by 6 000 teachers in the DET's Johannesburg region to suspend conditionally their month-long "chalks down" strike, has come as a relief to parents.

Fears were already being expressed that, should the crisis continue much longer, this year's results were bound to be the gloomiest.

Aware of these sentiments, the teachers have agreed that schools should not close in June for the winter holidays.

The Minister of Education and Development Aid, Dr Stoffel van der Merwe, last week announced the Government had waived a rule automatically firing about 11 60 black teachers for their strike action and a clause treating unauthorised absence as leave without pay.

Soul

Health workers to meet CPA over 'package'

354

By CHIARA CARTER

THE Health Workers' Union (HWU) has requested an urgent meeting with the Commission of Administration over the wage package for public servants announced last week.

A mass meeting of HWU members at Community House on Monday expressed "extreme dissatisfaction" at the increases.

The meeting decided to give the authorities time to respond to the request for a meeting before taking further action.

HWU general secretary Hassan Mahomed said the workers had rejected the increases as inadequate because the wage levels of general assistants prevented workers from making ends meet.

HWU is demanding a minimum wage of R1 500.

The Commission for Administration has refused to make the increases public, but the new minimum wage is believed to be about R500 a month.

Mahomed said workers felt the night shift allowance was "hopelessly inadequate".

He said workers were dissatisfied that certain categories of staff such as housekeepers, pharmacy assistants and clerical workers had been excluded from the package.

Workers also viewed the preconditions attached to the long service increase as "unacceptable".

The preconditions include 20 years' unbroken service and merit evaluation.

A strike by about 4 500 HWU members crippled most Peninsula hospitals for more than two weeks last month.

When strikers returned to work, they warned they might resume the strike if the April increases did not meet their expectations.

The Public Servants' League has also expressed dissatisfaction with the package announced last week.

HOUSE OF ASSEMBLY

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QUESTIONS

†Indicates translated version.

For written reply:

General Affairs:

Military pensioners: allowances

208. Mr R M BURROWS asked the Minister of National Health and Population Development:

(1) (a) How many military pensioners are in receipt of allowances paid to persons suffering from serious disability and (b)(i) what are the amounts currently paid per individual in respect of each specified category of serious disability and (ii) in respect of what date is this information furnished;

(2) what total amount was paid in respect of each of the above categories in the latest specified financial year for which information is available?

B489E

The MINISTER OF NATIONAL HEALTH AND POPULATION DEVELOPMENT:

(1) (a) 98 Military pensioners are receiving allowances in respect of serious disability.

(b) (i) monthly amounts paid per individual in respect of each specified category are as follows:

Category: 12,5% serious disability

Degree of disablement	*Pension and Allowance*	*Qualification Degree*	*Matric*	*Lower*
100%	Pension	R1 265.00	R948,75	R759.00
	Allowance	158,12	118,59	94,87
	Total	R1 423.12	R1 067.34	R853,87
90%	Pension	R1 138.00	R853,88	R683,10
	Allowance	142,25	106,73	85,39
	Total	R1 280.25	R960.61	R768,49
80%	Pension	R1 012,00	R759,00	R607,20
	Allowance	126,50	94,87	75,90
	Total	R1 138,50	R853,87	R683,10

Category: 25% serious disability

Degree of disablement	*Pension and Allowance*	*Qualification Degree*	*Matric*	*Lower*
100%	Pension	R1 265,00	R948,75	R759,00
	Allowance	316,25	237,19	189,75
	Total	R1 581,25	R1 185,94	R948,75
90%	Pension	R1 138,00	R853,88	R683,10
	Allowance	284,50	213,47	170,76
	Total	R1 422,50	R1 067,35	R853,86
80%	Pension	R1 012,00	R759,00	R607,20
	Allowance	253,00	189,75	151,80
	Total	R1 265,00	R948,75	R759,00

Note:

The amounts do not include pensions for dependants.

(b) (ii) 15 March 1990.

(2) Particulars as required are not readily available.

Total monthly amount for March 1990 in respect of each of the categories under 1(b)(i) is made up as follows:

12,5% Serious disability

Code 21 (Graduates)

Percentage	*Number*	*Amount*
100%	5	R7 748,15
90%	0	0.00
80%	0	0.00

Code 22 (Matriculants)

Percentage	*Number*	*Amount*
100%	27	R32 233,82
90%	0	0.00
80%	1	955,08

Code 23 (Lower than matric)

Percentage	*Number*	*Amount*
100%	25	R24 031,31
90%	2	1 650,83
80%	3	2 422,48

25% Serious disability

Code 21 (Graduates)

Percentage	*Number*	*Amount*
100%	3	R4 743,75
90%	0	0.00
80%	0	0.00

Code 22 (Matriculants)

Percentage	*Number*	*Amount*
100%	21	R24 983,79
90%	0	0.00
80%	0	0.00

Code 23 (Lower than matric)

Percentage	*Number*	*Amount*
100%	11	R11 179,44
90%	0	0.00
80%	0	0.00
Total		R109 948,65

Military pensions

209. Mr R M BURROWS asked the Minister of National Health and Population Development:

(1) Whether her Department administers the payment of military pensions to persons injured whilst in military service; if so, (a) what number of persons receiving military pensions falls into each specified category of payment and (b) what total amount was paid out to persons falling into each such category;

(2) whether these categories of payment are based on the educational qualifications of the pensioners concerned; if so,

(3) whether her Department has been involved in discussions regarding the abolition of the educational categorisation of military pensioners; if not, why not; if so, what was the outcome of the discussions? B490E

The MINISTER OF NATIONAL HEALTH AND POPULATION DEVELOPMENT:

(1) Yes,

(a) persons with;

— a university degree or equivalent	337
— matric or equivalent	964
— lower than matric	6 555
protected cases (previous dispensation)	84

(b) information regarding each category is not readily available. An amount of R3 985 338,28 was paid out in January 1990 in respect of all military pensioners, including widows and other dependants,

(2) yes, except for the 84 protected cases,

(3) yes, a committee has been appointed to investigate the basis on which military pensions are determined. The committee's investigation is still in progress.

Hospitals

211. Mr M J ELLIS asked the Minister of National Health and Population Development:

Which hospitals fall under the control of (a) her Department, (b) own affairs ministries, (c) the provincial administrations and (d) any other specified controlling bodies in South Africa?

Hansard 23/4/90 B494E

The MINISTER OF NATIONAL HEALTH AND POPULATION DEVELOPMENT:

Hospitals (except private hospitals) under the control of:

(a) Department of National Health and Population Development: none,

(b) own affairs administrations:

— Administration: House of Assembly

Transvaal:

Andrew McColm
Bloemhof
Delareyville
Duiwelskloof
Evander
Elsie Ballot
Groblersdal
Hendrik van der Bijl
Kempton Park
Paardekraal
Pretoria West
South Rand
Ventersdorp
Far East Rand
Warmbaths
Willem Cruywagen
Bernice Samuel
Brits
Discoverers Memorial
Edenvale
F H Odendaal
General De La Rey Memorial
H A Grové
J G Strydom
Louis Trichardt Memorial
Phalaborwa
Sybrand van Niekerk
Van Velden Memorial

Vereeniging
Voortrekker (Potgietersrus)
Waterval Boven

Orange Free State:
Bethlehem Prov Hospital
Jagersfontein
Sasolburg
Voortrekker (Kroonstad)
Zastron

Cape Province:
Port Elizabeth
Volks Hospital (Cape Town)
Walvis Bay
William Slater

Natal:
Hillcrest
Greys
Greytown

— Administration: House of Delegates

none,

— Administration: House of Representatives

Lentegeur Hospital
Mitchells Plain Hospital
Dental and Oral Hospital of the University of the Western Cape,

(c) provincial administrations:

Subsidised Hospitals: Cape Province

Booth Cape Town
Maitland Cottage
Sarah Fox (Athlone)
Uniondale
Moorreesburg
Clanwilliam
Laingsburg
Vosburg
Brandvlei
Williston
Hopetown
Richmond
Kenhardt
Warrenton (Prov)
Harmonie Kimberley
Olifantshoek Nursing Home
Stella
Lady Grey
Aliwal-North
Indwe
Komga
Martjie Venter (Mem)
Molteno
Adelaide
Aberdeen
Willowmore
St Monica's (Cape Town)
St Joseph's Philippi
Villiersdorp
De Doorns
Radie Kotze
Fraserburg
Prince Albert
Murraysburg
Loeriesfontein
Carnavon
Britstown
Keimoes
Pofadder
Jan Kemp
Helen Bishop (Kimberley)
Bray
Piet Plessis
Jamestown
Dordrecht Memorial
Maclear
Stutterheim
Sterkstroom
Newhaven (East London)
Kirkwood
Jansenville
Kareedouw

Provincial Hospitals: Cape Province

South Peninsula Hosp Group
Somerset
Groote Schuur (Oat Ward)
Peninsula Mat (Groote Schuur)
Redcross
Conradie
Karl Bremmer
Somerset West
Caledon
Bredasdorp
Knysna
Mosselbaai
Oudtshoorn
Worcester
Robertson Prov
Malmesbury
Vredenburg
Citrusdal
Springbok (Dr Van Niekerk)
Beaufort West Prov
Calvinia (Voortrekker)
Prieska (Bill Pickard)
Colesberg Prov

TUESDAY
April 24 1990
Johannesburg

The Star

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Police will soon get details of new allowances announced by Vlok

Star 24/4/90 (854) (3514) (805)

Political Correspondent

Policemen and women will hear today or tomorrow how much more they will get in their pay packets this month after yesterday's announcement of an allowance increase.

Police sources said each policeman would get R300 to R400 more.

The exact figures were being worked out and telexes would be sent to all police stations today or tomorrow giving details.

The increase in service allowances announced by Law and Order Minister Mr Adriaan Vlok have been backdated to April 1. He also said police pay scales would be improved from July 1.

Minister of National Health Dr Rina Venter is expected to provide details soon of a special allowance for nurses also announced yesterday. They would also be backdated to April 1.

The new benefits affect police, nurses, the South African Defence Force and certain law enforcement officials of the Department of Justice.

There will be no across-the-board pay increase for officials in these departments this year over and above the general 10 percent increase.

But the improved pay structures mean that officials will receive notch increases in their salaries.

Speaking in the debate on his budget vote in Parliament, Mr Vlok said that an extra R200 million had been set aside by the Government for the allowances.

The amount to be set aside for the improvement in salary structures would be announced later. Government sources have said it could involve at least another R100 million.

Mr Vlok said that an extra R130,7 million would be set aside for allowances for dangerous work and overtime.

He also announced that R10 million would be set aside in allowances for tuition fees; R30 million to improve medical aid benefits for dependants of black policemen and women; R8,4 million to increase compensation for special constables; R18 million for police required to work on free or rest days; and R5 million for a revised system of promotion.

Mr Vlok said that the changes would help lower ranks especially.

Nurses and cops are set to get a new deal

INCREASED allowances and improved pay structures are on the way for nurses, the police, the SA Defence Force the prisons service and certain law enforcement officials in the Department of Justice.

This was announced by the Government yesterday.

There will be no across-the-board pay increase for these officials this year - over and above the general 10 percent increase for all public servants announced earlier.

But the improved pay structures mean that officials in these departments will receive notch increases in their salaries.

Most of the details will be announced later, Dr Wim de Villiers, Minister of Administration and Mr Adriaan Vlok, Minister of Law and Order announced yesterday.

However they said that the increases in allowances would be backdated to April 1, 1990.

The improvement in the salary structures for line functionaries would be implemented from July 1, 1990.

Vlok unveils a R202m package for police

354

MIKE ROBERTSON

CAPE TOWN — Law and Order Minister Adriaan Vlok last night announced a R202m remuneration package for policemen.

He also pledged that significant structural adjustments to salary scales would come into effect from July.

The expected adjustments, improvements in conditions of service and tax cuts announced by Finance Minister Barend du Plessis in his Budget mean the lower ranks of the police will take home about R300 a month more.

Vlok made his announcement in the debate on his budget vote in Parliament after Administration and Economic Co-operation Minister Wim de Villiers had announced general remuneration improvments for policemen, prison officers, SADF members and nurses.

Vlok said:

☐ R10m would be spent on paying examination fees for policemen sitting for the national diploma in police administration;

☐ R30m would be spent on paying medical benefits to dependents of black permanent members of the force from April 1;

☐ R18m would be spent on paying policemen for each rest day worked (R50 a day);

☐ R130,7m would be spent on increasing service allowances to compensate for overtime and dangerous work;

☐ Constables would be paid R160 a month extra, sergeants R120 a month extra and those in the range between warrant officer and colonel R90 a month extra;

☐ R8,4m would be spent on increasing the daily reimbursement of special constables;

☐ R5m would be spent on modifying the promotion system for constables and sergeants as from September 1.

From July 1 the salary dispensation — in which a number of scales overlapped — would be replaced by one in which specific salaries would be paid to specific ranks, Vlok said. Bloody 24/4/90

These increases would be in addition to the 10% general pay hike announced for all civil servants, and normal notch adjustments of about 2,5% a year.

De Villiers said earlier that the service allowance paid to members of the SADF, SAP and prisons service would be increased and backdated to April 1.

A new allowance would be introduced for all nursing personnel with effect from April 1, and would be followed on July 1 by a salary structure adjustment.

Details of the changes in allowances and pay for nurses, justice officials and SADF members will be announced later this week.

● See Page 4

Justice Goldstone.

Turning to police action at Robertson on April 11, Vlok said the police investigation had just been completed. A case dossier had been submitted to the attorney-general.

hall, were trampled by those trying to escape the tear gas inside, he said.

The LP welcomed the announcement that police action was being investitaged.

Hospital worker earns R270

BARRY STREEK

CAPE TOWN — The lowest paid workers involved in last month's strike in Cape Peninsula hospitals earned less than R224 a month and an area allowance of R46 a month, National Health Minister Dr Rina Venter said yesterday.

She also said the longest period served by a temporary staff member at these hospitals was "45 years".

Venter, who was replying to a question tabled in the House of Assembly by Dene Smuts (DP Groote Schuur), said the strike took place between March 5 and March 21.

Services were scaled down and in certain cases only emergency services functioned.

The lowest paid grade of employees involved in these strikes or stayaways started at R2 685 a year and went to a maximum of R5 415 a year (R451 a month) with a R540 a year area allowance.

The temporary workers were not ineligible for any benefits as a result of their temporary status — they were eligible for all benefits due to them in terms of their conditions of appointment, the Public Service Act, regulations issued in terms of this law, and the law on the Temporary Employees Pension Fund.

Venter added that all channels of communication were used to solve the problems and end the strike.

Pay rises fail to halt resignations

WILSON ZWANE

FORTY-eight policemen on the Witwatersrand resigned from the SAP this week after increased allowances were announced, a police spokesman confirmed yesterday.

On Monday, Law and Order Minister Adriaan Vlok announced that the new allowances and service conditions, which would come into effect retrospectively from April 1, would add an extra R300 or R400 to police pay cheques.

Monthly service allowances for long and irregular hours and dangerous duty would be increased from R239,75 to R400 for constables; from R229,75 to R350 for sergeants and from R209,75 to R300 for the ranks of warrant officer to colonel.

The daily compensation for special constables would be raised from R15 to R19 and for special sergeants from R17 to R21.

Police spokesman Capt Eugene Opperman confirmed the 48 resignations.

He added that it was the non-commissioned officers — constables, sergeants, and warrant officers — of all races who took their discharge.

"Most of them stated as the reason for taking the discharge the dissatisfaction with pay," Opperman said.

BARRY STREEK reports from Cape Town that opposition parties yesterday warned that members of the police force felt angry, betrayed and dissatisfied with their latest salary increases and more would resign as a result.

CP law and order spokesman Moolman Mentz said the increases were "far too little and came much too late".

DP law and order spokesman Tian van der Merwe said his experience of the responses of policemen to the increases was "a combination of anger and desperation about their own positions".

Mentz said he had been told that an avalanche of resignations would take place next week.

A spokesman for Vlok referred to a statement by Police Commissioner Gen Johan van der Merwe and said the minister had nothing further to add.

Van der Merwe said in the statement that he provided details to all policemen

☐ To Page 2

Resignations

☐ From Page 1

around the country about the improved financial advantages and promotion opportunities.

"In general, the benefits are regarded as considerable. Although they do not satisfy all expectations they are, in the current economic circumstances, a real improvement."

He said he regretted the fact that certain members of the media tried to create the impression of dissatisfaction with the increases.

Van der Merwe added that the morale of the majority of police force members was still high.

However, Tian van der Merwe said in his statement: "The salaries announced by the government do not indicate recognition of how serious the crisis in the police force has become."

He said years of neglect had aggravated the position of the average policeman and the resignations would further aggravate the position for remaining force members.

He suggested government rethink the salaries without delay.

"For more long-term purposes, it is necessary to make it possible for the policemen to have their trade union or staff association," he said.

☐ See Page 4

More pay for lower ranks — Coetsee

CAPE TOWN — Justice Minister Kobie Coetsee yesterday announced R56,9m worth of improvements in remuneration packages for lower ranked officials of the Prisons and Justice Departments.

Coetsee said R11,14m would be made available from April 1 for additional allowances for Justice Department officials.

Speaking in the debate on his budget, he said that magistrates, prosecutors, clerks of the court, interpreters and various clerical categories would receive increases.

An additional sum would be made available on July 1 for further adjustments.

He announced that a new structure for clerks of the court would come into effect on July 1.

In terms of the new provisions, emphasis would be placed on recognition of legal qualifications, which would enable them to play a more important role in the legal process.

Service allowances for prison officials

MIKE ROBERTSON

up to the rank of colonel would be increased from April 1 at a cost of R32m a year.

A salary structure adjustment for "disciplinary personnel" would come into effect on July 1.

Black personnel would in future enjoy the full benefits of the Prison Services medical scheme.

This improvement would cost about R13,8m a year, Coetsee said.

Government tabled a Bill in Parliament yesterday relaxing Latin requirements for people seeking to practise as advocates.

The Admission of Advocates Amendment Bill stipulates that in future anyone seeking to practise as an advocate will have to have passed Latin at matriculation level or through a special course recognised by any university in SA.

Coetsee announced, too, that the possibility of establishing a register of people whose behaviour could pose a threat to women and children was being investigated.

He would ask the recently appointed commission of inquiry into the handling of psychopathic and other violent crimes to conduct the investigation.

While the need for a register had been established, certain problems — legal, practical and adnministrative — presented themselves.

Such a register would contain the names and particulars of people who, through their "deviant behaviour", constituted a threat to children, women and possibly others.

This information would be made available to "appropriate interested parties".

The inquiry is to be headed by Mr Justice Booysen from Natal. He will be assisted by T Zabow of Cape Town and Prof F F W van Oosten.

Coetsee said if necessary the commission would draw up draft legislation.

600 on wages strike

By LEN MASEKO

ALMOST the entire workforce went on strike at the Kagiso Town Council on Monday, crippling essential services in the West Rand township.

The 600 council employees demand recognition of their union, the National Union of Public Service Workers, a R600-a-month minimum wage, medical aid facilities for "non-classified" staff and an end to temporary employment.

Kagiso town clerk Mr HM van Rensburg and other officials could not be reached for comment yesterday.

Sections affected are administration and maintenance, NUPSW official Mr Frans Sebeane said.

Hospitals row nears crunch

TALKS between the Transvaal Provincial Administration and the National Education, Health and Allied Workers Union resume this morning. These must now settle the most burning aspect of the dispute - wage demands by the non-medical staff.

The two delegations will meet this morning in Pretoria when the TPA will respond officially to Nehawu's wage demands.

Meanwhile, the strike by thousands of non-medical staff continues to cripple Transvaal hospitals, among them Baragwanath hospital.

"The only outstanding issue is our wage proposal," Nehawu national organiser Mr Monde Mditshwa said. Sowetan 7/5/90

It was not clear last night if this morning's meeting would focus on wage demands by non-medical staff at all hospitals, or if Baragwanath was a test case.

● To page 2

Bara crisis

From Page 1

The union is demanding a minimum salary of R1 100 a month and an across-the-board R400 increase.

"We have reached agreement on the rest," Mditshwa said, referring to Nehawu's demands for TPA recognition, an end to temporary status for all workers, and an end to racial discrimination within health institutions, among others.

"It now depends on the TPA response (to the wage demand). Everything hinges on it," Mditshwa said.

He declined to reveal details of what had been agreed so far. - Sapa.

394

Star 10/5/90

Unions take 13pc wage offer for 22 000

Labour Reporter

Eight trade unions and the Chamber of Mines have agreed on a 13,5 percent wage rise for about 22 000 mainly white skilled workers on the Chamber's gold mines and collieries.

The deal was the best possible given conditions in the industry, said Council of Mining Unions chairman Ben Nicholson. The CMU orginally demanded 20 percent.

And although the Chamber had rejected the CMU's long-standing demand for a five-day week, an employer undertaking to debate its reasons in a further special meeting was a breakthrough, he said.

The Chamber does not believe the Franzsen Commission's 1977 conditions for a five-day week, involving technical advances and changes in work procedures, have been met.

If the unions could persuade it otherwise, said a joint statement, the Chamber would re-submit their demands to its executive committee.

The wage deal excludes Rand Mines' beleaguered ERPM gold mine. In-house talks would take place once management had concluded negotiations with the Government on the mine's future, Mr Nicholson said.

Also agreed was a one percent rise in contributions to the death benefit scheme under the Mine Employees Pension fund, to enable members to convert death benefits to additional pension on retirement.

In the crossfire

HUNDREDS OF PATIENTS THE HARDEST HIT IN THE BITTER DISPUTE

PICTURES BY CECIL SOLS

AFTER 21 years as an employee at Baragwanath Hospital, Ms Nancy Masondo takes home a paltry R500 a month.

Masondo says she last received a salary five years ago.

With six children and three grandchildren to support, she finds it increasingly difficult to make ends meet. The family exists largely on soup bones; meat is a rare Sunday treat.

Just travelling to and from work costs R4 a day for taxi fare.

"I would be telling a story if I said I had money in the bank. I live from hand to mouth," Masondo said.

Masondo's friend, Mrs Elizabeth Silimela, began working at Baragwanath in 1975. She takes home a bare R400 at the end of the month.

Silimela has five children and two grandchildren. Like Masondo, she works in the hospital laundry section.

She says she is forced to borrow money to survive a fortnight after receiving her salary.

Elizabeth Silimela

Both women sit quietly under a tree discussing the strike while the younger strikers toyi-toyi through the hospital.

The women express sympathy for the plight of the patients, but say their own situation is as desperate.

"We believe in our union. We are very sorry for the suffering patients. But we are being killed too.

"What we get in the form of pay is nothing but a slow poison," said Masondo.

The situation of Masondo and Silimela is typical of that in which most workers employed by the Transvaal Provincial Authority (TPA) find themselves.

Oppressed

There is consensus that general assistants have been oppressed and exploited for years.

Now they have hit back — causing a crisis that crippled at least six Reef hospitals. At the hospital in Tembisa, the theatre, emergency section and kitchen were forced to close after workers went on strike.

Initially a go-slow, the strike which developed over the past week affected Johannesburg General Hospital, HF.Verwoerd, Baragwanath, Hillbrow, Natalspruit, Middelburg and Willem Cruywagen hospitals.

Staff embarked on a go-slow at Boksburg-Benoni Hospital.

Almost all the strikers who brought the TPA's health institutions to a standstill are members of the National Education, Health and Allied Workers' Union (NEHAWU).

They include nurses who are also chronically underpaid and overworked.

Strikers interviewed, told SOUTH that black workers at hospitals had been shamefully underpaid and treated with contempt for many years. They said they were aware of their moral obligation to the patients but their plight was "another side of the coin".

The strikers demanded:

- a living wage of at least R1 100, with an additional R400 across-the-board increase for all,
- recognition of Nehawu,
- immediate integrated health care for all,
- the abolition of general and own affairs hospitals, and
- an end to privatisation, especially in health care.

They view union recognition as the most important demand.

"As soon as we get this," one of the workers said confidently, "we will return to work."

Nehawu national organiser, Mr Monde Mditshwa, said the union had consistently urged the health authorities to negotiate with the union, but the TPA had refused.

Mditshwa said that, earlier this year, workers in the Witwatersrand region had presented a memorandum listing workers' demands to the TPA.

Instead of a response to the union, the Director-General sent a letter to hospital superintendents, rejecting these demands.

Nehawu wrote again to the Minister of Administration and Coordination and the Department of Health and Welfare, requesting a meeting to discuss the demands. Again the union did not receive a response.

Mditshwa said workers were faced with no alternative but to engage in industrial action aimed at forcing the authorities to the negotiating table.

Mditshwa said: "We are fully committed towards servicing the health needs of our community and developing a unitary, non-racial and effective health system for all our people.

Nancy Masondo

"The responsibility for the present situation rests directly with the TPA. All we are demanding is recognition of our basic rights.

"Every day we have to deal with dismissals, victimisation, racist employment practices and being regarded as temporary workers."

Three progressive health organisations have come out in support of the strikers and offered to assist with emergency relief work.

The National Medical and Dental Association (Namda), the South African Health Workers' Congress (Sahwco) and the South African Social Workers' Association (Sabswa) called on the TPA to respond urgently to the just demands of the workers so that hospitals could return speedily to providing essential health services to the community.

Mrs Annette Clear, a public relations officer employed by the hospital, said employees who had previously earned R2 685 a year now received R5 016 annually.

Grade Two workers who, before April, received R3 141 annually now were earned R5 814. Grade Three workers received R6 612, a year. They previously earned R3 681 annually.

SOUTH was taken around the strike-hit Baragwanath hospital by public relations officer, Mrs Hester Vorster.

About 2 000 patients were discharged after the strike began but a further 1 000 are still lying helpless in the hospital.

In Ward 1A, a surgical ward, the 15 "emergency case" patients said the situation was "really bad".

Meals

"We are not receiving our meals on time," said Mr Patrick Nkosi, the victim of a shooting incident.

At midday on Friday, the patients had their first meal in almost 24 hours after voluntary nurses forced open a locked kitchen.

Vorster explained that the food was being prepared by staff nurses on a volunteer basis.

In the kitchen, three white security guards were helping cook food.

Nurses and white administrative staff were dishing it out.

The wards appeared dirty with blood-stained linen lying on the floor.

Some wards were virtually empty.

Hardest-hit by the strike were the laundry, out-patients and casualty sections and the kitchen.

Strike action spreads to E Cape

From PATRICK GOODENOUGH

PORT ELIZABETH. — Hospital strike action spread to the Eastern Cape this week as 90 percent of the general assistants and several nursing staff at the region's biggest hospital, Livingstone Hospital, stopped work to demand higher wages.

Superintendent Dr Graham White said on Wednesday that ambulances were bringing in only emergency cases, and that the casualty department was now operating with only 25 percent of its normal nursing staff.

Unwashed laundry was piling up and "outside help" might have to be called in, he said. Sowetc 10/5 -16/5/90

White attributed the strike to a "misunderstanding" about an increased tax deduction which coincided with a recent 10 percent payrise — effectively cancelling out the wage increases.

However, workers said the wages, even after the recent increases, were too low. They are demanding a minimum monthly wage of R1 000 for lowest-paid staff. In April, their wages were raised from R265,75 to R535.

Workers are also demanding that officials recognise the National Health, Education and Allied Workers' Union (Nehawu) as the sole workers' representative body. (354)

They want clarification on the position of "temporary workers", some of whom are reported to have been employed as such for 20 years.

Talks between the administration and workers' representatives are continuing.

The 'Trojan Horse' of the public sector

THE strike that crippled several Transvaal hospitals over the past week is the latest example of militancy that has swept the public sector.

Like a Trojan horse within the heart of the state's institutions, thousands of government employees at homeland institutions, the post office, railways, schools and security services this year have embarked on industrial action designed to force the authorities to listen to their demands.

As public sector workers, they are not entitled to protection under the Labour Relations Act.

Bargaining

They have been denied union recognition. Because they do not have the the right to collective bargaining, they earn pitifully low salaries without job security.

There are cases of general assistants earning as little as R240 a month after years of service with the administration.

Moves by the state to privatise the public sector present a massive threat to jobs and workers' ability to take united action.

The announcement earlier this year of a 10 percent increase for civil servants — while ministers were awarded an increase of 26 percent — incensed workers and even conservative staff associations responded by threatening strike action.

The public sector revolt was spearheaded by Cosatu's South African Railway and Harbour Workers' Union (Sarhwu), whose members engaged the authorities in a bitter and protracted national strike last year.

The strike ended with notable gains for the union — including an undertaking to re-employ thousands dismissed during the strike.

Since the beginning of this year, there have been rumblings from workers in the post office, sporadic strike action by municipal workers and industrial action by warders and policemen who are members of the fledgling Police and Prisons Civil Rights Union (Popcru).

Several other unions such as Nactu's NUPSW and black staff associations have indicated interest in joining the protest action.

Even white public servants are learning the lesson that militancy brings tangible gains.

When parliament opened, members of the conservative South African Nursing Association marched to protest for increases.

White Transnet workers took industrial action last month — the first ever in the industry.

Settlement

The most spectacular victory won by workers was the settlement that brought an end to a 16-day strike which crippled Cape provincial hospitals in March.

The strike was the largest public sector strike ever experienced in Cape Town. It was considered unusual as strikers were not dismissed and the strike received strong sympathy from other members of the medical staff, including the hospital superintendent, Dr Jocelyn Kane Berman.

The strike was suspended after the authorities agreed to guarantee job security, grant maternity benefits, negotiate with the Health Workers' Association and increase pay.

Cosatu and Nactu are demanding that labour legislation is extended to cover all workers in South Africa.

The recently-completed report on changes to the LRA by the Manpower Commission includes similar recommendations.

Clearly, the days of excluding civil servants from labour legislation are over. Workers have shown themselves willing to embark on extensive industrial action with or without the sanction of law.

The involvement for the first time of nursing staff in the Johannesburg strike indicates that militancy is spreading to professions which have previously passively accepted being underpaid and overworked.

What will have to be ironed out is just how far workers in essential services can go in expressing grievances.

Postmen suspend work stoppages

By LEN MASEKO

POST Office employees have suspended sit-in strikes at major centres in the Transvaal pending further meetings between management and the Post and Telecommunications Workers' Association, a Potwa spokesman said yesterday.

The workers embarked on brief work stoppages this week in support of their wage demands which include a R1 000-a-month minimum wage and a R400 across-the-board increase.

The strikes coincided with talks between Potwa and Post Office management on Monday.

Post Office public relations officer, Mr J Roodman, was not available for comment yesterday.

A Potwa spokesman said the two parties had not yet reached agreement but management had promised to inform the Minister of Telecommunications about the workers' demands.

The two parties will resume the next round of wage talks on May 21.

* A row has broken out between a West Rand company and Food Beverage Workers Union over the company's decision to lock out employees who rejected its wage offer.

The FBWU has condemned Advance Seed's action, saying the lock-out was "unprocedural and unlawful".

FBWU official Mr Goba Ndlovu said the union had applied to the Industrial Court to declare the lock-out, instituted against 40 FBWU members on Monday, illegal.

Mr B Lever, a manager of the company, yesterday confirmed the dispute between the two parties.

* The National Union of Public Service Workers and the Kagiso Town Council yesterday resumed talks to resolve the wage strike by about 600 employees of the council.

pared by B Faber, J Gooden, S Oxley.

Long hours in the sky but always in fair comfort

By PETER FABRICIUS,
Political Correspondent

PARIS — President de Klerk will spend a gruelling 66 hours in the air on his 19-day whistle-stop tour of Europe, which began in Paris yesterday.

The flight from Jan Smuts Airport to Orly Airport in Paris on Tuesday night alone took 16 hours — of which 90 minutes were spent on the ground in Abidjan for a midnight meeting with President Felix Houphouet-Boigny of the Ivory Coast.

It is for this reason that the chartered aircraft he is flying in has to be more than usually comfortable.

It is a converted Safair Boeing 707, from which most of the seats have been removed to create more space.

But it is not luxurious. The top members of the delegation are Mr de Klerk and his wife Marike, the Minister of Foreign Affairs, Pik Botha, and his wife Helena, the secretary-general in the President's office, Dr Jannie Roux, and his wife Rina, and director-general of foreign affairs, Neil van Heerden, and his wife Evelyn — all have first-class fully-reclining sleeper seats.

Mr de Klerk, relaxing in a tracksuit, said he had a good night's sleep on the flight from Johannesburg.

The delegation comprises 26 people.

The rest of the party consists of 26 security men and 19 journalists and SABC technicians.

The President is constantly in touch with South Africa and the world.

In the air he has a radio telephone within arm's reach.

On the ground, he is linked by ordinary normal telephone.

As a back-up, in case of emergency, the 707 carries a satellite dish.

A military doctor, Dr Hannes Coetzee, is on the aircraft.

The 26 security officials from the National Intelligence Service maintain a 24-hour watch on the official party.

Several are women keeping an eye on the wives.

They work in close co-ordination with host country security.

Generally, the task of the NIS officials is to guard the official party, while host officials are responsible for transport and outriders.

This was demonstrated in Paris where French police motorcyle outriders put on a spectacular display as they cut a swathe through the traffic for Mr de Klerk's cavalcade.

The South African officials are allowed to be armed in most cases, but not all.

The dinner menu on the aircraft was standard first-class fare: crayfish, kingklip, chicken, roast lamb and dessert.

Hospital strikers return to work today

THE 10-day strike by non-medical workers at Transvaal hospitals ends today after the signing of an agreement by the Transvaal Provincial Administration (TPA) and National Education, Health and Allied Workers' Union (Nehawu) yesterday afternoon at D F Malan Airport, Cape Town.

Although no wage increase has been agreed to, striking workers will return to their jobs today and tomorrow. No disciplinary action will be taken against them.

Nehawu secretary-general Sisa Njikilana said: "The workers are definitely going back to work today."

Summarising the terms of the agreement, Cosatu general secretary Jay Naidoo said the agreement was a victory for Nehawu in that the TPA had agreed in principle to freedom of association and to its employees belonging to any trade union or recognised staff association of their choice.

Negotiations would commence within seven days of the agreement to resolve issues such as the implementation of a 40-hour week, maternity leave, privatisation and contracting out of work, pension and provident funds, wages and trade union facilities, he said.

WILSON ZWANE
and TANIA LEVY

According to the agreement the TPA has undertaken, in principle, to grant Nehawu facilities such as stop orders, access to TPA health-care premises by accredited Nehawu officials and permission to Nehawu officials to represent its members at disciplinary hearings.

However, this undertaking is subject to the establishment of practical details of such concessions by a working committee, which will consist of representatives from the TPA and Nehawu.

Budget

The TPA has also agreed to grant permanent worker status to workers who had been employed for more than three months.

In a statement yesterday Transvaal Administrator Danie Hough said no further wage increases would be granted in the current financial year in view of the substantial wage improvement for general assistants granted within parameters of the Budget and announced on April 11.

With effect from April 1, wage increases included raising the minimum wage payable to general assistants from R223,50 to R460 a month, excluding allowances.

Workers went on strike demanding — among other things — a R400 across-the-board increase and a minimum monthly wage of R1 100.

However, Hough said agreement was reached on several other issues, including the establishment of mutually acceptable communication to discuss matters such as salaries, safety and training.

Agreement was reached on maternity leave.

A 40-hour week would apply, as had been the practice at TPA since April 1, Hough said.

It was agreed consultation would take place between Nehawu and the TPA in cases where a reasonable chance of privatisation existed.

Hough said without creating any precedent, days not worked during the strike would be taken as leave without pay.

Alternatively, strikers could use full days they did not work as vacation leave. The concession regarding leave would lapse at 7.30am on Sunday, March 13.

(3) whether his Department conducts specific campaigns to discourage children from smoking; if not, why not; if so, what campaigns?

Hansard 15/5/90 B994E

†The MINISTER OF EDUCATION AND CULTURE:

(1) Yes,

(a) and (b) results of a recent empirical survey by the Pilot Committee Care for our Youth 2000 will shortly be released as a component of the full report;

(2) see (1);

(3) yes, the campaign against the smoking habit amongst pupils receives continual attention during the lessons in applicable subjects and in programmes in the curriculum of primary and high schools. In addition the recommendations of the Pilot Committee Care for our Youth 2000 will also receive serious attention.

For written reply:

General Affairs:

Black apprentices

300. Mr S S VAN DER MERWE asked the Minister for Administration and Economic Co-ordination: Hansard 15/5/90

(1) (a) How many persons were serving apprenticeships in the public service as at the latest specified date for which information is available, (b) how many of these persons were Black and (c) (i) in what capacity and (ii) in which Departments were such Blacks serving apprenticeships;

(2) whether there are currently any limitations on the employment of Blacks as apprentices in any Government Departments; if so, (a) what limitations, and (b) why, in each case? B777E

The MINISTER FOR ADMINISTRATION AND ECONOMIC CO-ORDINATION:

Details as on 31 December 1989 are as follows:

(1) (a) 379

(b) 56

(c) (i)

Bricklayer	10	Motor mech.	24
Painter	1	Upholsterer	1
Electrician	11	Carpenter	1
Plumber	4	Fitter and turner	1
Tailor	1	Diesel mech.	2

Hansard 15/5/90

(ii) Justice (SA Prison Services)
Transvaal Provincial Administration
SA Defence Force
Manpower

(2) No;

(a) and (b) fall away.

Public Service workers: salary adjustments

347. Mr A GERBER asked the Minister for Administration and Economic Co-ordination:†

(1) How many (a) White, (b) Coloured, (c) Indian and (d) Black low-paid workers in the Public Service will benefit from the recent announcement that their salaries are to be structurally adjusted as from 1 April 1990;

(2) what will this structural adjustment cost the State for the current financial year? (354) B847E

The MINISTER FOR ADMINISTRATION AND ECONOMIC CO-ORDINATION:

(1) (a) 14 385
(b) 45 787
(c) 3 554
(d) 160 860

Hansard 15/5/90

(2) 325 000 000

Note: These figures do not include educators.

Military service: legal graduates/attorneys

362. Mr L FUCHS asked the Minister of Defence: Hansard 15/5/90

(1) (a) How many (i) legal graduates in each degree category and (ii) qualified attorneys and/or advocates are called up each year to perform their military service and (b) how are such legal graduates or qualified attorneys and advocates deployed in each case;

(2) (a) how many posts for legal officers are there in the South African Defence

Force, (b) how many of these are filled by conscripted national servicemen and (c) in respect of what date is this information furnished;

(3) how long is the basic training period under the new one-year national service scheme?

Hansard 15/5/90 B890E

The MINISTER OF DEFENCE:

(1) (a) The figures for each intake differ and the February 1990 intake is used as an example.

(i) PhD Law	:	2
LLM	:	2
LLB	:	144
BA Law	:	10
B Proc	:	27
B Juris	:	16
B Comm Law	:	7
BLC	:	2

(ii) This statistic is not kept and is therefore not readily available.

(b) National servicemen who possess the degrees PhD Law, LLM, LLB or B Proc are utilised as Military Law Officers or Law Clerks. Those in possession of the degrees BA Law, B Comm Law, B Juris or BLC are utilised as Military Police Officers or Military Police Clerks.

(2) (a) 214

(b) 112

(c) 30 April 1990.

(3) 7 weeks.

Exchequer personnel corps in Natal: employees

364. Mr W C MALAN asked the Minister for Administration and Economic Co-ordination:

How many (a) Whites, (b) Blacks, (c) Coloureds and (d) Indians were employed in each specified salary interval of the exchequer personnel corps in Natal, excluding KwaZulu, in September 1988?

Hansard 15/5/90 B892E

The MINISTER FOR ADMINISTRATION AND ECONOMIC CO-ORDINATION:

Information regarding the geographical distribution of the exchequer personnel corps is not readily available. It would also not be possible to obtain information as far back as September 1988 from departments.

Hansard 15/5/90

Exchequer personnel corps in Transvaal: employees

365. Mr W C MALAN asked the Minister for Administration and Economic Co-ordination:

How many (a) Whites, (b) Blacks, (c) Coloureds and (d) Indians were employed in each specified salary interval of the exchequer personnel corps in the Transvaal, excluding the self-governing territories, in September 1988? B893E

The MINISTER FOR ADMINISTRATION AND ECONOMIC CO-ORDINATION:

Information regarding the geographical distribution of the exchequer personnel corps is not readily available. It would also not be possible to obtain information as far back as September 1988 from departments.

SADF: suicides

376. Lt-Gen R H D ROGERS asked the Minister of Defence:

Whether any (a) national servicemen, (b) members of the Permanent Force and (c) members of the Citizen Force/Commandos (i) attempted to commit and (ii) committed suicide in 1989; if so, (aa) how many in each case and (bb) what means did each such person employ? Hansard 15/5/90 B904E

The MINISTER OF DEFENCE:

(a) National Servicemen

	(i)		(ii)	
(aa)		259		11
(bb)	Overdose	168	Overdose	1
	Slashed wrists	70	Shot	2
	Drank poison	3	Gassed	8
	Hanged	3		
	Shot	1		
	Gassed	4		
	Sniffed CO_2	1		
	Ate metal	5		
	Bumped head	1		
	Self-mutilating	2		
	Drank brasso	1		

Bdaily 16/5/90

Pay increases for public servants

BARRY STREEK 354

CAPE TOWN — More than 220 000 low-paid public servants, excluding educators, benefited from the recent adustment of salaries that was expected to cost R325m, Administration and Economic Co-ordination Minister Wim de Villiers said yesterday.

It was also disclosed yesterday that the 3 271 lowest paid teachers in the Department of Education earned R630 a month, including a non-pensionable allowance.

De Villiers, replying to a question tabled by Andrew Gerber (CP Brits), said 14 385 white, 46 787 coloured, 3 554 Indian and 160 860 black low-paid workers would benefit from the adjustment of salaries, which came into effect on April 1.

Education Minister Stoffel van der Merwe said in reply to a question tabled by Ken Andrew (DP Gardens) that the lowest salaries paid to full-time teachers in his department were R6 873 a year plus a non-pensionable allowance of R690 a year.

3 Reef councils hit as workers strike

354

By LEN MASEKO

WORKERS downed tools at three Reef town councils yesterday in support of demands for higher wages and better working conditions.

The municipalities are Duduza, Kagiso and Katlehong. Sowetan 18/5/90

Duduza mayor Mr Kebana Moloi said the council's employees later suspended their strike "after we told them we were hardly given time to study their grievances" which were presented to him yesterday.

The workers were demanding recognition of their union, the SA Municipal Workers' Union and a 17,5 percent increase, to be backdated to January 1.

"We are not against trade unions," Moloi said.

Katlehong mayor Mr Tau Molotsi and Samwu officials met yesterday in an attempt to resolve a strike by council employees.

At Kagiso, members of the National Union of Public Service Workers demand recognition of the union, a R900-a-month minimum pay, medical aid for "non-classified" staff and an end to temporary employment.

354

Star
30/3/90

Policemen urged not to resign

Crime Reporter

The Support the Police Action Group (Spag) yesterday appealed to policemen to stay in the force until a better pay deal was worked out.

Handing a cheque of R2 000 to Witwatersrand Regional Commissioner Major-General Gert Erasmus, Spag chairman Avril Budd said South Africa and the SAP needed its policemen desperately.

"South Africa really needs you now so stay on in the force because we do not doubt that something will be done to improve your lot," Mrs Budd said in Johannesburg.

Spag was compiling a petition to be sent to President de Klerk, she said. This was being done to get more attention focused on urgent salary increases for policemen.

The Spag cheque will go to the SAP Widows' and Orphans' Fund. The money was donated by the Transvaal Nomad Bowlers.

Council workers threaten action

Sowl 7/6-13/6/40

354

CAPE Town City Council workers have threatened to take action if their wage demands are not met within a week.

At a spirited meeting in the Cape Town City Hall on Tuesday, about 3 000 members of the South African Municipal Workers Union (Samwu) decided to deliver the ultimatum to the Cape Town City Council at the next round of annual wage negotiations.

The decision was taken after repeated calls by workers for militant action.

Samwu submitted a demand in mid-April for a minimum wage of R5 an hour and a R274 across-the-board increase with an increment of not less than five percent.

Dropped demand

The union subsequently dropped its demand to R4,92.

The City Council's final offer stands at a minimum wage of R4,19 and a 13,5 percent increase with a minimum increment of 3,5 percent.

Samwu is also demanding June 16 as a paid holiday and a 40-hour working week.

The union wants the council to fill all frozen posts and make casual workers permanent.

The council has said it will provide a list of all casual employees for further discussion at executive committee level and has offered an additional day's leave for employees who get 15 days leave.

Samwu general secretary Mr John Erentzen told the meeting the Council's offer was one of the worst from any municipality in the country.

Samwu regional secretary Ms Merle Brown said the union had recently clashed with the Council over several issues, including barriers to promotion, the formation of an industrial council and proportional representation with the South African Municipal Employees Association (Samea), which organises white council employees.

Post unions reject salary offer

Posts and Telecommunications offered to increase salary notches of lower-paid workers — but three unions rejected it, saying they would continue to demand a R1 100 minimum monthly wage.

Telecommunications also offered to create more advancement opportunities for lower-paid employees.

A statement said about 31 000 staff members would benefit from the offer from August 1.

Postmaster-General Johan de Villiers said he had had discussions with employee associations.

That the department's salary account already added to 46 percent of its budget indicated the needs of staff were taken to heart. — Sapa

F W meets PSA to discuss demands

Star 12/6/90 Own Correspondent

CAPE TOWN — President de Klerk is meeting a delegation of the Public Servants Association today to discuss demands for salary increases, and retirement and pensions problems.

The two-man delegation from the PSA, president Dr Colin Cameron and general manager Hans Olivier, will also discuss a long-term salary policy which could halt resignations from the public service; housing subsidies; a uniform retirement age and the implications of recent illegal strikes.

Other matters to be discussed are maternity benefits for married women and an improvement in widows' pensions.

There have been a number of resignations as a result of dissatisfaction with the 10 percent non-pensionable salary increase public servants were given this year.

The PSA has submitted a memorandum to the president in which it also asks for a uniform optimal retirement age of 60 as soon as possible, occupationally directed remuneration and a legalised system of collective bargaining.

Unions reject salary hike

SA Posts and Telecommunications this week offered to increase annual salary notches of lower paid workers but three unions rejected the offer, saying they would continue to demand a minimum monthly wage of R1 100.

SAPT also offered to create more advancement opportunities for lower paid employees, a statement said.

About 31 000 staff members would benefit from the offer, applicable from August 1, according to Postmaster General Mr Johan de Villiers.

He held discussions with the Post and Telecommunication Workers Association, Post Office Employees Association and SA Posts and Telecommunications Employees Association on Monday.

He said SAPT had understanding for staff members in lower paid groups and Monday's wage offer was aimed at improving their living conditions.

The fact SAPT's salary account already added up to 46 percent of its budget indicated the needs of staff members were taken to heart. - Sapa.

Potwa sticks to its guns over wage hike

THE postal union, Potwa, yesterday insisted it would stick by its demand that its members be granted a minimum monthly wage of R1 100 and an across-the-board increase of R400.

Potwa's stance was made known after a deadlock was reached in wage negotiations with the department of Post and Telecommunications earlier.

"Our union rejects out of hand the department's position that the workers' demands are beyond their budget allowance," said a statement issued by the union.

It also rejected the department's offer of upgrading the lowest salary notch from R627 per month to R789.

"We also wish to state our opposition to the P and T's approach that it will only increase the salary notches of the lowest grades and create more promotion opportunities.

"We cannot leave the fate of our colleagues to the department's merit marking system. The department uses its own discretion and yardstick on who will be promoted and who will not," said Potwa.

Negotiations to end the impasse are continuing. Sapa

354

14/6/19

Sowetan

FIM 15/6/90

POST OFFICE DISPUTE

Return to sender

In a bid to resolve the Post Office wage dispute, SA Posts & Telecommunications offered to increase the annual salary notches of lower-paid workers and create more advancement opportunities in those categories.

The offer was, however, rejected by Post & Telecommunication Workers' Association (Potwa), Post Office Employees' Association and the SA Posts & Telecommunications Employees' Association. This follows discussions on Monday between Postmaster-General Johan de Villiers and the three associations.

FIM 15/6/90

The announcement comes at a time of increased industrial action in the postal and telecommunications sector. Last week, about 265 workers at the Boksburg, Vosloorus and Alberton post offices (and the Boksburg and Alrode engineering plants) downed tools to protest against alleged racist practices in the department.

Potwa media liaison officer Sizwe Matshikiza says the associations will continue to demand a minimum R1 100 monthly wage and an across-the-board increase of R400 a month.

According to Matshikiza, management's offer would increase the monthly minimum in the lowest three notches from R627,50 to R789. The associations propose that the first four salary notches of the lowest-paid groups be scrapped and the following notch (R843) be taken as a minimum wage.

In addition, they are demanding a R200 across-the-board increase, which would bring the lowest monthly minimum wage up to R1 034.

De Villiers says such an adjustment would cost the Post Office more than R300m and points out that the non-pensionable allowance, granted to staff members on April 1, cost almost R180m. However, he says, the Post Office "has understanding for its staff members in the lower-paid groups" and the wage offer is aimed at improving living conditions. The fact that the salary bill already adds up to 46% of its budget indicates that the needs of staff members are being taken into account, he argues.

The proposals will now be discussed with Public Enterprises Minister Dawie de Villiers and a report-back given to the staff associations. According to Matshikiza, the associations are now awaiting an official response from management on their wage demand at another session scheduled for Friday. ■

Wildcat strikers defy Supreme Court ruling

W|Mail 15|6 - 21|6|90

By GAYE DAVIS

THOUSANDS of municipal workers were still occupying Cape Town's civic centre late yesterday on the second day of a wildcat strike which has brought city services virtually to a halt.

Workers occupied the building early yesterday for the second day — this time in defiance of a supreme court order forbidding them from gathering there.

A large police contingent remained outside the civic centre yesterday as workers chanted, sang and *toyi-toyied* up and down the vast concourse.

Negotiations were still underway yesterday between the South African Municipal Workers Union (Samwu) and the city council's executive committee.

Ambulance workers yesterday staged a go-slow and ferry only emergency cases in solidarity with the striking workers, who have rejected a city council wage offer of R4,19 an hour (with 13.5% across-the-board) and are holding out for R5 and an across-the-board increase of R66 a week.

Allied demands are for the working week to be reduced from 46 to 40 hours, for June 16 to be a paid holiday and housing allowances to be given to employees in rented accommodation.

A new demand yesterday was that the city council block the court order stopping them from gathering at the court.

"The council presents itself as liberal and at the forefront of change in South Africa but its deeds don't match its words," said Salie Manie, chairperson of the Samwu's Cape Town branch.

He said the union rejected the city council's contention that wage negotiations were closed and that in view of the impasse, a formal wage dispute should be declared. There was no deadlock yet, the union said.

City council spokesman, Ted Doman, said virtually every municipal function had been affected but that emergency services were coping.

Rubbish bags and litter began piling up in city streets yesterday. Slaughter at the Cape Town abbattoir, where 165 workers were reported to be absent, was disrupted.

Stayaways at council nurseries, roads and waterworks divisions were reported as ranging from 40 to 80 percent.

Big pay increase for nurses

Sta 19/6/90 354 89

Staff Reporter

Nurses will receive salary increases from July 1 — ranging from 23 to 48 percent for registered nurses and enrolled nursing assistants.

SA Nursing Association president Odelia Muller said: "The hard work, careful planning, intensive negotiations and continual prodding of the authorities by the SA Nursing Association have really paid off."

While each individual public sector nurse will have to wait for her or his July pay slip to establish the exact increment, the increases include the general 10 percent non-pensionable increase granted to all civil servants on April 1.

Compared to March 1990 salaries, increases range from:

- 23 percent to 41 percent for registered nurses;
- 22 percent to 37 percent for enrolled nurses; and
- 23 percent to 48 percent for enrolled nursing assistants.

Night duty allowances go up by 44 to 100 percent, Ms Muller said.

Cape municipal strikers to continue action today

LESLEY LAMBERT

CAPE TOWN — The municipal strike in which more than 2 000 council employees are refusing to work until their demands for salary increases of up to 40% in some cases are met, enters its seventh day today.

Yesterday members of the SA Municipal Workers' Union (Samwu) were bused out of the city centre to a stadium in Athlone after a confrontation with riot police outside St George's Cathedral.

They decided to continue their strike action today and to return to the stadium.

Eight union officials were arrested earlier in the day when police tried to prevent striking workers from leaving the Cape Town railway station. They appeared in court on charges under the Internal Security Act and were released on bail of R100 each.

Samwu, which represents the majority of the council's 15 500 employees, is demanding a minimum starting salary of R4,80 an hour, which according to council officials would mean a 40% increase in some cases. It is also demanding a 40-hour week, recognition of June 16 as a holiday, housing allowances, an end to casual employment and the filling of all vacant posts.

The council, which spends about R500m out of an annual budget of R1,2bn on wages, is sticking to its offer of 16% to 18% increases for unskilled and semi-skilled employees and 13,5% for higher level employees. It has agreed to meet the union and discuss any issue other than the wage package.

When the strike started last week, workers surrounded the Civic Centre and many remained there, despite a Supreme Court interdict ordering them to move.

Jo'burg faces a municipal strike similar to Cape's, says councillor

TANIA LEVY

JOHANNESBURG could face a municipal workers' strike similar to the current strike in Cape Town, DP councillor Clive Gilbert said yesterday.

Speaking during the Johannesburg City Council's budget debate Gilbert said Johannesburg's workers were paid less than their coastal counterparts. He warned that a crisis was looming regarding council employees' salaries.

He said Johannesburg municipal workers earned 10% to 20% less than workers in Durban or Cape Town, where workers went on strike after rejecting the council's minimum wage offer of R835 a month.

Johannesburg was offering between R600 and R700 a month — an amount which did not even match the Cape Town Council's rejected offer, and was nowhere near the R960 a month minimum being demanded by the striking workers under the banner of the SA Municipal Workers' Union (Samwu).

Management committee chairman Ian Davidson said provision had been made in the budget for salary increases, although these could not be quantified in public.

However, the increases were skewed toward the lower level employees and grade one workers could receive a 34% pay hike. Davidson said certain unions had indicated acceptance of these increases but negotiations were still underway.

He said he did not believe the issue would develop into a strike. Trade unions were part and parcel of the city's management and were mutually dependent on the council, he said.

Earlier in the day DP councillor Hans Strydom said the R1 000 a month allowance paid to councillors was an insult. After deductions this amount shrank to R834 a month and from this secretaries, telephone bills and other administrative costs had to be paid. The poor allowance meant the best brains and talent would not be attracted to serve on the council.

Strydom said MP's were paid ten times the amount but had a tenth of the contact that city councillors had with their constituencies.

ATLANTIS BUYERS' CO-OPERATIVE

LID	NAAM	REP	NAAM
	ADRES		ADRES
FORM 2	MEMBER ORDER FORM NO.	AFLEWER DATUM	

Dr C Laubscher	Discoverers Memorial	Transferred to National Health and Population Development
Dr C J Vermaak	Paardekraal	Transferred to Kalie de Haas Hospital
Dr C J Vermaak	Pietersburg	Transferred to Paardekraal Hospital
Dr I V de Jager	Pietersburg	Promoted to Director: Community Health Services, Pietersburg
Dr E du Plessis	Pietersburg	Retirement
Dr W Heunis	Sannieshof	Retirement
Dr J H Olivier	Soweto Community Health Centre	Transferred to Southern Transvaal Region Community Health
Dr P J Beukes	Soweto Community Health Centre	Retirement
Dr H C Vorster	Tembisa	Transferred to Kalafong Hospital
Dr C J Vermaak	Kalie de Haas (Ventersdorp)	Resigned to enter private practice
Dr E J Badenhorst	Vereeniging	Retirement
Dr R Olivier	Far East Rand	Demise
Dr W A Kotzenberg	Warmbath	Demise
Dr A J P Burger	Witrand Care and Rehabilitation Centre	Accepted post of specialist at Witrand Care and Rehabilitation Centre
Dr M Patterson	Hillbrow	Resigned to enter private sector
Dr D Ungerer	Ga-Rankuwa	Resigned (reason unknown)
Dr W E Jackall	Baragwanath	Resigned to enter private practice
Dr P J de Jager	Nigel	Resigned to enter private practice
Dr D M Hawkins	Coronation	Resigned to enter private practice
Dr J Nagtegaal	Coronation	Promoted to Director: Health Services
Dr D Bruwer	Nigel	Transferred to Dr A G Visser Hospital
Dr G S Withinshaw	Sterkfontein	Retirement.

Photo-chemical smog

588. Mr R F HASWELL asked the Minister of National Health and Population Development:

(1) Whether Cape Town experienced a photo-chemical smog on the morning of 17 April 1990; if so,

(2) whether there were any instances of non-compliance with State health guidelines on the morning in question; if so, what are the relevant details?

B1356E

The MINISTER OF NATIONAL HEALTH AND POPULATION DEVELOPMENT:

(1) Yes, atmospheric conditions were conducive to photo-chemical reactions, with a strong temperature inversion and absolutely calm conditions,

(2) yes, the National Guidelines were exceeded for Total Nitrogen Oxides, (NOX), Nitric Oxides

(NO) and Hydrocarbons, as measured by the City Council of Cape Town at the City Hall. However, at the same site, the level of ozone, an important indicator of photo-chemical smog was low.

The highest levels measured were as follows:

Pollutant	Levels measured hourly average values in microgram/m^3	Guidelines
NOX	2 468	1 504
NO	2 357	1 128
Non-methane hydrocarbons	1 287	270
Ozone	20	240

The episode lasted only for two hours from 07:00 to 09:00.

Salaries/salary scales

589. Mr R M BURROWS asked the Minister for Administration and Economic Co-ordination:

What have been the applicable salaries and/or salary scales for each post level in each department and organisational component referred to in section 6(1) of the Public Service Act, No 111 of 1984, since 1 April 1990?

B1358E

The MINISTER FOR ADMINISTRATION AND ECONOMIC CO-ORDINATION:

There are approximately 520 occupational classes, each consisting of various post classes, each with its own salary scale. In order to ascertain the appropriate salary scale for each post class in each department and organisational component referred to in section 6(1) of the Public Service Act, No 111 of 1984, the relevant information will have to be obtained from each such department and organisational component. Due to the extent of this task, it cannot be justified.

Public Service: differential pay scales

590. Mr R M BURROWS asked the Minister for Administration and Economic Co-ordination:

Whether there are differential pay scales in the Public Service for different grades of employees; if so, (a) how many pay scales are there and (b) what will be the appropriate key scale applicable to each pay level as at 1 July 1990?

B1359E

The MINISTER FOR ADMINISTRATION AND ECONOMIC CO-ORDINATION:

Yes.

(a) 318, according to the latest available information.

(b) Particulars of the standard salary levels, utilise as basis for the salary scales of officials, are as follows:

3141x228–3369x312–4305//3369x312–4617//3681x312-4617x399–5016//3993x312–4617x399–5415//4617x399-6213//5814x399–7410//7011x399–7809x438–9123//9123x438–10437x498–11931//11931x498–13425x663–15414//14088x663–17403x909–18312//15414x663–17403x909–20130//18312x909–23766//21948x909–25584//25584x909–26493x1356–30561//29205x1356–34629//34629x1356–40053//38697x1356–40053x1641–43335//43335x1641–46617//49899x2106–54111//54111x2106–56217//56217x2106–58323//58323x2106–60429x2778–63207//74319//87402//110901//120987//165768

Own Affairs:

Group areas legislation: prosecutions in certain areas

124. Mr L FUCHS asked the Minister of the Budget and Local Government:

Whether it is the intention to prosecute every person contravening group areas legislation in the Homestead Park/Turffontein/Bezuidenhoutsvallei/Malvern/Southdale West area; if

Samwu end strike

THE Cape Town municipal workers' strike ended yesterday, following a decision by the striking workers' trade union - the SA Municipal Workers Union - to accept a small wage increase and an undertaking to negotiate better working conditions.

Leader of the Western Cape union, Mr Salie Manie, told thousands of cheering workers at the Good Hope Centre that the City Council had decided to raise its offer of a ~~13,5~~ per cent increase in wages to 14 per cent.

Strikers returning to ~~work would not~~ be penalised, and minimum wage-offers had been increased from R835 to R845. Further negotiations would take place on shorter working hours and help with housing. - Sapa. Sowetan 26/6/90

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Climax to racism campaign

LONDON - A 10-day anti-apartheid campaign by British local authorities reaches a climax today with a ceremony at the House of Commons at which local councils will express their opposition to racism.

Councillors from all over the United Kingdom will present declarations against apartheid to the ANC's chief representative in Britain, Mendi Msimang, and the president of the British Anti-Apartheid Movement, Archbishop Trevor Huddleston. Sowetan 26/6/90

The ceremony marks the close of 10 days of action by local authorities.

Councils will call on the South African Government to release all political prisoners. - *Sowetan Foreign Service.*

FACTFILE by Morris Mothibeli

Cape municipal strikers back at work

LESLEY LAMBERT

CAPE TOWN — Striking municipal workers return to work today with agreement being reached between the Cape Town City Council and the SA Municipal Workers' Union.

The first task at hand will be the cleaning up of refuse which has accumulated in the streets since the strike started two weeks ago.

In a meeting yesterday, the two parties reached agreement on a package that included an increase in the minimum starting salary from R790 a month to R845. The council's original offer had been R819 against SAmwu's demand of R950.

A Samwu spokesman said the council also gave an undertaking in principle to negotiate a reduction in the number of working hours — currently 46 hours a week.

He said the council also agreed to start a process of employing temporary workers on a full-time basis and to grant an additional day's leave to employees with a maximum of 15 days' annual leave in respect of Samwu's demand for the recognition of June 16 as a holiday.

The spokesman said Samwu would continue to negotiate for a housing allowance and the filling up of vacant posts which the council had frozen. It would also renegotiate the June 16 holiday next year, he said.

Samwu strike hailed a 'victory'

By Chiara Carter

THE conclusion to the 10-day strike by about 10 000 Cape Town City Council workers has been hailed as a victory by the South African Municipal Workers' Union (Samwu).

Samwu spokesperson Mr Roger Ronnie said that, while the new minimum of R845 and the 14 percent increase for non-labourers was significantly less than their initial demands, the union still saw the wage increases as a victory.

"That the council budged on wages after refusing to move on the issue is a clear victory."

In terms of the agreement reached on Monday, the council agreed to give hourly-paid workers an additional day's leave —, which could be taken on June 16. According to the agreement, the union may negotiate again for June 16 as a paid holiday.

The council agreed to give all "permanent casuals" permanent status and to negotiate a reduction to the 46-hour week with the union, which is demanding a 40-hour week.

The union is also free to re-submit demands for a housing subsidy for employees living in rented accommodation and the unfreezing of all posts.

New postal wage offer

The Department of Posts and Telecommunications has offered a R108-a-month increase to postal workers, a union spokesman said yesterday.

Mr Kgabisi Mosunkutu, president of the Postal and Telecommunications Workers Union (Potwa), said the offer would raise the minimum wage from R627 a month to R735. He said management had also offered to raise a 9 percent salary increase implemented in April to 10 percent.

The three unions negotiating wage increases — Potwa, the South African Postal and Telecommunications Employees Union (Saptea) and the Postal Employees Association of South Africa (Peasa) — have not yet decided whether to accept the offer.

PT workers' pay hike not accepted as yet

Sowetan 24/8/90

354

THREE SA Posts and Telecommunications (PT) staff associations intend taking Wednesday's PT offer of an increase in their minimum monthly wage to R735 back to the workers for a fresh mandate and say they are committed to continuing their battle for a minimum R1 100 and an across-the-board increase of R400.

In a joint statement issued yesterday by the Posts and Telecommunications Workers Association (Potwa), Post Office Employees Association of SA (Poeasa) and the SA Posts and Telecommunications Employees Association (Saptea), they said, however, they appreciated the "positive attitude" taken by Sapt management in the latest round of negotiations.

The announced salary increase was a culmination of serious negotiations dating back to November 1989, said the statement.

On Wednesday PT senior general manager Mr Pieter Senekal announced the increase of R108 per month on the current R627 monthly wage, and said it would be back-dated to April 1, 1990.

The PT is also to increase the nine percent salary increase announced in April to 10 percent. This increase will be back-dated to April and will only affect those who had received the nine percent increase.

The three unions believed that management's change in attitude was "brought about largely by workers' militancy on the ground" - Sapa

Three-year plan needed to correct nurses' pay – union

Star 29/6/90

Recent salary increases awarded to nurses were "far from adequate", the National Education and Allied Workers' Union (Nehawu) said in statement in Johannesburg yesterday.

It said the only way the situation could be remedied was for the Government to announce a three-year plan to bring salaries to "their proper levels".

This would require a similar 25-50 percent increase each year in order to make up the backlog.

"Only if nurses are told now that within a defined period they will have caught up to their reasonable target income, will the nursing crisis be resolved," the statement said.

"We also regret that the Minister (of Health, Rina Venter) did not address the problems of conditions of work that constitute the other major complaint of nurses.

"Nehawu will continue to campaign for a long-term solution to these issues."

It said that although Nehawu welcomed the increases, announced on June 19, most nurses were now poorer than they were in 1986 because their salaries had failed to keep up with inflation.

"As a result, we predict that the private sector will increase the salaries they pay nurses so that they remain 10 percent higher than the public sector.

"The flow of nurses from the public sector will probably continue after a short delay," said the statement.

Hospital staff shortage – pay blamed

Staff Reporter

Poor salaries paid to administration staff by the Transvaal Provincial Administration has led to a severe shortage of staff in the Johannesburg Hospital.

A spokesman for the TPA said the hospital's administration, especially the accounts department, was suffering from a staff shortage.

Along with other provincial hospitals, the Johannesburg Hospital has long suffered from a shortage of nurses. It is hoped a recent increase in nurses' salaries will stem the tide of resignations of nurses leaving for the private sector.

The TPA told The Star in reply to a question that the administration staff shortage was due to "poor salaries" (as has been the case with the shortage of nurses).

The TPA said there was "a severe turnover of staff" and that some staffers resigned to join the private sector for better salaries as soon as they had completed their training.

The staff shortage came to light after a woman, who asked not to be named, had a baby at the Johannesburg Hospital in September 1989 and had informed The Star her accounts had been long delayed. The final account arrived in June.

PE disrupted by municipal strike

South 517 - 11/7/90

PORT ELIZABETH. — The city here was hit by two major strikes this week as health and municipal workers flexed their collective muscle to highlight wage and other grievances.

The Eastern Cape's busiest hospital was targeted for the second time in two months, with workers this time protesting against the termination of service of 39 staff nurses.

Livingstone Hospital superintendent Dr Graham White said all the general assistants and many nurses were not working.

Workers at the Dora Nginza hospital also stopped working to demand that action be taken against the critical shortage of staff at "black" hospitals.

Staff at several township clinics joined the action.

Although the Livingstone strike began on Monday, its effect was only felt the next day because of the national stayaway.

On Tuesday the situation worsened, with many non-critical cases sent away — including patients brought in by ambulance from distant towns. Laundry began to run short.

Dr White said the 39 nurses had not been retrenched, as they had originally been employed in temporary posts. They had therefore reached the end of their service.

Because of the acute shortage of trained nursing sisters, it was essential that temporary posts be filled by student professional nurses, he said.

National Health, Education and Allied Workers' Union (Nehawu) members held talks with hospital authorities to try to resolve the strike.

Refuse

Workers' other demands included that black patients in the overcrowded, understaffed black hospitals be accommodated in empty beds in white hospitals.

Meanwhile more than 2 000 employees of the Port Elizabeth municipality downed tools on Tuesday, after wage talks broke down last week.

Uncollected refuse began to pile up and the muncipality announced an "emergency plan" which required householders to dump their own refuse.

A South African Municipal Workers' Union (Samwu) spokesperson said the workers were demanding an across-the-board monthly increase of R300, and an additional 20 percent raise.

Members of the Amalgamated Municipal Employees' Association also joined the strike. — *PEN*

Crackdown on returning activists

MORE than 20 people have detained under Section 29 of the Internal Security in a crackdown believed to be linked to the return of ANC member not on a government approved list.

Almost all the detentions have taken place in the past week, the Human Rights Commission says in its weekly report.

Among those detained are: Western Cape activist Shirley Gunn, United Democratic Front activist and first president of the Congress of South African Students Ephraim Mogale, National Democratic Lawyer's member J B Sebanyoni, unionist, Edna Sethema, teacher, Morgan Mathebe, students, Thomas Mabeka, Calvin Mlato, William Manthusa, Mathebula, Ishmael Risiba, Johannes Sono, Edwin Radebe, Jappie Sethshedi, Tshepo Molomane, Tshepo Mathlala, Piet Mathebe, Isaac Ditshego, Johannes Makitla, Andre Ramalekana, Buurman Mathebe, Margaret Mathebe, and Rufus Pilusa.

The HRC report that 69 people are currently being held under Section 29 of the Internal Security.

Slammed

Meanwhile, members of the Shirley Gunn Support Group have slammed the police for refusing to deal with them in the absence of her family.

Gunn, a former trade unionist, was detained on June 25. She and her 15-month-old baby Haroon are being held in terms of Section 29 of the Internal Security Act.

On Monday, members of the Support group attempted to hand over food for the baby and clothing for Gunn at security police headquarters in Cape Town.

"We were turned away for the second time. Last week we tried to deliver clothing for the baby and police would not take it," said a member of the group.

"The security police said they were providing clothing for Shirley and food for her baby.

"They said they will only deal directly with her family even though we took her family's lawyer with us."

Gunn's mother, Mrs Audrey Gunn, who was with her when she was detained, is now in Cape Town to negotiate

Stayaway showed 'extreme concern'

JOHANNESBURG — This week's national stayaway by about three-million workers demonstrates the "extreme concern" over the war in Natal.

South 517 - 11/7/90

Rumblings from post office, council workers

SOUTH 12/7 - 18/7/90

AS rubbish piled up in Port Elizabeth where striking council workers defied an ultimatum to return to their jobs, municipal workers downed tools in a small Cape town, while rumblings were audible from thousands of post office workers around the country.

In Bredasdorp about 100 council workers this week downed tools to demand an increase of 40 percent on the minimum wage and an across-the-board increase of 13 percent.

Right

Most of the workers presently earn R75 a fortnight.

The workers also demanded a medical aid, pension fund and paid sick leave.

They want the right to join a trade union of their choice.

They are being supported by the Bredasdorp Peoples' Organisation.

The strikers agreed to return to work this Thursday after the council threatened to fire them.

Meanwhile, a week-long strike by about 2 500 municipal workers is continuing in Port Elizabeth in defiance of an ultimatum to return to work by the beginning of this week or face disciplinary action.

Mr PK Botha, the Port Elizabeth town clerk, confirmed that workers were still on strike.

He said workers had refused the council's 12 percent wage offer. A "firm" offer would be made only when all workers returned to work.

About 800 Samwu members at the Bellville municipality returned to work this week after a two-day strike in support of wage demands.

Groundswell

A Samwu spokesperson said the union, which is demanding a minimum wage of R750, is negotiating with the Bellville council. She claimed the council had offered R455, but a council spokesperson said it had offered R465.

The municipal strikes are the latest in a groundswell of public sector militancy which included a landmark ten-day strike by thousands of Samwu members employed by the Cape Town City Council and the historic strike by about 4 500 members of the Health Workers' Union, which recently concluded the first-ever interim recognition agreement with the Cape Provincial Administration.

Survey

There are signs of industrial unease in the post office with rumblings of discontent about pay talks.

The Post and Telecommunications Workers' Association (Potwa) is presently conducting a survey among its members countrywide to gauge worker feeling about the latest developments in pay talks between Potwa and the Post Office.

A Potwa spokesperson said that, at the last round of talks last month, management had offered a minimum monthly wage of R735 — less than half of Potwa's demand for R1 500.

Management had also agreed that those workers who received nine percent instead of the 10 percent increase paid to all public servants in April would receive an extra one percent backdated to April.

The spokesperson said if members were not happy with the offer, industrial action could be on the cards.

A further meeting between Potwa and management is scheduled to take place later this month.

Termination

A crippling week-long strike by 1 500 health workers at three Port Elizabeth hospitals ended on Monday after senior ANC and South African Congress of Trade Unions (Sactu) official Mr Thozamile Botha intervened.

The chief cause of the strike was the termination of the service of 39 staff nurses at Livingstone Hospital, the largest in the region.

Cosatu regional secretary Mr Dennis Neer said management had indicated that recognition of the National Education, Health and Allied Workers' Union (Nehawu) was imminent.

Meanwhile, the CPA maintains there are no empty posts at the hospitals.

Visser said workers had returned to work unconditionally. They would not be paid for the days they were on strike.

South VIEW

End to PE council strike

354

PORT ELIZABETH. — Municipal workers here were due to return to work on Thursday after reaching an agreement with the city council.

A joint statement by the SA Municipal Workers' Union (Samwu) and the municipality said a meeting yesterday had "succeeded in breaking the present impasse and the strikers have agreed to return to work immediately". South 1917-2517190

Climbdown

The statement was released on the parties' behalf by Mr Paul Botha, the town clerk. It said negotiations on the wage dispute itself would commence as soon as possible.

Although the statement said no further information would be released "due to the sensitivity of the matter", it seems clear the settlement marks a major climbdown for the municipality.

Only hours before the settlement, municipal threats to dismiss the 3 000 strikers were being reported. They were the second such warnings in the 15-day strike.

Previously, the strike remained deadlocked over the municipality's insistence that strikers go back before any further offers could be made, while strikers demanded an offer before considering a return.

Union sources said management had made an offer of a minimum wage of R600 at yesterday's meeting. Workers had been demanding R765, almost double the previous minimum of R362. The only previous offer from the municipality was for a 12 percent increase.

The settlement came only a day after councillors voted to give themselves salary increases.

A council sub-committee meeting on Tuesday night recommended an increase for councillors of 20 percent, the maximum amount allowed by the provincial administration.

The mayor will get R4 800 a month, up from R3 840, the deputy mayor and chairmen of the management committees will get R3 600, up from R2 880, while councillors will get R1 200, up from R960 a month. — PEN

Call to suspend officials

Go weton 25/7/90

By MONK NKOMO

THE two-day-old strike by 700 Atteridgeville Council workers yesterday took another turn when employees demanded that the council secretary and his deputy be suspended and charged for alleged irregularities.

The Transvaal Association of Employees of Black Local Authorities also demanded the immediate payment of a 13,1 percent salary increase promised by the council two years ago.

Workers demanded that the post of industrial relations officer held by Mr Dick Mboweni be abolished.

A memorandum, which was handed to Mr Enoch Sibanyoni, chairman of the management committee, called for the suspension of the secretary, Mr Madumetsa Mogoba and his deputy, Mr Isaac Manthata.

They demanded that the two officials appear before the council's disciplinary committee.

More woes for Vereeniging

Sowetan 25/7/90

354

THE boycott-hit town of Vereeniging had more trouble added to its list of woes on Monday when about 1 000 municipal workers went on strike over wage demands.

Town clerk Mr CK Steyn confirmed the strike and said about a third of the municipal workforce arrived at work yesterday and told management they were downing tools over a R600 minimum wage demand.

About half the workforce came to work yesterday but were engaging in a sit-down strike, he said.

Spokesman for the Municipal, State, Farm and Allied Workers Union Mr Phillip Masia said workers demanded the council pay them R600 minimum last month.

They thought it had

SOWETAN Correspondent

agreed to this after a notice about an approved wage increase was issued to them, Masia said.

Steyn denied the notice had said the union members would receive a minimum of R600 a month, but dealt with a 13 per cent increase which became effective last Friday.

When workers realised their increase was from R400 to R440, they decided to go on strike, Masia said.

They met with management on Monday and were told workers could have made a mistake after reading the notice but this was no cause to strike, he said.

Steyn confirmed the municipality had adopted a no work, no pay policy, but his door was always open to further negotiations.

"Of course, the council's services will be affected but we will be able to manage to keep essential services going by various ways and means we have up our sleeve." he said. - *Sowetan Correspondent.*

WAGE REGULATION — PUBLIC SERCIVE (INCLY. SAR & H.& P.O.)

1990

AUG. — DEC.

Bureaucrats push demand for inclusion in Act to Cabinet level

B Day 11/8/90

GERALD REILLY

PRETORIA — Pressure from public service staff to have government workers brought within the Labour Relations Act's ambit has forced the issue to Cabinet level, Public Servants' Association (PSA) GM Hans Olivier said yesterday.

It was on the agenda of special Cabinet meetings on Monday and yesterday at a secret venue outside Pretoria.

Olivier said public servants should no longer be denied rights set out in the Labour Relations Act.

He said there were two possibilities: supplementing the Public Service Act to provide for the instruments and mechanisms in the Labour Relations Act, or the application of the Act to public servants.

During the protest that followed the 10% non-pensionable pay hike from April, many members demanded the right to strike or go slow in support of demands for improved service conditions. Olivier said the logical solution was to bring the public service work corps under the umbrella of labour relations legislation.

Under existing conditions the public service staff associations had little muscle when it came to pay demands and negotiations. They were at the mercy of government. The PSA realised that essential services could not be disrupted by strikes, but at the same time they needed the bargaining rights accorded all other workers in terms of the Labour Relations Act. The PSA also wanted the right to go to arbitration when negotiations deadlocked.

"The bottom line is we have no effective powers to force the employer to compromise with us on our demands," Oliver said.

The PSA welcomed Cabinet's decision to consider improved labour legislation for government workers. However, the PSA was not asked to submit inputs as a background to the discussions. Olivier said the PSA could not turn a blind eye to strong indications that the Labour Relations Act was to be reviewed and possibly amended to include public servants.

Don't deny Public Servants - plea

PUBLIC servants should no longer be denied the right other employees in the private sector enjoy in terms of the Labour Relations Act, the general manager of the Public Servants' Association, Mr Hans Olivier, said yesterday.

Responding to reports that the Cabinet might discuss the unionising of public servants during their "plannning session" this week, Olivier said two possibilities existed for this purpose, namely, "Supplementing the Public Service Act to make provision for the instruments and mechanisms provided for in the Labour Relations Act, or the application of this act to all public servants.

"The PSA is at present considering the matter carefully," he said.

Olivier said the logical solution could possibly be to make the Labour Relations Act accessible to all public servants "in view of the fact that it is an easier avenue for the solution of the present problems".

"The application of the Act to accommodate public servants would also alleviate the position of officials rendering essential services in which case they would in terms of the Act be excluded from the right to strike and be compelled to participate in compulsory bargaining with the employer." - Sapa.

FM 3/8/90 354

nel the remaining funds to the most needy cases (*Property* July 20).

The commission faces the opposite problem. It oversees the housing subsidies available to public employees and, since the State's manpower cutbacks appear to be working, it may be in a position to divide the existing funds more generously between fewer public employees who do qualify for assistance.

"The suggestion is that broadly four out of every 10 State employees on a subsidy will move to the private sector and that will leave a considerable amount of money in the subsidy pool for redistribution," says H Lewis-Trafalgar's Peter Ferreira. He adds that a subsidy review is overdue because they haven't been revised for several years.

Needless to say, the commission is keeping mum on the issue — other than to confirm that a meeting to discuss the matter is to be held with various civil service personnel organisations later this month.

However, it is widely believed the ceiling on subsidies could be raised from R50 000 to R70 000.

Civil servants are now subsidised to the tune of R662 a month on bonds of up to R35 000. Above that mortgage assistance drops to R627 a month for bonds not exceeding R50 000.

Any change in the subsidy ceiling could have a particularly dramatic affect on Pretoria's flagging residential property market. Just as demand for office space in Pretoria is largely dictated by the needs of the public sector, so the housing requirements of civil servants project the biggest influence on the residential property market.

The result of a static or shrinking civil service in Pretoria's case, according to agents like H Lewis-Trafalgar and E G Chapman, is a soft residential market with stagnant or even declining house prices in all but the higher priced brackets. Particularly badly hit are flats and apartments — even though there has been little or no flat building in Pretoria in recent years.

Chapman executive director Robert Ketjes says the market seems to be adopting a wait-and-see attitude on the State employee subsidy issue. "As a result our agents are having to work hard to close deals." ■

HOUSING SUBSIDIES FM 3/8/90

Overstated (354)

While Planning & Provincial Affairs Minister Hernus Kriel grapples with the daunting task of spreading rapidly diminishing subsidy funds among a growing number of first-time home-buyers, his colleagues in the civil service Commission for Administration have a very different problem on their hands.

Kriel has been forced to reduce the earnings ceiling of blacks applying for the first-time home-buyer's subsidy in order to chan-

L

A new bargaining chip: Public sector unions

W/Mail 3/8-5/8/90

By DREW FORREST

THE Congress of SA Trade Unions has demanded the immediate recognition of representative public sector unions as a condition for reviewing threatened mass action over the Labour Relations Act.

The demand that the state recognises unions and give them organising rights was among those tabled at the second "joint working party" meeting on the LRA involving unions, employers and the Manpower Department last week.

These talks are seen as an important barometer for measuring prospects of sucess in broader political negotiations. Significantly, the burning issue of state sector union rights was reportedly on the agenda of two Cabinet strategy meetings held at a secret venue near Pretoria this week.

At the LRA meeting, attended for the first time by the National Council of Trade Unions (Nactu), Cosatu fleshed out demands for the state and employers to give practical effect to the "Saccola accord" in advance of legislation.

The federation wants two LRA Bills tabled early in the next parliamentary session — proposed amendments blocked by the Cabinet in June and a separate Bill extending the LRA to all workers and revamping the Labour Appeal Court.

Cosatu's Marcel Golding said other Cosatu demands last week were that the state appoint a Commission for Administration official to handle complaints about union recognition in the public sector and publicly acknowledge that all workers should have basic labour rights.

It also proposed a "complaints board" to hear complaints about breaches of the Saccola accord by Saccola member employers. Manned by a senior legal representative, this would be empowered only to make recommendations.

Cosatu also wants Saccola to "prevail" on errant members to comply with the accord, and for those who refuse to be publicly named.

Golding said that if the state and employers met the demands in advance of legislation, Cosatu would review its programme of mass action.

He also took issue with a letter from the Department of Manpower proposing talks on "intimidation and coercion" on the shopfloor, ways of reducing labour unrest and the role of the LRA in cutting inflation, saying these were not relevant to the task of the working party.

Department comment could not be obtained.

THE WORKERS WHO GOT THE HIGHEST PAY RISES IN 1990

By DREW FORREST

PUBLIC sector pay rises are running way ahead of those in other sectors this year, reflecting the massive groundswell among lowly-paid state and semi-state employees.

The latest wage report of the Cape Town-based Labour Research Service (LRS) shows an average annual increase for labourers in the sector between January and June this year of 30,8 percent, compared to an overall industry average of 20,9 percent. Next in the log was the tyre and rubber industry, where increases averaged 25 percent.

Consultants Levy Piron and Associates recently estimated that the state sector accounted for almost half the man-days lost through strikes this year.

The LRS stresses, however, that public sector rises are from a very low base. The average weekly wage in the sector is R152 — ninth on the wage table, and outstripping only transport, textile and catering. The overall industry average is R174 and the average in the top-paying metal industries is R213. W/Mail 3/8-5/8/90

Basing its findings on 198 agreements, the LRS sees a declining trend in average settlement levels, which it traces to the weakening of the economy and a tougher bargaining climate.

The average 20,9 percent increase for labourers was two percent less than in 1988. Adjusted for inflation, it, amounts to 6,4 percent, as compared with 9,5 percent in the first half of 1988.

The LRS says political changes may lead to longer disputes and strikes.

Kalafong Hospital workers go on strike over wages dispute

ABOUT 2 000 general workers, including assistant nurses and clerks, at Kalafong Hospital near Atteridgeville went on strike yesterday demanding wage increases, writes **MONK NKOMO.**

White employees took over some of the duties, including cooking and cleaning, and doctors and matrons pushed trolleys taking patients from the wards and the dead to the mortuary.

There were unconfirmed reports that some patients at the casualty department who came from outside Atteridgeville and were not seriously ill were sent home yesterday.

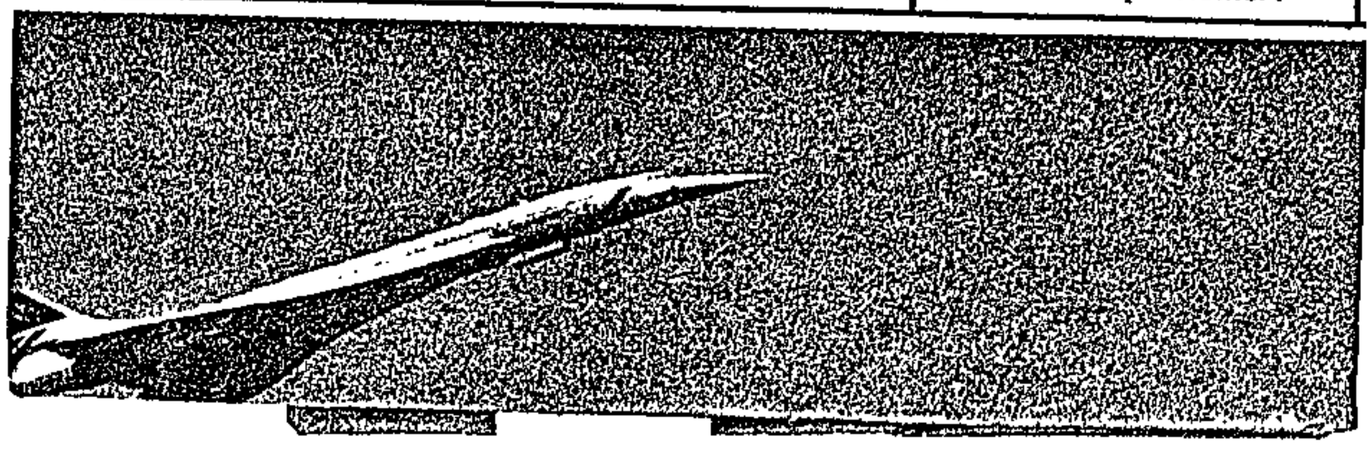
Workers said the strike, which started at 6am, was sparked off by the breakdown of wage talks between the Transvaal Provincial Administration and their trade union, Nehawu, on Friday.

The hospital's management team were yesterday locked in discussions with employee representatives to resolve the strike.

World inflation rate goes up

GENEVA - Inflation is rising in two out of every three countries surveyed by the International Labour Organisation despite a decade of efforts to control it.

The ILO said yesterday that countries with steadily rising inflation in the first few months of 1990 included Sri Lanka with 22,6 percent compared with 15,1 percent last December, Hungary 26,8 percent, Sweden 10,1 percent, Chile 24,8 percent and Britain 9,4 percent. - *Sapa-Reuter.*



be opened up, he said.

Civil servants push for labour rights

GERALD REILLY

PRETORIA — The Public Servants' Association (PSA) would tell the Commission for Administration at a meeting tomorrow that the setting up of more effective negotiating machinery had become "extremely urgent", sources said yesterday.

Senior public servants said government had been dragging its heels on the issue for the past two or three years, and this had been a major cause of resignations.

Unlike other employee organisations in the private sector they had had to accept a pay deal from government that fell far short of what was asked for and what was justified by inflation and comparable private sector pay levels.

A PSA spokesman said the bottom line was the right to go to arbitration. This was a basic right enjoyed by all other employee organisations and trade unions. The PSA wanted government workers to fall within the ambit of the Labour Relations Act.

In terms of the Public Service Act government workers were forbidden to strike, go to arbitration or take their grievances to the industrial court.

The spokesman said this was an intolerable situation in these days of enlightened labour relations.

The PSA conceded there were certain essential public services which could not be allowed to be disrupted by strikes or other aggressive labour action. However, the rest of the public service should be on a par with private sector workers.

Another issue to be thrashed out with the commission tomorrow is the housing loan ceiling of R50 000. The PSA wants this raised to at least R90 000.

Postal staff ask for salary relief

Staff Reporter

Salaries of South African Posts and Telecommunications (SAPT) employees would be sympathetically considered when the 1991/2 budget was compiled, Postmaster-General Johan de Villiers said yesterday.

His statement followed a meeting with a delegation of the South African Postal Association in Pretoria yesterday.

The association represents white uniformed staff.

SAPT staff had made a strong plea for salary relief.

The association also raised the question of a 48-hour work week worked by most of its members against the 42 and 44-hour week that applies to other staff groups.

Mr de Villiers undertook to investigate, with a view to a shortening hours.

Blatu wins 30 percent pay rise

By DREW FORREST

TRANSNET'S Black Trade Union (Blatu) this week negotiated a minimum 30 percent pay rise for black railmen, the union said in a statement to Sapa yesterday.

"A total of 38 grades and 70 000 workers will benefit from this increase, as restructuring of these grades will take place," the statement said.

The announcement comes against the background of parallel wage talks between Transnet and Blatu's more militant rival, the Cosatu-affiliated SA Railway and Harbour Workers' Union.

If Sarhwu wins a better increase — and management says a deal is imminent — it will be a potent recruiting weapon in its drive to become the exclusive voice of black railmen.

After the recent rail strike, Sarhwu was registered and recognised as representing workers in southern Natal, and technically its negotiations cover only these workers.

However, given Transnet's uniform wage policy, whatever deal is clinched is likely to be extended to the whole country.

It is understood that in the wake of the strike, Sarhwu won members from its rival in the Transvaal and other areas, and is preparing to apply for registration in respect of these.

Railnet staff demand salaries

GERALD REILLY

PRETORIA — Railnet staff had not been paid for three months and many were in serious financial difficulties, an employee spokesman said yesterday.

SA Footplate Staff Association (Safsa) general secretary Abe Koekemoer declined to comment on reports of "growing" support for go slow action.

He said Safsa, which represents white workers, had rejected Railnet's claim that computer problems were the cause of the delay in payments.

Discontent among members had reached serious proportions and no Safsa member could afford to work a day longer without pay.

"The association simply cannot allow its members to be plunged into further financial trouble because of the inefficient and amateurish action of Railnet management," he said.

It was a disgrace that Railnet was unable to find ways of overcoming the problem after three months.

Employees had to rely on loan and advances because of lack of pay in June, July and August, Koekemoer said.

Railnet public relations officer Jacques Pienaar confirmed it had been having teething problems since installing a new computer system.

"Some employees — a very small percentage of the total 170 000 — have not been receiving their salary statements and salary cheques, which are paid directly into their bank accounts.

"But these people just have to apply for a voorskot (advance) equal to his salary and this is paid out in cash. All he has to do is furnish us with proof that he did not get his salary. No other questions are asked and it is not regarded as a loan," he said. All employees were fully aware of this facility.

Staff were working overtime to resolve the problems, most of which had been sorted out and the results "would become visible within the next month".

He said he did not know why Koekemoer had now only started to make negative statements.

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'Disillusionment' in public service

354

Bday 14/9/90

GERALD REILLY

PRETORIA — Disillusionment among thousands of the country's public servants was increasing, Public Servants' Association (PSA) president Colin Cameron said yesterday.

Announcing the Biennial Congress of the PSA on Monday — it is to be opened by President F W de Klerk — Cameron said a major cause of the unhappiness was the failed policy of occupational differentiation.

The reason was the "constant" lack of funds, he said.

Other PSA sources said members expected De Klerk to announce an increase in the housing subsidy scheme ceiling from R50 000 to R70 000 from October 1.

Backlog

He is also expected to refer to a new and more effective machinery for salary and wage negotiations, something for which the PSA has been striving for the past five years.

Probably the most urgent issue to be raised, said delegates, was the huge pay backlog which had added to the widening gap between pay in the public and private sectors.

In yesterday's statement, Cameron said the PSA had

● CAMERON

a vital role to play in current changing circumstances, especially those in the labour field.

Congress would have to provide clear guidelines on future bargaining procedures. PSA branches had rejected the present unsatisfactory system, he said.

From branch resolutions submitted it was clear there was growing concern about the continued exodus of trained manpower from the service.

Unsatisfactory bargaining procedures for salary and service conditions would also be raised.

A uniform retirement age and widows' pensions were also on the agenda.

In its annual report to be tabled at the meeting, the PSA says public servants' unfulfilled expectations of a better deal in the 1989/90 financial year caused great dissatisfaction among government workers.

The PSA says that in the 1988/89 financial year a salary increase of 15% was granted from January 1, 1989.

A well motivated case for a general increase of 20% from April 1990 was submitted to government.

This was rejected and instead an "inadequate" 10% non-pensionable allowance for April 1 this year was granted.

With a few exceptions according to the report, other service conditions remained unimproved during the year.

Increase

Meanwhile a strong demand for a significant salary increase from April next year is certain to come from the meeting.

Demands will also be made for a speed up in the provision of a new bargaining mechanism for government workers which would have as its bottom line the right to arbitration.

The PSA wants an accommodation inside the Labour Relations Act.

Rights accorded other workers have been denied public servants, the PSA says.

ANC three

State's tax take rises, but so does spending

354
Business Times Reporter

Tax receipts well up on budget

GOVERNMENT funding is in good shape after four months of the fiscal year.

The Director-General of Finance, Gerhard Croeser, told a seminar of the Association of Business Management this week that he was relaxed about income and outgoings for the first time in years.

Mr Croeser said income-tax receipts for April to July rose by 28,6% to R11,8-billion. General sales tax receipts rose 11,7% to R5,8-billion and customs and excise takings were up 1,9% to R3,8-billion in spite of a lower import surcharge.

The grand total of R20,6-billion was up 18,1%. Disbursements by the Treasury rose by only 6,4% to R22,8-billion. The deficit before borrowing was thus R2,2-billion. A loan of R2-billion was redeemed, making the financing requirement R4,2-billion.

Government securities worth R5,6-billion were sold, leaving a surplus after four months of R1,4-billion.

Mr Croeser said the position was unlikely to be so rosy by the end of the year, even though August and February were the best tax months. Revised estimates for the year were that tax received by Inland Revenue would yield R57,5-billion — R500-million more than budgeted. Customs and excise should bring in R8,0-billion, making a total of R65,5-billion, instead of the budgeted R64,9-billion.

Largely because of pay increases for policemen, nurses and certain low-income people, spending estimates had risen by 12,9% to R74,1-billion (R72,9-billion).

The deficit before borrowing was projected to rise from R8-billion to R8,6-billion, or from 2,8% to 3,1% of gross domestic product.

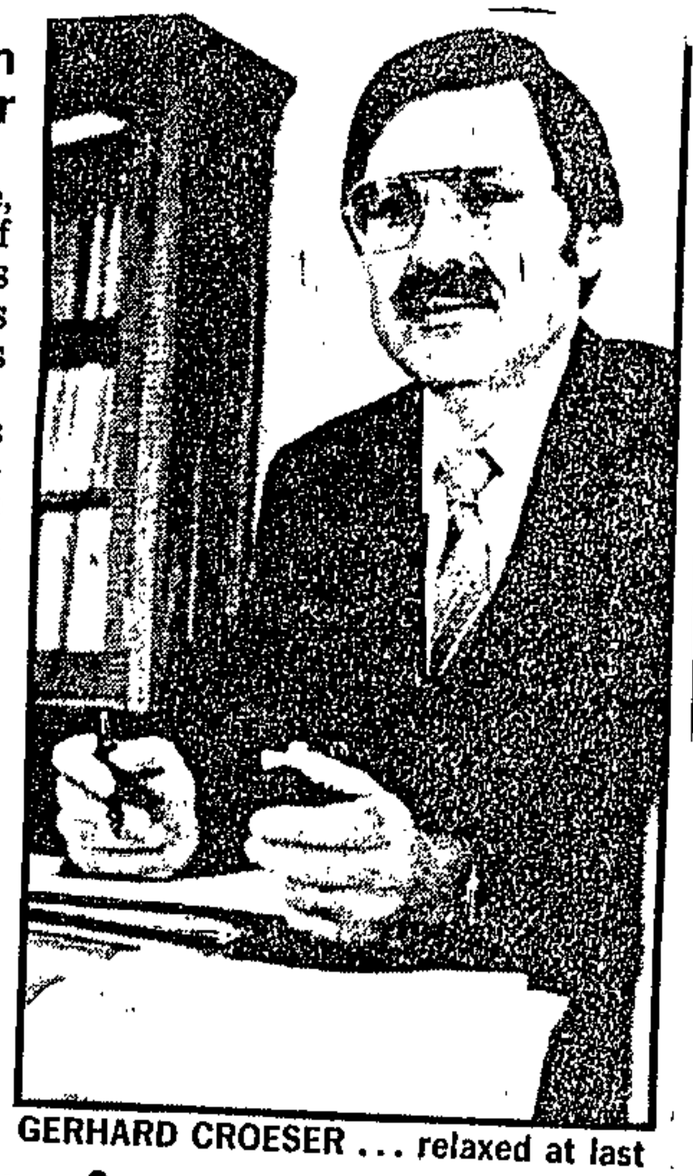
The total financing requirement had risen from a budgeted R11,8-billion to R12,4-billion. Of that R7,7-billion has already been raised, leaving an outstanding requirement of R4,7-billion. The Public Investment Commissioner would contribute R3,9-billion.

Mr Croeser said the State needed to sell gilts of only R830-million.

That will be a relief to the gilt market, which expected much heavier borrowing from the State. Interest rates have already softened on these figures.

Mr Croeser said the Government was deadly serious about its monetary and fiscal discipline and the real rise in State spending was about 1%. In effect, SA had obtained a new government since President De Klerk took over.

Fiscal policy was part of the process of economic restructuring. Curbing inflation enjoyed high priority. But there was no intention to be drastic or to cause disruption.



GERHARD CROESER ... relaxed at last

But it cuts its own spending

S1 Times 16/9/90

Priority

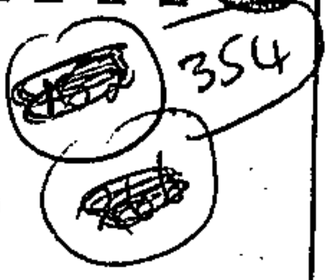
Mr Croeser said capital deployment would take into account job creation. Part of strategy was to encourage a responsible wage policy. Large pay rises won by certain unions had set back this objective, but generous increases had helped to swell the amount of tax from individuals.

Another priority was to make the economy more competitive internationally, to reduce taxation rates on companies and individuals, and at the same time to get rid of concessions. The State wanted to eliminate its own dissaving, but it would take time, he said.

Alex council denies claims by strikers

Sowetan 4/10/90

354



By DON SEOKANE

ALLEGATIONS of corruption, unfair labour practice, nepotism and non-payment of pay increases have been made against Alexandra Town Council by council employees who went on strike this weekend.

Mr Leslie Magoro, chairman of the shop stewards at the council, said yesterday a TPA inquiry into alleged corruption at the council had been initiated last December and was completed in May 1990.

Magoro claimed that the report, which is still unpublished, contained several reports of maladministration practices by the council. He said the TPA had not yet acted on the contents of the report.

Alexandra council's acting town clerk, Mr Willie Khumalo, denied that the report contained reports of maladministration and said the report contained only "calculation and administrative errors".

Khumalo said he could not comment on the allegations of nepotism and unfair labour practices.

He said the council had no viable tax base and even 100 percent payment of rentals could not help the council to pay the increase of salaries and wages.

The council, Khumalo said, has asked the TPA to intervene and provide bridging finance.

However, the assistant director of TPA's liaison services, Mr Jan Loubser, said the council should "sort it out" as it was a matter relating to its personnel.

The workers demanded the dismissal of the personnel manager, Mr S Shai, town treasurer Mr de Bruyn, Mr S Burger the council's adviser and the acting town clerk Mr W Khumalo. The strike has ended.

tom, with employers offering 14 percent and R17 respectively.

TGWU first tabled an across-the-board demand last year. "Most of our members are earning above the minimum, meaning that we were negotiating only for the unorganised," said TGWU spokesman Kally Forrest.

She said employers were refusing to negotiate on demands for a single council provident fund in the Transvaal — a step towards a national industry fund — and for a 40-hour week.

Transport workers dispute

Industrial council wage talks covering 16 000 goods passenger workers in the Transvaal have deadlocked, with the four union parties declaring a dispute with the Motor Transport Owners' Association.

This is the first joint dispute on the council by Cosatu's Transport and General Workers' Union and the "moderate" white SA Transport Workers' Union and its black and coloured "parallels". Mediation is the next step.

At the centre of the dispute is pay for general workers and drivers. TGWU has demanded a 35 percent minimum wage increase and an across-the-board rise of R207 a week at the bot-

Strike threat to exams

THOUSANDS of people could be affected if a labour dispute in the House of Representatives (HoR) is not speedily resolved.

At stake are pension and salary payments, maintenance grants and examinations which will be slowed down or disrupted by continued industrial action.

By CHIARA CARTER

HoR staff, including clerical workers and social service employees at a range of offices and schools, this week embarked on industrial action to highlight their grievances.

More than 3500 public servants are involved at HoR offices throughout the country.

According to sources, at some offices the industrial action included a "downing of tools".

The pay revolt follows a march by hundreds of civil servants last month to demand pay increases and an end to discrepancies in job grading.

The marchers delivered a memorandum outlining their demands and asked the State President to respond within 14 days.

According to the secretary of the Public Servants League (PSL), Mr Bernard Wentzel, the State President's office acknowledged receipt of the memorandum but no response had been received.

Wentzel said public servants were frustrated at the lack of a response and wanted a salary hike over and above the 10 percent they received in April.

He said HoR employees had adopted a go-slow rather than strike action because they were concerned about the effects of a possible disruption on the payment of pensions and salaries as well as end-of-year examinations.

However, the situation was "volatile" and it was possible that a full blown strike could develop if the authorities did not respond to employees' grievances, he said.

On Tuesday the PSL held an urgent meeting with the Director-General of the HoR, Mr Patrick McEnery, who agreed to contact the State President.

A spokesperson for the HoR's administration, Dr L Kathan, denied a "large scale" strike was under way.

"The core of the problem is occupational differentiation which affects the entire public service and this matter was taken up with the commission for administration.

"Their reply reflected that the matter will receive a high priority in the forthcoming financial year."

Dr Kathan said representations "have been made" and it was hoped to respond to to the workers this week.

Swedes go soft on SA

From MADI GRAY

STOCKHOLM. — An application to invest more than four million rands in SKF's ball bearing plant in Uitenhage in the Eastern Cape was granted by the Swedish Board of Commerce last week.

The decision is a major departure from Sweden's longstanding policy of prohibiting new investments in South Africa and may herald the demise of its sanctions policy.

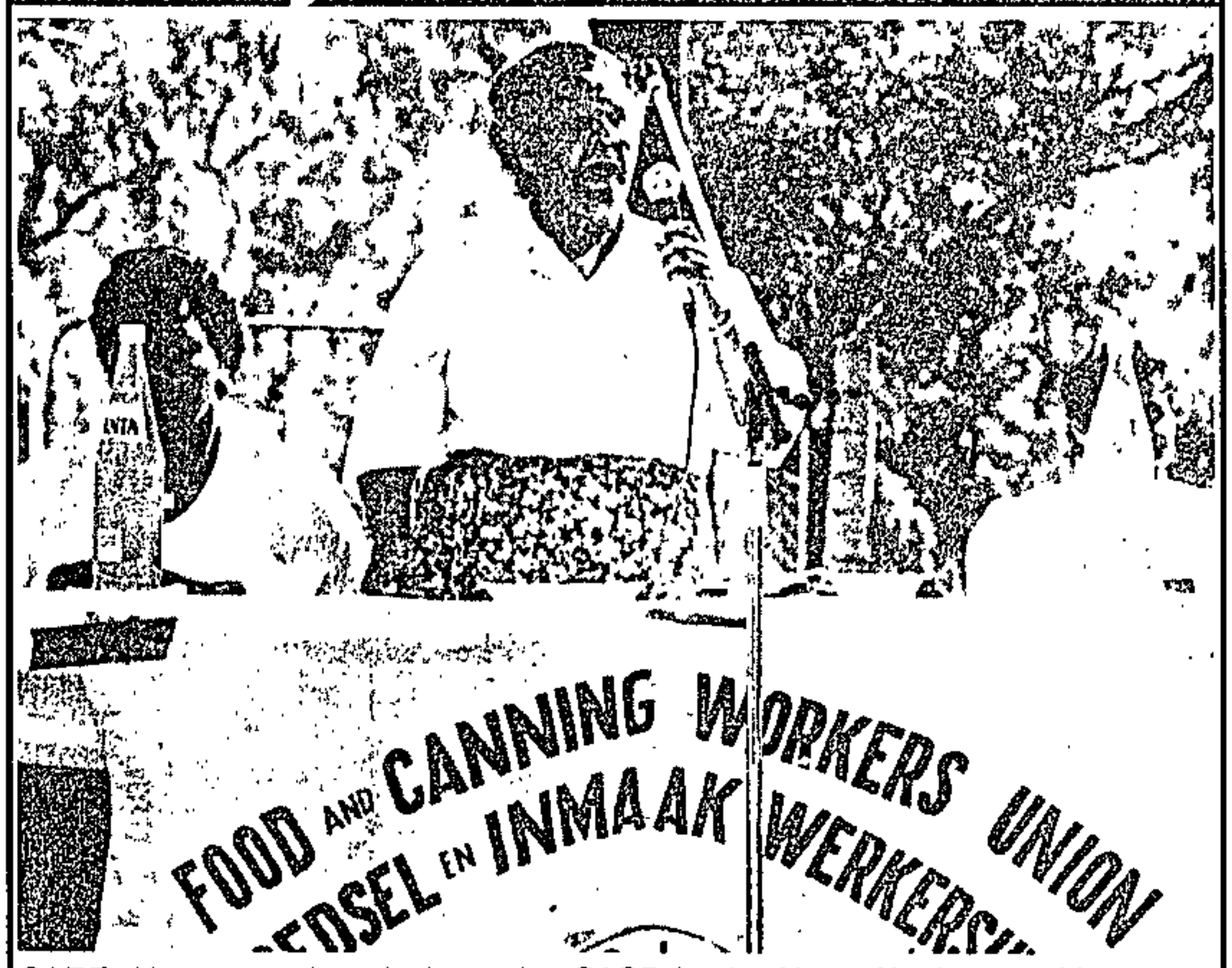
Discrimination

The board justified the decision on the grounds that it is line with existing legislation because the investment is intended to increase safety and improve working conditions, not facilitate an expansion of SKF's activities.

SKF's South African manager, Mr Edgar Schindler, said, however, that poor turnover at the plant and the need for new machinery were the real reason for the investment.

In an interview with a Swedish metal workers' publication, Schindler said new machinery was needed at the plant.

40 years' of care



CARE: Veteran trade unionist and a SACP leader Nana Abrahams addresses a gathering at Paarl last weekend to celebrate the 40th anniversary of the union's medical aid fund. Other speakers were Fawu's national president Chris Dhlamini and former general-secretary, Jan Theron

Game plan for mums

A COSATU affiliate has managed to negotiate an agreement which ofers the best package deal on parental rights ever won by a union in South Africa.

The coup was pulled off by the South African Commercial, Catering and Allied Workers' Union (Saccawu) which pioneered the fight for parental benefits.

The agreement between the union and Game Discount World was signed in Durban last week. It covers more than 1 000 workers at 10 of the firm's stores throughout the country.

The agreement is a precedent in that mothers get a guaranteed 50 percent of their salary while on eight months paid maternity leave. In previous agreements, workers who do not qualify for UIF maternity benefits in the first six months of their leave do not receive more than 33 percent of their salary.

Women employees will get 10 months parental leave which can be shared if both parents are employed by the

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Strike to continue

A STRIKE by about 4 000 public servants employed by the House of Representatives is continuing after an abortive attempt to meet with the Director General, Mr Patrick McEnery, this week.

Sowetan 25/10-31/10/90

The strike over wages and job parity threatens to affect the payment of pensions, housing subsidies, grants and salaries as well as end of year examinations.

Cosatu has offered to mediate in the dispute and is trying to set up a meeting with the authorities.

Strike may delay pension payouts

W\Mail 26\10 – 1\11\90

By GLENDA DANIELS: Cape Town

COLOURED pension payouts may be delayed in the wake of the nationwide strike by over 2 000 House of Representatives employees. (354)

And a message to the workers from State President FW de Klerk — that increases will only be considered in next financial year — has not resolved the dispute.

The strike began 10 days ago, with workers demanding a 20 percent pay increase across-the-board, a minimum of R850 a month and an end to wage disparities.

There are about 300 workers on strike in Port Elizabeth, 300 in Johannesburg and 1500 in Cape Town, said Lucy Nyembe of the Congress of South African Trade Unions.

White letters' burn as rent dispute flares up

W\Mail 26\10 – 1\11\90

By Shadley Nash: Port Elizabeth

THE rent dispute in Port Elizabeth's Northern Areas is once again causing tension — just under three months after the issue flared into violence that left at least 49 dead.

There is growing dissatisfaction over the municipality's failure to respond adequately to demands put forward by the African National Congress-aligned Northern Areas Co-ordinating Committee (NACC).

Now, residents are considering a campaign of mass action including a consumer boycott to force the municipality to respond. In a number of incidents, attempts by the local authority to enforce the payments of rent arrears failed when street committees intervened and sent council workers away.

Last weekend, residents publicly burned letters of demand for rent arrears, known as "white letters", at a rally organised by the NACC.

Among the demands put forward by the NACC is that rent increases be frozen, and that the council bear all administration costs.

The organisation has also said that a rental of not more that R25 would be paid until its demands were addressed, and has been demanding the dissolution of the Northern Areas Management Committee, linked to the Labour Party.

Last weekend's rally resulted in a decision to embark on a programme of peaceful "confrontation", which would, after consultation, include other progressive organisations like the Port Elizabeth People's Civic Organisation.

The plan includes a boycott of the newly built Cleary Park shopping complex in the Northern Areas and a mass march to the City Council to present a "complete" list of demands.

Consideration is being given to a mass consumer boycott of the business area.

An NACC spokesperson said that the Cleary Park Complex boycott would form part of its campaign against the Northern Areas Management Committee, which it says had a big part to play in the development of the complex.

The spokesperson said that the burning of "white letters" was part of the plan to resist rental increases and payment of rental arrears until demands had been addressed by the City Council.

Meanwhile the deputy director of housing for the municipality Ignatius van Jaarsveld this week confirmed that "white letters" were sent to about 200 people, while 20 people were referred to the municipality's lawyers for further action for defaulting on payments.

He said that, in the last five months, the messenger of the court served notices urging payment by a certain date. Failure to comply resulted in the cases being handed over to the municipality's lawyers.

He said the total arrears by the end of August for the municipality's rental and letting schemes was nearly a million rand. — Pen

Strike may delay pension payouts

W1 Mon 26/10 – 1/11/90

By GLENDA DANIELS: Cape Town

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Pay for exchequer personnel put at R24bn

354

GERALD REILLY

PRETORIA — The exchequer personnel corp's 1-million workers were likely to cost taxpayers about R24bn in the new financial year, sources said yesterday.

This included the expected salary hikes for government workers from April 1.

In 1988 — the latest available Commission for Administration figures — wages, salaries and allowances amounted to R16bn.

Since then there have been two across-the-board increases — 15% from January last year and a 10% non-pensionable allowance from April this year.

The Public Servants Association (PSA) wants a special compensatory pay deal in the new financial year for the 250 000 workers in state departments who were "palmed off" with 10% this year.

PSA GM Hans Oliver said the association told the Commission for Administration at a recent meeting three priorities were: sufficient funds for career differentiation increases; consolidation of the 10% into pensionable salaries; and a "mild" across-the-board increase for all exchequer personnel.

Oliver said the other 750 000 workers who got special additional and substantial increases included teachers, nurses, police and SADF personnel.

Exchequer personnel include the staffs of scientific councils like the CSIR, HSRC, Mintek and the SA Medical Research Council, Parliament's staff and the staffs of universities and technikons.

south LABOUR

South 1/11/-7/11/90 (354)

Court battle for jobs

A COURT interdict will be brought against the House of Representatives if the 106 striking workers suspended by its administration are not reinstated immediately.

Mr Essa Moosa, an attorney acting for the suspended workers, confirmed that court action has been considered because the department has refused to meet with members of the Worker's Action Committee (WAC).

The committee organised a go-slow and a strike demanding a living wage of R850 a month and an across-the-board increase of R250.

Mr Stuart Marshall, one of the suspended workers, said the 21-member committee was formed after workers expressed dissatisfaction with the executive committee of the Public Servants League (PSL) who refused to support strike action.

At a mass meeting held on October 16, workers mandated the Congress of South African Trade Unions (Cosatu) to mediate on their behalf and elected the WAC to negotiate with the department.

The strike follows several failed attempts on the part of the WAC to negotiate with the department.

Both Cosatu and the WAC are awaiting confirmation of a date for a meeting with Richards.

Mr Neville Petersen, a spokesperson for the Public Servants League, said the PSL had talks with the Director General of Budgeary and Auxilliary services.

"We discussed the suspension as an immediate matter. But we are busy sorting

A deposit of R30 must accompany the nomination.

Every nomination form in respect of which any of these provisions has not been complied with, or which is not received by the aforesaid date at the addres given below, will be invalid.

N. M. PRINSLOO,
Returning Officer.

P.O. Box 205
Pretoria
0001

or

553 Vermeulen Street
Arcadia
Pretoria
0083

(2 November 1990)

'n Deposito van R30 moet die nominasie vergesel.

Elke nominasievorm ten opsigte waarvan een van hierdie bepalings nie nagekom is nie of wat nie teen voorvermelde datum by onderstaande adres ontvang is nie, is ongeldig.

N. M. PRINSLOO,
Kiesbeampte.

Posbus 205
Pretoria
0001

of

Vermeulenstraat 553
Arcadia
Pretoria
0083

(2 November 1990)

BOARD NOTICE 75 OF 1990

ADDITIONAL HOUSING SUBSIDY

I, Jakobus Stephanus Kitshoff, acting secretary to the Board on Remuneration and Service Benefits of Town Clerks, duly authorised thereto by the said board in terms of section 2 (2) of the Remuneration of Town Clerks Act, 1984 (Act No. 115 of 1984), hereby announce for general information that the undermentioned additional housing subsidy has been approved by the said board for the period 1 October 1990 to 31 December 1990 for town clerks of all grades of local authorities:

"In addition to paragraph 6.2 of Circular 2/85 from the then Department of Constitutional Development and Planning, and over and above the maximum subsidies in terms of Part I of Annexure A to the Government Service Personnel Code D.XX (the housing subsidy table) a town clerk may, for the period 1 October 1990 to 31 December 1990 and on a monthly basis, be paid a supplementary housing subsidy in accordance with the following table, on condition that such town clerk is in receipt of a housing subsidy for which the outstanding bond amount exceeds R50 000:

Monthly amount deducted by the authority through debit order and paid over to the bondholder as "compulsory capital and interest redemption"	Monthly supplementary housing subsidy
R 1 to R 811	Nil
R 812 to R 900	R40
R 901 to R 950	R45
R 951 to R1 000	R50
R1 001 to R1 050	R55
R1 051 to R1 100	R60
R1 101 to R1 150	R65
R1 151 to R1 200	R70
R1 201 to R1 250	R75
R1 251 and higher	R80

J. S. KITSHOFF,
Acting Secretary.

(2 November 1990)

RAADSKENNISGEWING 75 VAN 1990

ADDISIONELE BEHUISINGSUBSIDIE

Ek, Jakobus Stephanus Kitshoff, waarnemende sekretaris van die Raad op Besoldiging en Diensvoordele van Stadsklerke, handelende kragtens magtiging deur die Raad aan my verleen ingevolge artikel 2 (2) van die Wet op die Besoldiging van Stadsklerke, 1984 (Wet No. 115 van 1984), kondig hiermee vir algemene kennisname aan die ondergemelde addisionele behuisingsubsidie vir stadsklerke van die verskillende grade plaaslike owerhede vir die tydperk 1 Oktober 1990 tot 31 Desember 1990 deur die gemelde raad goedgekeur is:

"In Aanvulling tot paragraaf 6.2 van Rondskrywe 2/85 vanaf die destydse Departement van Staatkundige Ontwikkeling en Beplanning, en bo en behalwe die maksimum subsidies ingevolge Deel I van Bylae A van Staatsdienspersoneelkode D.XX (die behuisingsubsidietabel) mag vir die tydperk 1 Oktober 1990 tot 31 Desember 1990, maandeliks 'n aanvullende behuisingsubsidie ooreenkomstig die onderstaande tabel aan 'n stadsklerk betaal word mits hy reeds 'n ontvanger van 'n behuisingsubsidie is en sy uitstaande verbandskuld R50 000 oorskry:

Maandelikse bedrag wat deur die owerheid per aftrekorder as "verpligte kapitaal-/rentedelging" gevorder en aan die verbandhouer oorbetaal word	Maandelikse aanvullende behuisingsubsidie
R 1 tot R 811	Geen
R 812 tot R 900	R40
R 901 tot R 950	R45
R 951 tot R1 000	R50
R1 001 tot R1 050	R55
R1 051 tot R1 100	R60
R1 101 tot R1 150	R65
R1 151 tot R1 200	R70
R1 201 tot R1 250	R75
R1 251 en meer	R80

J. S. KITSHOFF,
Waarnemende Sekretaris.

(2 November 1990)

Increase in govt home subsidy delayed

By ROBERT LAING

THE increased housing subsidy for civil servants is expected to be implemented on January 1 instead of this month as state employees anticipated.

Public Servants Association GM Johanes Olivier says: "We have been fighting for this for five years, so another couple of months makes little difference."

The government employees' housing subsidy is to increase from R50 000 to R70 000. Civil servants pay three percent annual interest on housing loans up to the subsidy limit, the state pays the difference needed to meet building societies' bond rates — now at about 20 percent; state employees who were getting a R662 a month subsidy on R50 000 will get R916 on R70 000 loans next year.

"We are very happy with the increase, but we don't see the purpose of the state imposing the limit. Only about 11 percent of public servants using the scheme take housing loans over R70 000. Building societies place limits on people's bonds according to their salaries anyway," says Olivier.

Property agents H Lewis Trafalgar MD Neville Shaefer blames government's decision to stall its employees subsidy increase for Pretoria and Bloemfontein's slow house markets. Civil servants constitute 95 percent of HLT's Pretoria market.

354

Quarterly public wage bill reaches R9,4bn

GERALD REILLY

PRETORIA — Total payouts in public sector salaries and wages increased by R1,566bn in the second quarter compared with March/June last year, to a total of R9,408bn.

However, figures released by the Central Statistical Service show that the total number of people in public sector employment decreased slightly by 14 752 to 1 661 801 in the 12 months to end-June.

But the numbers employed by central government, general and own affairs and the provincial administrations increased by 3 881 to 752 450. Their salaries, wages and bonuses for the quarter increased by a huge R734 811m to R4,5bn compared with April/June last year.

This includes the payment of a 10% non-pensionable allowance from April as well as the special and substantial pay-hikes for teachers, nurses and SADF and police personnel.

The sweep of the public sector includes central and provincial government workers, Transnet and Posts and Telecommunications.

The trend of a declining Transnet workforce continued and at the year to end-June it was 167 291 — 11 105 less than at the end of June last year. Their earnings in the second quarter increased by R118,945m to R1,040bn.

Post office worker numbers also decreased — by 252 to 95 777. Their earnings increased by R48,891m to R481,444m.

The number of people employed in the civil services of self-governing states continued to grow. The numbers increased by 1 541 in the year to end-June to a total of 197 485. Their earnings increased in the quarter by R198,553m to R799,231m.

Economists say the costs of SA's massive public sector workforce underline the need to rid the system of the costly overlapping and duplication involved in the tricameral parliamentary and homelands systems of government.

Pay expected to rise 13,8% in '91

WAGE and salary increases are likely to average 13,8% in 1991 — just above an inflation rate of 13,5% — says the Stellenbosch Bureau for Economic Research.

Value added tax (VAT) may replace general sales tax (GST) next October without any change in the rate.

In its latest forecast, Economic Prospects, for 1990-1991, the BER believes that in spite of rising unemployment, pay rises will not lag behind inflation as labour unions will still be able to negotiate large increases in wages.

"It is also uncertain whether the government will be able to contain next year's salary increase for civil servants to the same extent as they did this year. It appears as if the total increase in the remuneration of employees for 1991 could be close to 14%," the report says.

Real disposable income is expected to fall by 1,5% per head next year compared with a drop of 2,1% this year, while real personal consumption expenditure is expected to rise by 0,9% next year compared with a rise of 0,5% this year.

BER expects the banks' prime

Own Correspondent

lending rate to decline steadily next year, from its current level of 21% to about 17%. "At the same time the inflation rate could decrease from its current level of 15% to 11% by the end of next year."

The BER says that with VAT replacing GST without any change in the rate, "more tax will be earned by way of indirect taxes because the base will broaden, thus leaving scope for a reduction in direct taxes on individuals.

"We anticipate, however, no more than a provision for bracket creep in next year's Budget."

Disposable incomes for 1990 will increase at a rate roughly on a par with the inflation rate. During 1991 consumer prices are expected to rise of 13,5% and consumer disposable income by a percentage point higher.

"This means that consumer spending could begin to recover fairly early in the second half of the year."

However, in real terms disposable income per head would decline.

The BER anticipates that by mid-1991 the media will give much attention to an upswing early in 1992 or earlier, and boost overall confidence.

Govt faces massive wage bill next year

B1 Pam 7/11/90

PRETORIA — Government costs will soar again during the 1991/92 financial year when 760 000 central government and provincial administration workers are likely to collect about R22bn in wages and other benefits.

This calculation is based on the latest Central Statistical Service figures and on the assumption that the wage bill will increase by between 12% and 14% from April.

For the million-strong public sector, the wage bill for the 12 months from April will exceed R30bn.

A Public Servants' Association spokesman said yesterday that most

GERALD REILLY

government department workers would not be happy with a 14% increase next year. 354

He was reacting to a Stellenbosch Economic Research Bureau report which cast doubt on whether government could hold down next year's salary hikes to the low level of last year.

It appeared, the bureau said, that the public sector's total pay increase in the new financial year would be close to 14%.

The PSA spokesman said the 700 000 exchequer personnel who got special increases this year might be happy with 14%.

"But for the remaining nearly 300 000 workers, there would be great unhappiness.

"The last time private sector-related salaries were paid to state department workers was in 1983."

Since then, the spokesman said, workers had fallen further and further behind.

However, he said, President F W de Klerk had given an undertaking that the 270 000 workers who got only a 10% non-pensionable increase this year would get priority attention in the new financial year.

MPs' pay is ammo for public servants

BDay 14/11/90

PRETORIA — Public sector staff associations will tell government in an expected salary showdown in the new financial year that the 26% pay hike MPs voted for themselves earlier this year contradicted President F W de Klerk's appeal for moderate salary demands.

Earlier this year MPs voted themselves 26% pay increases against the 10% non-pensionable allowances given to goverment workers.

Senior government workers emphasised yesterday if Cabinet expected moderation in increase demands it had to demonstrate moderation in the increases which politicians granted themselves in the new financial year.

Expectations among senior public servants are for increases of 15%.

The Public Servants' Association, which speaks for about 250 000 central government workers, says it will base its case for increases firmly on government commitment to pay private sector-related salaries.

Also, PSA GM Hans Olivier says De Klerk undertook to give special priority

GERALD REILLY

to government workers who received only the 10% non-pensionable allowance in April.

Informed calculations show the 308 MPs in the three houses of Parliament will earn well in excess of R30m this financial year.

The 22 white ministers and their 12 deputies will earn about R5,8m excluding perks.

354

Rents

An example of perks is the nominal rents they pay for houses in Cape Town and Pretoria.

Earlier this year, MPs got an across-the-board pay hike of R12 000 a year, plus the 10% non-pensionable allowance granted to government workers.

This gave them a salary of R94 000 — an increase of about 26%.

A Cabinet minister's total salary, including a reimbursive allowance of R36 615, jumped about 18% to R185 800.

OFFICE OF THE COMMISSION FOR ADMINISTRATION

No. R. 2630 **16 November 1990**

ANNEXURE

For general information it is hereby notified that the State President has, under the powers vested in him by section 35 of the Public Service Act, 1984 (Act No. 111 of 1984), made the following regulations:

The Public Service Regulations, published under Government Notice No. 2047 of 11 December 1959, as amended, are hereby further amended by—

(a) the insertion in the seventh line of regulation G3.1 of the word "individuals" after the word "different" and the deletion of the words "or classes", "sections, branches or offices", "classes" and "or for individuals within such classes or groups, or for sections, branches or offices"; and

(b) the substitution for regulation G3.2 of the following regulation:

"G3.2 The head of a department determines the hours of service of an officer or a full-time or part-time employee, provided that—

(a) in the case of an officer or full-time employee, a minimum of 40 hours of service per week has to be rendered; and

(b) in the case of a part-time employee such determination be done in accordance with the basis upon which such an employee is employed and remunerated in relation to a full time employee and the result thereof represents the minimum hours of service a part-time employee has to render.".

No. R. 2631 **16 November 1990**

ANNEXURE

For general information it is hereby notified that the State President has, under the powers vested in him by section 35 of the Public Service Act, 1984 (Act No. 111 of 1984), made the following regulations:

The Public Service Regulations, published under Government Notice No. 2047 of 11 December 1959, as amended, are hereby further amended by—

(a) the deletion in regulations A1.1 (definition of "abroad") C14.1 (i) (i), F1.1 (a) and F.2.2 (a) of the words "and the Territory";

(b) the deletion in regulation A1.1 (definition of "Non-White authority") of the words "a legislative assembly or authority referred to in the *Development of Self-government for Native Nations in South-West Africa Act,* 1968 (Act No. 54 of 1968)";

(c) the deletion in regulation A13.1 (a) (i) of the words "the national assembly of the Territory or a legislative authority of a population group in the Territory";

KANTOOR VAN DIE KOMMISSIE VIR ADMINISTRASIE

No. R. 2630 **16 November 1990**

BYLAE

Hierby word vir algemene inligting bekendgemaak dat die Staatspresident kragtens artikel 35 van die Staatsdienswet, 1984 (Wet No. 111 van 1984), die ondergenoemde regulasies uitgevaardig het:

Die Staatsdiensregulasies gepubliseer by Goewermentskennisgewing No. 2047 van 11 Desember 1959, soos gewysig, word hierby verder gewysig deur—

(a) in regulasie G3.1 die woord "individue" in te voeg na die woord "verskillende" waar dit die tweede maal in die sesde reël voorkom en deur die woorde "of klasse", "afdelings, takke of kantore", "klasse" en "of vir individue binne sodanige klasse of groepe, of vir afdelings, takke of kantore" te.skrap; en

(b) regulasie G3.2 te skrap en deur die volgende regulasie te vervang:

"G3.2 Die departementshoof bepaal die diensure van 'n beampte of 'n voltydse of deeltydse werknemer, onderworpe daaraan dat—

(a) in die geval van 'n beampte of voltydse werknemer, 'n minimum van 40 diensure per week gelewer moet word; en

(b) in die geval van 'n deeltydse werknemer, sodanige bepaling geskied aan die hand van die grondslag waarop so 'n werknemer in verhouding tot 'n voltydse werknemer in diens geneem en besoldig word en die resultaat daarvan die minimum diensure verteenwoordig wat 'n deeltydse werknemer moet lewer.".

No. R. 2631 **16 November 1990**

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Die Staatsdiensregulasies gepubliseer by Goewermentskennisgewing No. 2047 van 11 Desember 1959, soos gewysig, word hierby verder gewysig deur—

(a) in regulasies A1.1 (woordomskrywing van "buiteland") C14.1 (i) (i), F1.1 (a) en F.2.2 (a) en F3.3 die woorde "en die Gebied" te skrap;

(b) in regulasie A1.1 (woordomskrywing van "Nie-Blanke owerheid") die woorde " 'n wetgewende raad of owerheid bedoel in die *Wet op die Ontwikkeling van Selfbestuur vir Naturellevolke in Suidwes-Afrika,* 1968 (Wet No. 54 van 1968)" te skrap;

(c) in regulasie A13.1 (a) (i) die woorde "die Nasionale Vergadering van die Gebied of 'n wetgewende owerheid van 'n bevolkingsgroep in die Gebied" te skrap;

CPA pay cheques assured

B Days 19/11/90 (354)

Own Correspondent

CAPE TOWN — No Cape Provincial Administration employee's salary cheque would bounce, CPA director-general Barry van der Vyver said on Friday.

He gave this assurance after reports that he had said in a circular to senior hospital staff that the stage had been reached where not all administration cheques presented to banks would be honoured. This gave rise to some worried telephone calls from CPA staff members.

Van der Vyver did not deny the truth of the cheque-bouncing report, but said that funds were made available to the CPA by the state treasury on a monthly basis. The CPA also had its own sources of income, and no cheques had bounced yet.

He was unable to say how much of the CPA's R3,182bn budget had already been spent, four months before the end of its financial year. Extra funds would certainly be requested towards the end of the year, but how much government would allocate was another matter.

Homeland civil servants' pay bill rockets

GERALD REILLY

PRETORIA — Since the beginning of 1985 the number of people employed in government and related departments in the six homelands increased by 80 021.

The cost to SA taxpayers of the bureaucratic explosion in the homelands in the past decade has become clear from the latest Central Statistical Service figures.

Homelands' civil service pay and benefits were R799 231m in the second quarter of this year. This was R602 493m more than the R196 738m payout for the same period in 1985.

At the end of the second quarter of 1985 there were 117 434 employees in the civil services. By the end of June this year the number had escalated to 197 455.

The amounts do not take into account the perks received by civil servants — on roughly the same scale as those their counterparts get in SA — which include housing subsidies and retirement grants.

The consolidation of the fragmented and duplicated administrations would save SA hundreds of millions of rands a year, economists claim.

SowtL 29/11-5/12/90

Council workers in wage deal

A SIMMERING dispute between the Western Province Local Authorities Workers' Association (Weplawa) and the regional services council was resolved this week when the council agreed to implement new salary scales in mid December.

Union spokesperson, Mr Leonard Khoza, said the council agreed to implement the new scales for fortnightly workers from December 14 and for salaried staff from December 24.

However, workers were unhappy that non-members would receive the same increase.

The agreement follows a go-slow by council workers earlier this month.

Municipalities spurn pay award

MATTHEW CURTIN

THE Municipal Employers' Organisation (MEO) has rejected an industrial court award of an 11,5% pay increase for municipal workers in the Transvaal, Free State and Natal (excluding Johannesburg, Pretoria, Bloemfontein and Maritzburg).

SA Association of Municipal Employees (SAAME) president Hans Deetlefs said in a statement at the weekend: "It was a sad day when the MEO decided not to accept the results of an arbitration.

"If this is going to be the norm, why did the Labour Relations Act (LRA) even make provision for arbitration?" (354)

Under the present Act, municipal workers are not entitled to strike, but the SAAME spokesman said the MEO acceded to a request for industrial court arbitration after the association had rejected the employers' offer of a 10,4% pay increase.

SAAME demanded a 13,5% increase in line with inflation, Deetlefs said. B Dag 3/12/90

B|Day 4|12|90

Public sector sets up forum

354

GERALD REILLY

PRETORIA — A united front of public service staff associations, representing more than 300 000 workers of all races, has been formed to campaign urgently for a more realistic bargaining mechanism.

Public Servants' Association GM Hans Olivier said the forum was "probably the most important development ever" in labour relations in the service.

The forum's creation followed a meeting last week of 14 associations. The forum will have its first meeting in January.

It will aim for a new labour relations dispensation and a collective bargaining system to ensure a better and fairer deal for government workers.

The Commission for Administration and Government has now recognised that existing legislation on labour relations in the public service was inadequate, Olivier said. Staff associations welcomed their greater involvement in structuring legislation under which they served.

Wimen 3/12-13/12/10 (354)

Nehawu said the deal, retrospective to October 1, raised the bottom rate from R300 to more than R600 a month.

The CSIR had also undertaken to pay full contributions towards the medical aid scheme for Nehawu members and all employees in the bargaining unit who applied for membership of a medical scheme approved by the CSIR.

CSIR raises wages (354)

■ The Council for Scientific and Industrial Research and the National Education, Health and Allied Workers' Union have clinched a deal doubling wages for the CSIR's lowest-paid employees. Wlmon 7/12 - 13/12/90

Warning on bigger public wage bill

GERALD REILLY

PRETORIA — Pay increases for the 1,6-million public sector workers next year could exert a significant pressure on the inflation rate, economists believe.

To give only the nearly one-million exchequer personnel a 12% pay hike would require an additional provision of R3,6bn in the 1991/92 budget.

The lowest increase anticipated by public service personnel associations is 12%.

The Public Servants' Association (PSA) said it cost more than R300m just to grant officials a 1% increase.

Econometrix economist Tony Twine said much of the huge amount paid out in increases next year would be inflationary.

The PSA last month asked the Commission for Administration for full compensation for the 260 000 goverment workers falling under the Public Service Act and who received only the 10% non-pensionable allowance from April this year.

"There are 146 different career categories involved and we have asked government to give a priority to this group and increases which will help close the widening gap between their pay and pay in the private sector," a PSA spokesman said.

The 260 000 workers, the PSA said, were last on a par with private sector workers in 1983. Since then a gap of about 40% had opened up.

Meanwhile, the Central Executive of the Posts and Telegraphs Association met in Johannesburg last week and decided to demand an increase of 25% as well as the consolidation of the 10% non-pensionable allowance from April.

WAGE REGULATIONS — GENERAL

1991

Plea on plight of civil servants

B1 Daily 14/11/91

GERALD REILLY

PRETORIA — The Public Servants' Association (PSA) has warned government that unless it gives its workers a more equitable deal, nothing will come of the ideal of a dynamic, efficient public service as a sound foundation for changes in a new SA.

PSA GM Hans Olivier says retention and further recruitment of key professional personnel is vital. Personnel are still being lured to the private sector by better pay and service conditions. (354)

Staff instability at other levels is also cause for concern, and a grave threat to a future stable administration, he says.

The PSA believes a prerequisite for likely fundamental changes that would have to be made in public administration in the transition to a new SA will hardly be possible with an underpaid and underskilled public service.

In an editorial in The Public Servant — the PSA's official journal — government is told bluntly that the way in which it is implementing a market-linked pay system in the service is making a mockery of an undertaking given to the PSA.

The editorial berates government and cabinet ministers for their apparent indifference to the plight of PSA members.

The magazine says the PSA has written to Administration and Economic Co-ordination Minister Wim de Williers about the backlog that has developed because of government's failure to adhere to its undertaking on market-related pay.

It says De Villiers's reply was unsatisfactory and that legal action is being studied to see whether government cannot be compelled to stick to its undertaking.

The editorial says the success of a government pay policy depends greatly on the influence and insights of the ministers involved. The PSA is convinced De Villiers has turned a deaf ear to the public servants' case.

The editorial says the Commission of Administration too often protects government on pay issues by requesting too small an allocation of funds.

A serious distrust of government has built up among workers, it says.

Govt-PSA showdown looms

GERALD REILLY (354)

PRETORIA — Government appears to be heading for a showdown with its workers unless there is a swift response to last November's demands by the Public Servants' Association (PSA). (10 Dec) 17/1/91

PSA GM Hans Olivier said if Cabinet responded negatively to the demands, the PSA would press for urgent negotiations with Administration Minister Wim de Villiers before Budget day in mid-March. The Cabinet was indifferent to the problem of public servants' pay.

Row over pay hikes is likely

354

Sowetan 4/4/91.

Public Service workers but falling short of the inflation rate for the senior groups will take effect on July 1.

SOWETAN Correspondent

The Public Servants Association of South Africa (PSA) has forecast that "great dissatisfaction" could result among certain groups of officials.

Some personnel would have to be satisfied with an extremely modest general salary adjustment lower than the inflation rate, said Mr Hans Olivier, general manager of the PSA.

"This means that no funds are available to adjust the remuneration of these groups to even closely approach the salary market," he said.

Salaries

"In the case of these personnel their salaries will not only be market-orientated, but in real terms they will be worse off.

"This is unsatisfactory."

While the deal forged at a meeting beween Commission for Administration officials and representatives of 11 Public Service associations and unions on Wednesday and Thursday last week must still be approved by the Cabinet - perhaps next week - the 10 percent non-pensionable allowance given Government employees a year ago will be consolidated as of April 1.

It is reliably understood R1,97-billion of the R3,735-billion allocated in this year's budget for improving Public Service deals was allocated at the meeting to pay rises.

R312-million of that will convert the non-pensionable allowance into pensionable salary.

A further R500-million has been set aside for eliminate, in part, structural disparities between certain classes of employees.

The balance of roughly R1,27-billion will go to teachers who will negotiate separately how they slice that cake with the Minister of National Education, Mr Louis Pienaar.

The chairman of the Commission for Administration, Dr Piet van der Merwe, said this week he still had to receive details of the outcome of last week's deliberations.

They would be put to Government as soon as possible.

Pay hike discontent grows

Business Day 5/14/91

354

GERALD REILLY

PRETORIA — Discontent is growing in the public service as it becomes increasingly apparent that this year's pay hikes will be substantially below the inflation rate.

The discontent has been aggravated by a report yesterday that some public servants could receive increases of as little as 6%.

However, Public Servants Asociation GM Hans Olivier said the Commission for Administration was still working on a breakdown of the R3,7bn budget allocation to improve public sector salaries and benefits, although it would do little to remove wage disparities.

"We simply do not know what the breakdown is going to be or what any particular group in the service is going to get. But, yes, there is discontent in some state department and with good reason," Olivier said.

Demands from PSA members for protest meetings throughout SA were certain to follow the commission's final pay announcement, sources said.

PO union workers picket to protest against new Bill

Sowetan 18/4/91

354

By SELLO MOTLHABAKWE

THE Post and Telecommunications Workers Association yesterday picketed major post offices throughout the country to protest against the introduction in Parliament of the Post Office Amendment Bill.

Potwa said the Bill was aimed at splitting South African Posts and Telecommunications into two companies, with the State as sole shareholder.

A Potwa spokesman said proposed legislation would divide the workers and weaken the union's bargaining strength.

The pickets also followed failed talks between Potwa and Post Office management over the R500 across-the-board wage increase demanded by the union.

A Post Office representative, Miss Amanda Singleton, confirmed that several work stoppages had taken place yesterday, but had not affected postal services.

She said the Post Office was geared to handle a strike or any other form of industrial action by workers and would be able to maintain mail and telephone repair services at a satisfactory level.

Labour action disrupts postal services

B/Day 19/4/91

VERA VON LIERES

POSTAL services countrywide were disrupted yesterday as more than 1 000 Post Office workers held sit-in demonstrations demanding higher wages and the repeal of the Post Office Amendment Bill.

A Post Office spokesman said services delayed included the installation of new telephones and telephone repairs, but that the situation was "not at all serious".

The Post and Telecommunications Workers' Association (Potwa) has threatened to step up labour action if the Bill is passed by Parliament, as is expected either today or next week.

Workers, all members of Potwa, are demanding the immediate scrapping of the Bill, which will split the Post Office into two state-owned corporations.

They have also demanded a minimum R1 300 monthly wage and a R500 across-the-board increase.

PO workers start sit-in countrywide

354 Star 23/4/91.

By Stan Hlophe and Sapa

Thousands of Posts and Telecommunications Workers Association (Potwa) members are to embark on a national sit-in today in a bid to pressure management into granting their demands.

These include a R1 300-a-month minimum wage, a R500 across-the-board increase and the scrapping of the Post Office Amendment Bill.

Potwa's campaigns co-ordinator Floyd Mashele said the sit-in started last night at at least five Post Office premises — in Diepkloof, Florida, Milner Park, Johannesburg and Pietersburg.

SA Posts and Telecommunications (SAPT) is to report back to unionists on its consultation with Public Enterprise and Economic Co-operation Minister Dr Dawie de Villiers on workers' demands for a R1 300 "living wage" and R500 increase. The first round of management/employee talks were held on Monday last week.

Mr Mashele last night said he would lead a march to Parliament tomorrow to present a memorandum protesting against the Post Office Amendment Bill to Dr de Villiers and the regional SAPT management.

The Bill, which would split SAPT into two State-owned companies, has been suspended pending a decision by the State President after being rejected by the House of Representatives on Friday.

Potwa opposes the commercialisation linked to the proposed division.

Workers planned to hold marches in Johannesburg and Pretoria on Saturday to present memorandums to SAPT, Mr Mashele added.

He said other demands included scrapping VAT on all telephone accounts, ending the temporary status of workers, ending the victimisation of and discrimination among workers by the SAPT, and introducing a 40-hour week, six months' maternity leave and a single medical scheme for all workers.

He said the union was prepared to negotiate on these demands. However, as far as the R1 300 minimum wage, R500 across the board, and scrapping the Post Office Amendment Bill were concerned, these were non-negotiable.

He warned the SAPT to enter into genuine negotiations with the union to avoid serious disruptions of the communications network.

"The workers are working under difficult conditions, and in the next few days our campaign will intensify and we will consider a national stayaway of postal workers if our demands are not met," he said.

"The union is aware that the postal services is a strategic department, but this is the only avenue available to us to pressure the postal department to meet our demands.

"We have exhausted all avenues in an attempt to reach an agreement, but the State has remained intransigent."

Mr Mashele warned employers to avoid friction by not calling in the police. He said the Klerksdorp and Pretoria post offices had done this during last week's work stoppages.

Salary rises will cost R3bn

GERALD REILLY (354)

PRETORIA — Increases in salaries for nearly 800 000 central and provincial government workers and 190 000 homelands civil servants will cost at least R3bn in the new financial year.

This is according to estimates based on Central Statistical Service figures and on expected increases of between 12% and 15% from April 1.

The increases will bring the total for the almost one-million workers to more than R24bn, or almost 25% of the 1991/92 budget, informed sources say.

The figure does not include all exchequer personnel. Excluded are employees of parastatals such as CSIR, SABS, HSRC, Mintek and the SA Medical Research Council, as well as staffs of universities and technikons.

Bureaucratic personnel in the self-governing territories will earn about R3,2bn in the current financial year and central and provincial government workers more than R18bn. Business Day 22/11/91

Meanwhile the Public Servants' Association is awaiting a response to its pay demands submitted to the Administration Minister in November.

The Posts and Telegraphs Association has submitted a demand for a 25% pay hike from April 1 to Postmaster-General Johan de Villiers. The latest Post Office worker count is 96 000.

They will earn R2bn during the current financial year.

Monday a vital date for unions

Star 25/11/91

354

Public sector workers are to meet representatives of the Commission for Administration on Monday, reports BRENDAN TEMPLETON.

PUBLIC sector unions will be left out in the cold when the Cosatu-Saccola-Nactu accord is passed into legislation this year.

But unions in this sector are determined to have, at least, similar rights to those enjoyed by most workers, who will be covered by amendments to the Labour Relations Act.

Most important among these are grievance and disciplinary procedures, the right to strike, bargaining forums, access to members and stop-order facilities.

Arrayed against them are government departments which make it difficult to establish a relationship with the State at a national level.

Laws such as the Public Service Act and Post Office Services Act declare it illegal for state employees to strike.

Conservative staff associations which have worked within the old system of labour relations in the public sector also frustrate union efforts.

Yet unions, including the National Education, Health and Allied Workers Union (Nehawu) and the Post Office and Telecommunications Workers Association (Potwa) have succeeded in increasing their membership to the extent that the authorities have had to take notice.

Postwa was established in 1982 and has a membership of 22 000, while Nehawu has grown from 9 500 in 1987 to about 50 000 today.

Industrial action in the public sector reached unprecedented levels last year.

Now the Commission for Administration and the Post Office have recognised the necessity to deal with the unions.

Potwa general secretary Mlungisi Hlongwane and Nehawu national organiser Monde Mditshwa agree that a centralised bargaining structure has to be established where general grievances affecting all public sector workers can be addressed.

This would do away with the delays experienced where unions and different departments come to agreement, then have to wait for higher-up approval.

At the same time, differences in the problems facing, say, nurses and postmen, have to be addressed.

The Commission last year called on trade unions and interested parties to work out a new labour dispensation. They are to meet on Monday.

Mr Mditshwa said the invitation caught Nehawu offguard, but said the union was determined not to be sidetracked by the sudden open-door policy.

He believes bargaining procedures could prevent situations arising where health staff feel they have no alternative but to strike.

The associations agreed with Nehawu representatives that the Public Service Act could not remain, but disagreed that the Labour Relations Act should be extended to them.

A big stumbling block with the Commission is its definition of "public service". Mr Mditshwa believes it is too narrow and should be broadened to include municipal, post office and railway workers.

A centralised bargaining forum on common public service matters should be established.

Mr Hlongwane agrees. Although negotiations are taking place on a national level with the post office, management's new attitude has yet to trickle down to regional and local levels. Even agreements made at national level have to be approved higher up, creating delay and frustration.

Head-on confrontation with the Post Office will take place for at least the next six months, he says.

A massive campaign, which will include community organisations, is being planned against the proposed Post Office Ammendment Bill which Potwa believes is paving the way towards privatisation.

Nehawu is planning a campaign to protect nurses, who participated in last year's strikes.

Despite an agreement after the strikes between hospital authorities and the union not to take disciplinary action, the Nursing Council says it was not party to the agreement and will go ahead with disciplinary procedures if it receives any complaints. □

Gap between the races 'narrowing'

B\Day 23\11\91

PATRICK BULGER

WHITE manufacturing wages increased 1% in real terms in the past decade while those of black workers in the same sector rose by 29%, SA Institute of Race Relations director John Kane-Berman said yesterday.

Addressing an SA German Chamber of Commerce luncheon in Johannesburg, he was giving examples of how moves to remove inequalities were proceeding.

While the anti-apartheid "industry" would call for a new SA economic system as long as material inequalities between black and white remained, he said there had, in fact, been a significant narrowing of inequalities between the races.

Fiscal measures and free trade unionism were helping erode inequalities, he said.

Kane-Berman said a huge anti-apartheid "cottage industry" would seize on material inequalities to prove the continued existence of apartheid.

"Many groups in and out of SA have a vested interest in denying the erosion of material inequalities between black and white," he said.

They would then argue that what SA needed was not only a new political system but a new economic system as well, Kane-Berman said.

A command economy rather than a market-based economy would then be offered as the solution to inequalities.

Kane-Berman also warned about the gaps developing between rural and urban communities.

He said people in Soweto were among the healthiest in Africa.

345

The price

By contrast, rural Ciskeians enjoyed the same health as people in the poorest countries of Africa.

As the gap between black and white in urban areas narrowed, rural communities were paying the price.

Any future constitution had to protect rural communities. A highly centralised system of government would not guarantee this protection — a federal system would, Kane-Berman said.

Unions warned of job-loss squeeze

B/Day 28/1/91. 345

VERA VON LIERES
and MATTHEW CURTIN

UNIONS will be squeezed by high inflation and mounting retrenchments when they begin wage negotiations this year, say industrial relations analysts.

SPA Consultants director Steuart Pennington says union strategists have to appreciate the effect of the Gulf crisis on the economy, the government's war on inflation, and the fact that company margins are being squeezed.

In a labour survey conducted by Business Day, some employers said they faced the worst conditions for 30 years with a possible 150 000 jobs being lost this year. Unions would be wise to look for a job security trade-off in wage negotiations, one said.

Labour analyst Duncan Innes said unions might be caught in a dangerous "pincer movement" if they demanded above-inflation wage hikes while the economy deteriorated further.

Instability

But unions were likely to make saving jobs a priority in exchange for 14% to 15% pay awards and built-in job protection: severance packages and retraining programmes along the lines of the Anglo American/NUM retrenchment agreement at the Freegold South mine.

He said employers were concerned about the social instability which accompanied unemployment and would strive to "keep people off the streets". If they took a long-term view, banking on an economic revival in 1992/93 spurred by the lifting of sanctions, they might bear the short-term costs of better pay awards for this year, Innes said.

Labour Research Service (LRS) researcher Richard Good said post-sanctions investment would arrive only in the long term but union demands would remain unchanged in 1991. The LRS provides economic analysis for the union movement

He said organised labour would be able to challenge employers' arguments that the economic climate necessitated modest pay awards.

An LRS profit review of the top 100 companies showed profits rose 24% on average and dividends 21% in 1990.

But strike action would be undertaken more cautiously this year. Good said the failure of strikes like the seven-week Paper, Printing, Wood and Allied Workers Union action at Nampak would deter unions from "provocative" strikes.

Unions would demand that business address education and skills shortages rather than demanding "jobs at any price".

FSA-Contact consultant Mike Beaumont predicted bargaining demands were likely to be pegged above the inflation rate.

In the consultancy's quarterly review, he said increased expectations and the demand for job security with an emphasis on restrictive work practices regarding hours of work and manning would be key demands.

There were arguments for both sustained and reduced levels of industrial action in 1991. Industrial action might be triggered as political groups mobilised unions and workers' political expectations continued to rise.

Alternatively, the poor record of union successes during 1990, the concern for job security, and the growing gap between union leadership and rank-and-file membership might curb industrial action.

An SA Chamber of Business (Sacob) spokesman said both the economic situation and the increases in the number of retrenchments were likely to have a dampening effect on the levels of wage settlement.

Posts protests

■Thousands of Reef and Free State postal workers staged workplace protests this week in support of the Post and Telecommunications Workers' Association's national pay claims. W\Mon\ 15\3 - 21\3\91 (354)

This followed talks in Pretoria in which management told Potwa that based on its budget allocation, it believed the monthly minimum wage should be raised to around R830, said Potwa's Mlungisi Hlongwane. Potwa wants R1 300, and a R500 across-the-board rise.

Potwa also rejected management pay grading proposals, which envisage formal merit meetings to decide the grading of all workers. It wants equal management and union representation at such assessments, claiming the proposals will entrench white privilege.

Potwa, which has forged a negotiating front with coloured and Indian postal unions, has demanded that white postal associations should not attend the next round of talks on March 20.

SAA cabin staff in pay dispute

Star 15/3/91

Staff Reporter 354

South African Airways has declared a dispute with its cabin attendants over salary demands.

Cabin staff now plan to take a demand for market-related salaries to the Industrial Court.

This was confirmed last night by the South African Aviation Engineering and Allied Union, of which cabin staff are members.

A spokesman said the union had been prepared to accept SAA's final offer but with additional clauses added, including the implementation of market-related salaries over a period of one to three years.

SAA management, however, rejected this, the spokesman said.

Cabin crew were given four options on which to vote — acceptance of the management offer with various condition added, rejection of the offer, acceptance of the offer without strings and a proxy vote transferred to the negotiating team.

SAA management said it had declared a dispute because the union had not responded to whether or not management's offer was acceptable.

Public servants want say in allocating increases

GERALD REILLY

PRETORIA — The Public Servants' Association (PSA) will start negotiating next week with the Commission for Administration on how the R3,7bn Budget allocation for government workers' salaries and benefits will be spent.

PSA GM Hans Olivier said the association's main concern was how much of the money would be allocated to career differentiated pay hikes.

Finance Minister Barend du Plessis angered public servants by failing to give a detailed breakdown of the R3,735bn set aside in the Budget for public sector benefits.

There were more than 140 career groups in the service who had fallen far behind private sector pay levels, Olivier said.

The amount to be spent on across-the-board increases for all government workers would also be negotiated.

Olivier said a second major issue was whether last year's 10% non-pensionable allowance would be incorporated in basic pensionable earnings.

The benefits are not expected to come into operation from April 1 and will probably be introduced retrospectively later.

The announcement that MPs are to get increases of 27% has caused "unhappiness."

Last year MPs voted themselves a similar increase.

● Comment: Page 12

Pollution threat to river

WILSON ZWANE

A RIVER running through Sandton faces a major pollution threat from domestic garbage dumped by residents of nearby Alexandra township.

The Sandton Chronicle newspaper reported this week that the Jukskei River was threatened with pollution from household garbage being dumped on Alexandra's Far East Bank area.

The refuse should have been deposited at the Linbro Park dump.

The newspaper asked who would take responsibility for ensuring the refuse reached the dump as, it said, the Alexandra Town Council had to all intents and purposes been taken over by the Alexandra Civic Organisation (ACO).

Sandton councillor Jo Marais, through whose ward the river flows, said the problem was growing.

"Not only is there seepage from the tons of garbage, but effluent from the nightsoil along the spruit is also a problem," Marais said.

She said Far East Bank residents were also suffering "as they have to put up with the stench and the flies".

ACO general secretary Richard Mdakane said yesterday his organisation was aware of the seriousness of the problem but said it lacked the resources to address it.

"ACO is involved in the development of the township but we are not a development agent. A regional body comprising, among others, Sandton and Randburg should be set up to address these environmental issues," Mdakane said.

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Govt to ask workers how to slice Budget pie

354

Political Staff Star 26/3/91

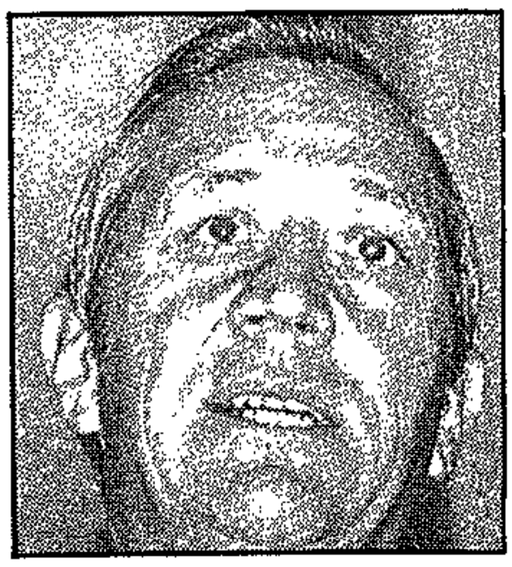
CAPE TOWN — Pay talks start in Pretoria tomorrow to decide how to spend the R3,735 billion which the Government has set aside for improving public servants' deals.

Officials of the Commission for Administration will meet representatives of public service associations and unions to determine how the cake will be sliced.

It will be the first time the Government consults State employees on how to spend a fixed amount allocated to them in the Budget. Previous announcements of public-service increases, such as the 10 percent non-pensionable allowance of April 1 last year, were criticised by those who felt they should not have been confronted with it.

"This is the first step towards the establishment of a formal negotiating forum between employees and the State as an employer," the chairman of the Commission for Administration, Dr Piet van der Merwe, said yesterday.

It was the start to meaningful negotiations between the two sides, he said, recognising the right of those in the public service to freedom of association and collective bargaining.



Dr Piet van der Merwe . . . start of negotiations between the State and its employees.

The talks are scheduled for tomorrow and Thursday. Early speculation of this year's deal centres on a fixed lump sum for all civil servants from July 1.

Paying everybody the same amount will narrow the gap between higher and lower ranks, and will constitute a bigger percentage increase for the lower echelons.

This principle was applied in an increase on April 1 last year for members of Parliament. All were given R12 000 more, meaning a 15,9 percent for ordinary MPs and 7,6 percent for Cabinet Ministers.

Further speculation at this stage is that the controversial 10 percent non-pensionable allowance will become pensionable from July 1.

Dr van der Merwe said that what had emerged from the negotiations — how the cake was divided — depended on how strongly the associations and unions felt about the issues.

If they felt the 10 percent non-pensionable allowance should be consolidated, "then it would be taken into account".

Last Wednesday's Budget noted that part of the R3,7 billion would go towards the penultimate phase of eliminating disparities between males and females in the education sector.

The Public Servants Association has put the State on notice that it will be pushing for four things:

- Sufficient funds to cover occupational differentiation.
- Removing disparities between certain occupational family groups.
- Consolidation of the 10 percent non-pensionable allowance.
- Key scales — modest salary adjustments to make an adjustment date later than April 1 acceptable to public servants.

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Luderitz by two SA Navy vessels on Monday, prosecutor-general Hans Heyman said in Windhoek.

He said the men were due to appear in the Keetmanshoop Magistrate's Court within 48 hours of their arrest on Monday afternoon.

They were apprehended last Thursday for fishing illegally inside Namibia's 200-mile exclusive economic zone.

SA Foreign Minister Pik Botha said yesterday he received a request from the Namibian government on Saturday for SA to assist in escorting the trawlers.

Meanwhile, a Windhoek news report said the trawlers' owners brought a successful application in Cape Town on Saturday prohibiting the authorities from interfering with the trawlers. — Sapa.

Public servants' boss speaks of anxieties

GERALD REILLY

PRETORIA — Government workers' rights and privileges would only remain entrenched in the Public Service Act as long as this pleased any new legislators, Public Servants Association GM Hans Olivier said in Pretoria yesterday.

Speaking at a conference on the public service in a new SA, Olivier outlined a number of workers' anxieties.

There was uncertainty about changes ahead and acceptance of workers by a future goverment.

President F W de Klerk's recent reassurance that careers and pensions would not be prejudiced in any future dispensation had been welcomed.

Olivier said only 27% of clerical posts in the service were held by blacks and in the rest of the service there were slightly more than two whites for every black.

There was, therefore, an imbalance favouring whites which could be unacceptable to a non-racial goverment.

This could force a move towards short-term efforts at a more realistic balance.

It could also be questioned whether a future goverment would feel bound by previous commitments to the employers' pension fund contributions and whether pensioners could rely on existing benefits being perpetuated.

It was an open question whether the funds should not be privatised, said Olivier.

Former astronaut Col Jim Erwin first ... flag that had been carried aboard the Apollo 15 spacecraft to the moon.

Increase in price of posting foreign mail announced

REACHING out and touching a foreigner by letter, parcel or postcard will cost South Africans between 10% and 20% more from April 1.

The Posts and Telecommunications department yesterday announced an increase in surface and airmail foreign postage rates.

The department said the adjustment was necessary because of escalating operating costs and increased payments to foreign postal services.

There will be a 20% increase in the cost of sending airmail letters to most countries, including Eastern and Western Europe and some Middle Eastern, African and South American countries.

Where it previously cost 50c for each 10g, from April 1 the price will be 60c.

The department said the basic airmail parcel tariff to Great Britain, for example, would now be R11,60 (previously R10,20) for the first 250g and R3,80 (R3,60) for every additional 250g.

Airmail rates for letters to the US have increased by 10c to 75c for each 10g.

The cost of sending letters of up to 50g by surface mail to Botswana, Burundi, Lesotho, Malawi, Swaziland and Zimbabwe will increase by 5c to 40c an item — an increase of 14%.

Letters weighing up to 20g and destined for other foreign countries will cost 45c to send by surface mail instead of 40c.

Airmail letters sent to neighbouring African countries will now cost 40c (35c)for each 10g.

The postage on surface mail parcels will be R11,20 (up 16,6% from R9,60) for the first kilogramme.

The basic postage on airmail letters to Taiwan will be 65c (55c) and for airmail parcels R16,70 (R16,10) for the first 250g and R5,30 (R5,20) for every additional 250g. The surface mail tariff for parcels will be R13,90 (R13) for the first kilogram.

Public Enterprises Minister Dawie de Villiers announced in his Post Office budget last month that standard inland postage rates would go up by 4c to 25c a letter.

Postage on ordinary parcels of 1kg would increase by 40c to R2,50, De Villiers said.

Particulars of the new tariffs were available at all post offices, the department said.

Allowance for public servants

CAPE TOWN — Public servants are to be granted a 10% non-pensionable allowance to be incorporated into their salaries from July. 3/4/91 B/Day

This decision followed high-level talks between representatives of several employee organisations, including the Public Servants Union and the Commission for Administration. (354)

The discussions followed government's allocation of more than R3bn to improve the service conditions of the nearly one-million public servants.

Other improvements discussed included occupational salary increases for clerks and officers, who last received such hikes eight years ago.

The employee organisations also recommended that personnel retiring before July should not forfeit these benefits. — Sapa.

Post Office halves its wage offer

354 2458 192 Star 24/4/91

By Shareen Singh

In a dramatic turnabout, SA Post and Telecommunications (SAPT) yesterday substantially reduced its original wage offer to its employees.

SAPT's original offer of increases ranging between 12,5 percent and 29,9 percent had been rejected by two unions, resulting in country-wide sit-ins.

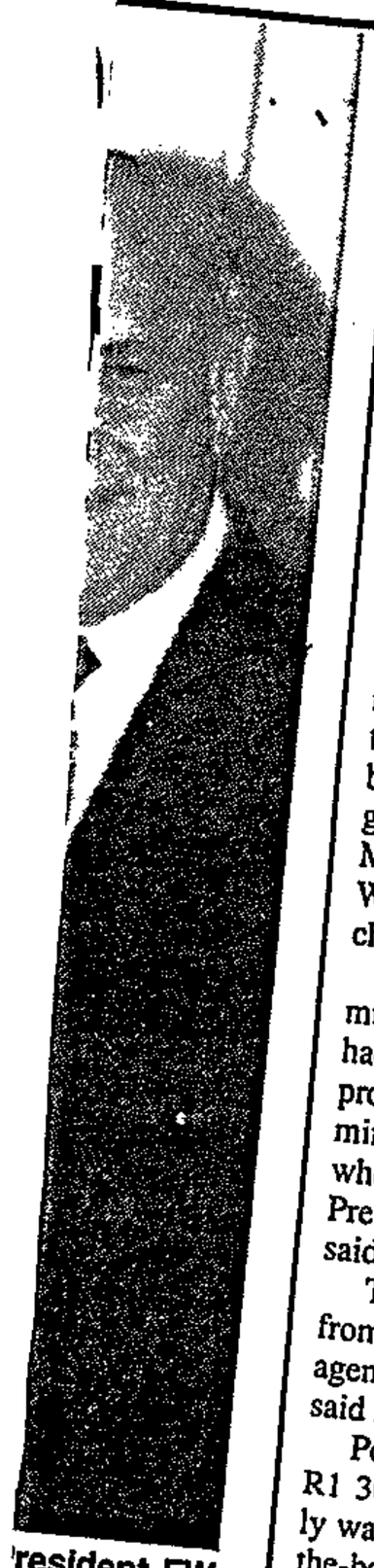
Yesterday, SAPT lowered its offer onincreases ranging from 6 to 15,8 percent.

This was rejected by a third union. The other four unions said they would accept on condition their wage proposals for workers between the lowest and highest grades were accepted.

Postal and Telecommunication Workers' Association (Potwa) spokesman Floyd Mashele said the union suspected that the lower offer was linked to Parliament's rejection last week of the Post Office Amendment Bill, which Potwa had opposed.

Potwa, which represents 20 746 black workers, argued that the Bill was the first step to privatisation.

SAPT said the unions' demands could not be met because Minister of Public Enterprises Dr Dawie de Villiers had decided to incorporate employees' non-pensionable allowances into their basic (pensionable) allowance.



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Potwa dumps wage talks

THE Post and Telecommunications Workers Association backed out of national pay talks yesterday, citing a "ridiculous" management wage offer.

Potwa would only reconsider entering negotiations once "action had been taken on the ground", Mr Thabo Mokone, the union's Witwatersrand regional chairman said.

Post and Telecommunications management had tabled a revised proposal of R851 as the minimum monthly salary when talks resumed in Pretoria yesterday, he said.

This had been a retreat from the opening management offer of R927, said Mokone.

Potwa is demanding a R1 300 minimum monthly wage and R500 across-the-board increase for its estimated 21 000 members.

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Potwa is demanding a R1 300 minimum monthly wage and R500 across-the-board increase for its estimated 21 000 members.

Star 25/4/19.

PO given 2-week deadline to meet worker demands

Staff Reporter

Post Office officials were yesterday given 14 days to meet worker demands over wages and the scrapping of the Post Office Amendment Bill or face mass action.

The ultimatum followed the Post Office's announcement on Tuesday that it had reduced its initial wage offer of R927.50 by R76 to R851.

Sapa reports that Postal and Telecommunications Workers Association (Potwa) national co-ordinater Floyd Mashele said at a 400-strong march in Cape Town that Post Office negotiators were "clearly out of their minds".

Privatisation

At Tuesday's talks in Pretoria, Potwa negotiators had told senior SAPT representative Piet Senekal: "It has never happened in the history of negotiations anywhere that people start with a high offer, but as negotiations proceed, reduce instead of increase it."

The union is opposed to the Post Office Amendment Bill because it believes it paves the way for privatisation.

Potwa spokesman Shake Tumelo said in Johannesburg that the union still had to formulate what action it would take, but had decided at its last national congress that mass protest would follow any refusal to scrap the Post Office Amendment Bill.

The union claims that the R318 million Post Office budget was cut without its being notified.

"We want to be part of the decision-making process. Whenever there is a budget, then we want to be part of it. So far, the Minister decides on his own.

"In view of the Post Office's rejection of our demands, we have decided to embark on mass action," he said.

The 14-day ultimatums to the Ministry of Public Enterprise and Economic Co-operation and to the Postmaster-General were handed to officials at the H F Verwoerd Building and Cape Town's central post office.

Members of the western Cape technical branch of the Postal Employees Association of South Africa joined the march.

Mr Mashele accused the Post Office of creating a situation in which a strike would be unavoidable.

Star 615791

Outcry over 'inadeqate' increases

354

CAPE TOWN — The Public Servants' League (PSL) says its July 1 salary increases of six to 15 percent on a sliding scale are inadequate.

A statement to this effect was issued yesterday by PSL general manager Bernard Wentzel, in response to an announcement by State Expenditure Minister Amie Venter in Parliament on Friday, concerning further details of the pay hike.

Mr Wentzel said R1,8 billion divided among 780 000 non-educational public servants was so inadequate that living standards of lower income employees would "deteriorate drastically".

The lowest paid civil servant earned R537,50 a month yet research showed that the average family needed R847,49 a month to survive.

A PSL spokesman, Neville Petersen, confirmed the increase would be between six percent and 15 percent, with lower-paid workers getting the higher percentage increases.

The PSL was dissatisfied with this as funds were insufficient to bring civil servants' salaries to market-related levels. — Sapa.

HOUSE OF DELEGATES

QUESTIONS

†Indicates translated version.

For written reply:

Own Affairs:

Party congress: cost involved

4. Mr M RAJAB asked the Minister of the Budget and Auxiliary Services:

(1) With reference to his reply to Question No 1 on 26 February 1991, what was the total cost involved in respect of (a) motor transport and (b) hotel accommodation for members of the Ministers' Council who attended a party congress of the Solidarity Party held in the Transvaal in 1990;

(2) which members of the Ministers' Council attended this congress?

D29E

The MINISTER OF THE BUDGET AND AUXILIARY SERVICES:

(1) (a) Motor Transport — R1 380,72

(b) Hotel Accommodation — R1 132,58

(2) Ministers: J N Reddy, B Dookie, R Bhana, K Rajoo, Y E Moolla

Deputy Minister: S V Naicker

Three of the Ministers attended Official Meetings which coincided with the Solidarity Congress. The other three only attended the Solidarity Congress.

HOUSE OF ASSEMBLY

INTERPELLATIONS

The sign * indicates a translation. The sign †, used subsequently in the same interpellation, indicates the original language.

General Affairs:

Traffic constables: remuneration package

*1. Adv C H PIENAAR asked the Minister of State Expenditure and for Regional Development.

Whether he is considering revising the remuneration package of provincial traffic constables; if so, in what respects; if not, why not?

B928E.INT

*The MINISTER OF STATE EXPENDITURE AND FOR REGIONAL DEVELOPMENT: Mr Speaker, I shall use the rank designation of provincial inspectors instead of provincial traffic constables as it is indicated in the question.

The high road death rate is obviously a source of concern to everybody. In fact, it is really too high. Traffic law enforcement is very important. The manpower position of provincial inspectors is one element that plays a part in curbing road deaths. Of course, it plays a very important part.

In regard to the manpower position, one must distinguish between the remuneration of and the number of available posts for provincial inspectors. As far as the number of available posts is concerned, I should like to point out that every provincial administration determines its own posts at these levels. The introduction of these posts is therefore not centrally organised and in general is the result of the availability of funds, the extent of the service and the priority that the provincial administration accords the service.

The degree to which these posts can suitably be filled is also a complex matter which depends on many factors. For instance, it must be borne in mind here that trained manpower of the required calibre is scarce and that salary increases are not always necessarily the solution. Trained provincial inspectors are also sought after by local authorities and a degree of personnel fluctuation must be expected.

As far as the salaries of provincial inspectors are concerned, I can mention that their dispensation will improve as from 1 July 1991 in consequence of the differentiated general salary adjustment. As this is a differentiated adjustment, it would be misleading to calculate a percentage adjustment or to hold this out to the House.

This occupational group will also benefit from the consolidation of the 10% non-pensionable allowance with the pensionable salary on 1 July 1991.

In addition, it is envisaged to eliminate specific disparities between salary structures of the various occupational classes within the Public Service as from 1 July 1991. Whether further adjustments will be able to be made to the dispensation for provincial inspectors concerning these structural disparities will depend on the availability of funds and salary relativity to associated occupational classes.

*Mr C H PIENAAR: Mr Speaker, the hon the Minister tells us that the situation depends on the availability of funds. He also says that an adjustment is due as from 1 July and that these people are not readily available. That is common knowledge and we all know this. I do not think that this is news and I should like the hon the Minister to try to spell out the situation more specifically when he participates here for the second time.

The provincial traffic officer is the forgotten and neglected stepchild of the Commission for Administration and therefore also of every specific province. [Interjections.] I shall refer specifically to conditions in the Orange Free State.

The extent of the duties of the provincial traffic man is comprehensive. Included in this is the enforcement of the following laws and ordinances and specifically those of the Orange Free State: The Road Traffic Act and consolidated road traffic regulations; ordinances related to the following, namely horse racing, shop hours, nature conservation, pounds, roads, entertainment, trade licences, cemeteries, dumping of refuse, parking, administration, grounds, dog tax, control of dancing—this may sound familiar to the hon the Minister because this prohibition

applies specifically in Potchefstroom—and tracing hospital fees.

As our country declines into greater chaos and crime becomes endemic, the task of the traffic man as quasi-policeman and paramedic will increase. The carnage on the roads, caused in particular by Black minibus taxis, and the enormous costs that this results in to the country fall squarely within the ambit of duty of the provincial traffic man.

On the subject of policing, I particularly want to mention the courageous action of the provincial traffic men in my constituency who recently stopped bank robbers in a shoot-out while themselves suffering physical injury in the process. [Interjections.] I want to pay tribute to the men who despise death every time they have to stop a Black minibus taxi which will make the *Guinness Book of Records* with the number of passengers that it transports. [Interjections.] These are men to whom insults and threats of death are commonplace but men who are left with a shocking remuneration package.

From the bottom to the top of the first leg of their remuneration takes six years; then the traffic man earns R15 414. To reach the top scale takes a further 10 years; then he earns R23 766. [Interjections.] It therefore takes 16 years to reach R23 766. The Chief: Inspection Services in the Free State earns R54 000 for instance as against a colonel in the SA Police who earns R79 239. [Interjections.] Municipal local authorities, as the hon the Minister indicated, should get a better package . . . [Time expired.]

Mr M J ELLIS: Mr Speaker, we share the concern which the CP has with regard to the remuneration package offered to provincial traffic constables. We hope that the CP, in turn, shares our concern that these provincial traffic constables should be appointed on merit and suitability only and that colour or race should play no part whatsoever in who becomes a traffic constable.

We have a very real problem in our traffic departments. It is a legacy of the past that is still very much with us, and I am referring to the fact that for years blatant racism has been practised as to who could become a traffic constable, which traffic constables could get promotion, which race group could be arrested by Black traffic constables, and so forth. [Interjections.]

While it is essential that salaries and related conditions of service are improved—and the hon the Minister has indicated that he is already looking into this—there are other matters that must be looked into as well. I trust that the CP will support all calls for a truly non-racial, highly trained, effective, well-paid traffic department for all provinces.

Considering the appallingly high death toll on our roads, it is essential that everything possible be done to make our traffic departments totally efficient in every respect with regard to traffic control and law enforcement. It is a cause for concern that some of our traffic departments struggle to fill their vacancies and have high staff turnover rates, which obviously indicates discontent with regard to salaries and general conditions of service, amongst other things.

It also places great strain on the training resources within the department which constantly has to train new recruits, while many of those already trained have left to find better paid jobs in other areas related to the particular work they have been trained for. Clearly the whole matter does need some very urgent attention.

The MINISTER OF STATE EXPENDITURE AND FOR REGIONAL DEVELOPMENT: Mr Speaker, I would like to say to the hon member for Durban North—as I have previously indicated—that we share those sentiments as far as the traffic accidents and so on are concerned, and the mortality rate will be too high, and obviously we share this view.

Could I say to the hon member that in the province of Natal there are 369 provincial inspector posts, of which 5,5% are vacant. There are basically 21 vacancies out of 369, which does give a fair picture. Normally full employment would be around a 10% vacancy situation. I just thought to mention this to the hon member.

*The hon member for Heilbron, who is the Free State leader of the CP, obviously wants to bring the Ladybrand by-election to the fore here. [Interjections.]

*Mr J J C BOTHA: What about the salary package?

*The MINISTER: The hon member came with the interpellation and he asked whether we were paying attention to the salary packages and so on of provincial traffic constables but he launched a

tirade here and said they were a forgotten species. He is pushing them further into the background today. [Interjections.] I shall leave it at that.

The hon member's dilemma is that he is truly so bankrupt in his policy that he has to come forward with such matters and he does not even care whether he makes a comparison in public of the different occupational groups—as far as their salaries are concerned.

*Mr C H PIENAAR: You do not understand the point!

*The MINISTER: That is not very responsible. The hon member's trouble is that he has to go and tell his voters in Ladybrand whom to vote for.

*The CHAIRMAN OF THE MINISTERS' COUNCIL: Which voters of his? He does not have any voters left!

*The MINISTER: I agree. [Interjections.]

I should like to return to the interpellation but, what is clear to me, is that a man who supports the CP in Ladybrand does not know whether he is voting for the hon member for Overvaal and the hon member for Heilbron's group in the CP or whether he is voting for the hon member for Lichtenburg. He would do better to provide that certainty. Nobody knows there for whom he is voting. [Time expired.]

*Mr J R DE VILLE: Mr Speaker, it seems to me that the hon the Minister has so many problems in Ladybrand that he now wants to try to hide behind all kinds of other things.

I should like to link up with the hon member for Heilbron and say that the hon the Minister announced absolutely nothing this afternoon. The eyes of thousands of traffic inspectors, of families—their wives and children—were looking to him today to improve their position. [Interjections.] People who live absolutely below the breadline were looking to him today. Tonight they will be watching TV to see whether this hon Minister will announce anything in an effort to lighten their lot. They will probably see on TV tonight that the NP Government has again complied with Mandela's demands but that absolutely nothing has been done about their problems. [Interjections.]

The hon the Minister speaks of further investigations which are apparently still to be done and so on in regard to traffic inspectors. These investigations have been going on for months. At the meeting of the Extended Public Committee on the Orange Free State we heard about them and also at the meeting in the Transvaal. This morning I was in contact with the Transvaal MEC, a certain—oh, I was in contact with one of the MECs. [Interjections.] He told me that they were very worried about the problem. [Interjections.]

*An HON MEMBER: Who is he?

*Mr J R DE VILLE: This was said by the MEC; I cannot remember his name now. [Interjections.] He told me that he had received no clarification at all yet. He said that they had made submissions and that absolutely nothing had come of them. [Interjections.] The Administrator of the Orange Free State said exactly the same. [Interjections.] [Time expired.]

*Mr SPEAKER: Order! I am putting the question. [Interjections.] Order! I am putting the question. [Interjections.] The hon the Minister.

*The MINISTER OF STATE EXPENDITURE AND FOR REGIONAL DEVELOPMENT: Mr Speaker, the hon member for Standerton is simply following the same strategy as the hon member for Heilbron. [Interjections.] Let me tell the hon member for Standerton that in the Transvaal—he referred to his conversation here—there are 589 posts for provincial inspectors.

*Mr F J LE ROUX: Mr Speaker, on a point of order: The hon member for Heilbron has not yet had the opportunity to reply. [Interjections.]

*Mr SPEAKER: Order! I put the question twice. I said twice "I am putting the question" and looked in the direction of the hon member. The hon member did not react. I assumed that the hon member did not want to make use of his next turn to speak and called upon the hon the Minister. The hon the Minister may proceed.

*The MINISTER: And that is a Free State leader who sits asleep over his own cause! He regards his cause as so important that he sits and sleeps on it! [Interjections.]

*Mr SPEAKER: Order! The hon the Minister must resume his seat. I am not prepared to permit this shouting across the floor. I cannot

even hear the speaker! The hon the Minister may proceed.

*The MINISTER: Mr Speaker, there are 589 posts in the Transvaal—I am telling the hon member for Standerton this—for provincial inspectors, of which only 1,07% are vacant; of those 589 posts only six are vacant. [Interjections.] So what is the case that he wants to make out? [Interjections.]

The salary position of provincial inspectors received high priority in the past, so much so that the service dispensation of the provincial inspectors is already more favourable than that of various occupational classes which are more or less comparable. I could mention specific examples of occupational groups' starting salaries for similar qualification requirements as are fixed for provincial inspectors which are really considerably lower than those of provincial inspectors, but I am not going to bandy about those salary structures as irresponsibly as the hon member for Heilbron did across the floor of the House this afternoon. [Interjections.] I shall deal with this responsibly. The hon member may come to me and I shall give him the information. [Interjections.]

The salaries of provincial inspectors according to the information at my disposal also compare quite favourably with salaries payable in the public sector. Allegations are made that higher salaries are offered by some local authorities. [Time expired.]

Debate concluded.

Mr Moses Kumalo: death

2. Mr P G SOAL asked the Minister of Law and Order:

(1) Whether the mayor of Diepmeadow, Mr Moses Kumalo, was killed on or about 19 April 1991; if so, what are the circumstances surrounding his death;

(2) whether the South African Police had provided him with special protection; if not, why not?

B939E.INT

The MINISTER OF LAW AND ORDER: Mr Speaker, the reply is as follows: Yes, and I sincerely regret that this tragic incident took place.

On 19 April 1991 councillor Moses Kumalo, the Mayor of Diepmeadow and the chairman of the Meadowlands branch of the Inkatha Freedom Party, left his house at approximately 20:00 to visit a friend. At approximately 22:00 he was found in his vehicle in front of House No 910, Zone 8, Meadowlands with numerous bullet wounds in his head and body. He was already dead.

From the available evidence it would appear that more than one assassin was involved and that firearms of Russian origin, including AK-47 rifles, as well as a hand grenade, were used as murder weapons. The incident is being investigated by the SA Police. No arrests have been made thus far.

What has come to the fore is that councillor Kumalo was also the president and founder member of the Meadowlands and Diepkloof People's Party, which is Inkatha-orientated. This party has the majority of representatives in the management council of the Diepmeadow Town Council. The minority of members are ANC-orientated. It appears that since 1989 there has been continuous conflict between these two groups in the council. The possibility that the motive for his assassination could be the result of this continuous conflict is being investigated by the police. The SA Police are using all the means at their disposal to trace and bring to justice the person responsible for the murder of councillor Kumalo as soon as possible. I wish to make an urgent appeal to all the various groups in Soweto not to revert to senseless revenge actions. The killings which occurred after councillor Kumalo's funeral on 28 April illustrate this point and emphasise the fact that it serves no purpose and only leads to further friction, violence and the unnecessary death and maiming of innocent people. People must rather restrain themselves and put their trust in the police by providing any information which they have at their disposal and which can lead to the tracing of the accused by the SA Police.

Secondly, even though he was approached on numerous occasions by the police, councillor Kumalo declined the offers to provide him with a permanent bodyguard. He did not regard it as necessary. When the attack was made on his life, he was therefore not being protected. At Police insistence councillor Kumalo was given training by Police instructors in self-defence and the handling of firearms. He was issued with a

firearm for self-protection and the protection of his family. A permanent guard was posted at his residence.

Mr P G SOAL: Mr Speaker, I have been advised by a number of people to whom I have spoken in the course of the past ten days or so that Moses Kumalo was a good man. He was described as a straight man. He was not regarded as a rogue. He was well-liked, and it was said that he worked within the constraints of the system. However, therein lies the rub, because this Government brought him into the system by creating separate local authorities based on apartheid. The councils became a flashpoint of violence.

The Government ran newspaper advertisements in 1988 encouraging participation in the system of separate local government. Once they had attracted individuals of the calibre of Moses Kumalo, I believe it was incumbent on the Government to protect those who had stuck their necks out, particularly if they had become the target of those who wanted to eliminate or certainly intimidate them. In Mr Kumalo's case I am advised that he had survived several assassination attempts before his brutal murder. On one occasion he was attacked by unknown assailants firing AK-47's, but he escaped unharmed. His home had also been petrol-bombed.

I had heard of the conflict in the council that the hon the Minister refers to, and I want to concede that life is very difficult in places like Soweto. If one reads a report like the one that appeared in the *Sunday Times* this past weekend by Sipho Ngcobo, one realises the immensity of the problem in Soweto. Mr Ngcobo spent six hours in Soweto last Thursday evening and "came to the conclusion that he had been with a group of dedicated professionals who risk their lives trying to protect innocent victims in the strife-torn townships." So this is true of the overwhelming majority of the policemen and policewomen that we have in the SA Police.

Mr SPEAKER: Order! I regret the hon member's time has expired. I put the question.

Mr J J C BOTHA: Mr Speaker . . .

Mr SPEAKER: Order! Pardon me. I unfortunately allocated only two minutes instead of three to the hon member for Johannesburg North. The hon member may proceed with his speech.

Mr P G SOAL: Thank you, Mr Speaker.

Last week we had an interpellation about crime in the suburbs and the fact that this cannot be coped with. That is happening in the townships as well. The point is that there are not enough policemen to deal with what is going on, but in addition there are rogue elements in the Force that this Government has not been able to cope with, and that is evidenced by the remarks of that one policeman last weekend who said that people should wait until night if they wanted to kill Mandela. That is the tip of the iceberg.

I understand the hon the State President apparently addressed senior policemen soon after he took office to tell them that things have changed. That has not seeped through to all in the Force. The hon the Minister has to ensure that all in the SA Police are on his side and want to work against crime and intimidation.

Sipho Ngcobo in the *Sunday Times* and the Rev Frank Chikane in *The Citizen* last Friday described scenes similar to what one would expect in Beirut. If we do not want the whole of South Africa to go up in smoke, the hon the Minister must get into gear. [Interjections.]

*Mr SPEAKER: Order! The hon member for . . .

*Mr J J C BOTHA: Wonderboom . . .

*Mr SPEAKER: Order! I can see it is the hon member for Wonderboom. I have before me the name of the hon member for Ermelo, who would have been the next speaker. [Interjections.]

I should appreciate it if the Whips would examine the speakers' lists before the start of the proceedings and ensure that they are in order. I call upon the hon member for Wonderboom to speak.

*Mr J J C BOTHA: Mr Speaker, when one looks at this interpellation, the question is not whether Moses is dead. The question which arises is whether or not the police did their work. I want to say that the CP has had enough of the DP's unnecessary attacks on the SA Police. [Interjections.]

The question we have to answer is whether the police did their work. Then we have to look at the facts. Firstly, Moses was trained by the SA Police to handle weapons. Secondly, Moses was provided with a weapon. [Interjections.] He was

Postal wage talks still deadlocked

Star 9/5/91

Yesterday's meeting between South African Post and Telecommunciations and trade unions to break a wage deadlock failed, and workers vowed to continue action.

SAPT's offer for increases ranging between 6 and 15,8 percent remained unchanged, as was the Post Office and Telecommunications Association's demand for a minimum wage of R1 300 and an across-the-board increase of R500.

A statement from SAPT said the wage offer was a final Cabinet decision. — Staff Reporter.

Post Office offer rejected

THE salary deal offered to Post Office workers — 15,8% for lower paid workers and 6% for higher paid workers — has been rejected by three staff associations (354)

The associations were told at a meeting with management in Pretoria on Wednesday that this was Cabinet's final decision.

The Post and Telecommunications Workers' Association, the SA Posts and Telecommunications Employees' Association and the Post Office Employees' Association of SA said they would request a meeting with Economic Co-ordination and Public Enterprises Minister Dawie de Villiers to outline their objections. BIDay 10/5/91

White PO workers in sit-in

By Shareen Singh Star 28/5/91

Clear racial divisions emerged at the Randburg Post Office yesterday when white employees staged a sit-in strike after a white technician was seconded to another job because black workers wanted him fired.

South African Post and Telecommunications (SAPT) spokesman Juliana Nel said 20 white workers from the Telcom section embarked on a sit-in because they were unhappy with the manner in which management, under pressure from black workers, dealt with the grievance.

Members from the militant Postal and Telecommunications Workers Association (Potwa) engaged in a sit-in strike on Thursday, demanding the dismissal of a technician whom they accused of being racist and arrogant.

Management compromised by transferring the technician to another depot, Potwa said.

The white workers who were involved in the protest action were not members of any one particular union.

● Potwa is planning a two-day nationwide strike by postal workers on June 12 and 13 to protest against the SAPT's 6 to 15,8 percent wage offer, which was a final Cabinet decision.

Go-slows are also continuing at several depots in Natal and on the Witwatersrand.

The MINISTER OF TRANSPORT: Mr Chairman, I assume that the hon member wishes to refer to the income from a fuel levy which existed before 1988, when part of the income from the fuel levy was allocated as a dedicated income to the National Road Fund. The reason for abandoning the principle of dedicated funds, namely that dedicated funds hinder efficient privatisation of the broad spectrum of Government expenditure, is still valid. The hon member must please excuse me for not elaborating, as we are moving into the territory of the hon the Minister of Finance.

I should firstly like to draw the hon member's attention to the fact that national roads comprise only 11% of the total inter-city road network. An important contributory factor to the existing situation on our roads is the fact that 20 years ago designers and builders did not provide for today's requirements. Consequently, funds are at present mainly used to ensure that the infrastructure established over the years is not destroyed.

*From the point of view of transport I agree that the scope of the available funds is inadequate to maintain all national roads, as well as to continue with the upgrading programmes and new construction programmes. We must first ensure that available funds are used to optimal effect. Investigations and studies such as the Roads Needs Study that has been under way since 1979, play an important role in this regard. This has contributed, *inter alia*, to the development of road management systems and road management models in terms of which priorities for certain projects are set.

Secondly, efforts are being made to look for alternative financing to parliamentary appropriation. In this regard toll financing is an important alternative which will have to be considered.

Thirdly, I believe that changes need to be made to the authority structure within which the funding of roads takes place. Funding on a national basis has been fragmented amongst the large number of authorities. [Time expired.]

Mr A E REEVES: Mr Chairman, in the past money was used to build roads. The money was not used efficiently, however. What has happened as a result? They have been building roads throughout the country where it was not necessary. If we look at the roads that have been built up to now—I am talking of urban roads as well as the rural network—it is going to cost approximately R80 billion to replace them today. Are we going to let all these road networks go to waste? The road networks, after all, is the veins of the economy.

If one is going to allow them to deteriorate, the economy will deteriorate as well. The hon the Minister has to find some way of getting around the hon the Minister of Finance to get this dedicated National Road Fund back. In the past the hon the Minister used to preach about user-payer. Now the person who is using the roads is paying for the roads, but he is not getting what he is paying for. The hon the Minister has to get around the hon the Minister of Finance to bring the National Road Fund back so that we can improve the roads and maintain a good standard of roads in South Africa.

Many deaths in the country occur because of bad, inadequate roads. This accounts for a big part of the death toll. The longer we take to maintain these roads, the more expensive it is going to become. At the moment it costs in the region of R750 000 to replace a kilometre of normal road surface. The costs of maintaining a normal corrugated road is R250 000 a kilometre. The hon the Minister must decide whether we are going to go for corrugated roads or the normal, standard roads. After all, the person paying for . . . [Time expired.]

*Mr J DOUW: Mr Chairman, the National Road Fund was established in terms of section 2 of Act No 54 of 1971, exclusively to design, construct and maintain roads. The National Road Fund has always received its funds from the fuel levies, but since 1988 these funds have been appropriated from the Treasury. It became clear to me that during the 1987-88 financial year an amount of R822 397 324 was acquired for the Road Fund from fuel levies. However, during the 1988-89 financial year, Parliament voted only R547 975 000 for the construction and maintenance of roads—almost R300 million less than under the previous scheme. We can no longer tolerate this state of affairs in this country. [Time expired.]

Mr A E REEVES: Mr Chairman, if one wants the economy to flourish, one has to have its veins right, and the veins of the economy are the road network.

We know that a lot of this money was misused in the wrong places in the past. They must form a kind of body that will be able to monitor this money and to say where roads must be upgraded and built. In my opinion the problem in the past was that there was no proper control over that money. The money used to go left, right and centre.

We have to look at efficiency and proper planning when building roads. Roads are built and two or three months later trenches are dug across those roads. That is a lot of money that is being wasted on those roads. Those roads will never be the same. No matter how one tries to repair them, they are not going to be the same. Proper planning is important, and one of the things one has to do is to form some kind of body to monitor the spending of this money and make sure that the hon the Minister of Finance brings about this dedicated National Road Fund again.

*Mr J DOUW: Mr Chairman, maximum funds must be utilised to maintain our roads, since in my opinion a road that is in disrepair is in fact a waste of capital.

On Saturday we travelled to Pietersburg on the N1, and I want to congratulate the hon the Minister and his department on an excellent road between Pretoria and Naboomspruit. However, the problem starts after Naboomspruit, because the heavy traffic on that road causes serious congestion. Urgent attention should also be given to lanes for overtaking, since the numerous taxis which we encountered on that road get impatient when they do not have the opportunity to overtake other vehicles.

We can understand that the hon the Minister of Finance has brought about a change in priorities, so much so that the millions of rands that are collected by means of the fuel levy are to be utilised for socio-economic upliftment. However, as the hon member for Klipspruit West said, roads are a vital artery of the economy, and if this network is paralysed, it will certainly also have a prejudicial effect on the economy of this country.

The MINISTER OF TRANSPORT: Mr Chairman, I would like to stress that all possible attempts are being made to maintain and develop our road network as a national asset and as a catalyst of economic progress.

*I want to tell the hon member for Klipspruit West and the hon member Mr Douw that I think Mr Douw has already supplied half of the answer to this interpellation. The important point is that we are dealing with priorities. Where do the priorities lie? They have been divided up in such a way that roads are one of the priorities. Socio-economic activities such as clinics, housing, other infrastructure and education are also important, and the Treasury is limited. The hon member said that we should once again add the original payment that was levied on fuel to the National Road Fund. When this levy was abolished in 1988, it was 8c on petrol sales and 10c on diesel sales.

I had a study done for the purposes of this interpellation. Last year the hon the Minister of Finance made R2 660 million available for road construction in South Africa. If we take only the amount which would have come from the fuel fund from the petrol sales of 1990, this would not even have covered half of the R2 660 million which the hon the Minister of Finance paid over to us to maintain roads. [Time expired.]

Debate concluded.

QUESTIONS

†Indicates translated version.

For written reply:

General Affairs: Hansard 29/5/91

Jhb vehicle licensing department: staff

20. Mr T R GEORGE asked the Minister of Planning, Provincial Affairs and National Housing: 354 ~~255~~

(1) Whether he will furnish information on the motor vehicle licensing department in Johannesburg; if not, why not; if so, (a) how many persons are employed in this department, (b) in what posts are they employed and (c) what are the salaries attached to these posts;

(2) whether any of these persons are Coloureds; if so, how many; if not, why not;

(3) how many (a) Whites, (b) Indians and (c) Blacks are employed in this department;

(4) in respect of what date is this information furnished? C92E

The MINISTER OF PLANNING, PROVINCIAL AFFAIRS AND NATIONAL HOUSING:

(1) Yes.

(a) 266.

(1)(b) (1)(c)

Positions	Number of posts	Vacancies	Salary R
Senior Deputy Director	1		92 436
Deputy Director	1	1	83 844
Chief Professional Officer	3	2	72 420
Principal Professional Officer	2		65 688
Senior Professional Officer	4	2	49 008—59 580
Chief Examiner of Vehicles	1		56 736—59 580
Senior Examiner of Vehicles	3		49—51 468
Professional Officer	7	1	23 569—44 448
Officer	2	1	42 324—44 448
Assistent/Examiner of Vehicles	32	3	36 564—44 448
Inspector	1		42 324—44 448
Chief Administrative Assistant	3		36 465—38 400
Inspector	1		31 596—38 168
Senior Administrative Assistant	28	8	31 596—33 168
Administrative Assistant	50	4	23 568—28 644
Inspector	12	1	23 568—28 644
Administrative Assistant	68	7	17 592—21 384
Inspector	2		17 592—21 384
Operator	2	1	17 592—21 384
General Assistant	2		17 592—21 384
Administrative Assistant	29	5	13 128—15 960
General Assistant	17	1	13 128—15 960
Operator	1		13 128—15 960
Administrative Assistant	6	2	11 340—11 904
General Assistant	11	5	11 340—11 904
Operator	3		10 284—10 548
General Assistant	8		9 552— 9 792
Operator	20	4	9 552— 9 792
Worker	6		8 880— 9 096
In Reserve		12	
Total	326	60	

(2) There are no Coloureds in the service of the department. The selection and placement of staff in the department as throughout the Johannesburg City Council, is based not on race, colour or creed, but on the availability of jobs and the ability of potential incumbents to meet the demands of the jobs that they apply for.

(3) The department has

(a) 204 Whites,

(b) No Indians,

(c) 62 Blacks,

in its service.

(4) 30 April 1991.

Star 5/16/91

Council staff's wages withheld

By Abel Mabelane and Sapa

Tembisa, Alexandra and Kagiso council employees have not been paid their May salaries and wages because a six-year rent and services boycott has left funds depleted and because of " certain adminstrative problems".

According to Transvaal Provincial Administration chief director of local government J J van der Walt, R2,6 million in salaries and wages for officials, councillors and workers has been withheld. He would not say how many emloyees would be affected and when they could expect their monies.

He said the rent boycott had left the Tembisa council with no funds. It had collected R250 000 last month — only 3 percent of the actual revenue.

Mr van der Walt refused to discuss the problems affecting the councils.

He said he knew nothing of reports that white officials at the Tembisa council were on strike because they had not been paid. Black employees are apparently still reporting for work.

Transnet settles on 11,5% wage hike

VERA VON LIERES

TRANSNET management and about 36 000 employees belonging to four black, Indian and coloured trade unions this week reached agreement on an 11,5% across-the-board wage increase.

Senior Transnet industrial relations executive Vic van Vuuren said yesterday the settlement was negotiated in the Transnet Labour Council after talks which started last month.

He said the Black Trade Union of Transnet (Blatu), the Transnet Allied Workers' Union, the Staff Association for Employees of Transnet and the Trade Union for Employees of SA Transport Services tabled a collective demand in annual pay talks.

Sapa reports Blatu said in a statement yesterday the four unions were amalgamating. The negotiations were the first to take place on a united front.

The union had accepted an overall 11,5% increase, with railway track workers receiving a minimum 20% wage hike. The minimum monthly wage was increased from R750 to R900.

Blatu president Daniel Phiri said white workers recently began to join the union.

Van Vuuren said negotiations with Cosatu's SA Railways and Harbours Workers' Union (Sahrwu), representing more than 30 000 workers, had not yet started. However, the union had indicated that management would receive its demands within the next few days, he said.

Transnet has also settled on an 11,5% wage increase with several white unions in the sector, including the Artisan Staff Association and Spoorbond.

Samwu push on wages

■ Cosatu's 70 000-strong South African Municipal Workers' Union has vowed to restructure municipal wages as part of a living wage policy.

At its recent national congress in Cape Town, Samwu noted huge differentials between wages for the same job in different municipalities and the lack of a consistent wage structure in councils with the same municipal grading. In response, it said it was co-ordinating negotiations nationally for the first time.

Reports by Weekly Mail staff

WIMAN 14/6 - 20/6/91

Workers on the move

(354)

SOWETAN 20/6 - 26/6/91

WAGE increases in the municipal sector are inextricably linked to the restructuring of local government, says the South African Municipal Workers Union (Samwu)which is involved in national wage negotiations.

The 60 000-member union is engaged in research fordrafting a policy document on restructuring the sector. An interim document is expected at the end of August, according to Samwu spokesperson Mr Roger Ronnie.

Samwu rejected the Interim Measures for Local Government Bill currently before parliament:

- It pre-empts national constitutional negotiations on the creation of a new system of local government;
- It perpetuates racism, as the agreements are between local authorities which are racially defined;
- It is undemocratic, as the government failed to consult civics or any progressive organisations.

"The question of how municipalities are graded and the number of municipalities have an obvious bearing on the way resources or money are being used," Ronnie said.

In the short term, the union is trying to reduce the wage disparity between the major cities and smaller municipalities, Ronnie said. Major wage differences exist between individual major cities, as well as between individual smaller municipalities under Industrial Councils.

The disparities are partly the result of municipalities applying their own grading system inconsistently.

The lowest paid labourers in Johannesburg earn R740 a month while the highest wage for labourers in Cape Town is R845. But the situation is worse in smaller municipalities. At the Bulfontein municipality in the Free State, women labourers earn R90 a month. In other municipalities, workers earn as little as R112 a month, Ronnie said.

In Cape Town, the City Council has offered an increase of 12 percent, raising the current minimum wage by R125 to R970 a month. Samwu has demanded a minimum starting wage of R990 a month, an increase of 14 percent. City Council spokesperson Mr Ted Doman refused to comment on negotiations.

Workers want to run pension fund

TEMBISA Council workers on Sunday expressed dissatisfaction with the handling of council-controlled pension funds and resolved to work towards controlling their own funds.

In a statement after a weekend meeting, South African Black Municipality and Workers Union general secretary Mr Philip Dlamini said workers had submitted complaints about the insurance companies' handling of municipal pension funds.

"Members of the funds are not informed about anything with regard to their pension funds.

"Additionally, they were not involved in the election of the Board of Trustees and thus were denied a say in the affairs of the pension fund," Dlamini said.

More than 70 000 union members belong to the Transvaal Joint Municipal Annuity and Gratuity Fund, the South African Local Authorities Pension Fund, the Tembisa Pension Fund and other municipal funds.

A committee has been elected to investigate the administration of union member's pensions, said Dlamini. - *Sapa.*

Probe into top civil servants' salaries

DURBAN — President F W de Klerk had ordered an urgent investigation into the salaries of top civil servants, Finance Minister Barend du Plessis said yesterday.

Du Plessis said he himself had proposed that top civil servants should be paid "on a results basis". B (Dany 26/6/91

"They should be paid 60% of their salary and the balance should be dependent on the results that they achieve in their departments," he said.

Speaking at the opening of a new Reserve Bank building in Durban, Du Plessis said the structure of the civil service had changed, with the number of bureaucrats sharply down, while there were many

Own Correspondent

workers who should never have been employed. (354)

Du Plessis also said an era of drastic economic change brought on by the Debt Standstill in 1985 could be eased as foreign capital returned to the country and access to the IMF became possible.

Inflation remained a problem but this week's "dismaying" figures did not remove the possibilty of a fall in the rate by the year-end.

He told the private sector that it must move away from budgeting for a 15% increase in costs.

Pay shock may await civil servants

Star 26/6/91

Own Correspondent (354)

DURBAN — The country's top civil servants might be placed on an incentive scheme — with payment of 40 percent of their salaries dependent on the achievement of pre-set goals.

Minister of Finance Barend du Plessis hinted last night that this was one possibility of an urgent investigation ordered by State President F W de Klerk into the remuneration of the top civil servants.

Mr du Plessis said he had derived "immense personal satisfaction" from Mr de Klerk's decision because he personally had been urging such a move for years.

He believed that departmental directors-general could be placed on a commission scheme — with a basic salary of, perhaps, 60 percent and the other 40 percent dependent on achievement of objectives. Containment of spending within targets could be one such goal.

Mr du Plessis also said he did not believe all directors-general should be paid at the same rate — their remuneration should depend on the level of responsibilities which they bore.

He was speaking at a Max Pollak Vinderine Incorporation seminar in Durban.

No probe into public service salaries

PRESIDENT De Klerk would not order a special investigation into whether public servants should be paid according to the results they achieved, Finance Minister Mr Barend du Plessis said.

Mr Du Plessis was reacting to media reports which quoted him as saying on Monday that President De Klerk had ordered an urgent investigation into the salaries of top public servants.

But what caused the greatest flurry was Mr Du Plessis's alleged proposal that top public servants be paid on a results basis — receiving 60 percent of their remuneration as basic salary with the remainder dependent on results.

In a statement yesterday Mr Du Plessis said his remarks had been "positively confidential and, on top of that, formulated more briefly than statements which are normally intended for publication".

The reason for this, he said, was that the publication of his suggestions had not been cleared, as etiquette required, with either the State President or the Minister involved.

"The unauthorised leakage of my answer could thus not be anything other than incomplete and misleading."

Mr Du Plessis then gave a fuller version of what he had apparently said:

There was nothing new in his proposals that management in the public service receive salaries connected, in part, to their reaching certain goals.

Although it was more difficult to set goals in the public service, "I believe that the principle can be applied at least in certain components to the public service".

He said he was aware of merit awards which already existed on certain levels in the public service — although they were managed according to another principle. — Sapa.

Unions reject council increase

The South African Municipal Workers' Union (SAMWU) and the East Rand Municipal Workers' Union have rejected a salary increase of 12,5 percent offered by Germiston City Council, saying it is "insufficient" for lower grade employees.

SAMWU has demanded increases of 25 to 27 percent for lower grade workers.

Germiston town clerk Tonie Heyneke said the matter had been referred to the industrial council for further negotiation as the council was unable to meet the demands made by the unions.

He said the council would spend at least R8 million on the salary increases. — East Rand Bureau.

Bureaucracy still growing

GERALD REILLY 354

PRETORIA — Employment in central government and the four provincial administrations increased by almost 25 000 in the first quarter of this year, despite government commitments to a smaller, leaner bureaucracy. B10 am 12/7/91

This emerges from the latest public sector employment and pay statistics released yesterday by the Central Statistical Service.

Employment in central government and the provincial administrations increased by 24 804 people to 784 020. Their salaries and wages climbed by R940,3m in the first three months to R4,445bn, compared with January to March last year.

Central goverment (General Affairs) employment increased by 20 341 people to 373 169 — and their earnings for the quarter by R548,8m to R2,213bn.

Own Affairs departments grew by 1 097 to 187 336. Their pay grew from R1,016bn to R1,228bn.

Provincial administrations' employment grew from 220 149 at the end of March last year to 223 515. Their earnings increased by R179,392m to R1,004bn.

Bureaucracies in the self-governing territories grew by 4 004 to 199 189 and received R85,6m more in salaries and wages to bring their total remuneration to R753m.

Municipal workers in pay-rise deadlock

ARGUS 12/7/91

HENRI du PLESSIS
Tygerberg Bureau

THOUSANDS of municipal employees are still waiting for their annual salary increases after negotiations between the Cape's local authorities employers' organisation and the South African Association of Municipal Employees (Saame) became bogged down.

The municipal employers' organisation has been accused of deliberately lying to bring Saame into disrepute among its members.

Saame represents mainly white municipal and emergency service workers.

The accusation, the latest salvo in what is turning into a lengthy battle, came during a meeting of about 1 000 senior Saame members in the Bellville Civic Centre.

Negotiations between Saame and the employers' organisations in the Transvaal, Natal and the Free State have been concluded without a hitch, Saame officials said.

In some cases Cape officials were paid up to R4 000 a year less than their counterparts in the Transvaal, Natal and the Free State.

The Cape Saame members repudiated a circular sent to municipalities and regional services councils by management, which alleged their salary demands had been submitted late.

The circular, written by management secretary Mr A Swart, also claimed that an offer of an interim adjustment had been refused.

"In the first place, there is no reason at all for a council to pay out money it had already budgeted for," Mr Swart wrote.

"Secondly, if all employers stood together, there would be no reason for any official to change jobs, because there would be no incentive to do so," he wrote.

Saame presented its claim to management on April 23, in which it demanded an increase based on the consumer price index and a five-notch salary scale, said Saame industrial relations secretary Mr Leon Grobler.

"They let me know in May that they had moved offices, had lost the document and asked me to fax them a copy. I sent them a copy right away," he said.

"In their circular, they also do not mention the fact that they had added two conditions to their salary offer which we found unacceptable."

The meeting, between Cape local authority officials who claimed they were the worst paid in the country and union officials, was held to protest against their employers' unwillingness to resolve pay increases and salary structures.

At the meeting it was decided that the executive committee of each local authority would approach its employer body on an ad hoc basis to ask them individually to accept Saame salary demands or face a situation in which members may decide not to do the work of members of the South African Municipal Workers' Union should they go on strike.

They also undertook to give councils a document which pointed out the mistakes in the circular.

Wage deals linked to productivity can curb inflation

B/Day 15/7/91

GRAHAM BELL

RECENT reports concerning a possible pay settlement between the Chamber of Mines and the National Union of Mineworkers mark a shift to reality in the wage bargaining process and raise important questions about inflation.

An agreement in negotiations resuming today could provide for a 5% increase and a possible 15% bonus based on profit and performance. Details of the agreement would be complex, with different approaches applying to non-profitable and profitable mines. Nevertheless, this would be a major breakthrough after a number of years during which wage increases have exceeded the CPI-inflation rate, creating the untenable situation in which the mines' wage bill rose to a disproportionate share of total revenue.

Between 1986 and 1990 working costs on the gold mines, of which labour comprises about 50%, rose from 50% to 80% of total revenue while the shareholders' slice declined from 15% to 5%. It was inevitable that the burden of this unsustainable rise in labour's share should lead to a substantial decline in employment.

The chart shows the sharp decline in gold mining employment since 1987. That was the year in which a major power struggle between the industry and the union ended in a damaging strike. A number of shafts were closed and workers retrenched.

Even so, since 1987 statistics show that per worker wage increases in the gold mining industry averaged 18,2% a year. This was some 3,7% above the prevailing CPI-inflation rate.

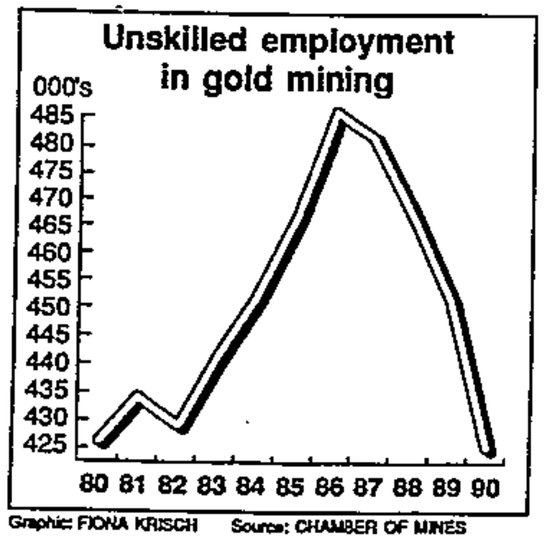
In addition to shedding labour, the gold mining industry has embarked on a major cost-cutting programme. Suppliers have been forced into accepting lower price increases and head office rationalisation is widespread. In terms of costs per ton milled, the industry has slashed its inflation rate dramatically — to just 8% by the end of the first quarter of 1991.

Altnough not widely publicised, sabotage has been an increasingly worrying factor in recent years. While politically motivated sabotage may continue, a labour force that is rewarded on a profit-linked basis will have less motivation to disrupt production. This will benefit shareholders as well as labour.

The proposed wage deal on the gold mines is linked to productivity which has become an increasingly intractable problem in the SA economy.

There is hope that the deal will serve as an example to other sectors of the economy, all of which have been plagued by the accelerating wage cost/poor productivity syndrome. The chart shows that total productivity per worker has risen just 7% over the past decade. The total wage bill rose 385% in the same period.

At the heart of the issue lies the cancer of inflationary expectations. In recent years, the SA Reserve Bank has taken a firm stance on inflation. The Bank is explicitly required to defend the value of the currency (both internally and externally). Although Governor Chris Stals has pursued this objective for two years, the policy has met with little success. Despite a recession which commenced before he took office, the CPI-inflation rate has persisted around the 15% level.



Graphic: FIONA KRISCH Source: CHAMBER OF MINES

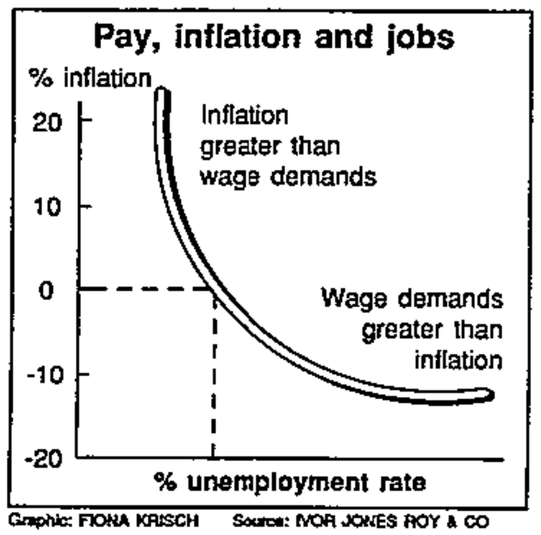
The Reserve Bank has recognised that the inflation bogey cannot be beaten unless inflationary expectations are altered. Over the past 20 years inflation has risen steadily and successive failures to control it have merely entrenched the bias of expectations. Ever higher inflation has been built or indexed into wage demands. It is true that, in previous economic cycles, a recession has been associated with falling inflation, but each time the authorities have lacked the will to break the inflationary psychosis completely. They have always backed off too early, leaving inflation to accelerate to new heights.

In the most recent recession a new dimension has emerged. The onset of the political thaw has raised demands for income redistribution and union wage pressures have become more strident than ever. It is ironic that the new-found resolve of the authorities to combat inflation should arrive on the scene at the same time.

The chart illustrates the problem confronting the Reserve Bank in combating expectations. The experience of the mining industry is particularly relevant. In the lower part of the curve, wage demands are driven by unrealistic expectations of the industry's ability to pay. Workers effectively price themselves out of jobs.

In the upper part of the curve, wage settlements are adapted to the new reality, namely that it is accepted that the Reserve Bank is serious and will, ultimately, be successful in its quest to lower inflation. The NUM appears to be moving from the lower half to the upper half in its recent negotiations with employers.

The gold mining sector is, in some ways, a special case. SA's gold mines are ageing and the industry is a pricetaker. The price has performed poorly over the past decade. The industry's profitability collapsed. After many years of damaging confrontation and the loss of thousands of jobs, the combatants finally realised that it was in their interests to work together.



Graphic: FIONA KRISCH Source: IVOR JONES ROY & CO

As Maynard Keynes pointed out, wages are "sticky downwards". This is not so, for instance, in the much maligned stockbroking industry, where pay growth is often negative in line with declining profits! Is it unthinkable that workers in other sectors should vote themselves a flexible wage package that adjusts in line with profits?

It is not certain that the gold mining example can be generalised to the rest of the economy. Although there are retrenchments in other sectors and although pitifully few jobs have been created in the formal sector over the past decade, most unions do not yet appear ready to seek productivity arrangements. At best, a scaling down of wage demands is now in evidence.

Therefore, it is not clear whether the Reserve Bank will win its battle against inflationary expectations. One worrying sign is that the fiscal discipline that was evident in the Finance Department throughout 1990 is no longer there. Government consumption expenditure has surged since the fourth quarter of last year. Thus it appears that the Bank has lost an important ally in its quest.

So far, there are few signs that Stals is under any pressure to relent. Indeed, he may well resist them should any such pressures emerge. But without Treasury support, his battle will become increasingly difficult. Already the bond market, where yields have risen back to about 16%, has signalled its belief that the battle is being lost. This is one of the most sensitive barometers of inflationary expectations.

In the long run, it is certainly in the interests of trade unions and employers to seek productivity accords like the one that may be concluded in the gold sector. Productivity growth is the key to wealth and, by implication, to income distribution.

The politics of the past few decades has encouraged confrontation in the workplace. If this country is to succeed, future co-operation in the workplace is essential. In addition, this government (and any future government) has to learn the fundamental fact that it cannot spend its way to prosperity. The next year will be crucial in determining whether SA is to turn the inflationary tide.

☐ Bell is an economist with Ivor Jones, Roy & Company Inc.

30 000 join wage march to Spoornet

ABOUT 30 000 people joined a SA Railway and Harbour Workers' Union protest march through the streets of Johannesburg yesterday morning to voice dissatisfaction at Spoornet's annual wage increase offer.

Traffic police escorted the crowd on the 3km march through the city and riot police in armoured vehicles watched, but there were no incidents, organisers confirmed.

The marchers stopped at Spoornet's head office where Sarhwu officials presented a list of demands to the parastatal's spokesman, Jan Bredenkamp.

Bredenkamp announced that Sarhwu members would receive salary increases in August after wage negotiations with the union were concluded. The announcement, which apparently meets Sarhwu's main demand, was greeted by cheers.

Sarhwu officials later said members were dissatisfied with Spoornet's offer, agreed to by other unions, to increase minimum monthly wages from R750 to R900.

Sarhwu was demanding a minimum of R1 500 a month and a 40% increase for all its members. — Sapa.

NPA to re-hire workers

Sowetan 29/7/91

THE Natal Provincial Administration is to pay about R5 million to more than 500 dismissed workers who are to be reinstated next month.

The back-pay follows an out-of-court settlement between the NPA and the National Education and Health Workers Union (Nehawu).

The 548 employees, who were dismissed in 1988, are to receive more than two years' back-pay, including increases made during their absence.

They will resume work at the beginning of August.

The employees were among 800 people dismissed after taking part in strike actions at various NPA depots in Natal in November 1988.

They were demanding salary increases and recognition of their union.

Govt wage bill 'inflationary'

(354)

CT 30/7/91

Business Editor

THE expanding wage bill for government departments is fuelling inflation in spite of a continuing tight monetary policy, says the Cape Chamber of Industries (CCI).

The CCI weekly bulletin warns that "the continued acceleration in costs which far outstrip inflation to man a multiplicity of government departments has to be brought into sharp focus and acted upon if SA is to avoid facing an even greater tax burden".

The bulletin says that the CCI has supported the maintenance of a tight monetary policy "in the belief that this will reduce inflation.

"In addition, many major industries are fighting a hard-fought battle with the trade unions to keep wage increases in 1991 below the perceived level of inflation in the face of a severe recession.

"Regrettably, little evidence exists to show that the government has done much to reduce its spending level."

Civil service seeks more power to negotiate pay

B Day 5/8/91

GERALD REILLY

PRETORIA — Dissatisfaction with the lack of "negotiating machinery" for public service staff associations has reached a crisis point, Public Servants' Association (PSA) general manager Hans Olivier said last week.

He said the dissatisfaction had first surfaced more than a decade ago "and we are no nearer a solution, in spite of repeated goverment assurances that the issue was regarded as urgent and had been given a high priority".

Olivier said the PSA would meet Commission for Administration chairman Piet van der Walt next week.

It would emphasise the unhappiness of the 11 public service staff associations, which represent more than 300 000 workers, about government's procedures for determining salary levels.

The PSA had made it clear that government workers wanted to be subject to the conditions which applied to private sector unions in terms of the Labour Relations Act.

"We want negotiating muscle and with it the right to contest any goverment decision we consider to be unreasonable," said Olivier.

The present system called for staff associations to submit inputs to support salary claims before government prepared the Budget.

"That's the last we hear of it until the Finance Minister announces in his Budget the global sum to be allocated to exchequer personnel — and that is what happened again this year," said Olivier.

He said the system relegated goverment workers' salary increases to the lowest level of government's spending priorities.

"We have put up with this 'take it or leave it' attitude for too long.

"We want channels through which we can effectively negotiate, including arbitration if we reject the deal handed us by government."

Major confrontation looms in health sector

By Shareen Singh

A major confrontation is looming in the health sector between a Cosatu union and the Transvaal Provincial Administration.

Last week the National Education, Health and Allied Workers' Union (Nehawu), lashed out at the TPA, threatening widespread industrial action over a range of issues, including the implementations of wage increases without consulting the union — a claim which the TPA yesterday rejected.

Nehawu accused the TPA and the Commision for Administration of arbitrarily implementing wage increases for health workers without proper consultation.

The increases, which range from 6,8 percent to 16 percent, were predetermined by the Government and not based on Nehawu's demand, the union said.

No negotiations took place, the union added.

The union pointed out that a "special dispensation" granting general assistants a 105 percent increase had been implemented, but in reality only a small section of general assistants received this increase.

Furthermore, the union accused the TPA of not responding to demands forwarded by radiographers in July last year. Some radiographers were currently on strike.

TPA authorities undertook to make favourable representation to the South African Nursing Council (SANC), not to take action against nurses who went on strike. But to date, the issue has not been resolved, Nehawu said.

TPA Director-General A Cornelissen denied that Nehawu's wage demands were not considered. Nehawu was part of the final agreement adjusting salary structures for the 1991/92 year.

At last year's wage negotiations between the TPA and Nehawu, it was recorded that the TPA did not have the authority to make a final decision on wages.

Regarding the radiographers currently on strike, Mr Cornelissen said two letters responding to their demands were issued — one by the Minister of National Health and Population Development, Dr Rina Venter, and the other by TPA management.

He said the TPA had reported the nurses to the SANC and since this was an independent body, the TPA could not prescribe what decisions it should take.

Strikes at post offices

VERA VON LIERES

MORE than 350 workers at the Orlando East and Lenasia post offices went on strike yesterday to protest against a new employee grading system.

Cosatu's Post and Telecommunications Workers' Association (Potwa) said it was "likely" the strike would spread nationally.

Members of three postal unions have joined the dispute.

Potwa assistant general secretary Sizwe Matshikiza said workers were dissatisfied with the new grading system and believed they had been unfairly demoted under the new system — effective from October 1.

"Some have been demoted with the effect that their salaries have plummeted from, for example, R3 300 to R2 600."

Postal workers were also dissatisfied with the privatisation of the Post Office.

A Post Office spokesman said yesterday that workers had been graded on the "Paterson" system, according to the maxim "the best person for the best job".

By yesterday afternoon, 374 workers had joined the strike, he said.

One PO one union?

By THEMBA KHUMALO

FOR the first time in the history of the post office labour scene, white, coloured and Indian employees all joined a protest to challenge management decisions.

Dozens of whites were part of a march organised by the Johannesburg branch of the Posts and Telecommunications Workers Association (Potwa) on Wednesday to protest against the new grading system in the post office.

A petition addressed to the Minister of Posts and Telecommunications was handed to the Wits regional manager at the General Post Office.

The workers claim the new system was introduced at short notice and will result in corruption and racism as blacks will find themselves demoted.

Potwa legal co-ordinator Pat Nhlapo said some workers have already been demoted.

The officials appointed to effect the grading were "incompetent", Nhlapho said.

The memorandum said the Patterson task-grading system was not explained to workers, and those implementing the system were not trained in its use. It added the union agreements with management on the system had not been honoured.

The statement accused management of deliberately avoiding taking opportunities that would guarantee fair, tension-free, and sound labour relations.

Nhlapho said the combined march may yet lead to a single non-racial post office trade union.

Transnet and Sarhwu settle

By THEMBA KHUMALO

TRANSNET and the South African Railway and Harbour Workers Union (Sarhwu) have signed an agreement which ends a two-month strike by railway workers in the northern Transvaal and other parts of the country.

The parties have agreed that the strikers should report to work tomorrow and that their demands be addressed either through arbitration or discussions.

Sarhwu general secretary Martin Sebakwane has undertaken to ensure that all striking union members abide by the agreement while wage and working conditions are being attended to.

Spoornet has also agreed to give white worker Karel Niewoudt a second hearing. Niewoudt, Sarhwu's only white member, was summarily dismissed after he was allegedly found smoking dagga during working hours at a Potgietersrus depot.

The company has also agreed to consider individual applications for the re-employment of the 54 strikers who were fired in Lydenburg in the eastern Transvaal after they joined the strike last month.

Other issues addressed in the agreement were the dismissal of Transnet's industrial staff.

"Both parties agree that the question of the resignation of certain industrial staff has been satisfactorily resolved and, in order to facilitate sound labour relations, the relationship between Sarhwu and management be governed by the guidelines agreed to."

The parties also agreed that the strikers would not be paid while they were on strike.

On the question of the Equal Opportunity Programme, management agreed to consult, provide information and extend invitations to Sarhwu to attend workshops initiated by Transnet.

Four held in Natal over arms

Sowetan 9/9/91

POLICE at the weekend arrested four men in the Table Mountain area of the Natal Midlands, seizing weapons and ammunition.

The men, all in their mid-20s, are alleged to have had in their possession two AK-47 rifles with 97 rounds of ammunition, a 303 rifle, a homemade shotgun and four other homemade firearms, ammunition of various calibres and a flare. - *Sapa.*

TPA's no to wage increase demand

Sowetan 9/9/91

354

By SELLO MOTLABAKWE

THE Transvaal Provincial Administration has rejected the National Education and Health Workers Union's demands for a wage increase.

TPA acting director-general Dr Piet Steyn issued a statement in reply to a memorandum by Nehawu last Friday demanding recognition of the union and a wage increase proportional to the inflation rate for all health workers.

Steyn said a partial salary increase was granted to health workers in April this year. He pointed out that the union formed part of a forum created by the Commission for Administration (CFA) which is currently negotiating the nature of future collective bargaining processes between the TPA and Nehawu.

Additional matters addressed in the statement include: A commitment by the TPA to consult the union over any proposed retrenchment of workers, the non-victimisation of Nehawu members for their membership and the continuation of discussions on the right to peaceful protests.

(114)

Sarhwu in march for pay

354

Sowetan 11/9/91

THOUSANDS of railway workers marched and demonstrated countrywide yesterday in support of pay and other demands, said South African Railway and Harbour Workers Union general secretary Mr Martin Sebakwane.

Sarhwu and Transnet were due to meet in Johannesburg today to resume annual wage negotiations which started in July, he said.

Seventeen union members also started a sit-in demonstration in Spoornet's Cape Town offices yesterday, said Sarhwu Western Cape regional chairman Mr Otto Balfour.

Workers demanded a 20 percent increment for graded workers and a minimum monthly wage of R1 100 for general workers. - *Sapa*

Govt dragging feet – Cosatu

Star 12/9/91

354

By Shareen Singh

Cosatu yesterday accused the Government of dragging its feet in implementing the Laboria Minute and threatened to take mass action.

The minute has been agreed to by unions, employers and the State.

It was signed a year ago by Cosatu/Nactu, the South African Co-ordinating Committee on Labour Affairs (Saccola) and the Government, changing the Labour Relations Act.

The spirit of the Laboria Minute was being ignored, Cosatu charged.

It said a number of issues had been agreed on but the Government had not yet moved to make these reality.

According to the minute, the Government had agreed to grant farm workers the same rights as those enjoyed by industrial workers.

But Minister of Manpower Eli Louw had refused to give any commitment about including these workers in the Labour Relations Act and the Wage Act, Cosatu said.

Regarding domestic workers, a National Manpower Commission (NMC) investigation had been completed in June, but little progress had been made in transforming these recommendations into law.

Cosatu demanded that the Minister obtain a commitment from the Cabinet that domestic workers be included in the Basic Conditions of Employment Act, the Wage Act, the Labour Relations Act, the Workmen's Compensation Act and the Unemployment Insurance Fund Act.

The Laboria Minute agreed to grant full rights to public-sector workers, but the Commission for Administration, which agreed to produce draft legislation to cover public-sector workers, had failed to meet three deadlines, Cosatu said.

A draft, which Cosatu was studying, was finally produced last month.

The Government had agreed that the NMC would be dissolved by April this year and a restructured NMC would replace it.

But the Minister had extended the term of office of the NMC and refused to commit himself to a date when a restructured NMC would be appointed, Cosatu said.

The minute made provision for the discussion of economic issues among the parties who signed the minute.

Cosatu and the Department of Manpower held discussions on July 1 on a range of issues, including retrenchments and job-creation programmes, but the department has refused to say when negotiations could start.

Workers' rights were a burning issue in Cosatu and if these were not implemented soon, workers would have no option but to resort to mass action.

The federation's central executive committee would meet at the end of the month to decide on action.

Industrial council for Transnet

By DREW FORREST

TRANSNET and 13 unions — including the militant South African Railway and Harbour Workers' Union (Sarhwu) — are poised to establish a giant industrial council which would set minimum wages and conditions for 150 000 Transnet employees.

Sources indicate that the agreement setting up the council could be signed today — ironically in the same week that the rail sector seemed to be lurching towards a national strike.

If agreement is reached, the council would begin operating from October 6, the day the Sats Conditions of Service Act lapses and Transnet falls under the Labour Relations Act for the first time.

It follows seven months of negotiations on a new bargaining dispensation between management, unions on the Transnet Labour Council, Sarhwu and its "moderate" rival, the Black Trade Union (Blatu).

Details of the structure of the proposed council could not be ascertained this week, but it would have to accommodate an enormously wide range of jobs and skill levels, from South African Airways pilots and engineers to unskilled railway gangers.

South Africa's third-largest industrial council, it would replace the labour council and is expected to draw in both Blatu and Sarhwu, who are not council members and negotiate with management in separate forums.

Sources said the key obstacle in negotiations on the council was the enormous diversity of unions in Transnet, from the Congress of South African Trade Unions-affiliated Sarhwu to the all-white Spoorbond.

PSA protest is planned

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B/Body 17/9/91

GERALD REILLY

PRETORIA — A strong protest against the "unsatisfactory" labour relations machinery in the public service will be made at next week's AGM of the Public Servants' Association (PSA).

In a statement yesterday PSA GM Hans Olivier said private sector workers had the protection and machinery of the Labour Relations Act (LRA) in wage negotiations.

Public servants had no such machinery and were virtually at the mercy of government. He said government had rejected a recommendation by the Wiehann commission that public servants be included in the LRA.

Another "burning" issue which Olivier said would be addressed was the uncertainty and anxiety about public servants' job security in a new constitutional dispensation.

PSA president Johan van Wyk would also refer to unsatisfactory salary levels, recent meagre increases and to differentiated retirement age. Some workers would retire at 60 and others at 65.

Social workers ask about own welfare

Star 18/9/91. (354)

By Shirley Woodgate

Social workers yesterday announced tough plans which will set the country's 7 000 registered welfare staff on a collision course with the Government over poor working conditions and low pay.

The Co-ordinating Committee Campaign for a Living Wage stressed at a press conference in Johannesburg that a threatened breakdown has been allowed to develop in the services at a time when welfare needs are in crisis and set to worsen.

The committee dismissed official claims of insufficient funds to finance salary increases.

It demanded instead a 60 percent across-the-board salary increase to be borne by the State, and State subsidisation of social workers' training.

It stressed that salary increases would be cost-effective and prevent the expense of recruiting and retraining new workers.

Highlighting the wastage of valuable funds through racial duplication of services, the committee said the call for adaquate pay was in the context of its demand for an adequate and just unitary welfare system.

The campaign, launched yesterday, includes demands for a meeting with Dr Rina Venter, Minister of National Health and Health Services, and plans to picket and demonstrate.

After these steps have been taken, the plan of action will be re-assessed and a decision taken on even stronger moves if the demands have not been met.

Salary scales for Grade A social workers range from R1 678 a month to R2 011, while senior social workers and branch directors on Grade B earn from R1 761 to R2 552.

Analysis of salary scales for social workers from 1985 to 1991 indicate that although there was a 23 percent increase, in real terms pay packets went up by only 3,9 percent.

A labour management adviser has calculated that increases ranged from 13,5 percent for Grade A to 28 percent for Grade B1, but in real terms this amounted to 3,1 percent and 9,3 percent.

The committee, comprising Concerned Social Workers, the South African Black Social Workers' Association, and the Society for Social Workers, claims that salaries are not even remotely market-related, while current working conditions include greater stress and demand far more effort.

Despite long hours, they are often forced to moonlight for extra income.

No recognition is being given to social workers who make decisions affecting the lives of the people they attend, and staff who often face personal physical danger.

Instead, staff shortages force them to push up ideal case loads of less than 10 per social worker to 40 families — and in some cases even 120 — the committee claimed.

Welfare workers want 60% pay hike

THREE social welfare groupings, representing about 7 000 workers, announced yesterday a joint campaign for a 60% across-the-board salary increase to avert what they say is a crisis threatening the welfare sector.

The SA Black Social Workers' Association, the Society for Social Workers, and the Concerned Social Workers told a news briefing yesterday that high staff turnover in welfare agencies and difficulties in recruiting new staff had resulted in an inadequate social service.

Between April 1990 and April this year, 20 social workers of the Johannesburg Child Welfare Society had left the profession.

Members of the associations were increasingly frustrated at unsatisfactory salaries and working conditions in the sector, and were considering forms of protest which could include industrial action.

Johannesburg Child Welfare Society director Adele Thomas said social workers were not adequately compensated for the nature of their work and the sacrifices involved. It was believed that salaries in commerce and industry were in some cases double those being paid to people in the field.

A social worker said: "Social workers are chronically underpaid and there is no provision for state subsidisation of social work training."

VERA VON LIERES

In addition to the 60% pay increase, the organisations are demanding that government bear the full cost of the salary hike and that it subsidise the training of social workers. "We remain unconvinced by arguments that there are insufficient funds to finance salary increases. There are only 7 000 registered social workers in SA and salary increases would not cripple the welfare budget."

Social workers from various organisations who attended yesterday's news briefing also linked the crisis in the sector to the wasting of funds through racial duplication of welfare systems.

Inadequate resources and staff shortages meant that SA social workers often had case loads of 40 families at a time and in some instances were carrying up to 120. Research had demonstrated that a social worker in the child abuse field could render an effective service to no more than 10 families at a time.

The organisations said they were organising a delegation to meet Health Minister Rina Venter "soon."

A delegate said recent requests to meet Venter had been turned down. "There has been no suggestion that the Minister recognises the extreme need of social workers," she added.

Sept 19/9/91

(350) 354

Officials overpaid

Pay for the burgeoning civil service in SA is consuming 35 percent of the national budget, and salary increases have easily outstripped those in the private sector, according to a senior economist at the Board of Executors.

Public servants call for right to strike

GERALD REILLY

PRETORIA — The Public Servants' Association (PSA) signalled yesterday that it would campaign to have all rights contained in the Labour Relations Act, including the right to strike, extended to public service workers.

PSA president Johan van Wyk told the association's AGM the existing "toothless" negotiating mechanisms were obsolete and in need of urgent review.

Public sector workers needed a central negotiating structure and conciliation machinery and where these failed, they should have the right to compulsory arbitration, as well as the right to strike.

The PSA, he said, also wanted right of access to the Industrial Court.

Van Wyk urged government to commit itself to a three-year programme to restore the salaries of public servants to a "proper" level.

He said it had been formally agreed that collective bargaining legislation should be based on the Labour Relations Act.

Van Wyk appealed to government workers to be patient for a while longer while a breakthrough to legal collective bargaining was achieved.

He said public sector workers had lost faith in government's salary policy following the allocation of an unsatisfactory R1,9bn for public service increases.

He said the PSA was demanding government give it written guarantees that jobs and benefits would be retained in a new dispensation.

Global economy strained, says World Bank report

B1 Day 24/9/91 356

WASHINGTON — The global economy is being buffeted by grinding poverty, dramatic changes in Eastern Europe and the Soviet Union and the lingering impact of the Gulf war, according to the World Bank.

At the same time, environmental degradation is continuing to worsen in many regions, while countries have been unable to shake off huge debts built up a decade ago.

"Poverty increased in many countries during the 1980s," the bank said in its annual report released on Sunday, adding that "more than a billion people — about one-third of the total population in developing countries — live in poverty".

In briefings to reporters in conjunction with the annual report, officials said a bank team would meet Soviet officials this week to work out a plan of technical aid for which the bank has earmarked $30m.

But officials, including bank president Lewis Preston, emphasised that efforts to help the Soviet Union and other countries in Eastern Europe would not divert attention from problems elsewhere.

"There will not be any diversion," Preston said.

Still, the bank's annual report noted that its lending to the reforming European countries in the year ended June 30 jumped by $1,1bn to $2,94bn.

Officials said it was likely that strong lending to the region would continue in the current year although they declined to give estimates.

Profound

Overall, the bank estimated new lending to developing countries in the current year would range between $23bn and $25bn, compared with $22,7bn in the year earlier period.

However, net disbursements for the year, which reflect differences between the money the bank actually provides and lending that is repaid, fell to $6,4bn in the past year from $9,3bn a year earlier.

The Gulf war's effects continued to dog efforts to help developing countries during the year, the report said.

"The Gulf crisis has had a profound and continuing economic and financial effect on the global economy in general and the developing countries in particular," it said.

Latin America, burdened with heavy debt, had also been hit by the Gulf crisis. There was a small decline in total output for the region as a whole and per capita income fell for the third year in a row. "As a result, per capita income in the region today is about 10% below the level attained in 1980," the report said.

For sub-Saharan Africa, overwhelmed by poverty, the picture was grim.

"For many countries, the external environment continues to be hostile, as reflected by the adverse effects of debt overhang, capricious weather, sluggish growth in export demand, and steady declines in terms of trade," the report said.

The bank said its assistance for the region has been increasing steadily from an average $1,9bn in 1981 to 1985 with total commitments reaching $3,9bn in fiscal 1990 but dropping to $3,4bn this year. — Reuter.

Public servants seek collective bargaining rights

By Helen Grange
Pretoria Bureau

The Public Servants Association (PSA) is to register as a trade union so that public servants can have a collective bargaining platform similar to private sector workers.

This was announced yesterday by PSA president Johan van Wyk at the association's annual general meeting where concern over the plight of public servants in a new, increasingly privatised South Africa, was strongly highlighted.

Mr van Wyk said representations had been made over the years by public servants for legal rights similar to those provided by the Labour Relations Act protecting private sector workers.

However, the Government had denied its own employees the same benefits.

Now, moves were afoot to find ways of improving collective bargaining power for public servants — including registering as a workers union and mooting the right to strike.

However, the PSA would not advocate striking by employees providing essential services — like magistrates and medical personnel, among others.

Mr van Wyk said the government and the various employees organisations were presently drafting legislation for a system of collective bargaining within the Public Service based on the Labour Relations Act — either to be incorporated into the Act or falling under a separate Act.

Public servants were becoming increasingly concerned about their career security and their acquired rights in the event of a new constitution, Mr van Wyk added.

The issue had been further complicated by pronouncements from political quarters that various "adjustments" would have to be made and that up to 1 500 top posts in the Public Service were in jeopardy.

Mr van Wyk called on the Government to provide written assurances guaranteeing the protection of rights of public servants in the new dispensation — and appealed for a fixed programme over about three years "within which it must restore the salaries of public servants to a proper level".

Fringe benefits were also far better in the private sector than the public sector — and attractive benefits offered outside the Public Service was one of the main reasons for the resignation of competent officers from the service, Mr van Wyk said.

"South Africa cannot afford to do without the services of competent, dedicated and trained staff," he said.

Rail workers get wage increase

Sowetan 2/10/91.

TRANSNET and the South African Railways and Harbours Workers Union have reached agreement on wages and conditions of service for 1991/92, Transnet human resources manager Mr HA Lourens said yesterday.

The parties agreed to a minimum monthly wage of R900 and an across-the-board increase of 11,5 percent.

Union assistant general secretary Johnny Potgieter confirmed the agreement.

He disputed Lourens' statement that agreement had been reached on a productivity incentive scheme. "It is not a productivity incentive scheme; it is an attendance bonus not linked to productivity at all," he said. - *South African Press Association.*

Strikers at Transnet reject settlement

VERA VON LIERES

TRANSNET and the SA Railway and Harbour Workers' Union (Sarhwu) have reached an agreement on wages and conditions of service, but 5 000 union members yesterday rejected the settlement. B/Day 2/10/91 (354)

The agreement — which covers 38 000 Transnet employees — was reached last weekend after protracted negotiations which started in June.

Talks deadlocked last month and workers staged countrywide work stoppages.

Sapa reports that more than 5 000 striking Sarhwu members in the Free State, Cape Town, Ladysmith and Kimberley yesterday vowed to continue the strike.

Members were informed on Monday of the wage agreement, but were unhappy with the settlement and decided to continue striking.

Transnet human resources manager Hennie Lourens said the parties agreed on a monthly minimum wage of R900 and an across-the-board increase of 11,5%. Sarhwu initially asked for a R1 500 monthly minimum and a 40% across-the-board increase, he said.

The parties also agreed on a productivity incentive scheme, in terms of which workers would be rewarded for regular attendance.

Sarhwu assistant general secretary Johnny Potgieter said yesterday agreement had been reached on an attendance bonus, not linked to productivity, Sapa reports.

Sarhwu general secretary Martin Sebakwane said Transnet managers had told employees of the agreement before union leaders could report back to their members.

Severance deals cost city R14-m

Star 9/10/91

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By Louise Burgers
Municipal Reporter

Almost R14 million will be spent by the Johannesburg City Council on severance packages for 27 council directors and middle-management officials who have opted for redundancy or early retirement.

A total of 42 posts were scrapped in the restructuring drive to streamline the city council into effective business units.

City treasurer Willie Siebert said yesterday that R6,3 million would be paid out to 23 officials aged between 35 and 55 who had all opted for redundancy and refused alternative posts offered, at their present salaries, with the council.

Bonuses

An additional R6,3 million will be paid to the 23 in service bonuses — these could be up to an extra five years' pay, depending on how many years' service with the council they had.

About R1 million will be paid to three top directors who earlier this year opted to take the option of early retirement in the light of the council reorganisation.

This is apart from the excellent pension benefits and payouts from the municipal pension fund.

The three top men are director of health Dr Hilliard Hurwitz, city engineer Dave Read and parks director Paul Loubser.

Mr Siebert said the 23 officials, 11 of whom did not reapply for their positions and 12 who did not get the jobs they applied for, had all indicated they would be taking the redundancy option.

They, however, had until Monday to reapply for alternative positions they had been offered.

Mr Siebert said the savings the council would achieve with the new structure, which they hoped would be more efficent, would "even things out".

"Some of the money would have been paid out anyway because some of the officials were near pensionable age.

"The new function heads are looking at cost savings. The chairman of the management committee is adamant that we all produce savings in our departments. The message is very clear to all of us," Mr Siebert said.

The total cost of the restructuring (excluding the severance pay) exercise is R3,3 million for this financial year.

This amount includes the creation of the three new posts for directors of sport, culture, and commerce and industry.

No. R. 2452 **11 Oktober 1991**

WET OP ARBEIDSVERHOUDINGE, 1956

PLAASLIKE BESTUURSONDERNEMING: HERBEKRAGTIGING VAN VOORSORGFONDSOOREENKOMS

Ek, Eli van der Merwe Louw, Minister van Mannekrag, verklaar hierby, kragtens artikel 48 (1) (a) van die Wet op Arbeidsverhoudinge, 1956, dat die bepalings van die Ooreenkoms wat in die Bylae hiervan verskyn en betrekking het op die Onderneming, Nywerheid, Bedryf of Beroep in die opskrif by hierdie kennisgewing vermeld, met ingang van die tweede Maandag na die datum van publikasie van hierdie kennisgewing en vir die tydperk wat op 9 Augustus 1992 eindig, bindend is vir die werkgewersorganisasie en die vakverenigings wat genoemde Ooreenkoms aangegaan het en vir die werkgewers en werknemers wat lede van genoemde organisasie of verenigings is.

E. VAN DER M. LOUW,
Minister van Mannekrag.

BYLAE

NYWERHEIDSRAAD VIR DIE PLAASLIKE BESTUURSONDERNEMING

VOORSORGFONDSOOREENKOMS

ooreenkomstig die Wet op Arbeidsverhoudinge, 1956, gesluit deur en aangegaan tussen die

Munisipale Werkgewersorganisasie

(hierna die "werkgewersorganisasie" genoem), aan die een kant, en die

Suid-Afrikaanse Vereniging van Munisipale Werknemers (Niepolitiek)

(hierna die "vakvereniging" genoem), aan die ander kant, en die

Vereniging van Administratiewe Hoofamptenare van Plaaslike Owerhede

(hierna "VAHPO" genoem), aan die ander kant,

wat die partye is by die Nywerheidsraad vir die Plaaslike Bestuursonderneming.

1. GEBIED EN TOEPASSINGSBESTEK VAN OOREENKOMS

Hierdie Ooreenkoms is van toepassing op die Plaaslike Owerhede in die regsgebied van die Nywerheidsraad vir die Plaaslike Bestuursonderneming en moet nagekom word—

(1) deur alle werkgewers wat lede is van die werkgewersorganisasie en deur alle werknemers wat lede is van die vakverenigings;

(2) deur alle Plaaslike Owerhede in die provinsie Transvaal (uitgesonderd Pretoria en Johannesburg) en die stadsrade, dorpsrade en gesondheidskomitees van Amanzimtoti, Anerley, Ballito, Bergville, Camperdown, Colenso, Dannhauser, Dundee, Durnacol, Empangeni, Eshowe, Estcourt, Gillits, Gingindlovu, Glencoe, Greytown, Hibberdene, Hillcrest, Hilton, Howick, Isipingo, Ixopo, Kingsborough, Kloof, Kokstad, Ladysmith, La Lucia, Maidstone, Mandini, Margate, Matatiele, Mtubatuba, Melmoth, Mooirivier, Mtunzini, Munster, Newcastle, New Germany, Paulpietersburg, Pinetown, Port Shepstone, Queensburgh, Ramsgate, Richardsbaai, Richmond, Rossburgh, Salt Rock, Scottburgh, Shelly Beach, Stanger, Thornville-aansluiting, Tongaat, Umbogintwini, Umdloti Beach, Umhlali, Umhlanga Rocks, Umtentweni,

No. R. 2452 **11 October 1991**

LABOUR RELATIONS ACT, 1956

LOCAL GOVERNMENT UNDERTAKING: RE-ENACTMENT OF PROVIDENT FUND AGREEMENT

I, Eli van der Merwe Louw, Minister of Manpower, hereby, in terms of section 48 (1) (a) of the Labour Relations Act, 1956, declare that the provisions of the Agreement which appears in the Schedule hereto and which relates to the Undertaking, Industry, Trade or Occupation referred to in the heading to this notice, shall be binding, with effect from the second Monday after the date of publication of this notice and for the period ending 9 August 1992, upon the employers' organisation and the trade unions which entered into the said Agreement and upon the employers and employees who are members of the said organisation or unions.

E. VAN DER M. LOUW,
Minister of Manpower.

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SCHEDULE

INDUSTRIAL COUNCIL FOR THE LOCAL GOVERNMENT UNDERTAKING

PROVIDENT FUND AGREEMENT

in accordance with the Labour Relations Act, 1956, made and entered into by and between the

Municipal Employers' Organisation

(hereinafter referred to as the "employers' organisation"), of the one part, and the

South African Association of Municipal Employees (Non-political)

(hereinafter referred to as the "trade union"), of the other part, and the

Association of Chief Administrative Officers of Local Authorities

(hereinafter referred to as "ACAOLA"), of the other part,

being the parties to the Industrial Council for the Local Government Undertaking.

1. AREA AND SCOPE OF APPLICATION OF THE AGREEMENT

This Agreement is applicable to the Local Authorities in the area of jurisdiction of the Industrial Council for the Local Government Undertaking, and shall be observed by—

(1) all employers who are members of the employers' organisation, and all employees who are members of the trade union;

(2) all local authorities in the Province of the Transvaal (excluding Pretoria and Johannesburg) and the city and town councils and health committees of Amanzimtoti, Anerley, Ballito, Bergville, Camperdown, Colenso, Dannhauser, Dundee, Durnacol, Empangeni, Eshowe, Estcourt, Gillits, Gingindlovu, Glencoe, Greytown, Hibberdene, Hillcrest, Hilton, Howick, Isipingo, Ixopo, Kingsborough, Kloof, Kokstad, Ladysmith, La Lucia, Maidstone, Mandini, Margate, Matatiele, Mtubatuba, Melmoth, Mooi River, Mtunzini, Munster, Newcastle, New Germany, Paulpietersburg, Pinetown, Port Shepstone, Queensburgh, Ramsgate, Richards Bay, Richmond, Rossburgh, Salt Rock, Scottburgh, Shelly Beach, Stanger, Thornville Junction, Tongaat, Umbogintwini, Umdloti Beach, Umhlali, Umhlanga Rocks, Umtentweni, Umzinto, Utrecht, Uvongo, Verulam, Vryheid, Weenen and

Umzinto, Utrecht, Uvongo, Verulam, Vryheid, Weenen en Westville in die provinsie Natal, en Allanridge, Bethlehem, Bloemspruit, Boshof, Bothaville, Brandfort, Bultfontein, Clarens, Clocolan, Dealesville, Dewetsdorp, Excelsior, Fauresmith, Ficksburg, Frankfort, Harrismith, Heilbron, Hertzogville, Hobhouse, Hoopstad, Jagersfontein, Kestell, Koffiefontein, Koppies, Kroonstad, Ladybrand, Lindley, Marquard, Memel, Oranjeville, Parys, Petrusburg, Petrus Steyn, Philippolis, Reddersburg, Reitz, Rouxville, Sasolburg, Senekal, Smithfield, Springfontein, Steynsrus, Trompsburg, Tweeling, Tweespruit, Ventersburg, Verkeerdevlei, Viljoenskroon, Villiers, Vrede, Vredefort, Warden, Wepener, Wesselsbron, Winburg en Zastron in die provinsie Oranje-Vrystaat, en hul werknemers wat van tyd tot tyd deur die Voorsorgfondskomitee met die goedkeuring van die Versekeraar toegelaat word op aansoek van die Plaaslike Owerheid soos verteenwoordig deur die Plaaslike Voorsorgfondskomitee.

2. GELDIGHEIDSDUUR VAN OOREENKOMS

Hierdie Ooreenkoms tree in werking op 'n datum wat die Minister van Mannekrag kragtens artikel 48 van die Wet bepaal en bly van krag tot 9 Augustus 1992.

3. ALGEMENE BEPALINGS

Klousules 3 tot en met 15 van die Ooreenkoms gepubliseer by Goewermentskennisgewing R. 1615 van 31 Julie 1987 en bekragtig by Goewermentskennisgewing R. 557 van 25 Maart 1988, soos van tyd tot tyd verder verleng/hernieu, gewysig en bekragtig, is van toepassing op werkgewers en werknemers.

4. KLOUSULE 3: WOORDOMSKRYWING

Vervang die omskrywing van "besoldiging" deur die volgende:

"besoldiging" die normale geldelike vergoeding van 'n werknemer, hetsy ooreenkomstig die toepaslike kerf op sy salarisskaal of 'n vaste bedrag geld, en dit sluit geen toelae, bonus of subsidie in nie: Met dien verstande dat die besoldiging bepaal word wanneer 'n werknemer 'n lid word en daarna slegs op elke Fondsverjaardag, tensy anders ooreengekom tussen die Plaaslike Voorsorgfondskomitee en die Versekeraar in welke geval besoldiging herbepaal word sodra 'n algemene verhoging bekend gemaak word, maar nie met terugwerkende effek nie;".

5. KLOUSULE 4: INSTELLING EN DOELSTELLINGS VAN DIE FONDS

(1) Vervang die opskrif by klousule 4 deur die volgende:

"4. VOORTSETTING EN DOELSTELLINGS VAN DIE FONDS".

(2) In klousule 4.1, vervang die gedeelte wat paragraaf (a) voorafgaan, deur die volgende:

"Die Fonds wat bekend staan as die Voorsorgfonds vir Plaaslike Owerhede, ingestel by Goewermentskennisgewing R. 1615 van 31 Julie 1987, word hierby voortgesit en bestaan uit—".

(3) Vervang klousule 4.3(d) deur die volgende:

"Om volgens die reëls van die skema vir mediese gevalle wat finansiële ondersteuning nodig het, geldelik voorsiening te maak.".

(4) Voeg die volgende paragraaf in na paragraaf (f) in klousule 4.3:

"(g) Om volgens die reëls van die skema vir 'n begrafnisvoordeel voorsiening te maak.".

Westville in the Province of Natal, and Allanridge, Bethlehem, Bloemspruit, Boshof, Bothaville, Brandfort, Bultfontein, Clarens, Clocolan, Dealesville, Dewetsdorp, Excelsior, Fauresmith, Ficksburg, Frankfort, Harrismith, Heilbron, Hertzogville, Hobhouse, Hoopstad, Jagersfontein, Kestell, Koffiefontein, Koppies, Kroonstad, Ladybrand, Lindley, Marquard, Memel, Oranjeville, Parys, Petrusburg, Petrus Steyn, Philippolis, Reddersburg, Reitz, Rouxville, Sasolburg, Senekal, Smithfield, Springfontein, Steynsrus, Trompsburg, Tweeling, Tweespruit, Ventersburg, Verkeerdevlei, Viljoenskroon, Villiers, Vrede, Vredefort, Warden, Wepener, Wesselsbron, Winburg and Zastron in the Province of the Orange Free State, and their employees who may from time to time be admitted by the Provident Fund Committee with the approval of the Assurer on application by the Local Authority as represented by the Local Provident Fund Committee. 354

2. PERIOD OF OPERATION OF AGREEMENT

This Agreement shall come into operation on a date determined by the Minister of Manpower in terms of section 48 of the Act and shall remain in force until 9 August 1992.

3. GENERAL PROVISIONS

Clauses 3 to 15 inclusive of the Agreement published in Government Notice R. 1615 of 31 July 1987 and confirmed by Government Notice R. 557 of 25 March 1988, as further extended/renewed, amended and confirmed from time to time, shall be applicable to employers and employees.

4. CLAUSE 3: DEFINITIONS

Substitute the following for the definition of "remuneration":

"remuneration, means the usual monetary remuneration of an employee, either in accordance with the applicable notch on his salary scale or a fixed amount of money, and this shall not include any allowances, bonuses or subsidies: Provided that the remuneration shall be determined when an employee becomes a member and thereafter on every anniversary date of the Fund, unless otherwise agreed upon between the Local Provident Fund Committee and the Assurer, in which case remuneration shall be re-determined once a general increase is announced, but not with retrospective effect;".

5. CLAUSE 4: ESTABLISHMENT AND OBJECTS OF THE FUND

(1) Substitute the following for the heading of clause 4:

"4. CONTINUATION AND OBJECTS OF THE FUND".

(2) In clause 4.1 substitute the following for the part preceding paragraph (a):

"The Fund known as the Provident Fund for Local Authorities, established by Goverment Notice R. 1615 of 31 July 1987, is hereby continued and consists of—".

(3) Substitute the following for clause 4.3(d):

"to make financial provision, in accordance with the rules of the scheme, for medical cases that require financial support.".

(4) Add the following paragraph after paragraph (f) in clause 4.3:

"(g) to make provision for a burial benefit in accordance with the rules of the scheme .".

6. KLOUSULE 7: BYDRAES

Vervang klousule 7.1 deur die volgende:

"7.1 Elke Plaaslike Owerheid wat aan die Fonds deelneem, moet maandeliks 'n bydrae tot die Fonds maak gelyk aan hoogstens 2 persent van die totale besoldiging van al die lede wat bydraes tot die Fonds maak en wat in diens van die betrokke Plaaslike Owerheid is: Met dien verstande dat die werknemer, in die geval van die permanente ongeskiktheid van 'n werknemer, vir die duur van die wag periode van 6 (ses) maande geag word in diens van die Plaaslike Owerheid te wees, en die Plaaslike Owerheid is derhalwe verplig om die toepaslike bydrae, soos hierbo voorgeskryf, tot die Fonds te maak.".

7. KLOUSULE 9: GELDELIKE BEHEER

Vervang klousule 9 deur die volgende:

"9. GELDELIKE BEHEER

9.1 Alle geld wat ten behoewe van die Fonds ontvang word, moet by 'n bank of banke of by 'n versekeraar inbetaal word en alle tjeks wat op die Fonds getrek word, moet onderteken word deur persone wat deur die Plaaslike Voorsorgfondskomitee aangestel is.

9.2 Die Plaaslike Voorsorgfondskomitee kan lenings of 'n oortrokke rekening by 'n bank aangaan of, op voorwaardes waarop daar ooreengekom word, lenings met ander partye aangaan wat die Plaaslike Voorsorgfondskomitee van tyd tot tyd goedkeur, ten einde geld te verkry wat nodig is vir doeleindes van die Fonds, onderworpe aan die goedkeuring van die Voorsorgfondskomitee.

9.3 Alle sekuriteite, verbande, transportaktes en ander dokumente, indien daar is, moet op naam van die Fonds geregistreer word en mag nie oorgedra, vervreem of andersins van die hand gesit word nie behalwe met die goedkeuring van die Voorsorgfondskomitee.

9.4 Die Plaaslike Voorsorgfondskomitee moet toesien dat volledige en ware rekenings gehou word, onderworpe aan die goedkeuring van die Voorsorgfondskomitee.

9.5 Die Plaaslike Voorsorgfondskomitee moet 'n jaarverslag, soos deur die Versekeraars voorgelê, oor die werking van die Fonds, sodra dit beskikbaar is, aan die Direkteur-generaal van Mannekrag en die Voorsorgfondskomitee voorlê op die wyse wat die Plaaslike Voorsorgfondskomitee van tyd tot tyd bepaal.

9.6 Alle uitgawes rakende of voortspruitende uit die instelling van die Fonds, of in verband met die bestuur of administrasie van die Fonds en die belegging van fondse, insluitende ouditgelde, moet deur die Fonds gedra word.

9.7 Alle bindende kontrakte wat die Fonds raak, moet net deur die Voorsorgfondskomitee of die Plaaslike Voorsorgfondskomitee aangegaan word, en alle dokumente in verband daarmee moet onderteken word deur minstens twee lede van die Voorsorgfondskomitee of die Plaaslike Voorsorgfondskomitee wat behoorlik daartoe gemagtig is.

9.8 Alle winste of verliese wat voortspruit uit die beleggings van die Fonds, moet aan die Fonds gekrediteer of gedebiteer word.

9.9 Die helfte van die netto belegging van die Fonds moet aan die Versekeraar toegewys word, terwyl die oorblywende gedeelte van die belegging aan ander versekeraars toegewys moet word ten einde 'n konsortium te vorm: Met dien verstande dat in die geval van individuele versekering die volle bedrag oorbetaal word aan 'n versekeringsmaatskappy wat deur die lid/werknemer aangewys is.".

6. CLAUSE 7: CONTRIBUTIONS

Substitute the following for clause 7.1: 354

"7.1 Every Local Authority participating in the Fund shall make a monthly contribution to the Fund not exceeding 2 per cent of the total remuneration of all members who contribute to the Fund and who are employees of the Local Authority concerned: Provided that, in the case of the permanent disability of an employee, the employee shall, for the waiting period of 6 (six) months be deemed to have been employed by the Local Authority, and the Local Authority shall be obliged to make the applicable contribution, as prescribed above, to the Fund.".

7. CLAUSE 9: FINANCIAL CONTROL

Substitute the following for clause 9:

"9. FINANCIAL CONTROL

9.1 All moneys received on behalf of the Fund shall be deposited with a bank or banks, or with an assurer, and all cheques drawn on the Fund shall be signed by persons appointed by the Local Provident Fund Committee.

9.2 The Local Provident Fund Committee may enter into loan or overdraft commitments with a bank, or effect loans with other parties on conditions agreed upon, which the Local Provident Fund Committee may from time to time approve to raise finance necessary for the purposes of the Fund, subject to the approval of the Provident Fund Committee.

9.3 All securities, mortgages, title deeds and other documents, if any, shall be registered in the name of the Fund and may not be transferred, alienated or otherwise disposed of without the approval of the Provident Fund Committee.

9.4 The Local Provident Fund Committee shall be responsible for ensuring that full and proper accounts are kept, subject to the approval of the Provident Fund Committee.

9.5 The Local Providend Fund Committee shall submit an annual report, as submitted by the Assurers, regarding the operation of the Fund, as soon as it becomes available. Such report shall be submitted to the Director-General of Manpower and to the Provident Fund Committee, in such manner as the Local Provident Fund Committee may from time to time determine.

9.6 All expenditure relating to or arising from the establishment of the Fund, or in connection with the management or administration of the Fund and the investment of funds, including audit fees, shall be borne by the Fund.

9.7 All binding contracts affecting the Fund shall be entered into by the Provident Fund Committee or the Local Provident Fund Committee only, and any documentation in connection therewith shall be signed by at least two duly authorised members of the Provident Fund Committee or the Local Provident Fund Committee.

9.8 All profits or losses arising out of the investments of the Fund shall be credited or debited to the Fund.

9.9 One half of the net investments of the Fund shall be allocated to the Assurer. The remaining portion of the investments shall be allocated to other assurers in order to create a consortium: Provided that, in respect of individual assurance, the full amount shall be payable to an assurance company nominated by the member/employee.".

8. KLOUSULE 12: VERSTRYKING VAN OOREENKOMS EN ONTBINDING VAN DIE NYWERHEIDSRAAD

Vervang klousule 12 deur die volgende:

"12. VERSTRYKING VAN OOREENKOMS EN ONTBINDING VAN DIE NYWERHEIDSRAAD

12.1 Ingeval hierdie Ooreenkoms verstryk en daar nie binne 12 maande vanaf die verstrykingsdatum van die Ooreenkoms 'n ander ooreenkoms vir die voortsetting van die Fonds aangegaan word nie, moet die Fonds deur die Voorsorgfondskomitee gelikwideer word.

12.2 By likwidasie van die Fonds moet elke lid se aandeel in die Fonds aan hom betaal word.

12.3 In die geval van die ontbinding van die Nywerheidsraad of ingeval dit ophou om te funksioneer ingevolge artikel 34 (2) van die Wet tydens 'n tydperk waarin hierdie Ooreenkoms bindend is, moet die Plaaslike Voorsorgfondskomitee en/of die Voorsorgfondskomitee voortgaan om die Fonds te administreer.

12.4 Ingeval die Voorsorgfondskomitee en/of die Plaaslike Voorsorgfondskomitee nie sy pligte ten opsigte van die Fonds nakom nie, of as die administrasie van die Fonds na die mening van die Nywerheidsregistrateur onuitvoerbaar geword het, kan hy 'n trustee aanstel om die pligte van sodanige Voorsorgfondskomitee of Plaaslike Voorsorgfondskomitee uit te voer, en vir die doel beskik sodanige trustee(s) oor al die bevoegdhede van sodanige Voorsorgfondskomitee of Plaaslike Voorsorgfondskomitee.".

Namens die partye op Donderdag, 6 Junie 1991 onderteken.

J. F. M. VAN DER MERWE,
Voorsitter.

C. J. VAN DER MERWE,
Ondervoorsitter.

A. J. VAN SCHALKWYK,
Sekretaris.

No. R. 2455 **11 Oktober 1991**

WET OP ARBEIDSVERHOUDINGE, 1956

HAARKAPPERSBEDRYF, PRETORIA: WYSIGING VAN HOOFOOREENKOMS

Ek, Eli van der Merwe Louw, Minister van Mannekrag, verklaar hierby—

(a) kragtens artikel 48 (1) (a) van die Wet op Arbeidsverhoudinge, 1956, dat die bepalings van die Ooreenkoms (hierna die Wysigingsooreenkoms genoem) wat in die Bylae hiervan verskyn en betrekking het op die Onderneming, Nywerheid, Bedryf of Beroep in die opskrif by hierdie kennisgewing vermeld, met ingang van die tweede Maandag na die datum van publikasie van hierdie kennisgewing en vir die tydperk wat op 5 Februarie 1993 eindig, bindend is vir die werkgewersorganisasie en die vakvereniging wat die Wysigingsooreenkoms aangegaan het en vir die werkgewers en werknemers wat lede van genoemde organisasie of vereniging is; en

(b) kragtens aritkel 48 (1) (b) van genoemde Wet, dat die bepalings van die Wysigingsooreenkoms, uitgesonderd dié vervat in klousule 1 (1) (a) met ingang van die tweede Maandag na die datum van publikasie

8. CLAUSE 12: EXPIRY OF AGREEMENT AND DISSOLUTION OF THE INDUSTRIAL COUNCIL

Substitute the following for clause 12:

"12. EXPIRY OF AGREEMENT AND DISSOLUTION OF THE INDUSTRIAL COUNCIL

12.1 Should this Agreement expire, and another agreement providing for the continuation of the Fund not be concluded within 12 months of the expiry date of the Fund, the Fund shall be liquidated by the Provident Fund Committee.

12.2 Upon liquidation of the Fund, every member shall be entitled to a refund of his share in the Fund.

12.3 In the event of the Industrial Council being dissolved or ceasing to function in terms of section 34 (2) of the Act, whilst this Agreement is in force, the Local Provident Fund Committee and/or the Provident Committee shall continue to administer the Fund.

12.4 In the event of the Provident Fund Committee and/or the Local Provident Fund Committee not fulfilling their obligations in respect of the Fund, or if the opinion of the Industrial Registrar, the administration of the Fund has become untenable, he may appoint a trustee to perform the duties of such Provident Fund Committee or Local Provident Fund Committee. Such trustee/s shall, for this purpose, be vested with all the rights and powers of such Provident Fund Committee or Local Provident Fund Committee.".

Signed on behalf of the parties on Thursday, 6 June 1991.

J. F. M. VAN DER MERWE,
Chairman.

C. J. VAN DER MERWE,
Vice-Chairman.

A. J. VAN SCHALKWYK,
Secretary.

No. R. 2455 **11 October 1991**

LABOUR RELATIONS ACT, 1956

HAIRDRESSING TRADE, PRETORIA: AMENDMENT OF MAIN AGREEMENT

I, Eli van der Merwe Louw, Minister of Manpower, hereby—

(a) in terms of section 48 (1) (a) of the Labour Relations Act, 1956, declare that the provisions of the Agreement (hereinafter referred to as the Amending Agreement) which appears in the Schedule hereto and which relates to the Undertaking, Industry, Trade or Occupation referred to in the heading to this notice, shall be binding, with effect from the second Monday after the date of publications of this notice and for the period ending 5 February 1993, upon the employers' organisation and the trade union which entered into the Amending Agreement and upon the employers and employees who are members of the said organisation or union; and

(b) in terms of section 48 (1) (b) of the said Act, declare that the provisions of the Amending Agreement, excluding those contained in clause 1 (1) (a), shall be binding, with effect from the second Monday after the date of publication of this notice and for

Medical workers give Rina Venter ultimatum

THE Natal Provincial Staff Association has delivered an ultimatum to National Health Minister, Dr Rina Venter, threatening "stern and devastating action" if their demands for wage increases are not met before the end of the month.

Last week, the NPSA threatened strike action which could cripple Natal's ambulance and emergency medical services if their salaries and working conditions were not brought on a par with their counterparts in other provinces.

The NPSA is demanding a minimum starting salary of R1 700 compared to the current minimum in Natal of R926 for AEMS staff.

A statement from the NPSA said AEMS staff had not received any salary adjustment since 1983 and many employees had resigned or were contemplating resigning "in view of the poor remunerative package resulting in the deterioration of a qualitative and efficient service to the public of Natal".

The statement called for Venter to meet the NPSA "as a matter of urgency" to discuss the implementation of their demands or face "stern and devastating action". - Sapa.

NEWS IN BRIEF

Public servants angry

PUBLIC service employees' hopes of benefits from revised labour relations legislation have been dashed by negotiations with the state's Commission for Administration. A spokesperson for the Public Servants Caucus Group (PSCG), representing 11 employee organisations, said negotiations had been marred by delays by the state. The staff associations and trade unions, invited by FW de Klerk, above, agreed to establish a new labour relations framework with the State's Commission for Administration in April.

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South 17/10-23/10/91

FM 18/10/91

LABOUR

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Floors and ceilings

As 8 000 contract cleaners in Natal ended a six-week strike and returned to work earlier this week, a private cleaning company and the House of Delegates (HoD) remained in dispute over a R30m contract to clean 400 Indian schools.

At the same time, paramedics working for Natal's provincial Ambulance and Emergency Medical Services (AEMS) have given Health Minister Rina Venter until the end of the month to meet a list of salary and job-related demands.

A memorandum sent to Venter warns that "devastating action" will be taken by AEMS staff unless urgent attention is given to their working conditions. It further calls for a delegation from the State, including Venter, to meet a Natal Provincial Staff Association delegation to negotiate and implement the demands.

If the threatened action takes the form of a strike, it will be the second major blow this year. In May, most of the senior management staff resigned and set up a private ambulance and emergency medical service.

Meanwhile, paramedics, who say their salaries have not been reviewed since 1983, are demanding an increase to bring pay in line with other local authority personnel; a minimum starting salary of R1 700 a month; night and danger allowances; and the opportunity to upgrade their qualifications.

The cleaners' strike saw most Indian schools close early last term. It was marred by violence, including the fatal shooting of striking cleaner Cynthia Mhlongo. It ended last weekend after a meeting between the National Cleaners' Contract Association and Cosatu's Transport and General Workers' Union (TGWU).

The central demand by striking cleaners was a R1 000 a month minimum wage. Shortly before the strike started a 16% increase saw the minimum wage rise to R510 a month. TGWU assistant general secretary Randall Howard said agreement had been reached on re-employment of dismissed strikers; no victimisation of strikers; private arbitration on allegations of intimidation; and the setting up of a national industrial council for the industry.

An interim forum comprising the union and the employers' association began negotiations this week on wage demands and the establishment of a provident fund and industrial council. Howard said it was agreed that negotiations should be concluded by the end of the year.

But as cleaners went back to work and schools returned to normal, HoD head Jayaram Reddy was trying to cancel a three-year contract with Sneller Services, one of the cleaning companies at the centre of the strike.

The HoD claims the company has not met the conditions of its contract to keep schools clean. The HoD is trying to end the contract

Continue

FM 18/10/91 354

and employ, directly, about 1 000 school cleaners employed by Sneller Services.

However, Sneller chairman Lionel van Tonder maintains the strike and subsequent closure of schools was beyond the company's control and that as far as possible, schools were kept clean by hiring casual staff.

He also claims the HoD cannot cancel the contract, which is worth about R10m a year for the next three years, saying this can only be done by the State Tender Board. As the *FM* went to press, both parties were taking legal advice. ■

Public servants fear for job security

PRETORIA — Anxiety over job security is sweeping through the public service and senior government workers say an assurance by a government minister last week has not allayed fears.

Public servants wanted "cast iron" assurances that their jobs would be safe under any new political dispensation, workers said at the weekend.

Insecurity intensified last week after a statement by ANC president Nelson Mandela that the ANC planned to have a public servants corps trained in the UK for integration into the civil service.

At the weekend Public Servants' Association (PSA) GM Hans Olivier said: "We have had assurances that government workers' job security is a non-negotiable."

But Olivier questioned whether

GERALD REILLY

this assurance would be honoured by a new government.

"We want a clear undertaking, a written guarantee from all the role players at the multiparty and constitutional talks that no public servant will lose his job in a new SA."

The PSA welcomed the statement last week from Administration Minister Piet Marais that civil servants should not be "upset" by Mandela's announcement as government would look after their future interests.

Olivier said: "We welcome this statement, but again we want something more than verbal assurances that the benefits and rights of serving public servants will be safeguarded and protected from interference by a new government.

Meanwhile Commission for Administration chairman Piet van der Merwe said the Public Service Act was a non-discriminatory piece of legislation which laid down merit and qualifications as the only criteria for advancement.

Van der Merwe pointed out that blacks already outnumbered whites in the service. At the last count the central government General Affairs Department employed 150 000 whites and 180 000 blacks.

Other government sources said any effort to "Africanise" the service and to place workers in jobs they were unqualified to fill would result in costly inefficiency and ultimately, if the policy went on for long enough, in a public administration disaster.

Wider bargaining powers sought

PRETORIA — Public sector workers are pressing government to push through long-promised legislation next year to give them the same negotiating powers enjoyed by private sector workers.

This is expected to include provision for conciliation, arbitration and finally the right to strike in support of salary and other demands.

And in a statement yesterday the public service caucus group, representing 11 public sector staff associations and unions, asked government to speed up the drafting of legislation.

There was good reason, a spokesman said, for grave concern at the limited progress made so far.

The caucus group objected to a legal adviser to the Commission for Administration, Hugo Pienaar "who, according to reports, was involved in security police activities to sway labour legislation in

GERALD REILLY

favour of government" being involved in the negotiations.

Against this background the group supported the commission's decision to terminate Pienaar's services.

His involvement in the negotiations for new bargaining legislation could have raised doubts about the legitimacy of the parties involved in the process and in the final form of the legislation.

The commission explained that it had been unaware of Pienaar's "other involvements".

Had it been it would not have employed him.

Negotiations, the group spokesman said, would continue and the aim was a draft of the legislation before the year end.

DEDEECT FINANCE FOR PROFESSIONALS

33,3 pc increases for municipal councillors

Star 24/10/91

354

Staff Reporter

Town and city councillors on the Reef will receive phased-in allowance and salary increases of up to 33,3 percent over the next 18 months, and ratepayers' representatives interviewed today said they deserved it.

Northern Areas Group chairman Tony Challenger said if residents expected efficient local government, they should be prepared to cover the costs incurred by their elected representatives.

The pay increases were recommended by Transvaal Administrator Danie Hough who suggested they be phased in by 1993, thereby bringing the allowances of large city mayors and management committee chairmen in line with salaries paid to MPs.

Johannesburg City Council treasurer Willie Siebert said that Johannesburg councillors' allowances would increase by R377 a month, costing the council an extra R250 000 every year.

He was not able to supply exact figures of the salaries received by Mayor Elliot Kretzmer and management committee chairman Ian Davidson.

According to Sandton town treasurer Ken Roelofsz, this is the first pay increase that councillors had received since 1988.

The mayor of Sandton, Ernie Saks, is currently paid R4 606 per month, and by January of 1993, his successor will get R6 579. The same applies to the chairman of the management committee.

Sandton councillors now receive allowances of R1 020 and by 1993 will receiye R1 645.

The changing nature of local government meant that these increases were quite justified, Gail Daus, chairman of the Sandton Federation of Ratepayers' Assocations, said.

Fair

"Sooner or later this sort of position is going to become a full-time job and, although some people might think it iniquitous, if we want quality local government we must cover councillors' costs."

Randburg has also adopted the administrator's proposals, and local ratepayers' say this is fair, in the case of councillors who do their job.

"Ideally, though, we should have full-time councillors who devote all their time to the needs of ratepayers," said Val Klein, chairman of the Federation of Randburg Ratepayers' and Residents' Associations.

Social welfare in 'brain drain' crisis

Star 24/10/91 (354)

By Shirley Woodgate

Government promises of "significant restructuring" of the welfare services have failed to allay fears in the Cinderella profession that the social welfare crisis will be properly addressed.

Spokesmen for the Co-Ordinating Committee Campaign for a Living Wage stressed this week that assurances by Health and Welfare Minister Rina Venter would only be accepted once the problems in the country's over-burdend, underpaid welfare services were sorted out.

Stressing the twin needs for general recognition of the value of neglected private agency social welfare services in a violence-torn society, and a living wage for over-worked staff, Jackie Lofell and Dana Labe said staff were abandoning the profession in droves at a time when they were most needed.

Starting salaries of R1 906 after four years' study meant about one third of last year's Wits university graduates alone had failed to register, opting rather for better-paid, less stressful occupations, they said.

Problems which had to be addressed in the 1992 budget included an actual salary decrease in real terms between 1985-1991 for lower grade social workers and a mere 4 percent increase at supervisory level.

The position was vastly inferior to that in the teaching and nursing professions which guaranteed better increases and allowed staff to start work debt-free, as they relied on substantial perks including subsidised study.

Overtime was a way of life for welfare agency staff, and burn-out caused a massive brain drain which ultimately led to a void at supervisory levels of the profession.

Another issue which Dr Venter will be expected to address is the lack of State backing for modern preventative and developmental work.

All these challenges were heaped on the plates of social workers at a time when unrest, violence and family stress were at an all-time high, claimed Ms Lofell and Ms Labe.

Reef councils decide on their own pay rises

TANIA LEVY

TOWN and city councils on the Reef have voted themselves increases averaging 30% after Transvaal Administrator Danie Hough recommended that they put up their own salaries.

Spokesmen for Johannesburg, Randburg, Sandton and Roodepoort confirmed they had decided to implement the maximum increases suggested by Hough, including back pay to January.

Johannesburg's top councillors are now getting 70% of an MP's salary and this could increase next year.

In August Hough recommended a phased-in pay increase which by 1995 would bring the allowances of large city mayors and management committee chairmen in line with salaries paid to MPs.

Johannesburg City Council treasurer Willie Siebert yesterday confirmed that the council had decided to increase councillors' allowances by R377 a month.

Mayor Elliot Kretzmer and management committee chairman Ian Davidson have been paid about R9 500 each in backpay to January and their allowances have been raised to R6 309 a month. They previously earned R4 000 a month.

If the council decides to fully implement Hough's recommendations, their salaries will be increased again in January next year to equal 85% of an MP's pay.

Siebert said councillors' allowances had not been adjusted since July 1988, so the increase amounted to about 10% a year. This year's increase would cost the council an additional R252 000.

Sandton town treasurer Ken Roelofsz said the increased allowances would cost Sandton about R140 700 a year.

Size of senior management of public sector

		White	Coloured	Indian	Black
Director-General	Male	197	1		
	Female	0	0	0	1
(equivalent)	TOTAL	197	1	0	3
(202)					
Ambassador	Male	10	0	0	0
Commissioner	Female	1	0	0	0
General etc	TOTAL	11	0	0	0
(11)					
President	Male	16	15	0	8
Chairman of	Female	0	0	0	0
Council of	TOTAL	16	15	0	8
Commission	(39)				
Director of	Male	4 434	17	21	52
equivalent	Female	119	2	4	6
	TOTAL	4 553	19	27	58
	(4 657)				
Executive	Male	224	0	0	6
Officer	Female	63	0	0	0
(Control level)	TOTAL	287	0	0	6
	(293)				
Town Clerk	Male	621	3	5	9
Treasurer	Female	102	0	0	1
	TOTAL	723	3	5	10
	(741)				
Government	Male	1 139	9	16	108
Administrator	Female	38	0	3	2
& related	TOTAL	1 177	9	19	110
Managerial	(1 315)				
GRAND TOTALS		6564	47	52	195

Source: CSS, 1989 MANPOWER SURVEY

Public service 'must be transformed'

BILLY PADDOCK

THE transformation of SA's public service had to be high on the negotiating agenda because the service was inefficient and served only narrow sectarian interests, said Wits Business School head of public and development management Patrick Fitzgerald.

"The transformation and South Africanisation of the public service is a vast task that must begin now — not on day one of a new government," he said in an interview this week.

The public service had to be geared up now to implement new policies quickly.

The ANC and other political parties should already be allowed to comment on and influence appointments and structures of the public service and to work through policy feasibilities with senior public servants, he said.

Although the SA bureaucracy described itself as neutral, it was woven into the apartheid power structure.

"At the heart of the matter is the continuing existence of a caste bureaucracy — white, male, generally Afrikaans-speaking, conservative, Calvinist and until recently NP-supporting," he said.

to be a decisive break with apartheid.

"It has to have different values and it has to become more accountable, more transparent in terms of freedom of information — it has to come under scrutiny much more from the public, the press, from clients and politicians," he said.

Changes in ethos would also have to take account of such issues as affirmative action "because we cannot pretend that the country is just starting and has no history to unlearn".

The present public service did not understand development issues.

"I do not think it has dawned on them, apart from the more far-seeing members, what kind of country we are and the tremendous problems of poverty, reconstruction and development that we face," Fitzgerald said.

"Unless there is a total re-education of the present civil service and total education, in development terms, of new people coming into the service, as a society we are going to be dead in the water. We cannot be paying these people from taxpayers' money unless they are addressing themselves to the tasks of development."

The third thing wrong with the public service was management. "The civil service is wasteful. It has not examined its own structures and procedures. It is not in shape to use limited resources in the most productive way for delivering goods and services to the public."

The civil service had to come under public scrutiny now. "If we don't want one party-political service to replace another then the civil service has to come on to the negotiating agenda as a major item," Fitzgerald said. "There has to be a realisation and a willingness by the service that it has to transform."

If public servants closed ranks and dug in their heels against change, everybody would lose. The country's new policies would be difficult, if not impossible, to implement.

If there was to be an interim government, there would have to be interim arrangements for senior civil servants that there was some kind of good faith that they would wholeheartedly implement very different policies.

Fitzgerald said not the whole top echelon had to change, but it would not be a bad idea to start with affirmative action — the rapid advancement of people who were qualified and competent but who had been overlooked because of their race or politics.

"Put in place people who are already more competent managers. They do not have to be appointed from the existing civil service," he said.

A dual strategy could operate as soon as an interim government was installed. Qualified people with proven track records as managers could be brought in immediately into high positions.

Other people who were not yet equipped for senior posts should be trained and put on career paths that would take them into top posts within a few years.

There were other ways of making the public service accountable and ensuring that it assisted during the transition. One was a ministerial cabinet or commission, as practised in France, where an incoming minister would appoint people to ensure his new policies were carried out.

The commission's members would have a foot in both camps — the public service and politics.

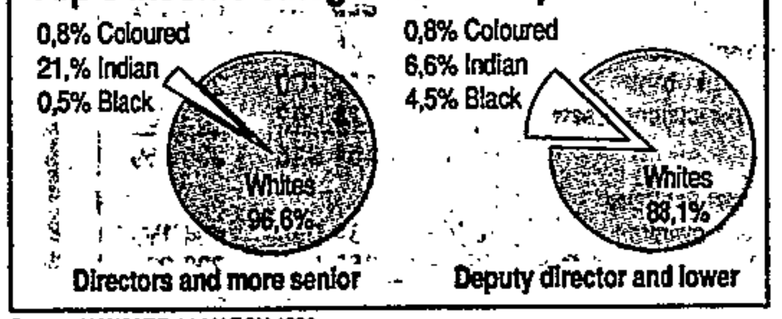
In the interim period they could be appointed from the various political parties. They could be experts in specific fields or even be existing civil servants who knew the service intimately. The commission could include respected social notables who were not necessarily associated with a particular party but were useful because of their knowledge and commitment.

The commission would not stop the civil service's line managers from managing: it would not interfere in a disruptive way.

Fitzgerald said change in the public service would have to be managed by a reconstituted Commission for Administration which, especially in the interim phase, would have to monitor the service carefully. "The ministerial cabinets watch the specific policies but the Commission for Administration manages the civil service," he said.

"The cost of this would increase the Budget but if there were better services such as health care, education and policing, it would be an investment in developing a better quality of life. The net benefit is there," Fitzgerald said.

Top 5 income categories in the public service



Source: HANSARD 14 MARCH 1990

Isolation

It was "closed in the main to Catholics, Jews and even English-speakers".

Using statistics from the Central Statistical Service and Hansard, Fitzgerald showed that in the top five income categories the public service was 96,6% white, 2,1% Indian, 0,8% coloured and 0,5% black. In the lower categories whites occupied 88,1% of the jobs with Indians holding 6,6%, coloureds 0,8% and blacks 4,5%.

"Added to this, the type of training given to civil servants in public administration has not been impressive. The curriculum is driven by the dictates of apartheid and the courses are not in line with the needs of the new SA," he said.

The courses did not take a developmental approach, nor were they geared to produce active managers.

"They really are not public management courses — they are old-fashioned chalk-and-talk academic courses. One can see SA's academic isolation showing up especially in public management," Fitzgerald said.

For example, there were few public management courses that involved the use of computers.

What was needed was a fundamental transformation of three areas of the public service: its ethos and values, developmental orientation and management efficiency.

The service had "seen itself as serving a very narrow band of privileged citizens. In this sense there had

'Cynical public servants must adapt to new order'

GERALD REILLY

PRETORIA — Institutionalised cynicism among public servants had to be eradicated if the country was to adapt to a new order, a top government official has said.

Commission for Administration chairman Piet van der Merwe said at the weekend that barriers in the way of public servants adjusting to a rapidly changing political and socio-economic environment had to be removed or success would be out of reach.

He said institutionalised cynicism — a feeling among government workers that there was no need for change — was a stumbling block.

Speaking at the SA Quality Institute conference at the CSIR, Van der Merwe said it was not uncommon to find senior administrators committed to change which was resisted by lower-level public servants.

Too many South Africans had for too long been on the receiving end of negative aspects of public administration flowing from discriminatory policies and legislation. The hour had arrived for all public servants to rededicate themselves to rendering quality service to all South Africans.

Government departments, like other organisations, developed cultural patterns and this militated against adjustment to change. These became entrenched if there was no change in government over a long period.

The public service needed more delegation and fewer controls. "Over-regulation and excessive prescription are also barriers to change."

Whirlwind

Deregulation was a major public service management challenge. New policy directions had resulted in the removal of many laws and regulations. "However, it is also true that too many laws, regulations and prescriptions that have become outdated or unnecessary still remain."

Van der Merwe stressed lack of communication between Ministers, administrators, line managers, low-level public servants and the public was another barrier. "South Africans are in many respects reaping the whirlwind for failure to communicate effectively across language, racial and cultural barriers for many decades."

Excessive fault-finding with public servants by politicians and public servants, the media and the general public also got in the way of change. Motivation and dedication were not strengthened by abuse and indiscriminate attacks being heaped on public servants.

An important consequence of change was uncertainty and fear among public servants, because of political or other external developments. These were often seen as a threat to job security, promotional opportunities and service benefits.

Attitudes towards particular groups or communities was another barrier. Influx control, for instance, gave rise to confrontation, hatred and bitterness on a wide scale.

Hurdles placed in the way of high quality people being attracted to goverment posts was now more than ever short-sighted, costly and dangerous. Yet there was evidence of this every day, in the form of criticism based on scantily supported evidence and broad generalisation.

Appeal for renewed investment in industry

GERALD REILLY

PRETORIA — High-level strategic decisions on productivity and quality were needed to snatch SA industry out of its pathetic perfomance syndrome, National Productivity Institute (NPI) executive director Jan Visser said at the weekend.

Speaking at the SA Quality Institute conference, Visser said industry suffered from capital starvation as the lion's share of savings was absorbed into erecting less productive assets — such as office blocks and shopping centres.

"As much a I resent government interference, mechanisms to redirect investment to industry are urgently needed," he said.

"Last year the physical output of SA factories was at the same level as in 1980 and 1984. Zero growth in manufacturing ouput over a period of 10 years in a country that has identified manufacturing as the means of economic development is unacceptable."

Visser said SA, and specifically its industry, deserved more support than it got.

In the East it was unthinkable for government policy decisions to remain unimplemented. It was essential for SA to be technologically competitive.

A technology policy was long overdue and action was needed to bring research and development into industry, said Visser. A full commitment to education and training was also needed.

"Wealth cannot be distributed unless it has been created and unproductive people do not create wealth."

SA was plagued by unemployment and high inflation. If these could be solved, many of SA's social and political problems would disappear.

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BIPAM 22/11/91

Union orders probe

THE SA Railway and Harbour Workers' Union in Cape Town has ordered an investigation into why the 1991/92 wage agreement with Transnet was signed without a mandate from union members.

The union's national management committee and southern Transvaal office-bearers have been suspended for two months pending the inquiry's outcome.

Public service blacks in new demand

By ADRIAN HERSCH

A COSATU union has made affirmative action demands in pay talks involving the public service.

The National Education Health and Allied Workers Union (Nehawu) first seeks to get an "in-principle" agreement on the need for affirmative action. The working details would be settled later.

Nehawu general secretary Sisa Njikelana says demands centre on skills upgrading, promotions and appointments.

He stresses that the union wants affirmative action not only in terms of race but gender.

The union also demands a minimum wage of R1 000 a month.

Mr Njikelana says the affirmative action plan will not lower standards.

Issue

"The fact that we are seeking skills upgrading means that we do not want to see people promoted without the adequate qualifications."

The union wants the programme to be jointly run by labour and management.

The Commission for Administration (CFA) has not yet commented on the affirmative action demand.

However, CFA chairman Piet van der Merwe has previously said that blacks already outnumber whites in the public service.

The union's demands indicate that affirmative action will become a major industrial relations issue in years to come in all sectors.

The pay talks in the public service will begin at the end of January through an "interim national bargaining forum".

The forum includes 11 staff associations and trade unions and the CFA.

The parties have held discussions in the past year to consider new legislation for public servants to give them full labour rights.

Degree

A draft Bill, released recently, may become the Public Service Labour Relations Act in 1992.

It is similar to the Labour Relations Act and would allow State workers access to the Industrial Court and the Labour Appeal Court.

The head of the mostly white Public Servants Association (PSA), Hans Olivier, says the 11 associations and unions achieved a remarkable degree of agreement on the proposed legislation.

CFA spokesman Hannes du Preez says the drafting committee will meet again in December.

He says the proposed legislation will cover about 400 000 State employees.

NEWS IN BRIEF

(354)

Big pay demands likely

GOVERNMENT will be confronted early next year with demands for big pay hikes from public service staff associations representing more than 1-million workers.

Public Servants' Association deputy GM Cas van Rensburg, said "the backlog is immense and we will demand that the 1992 increases are big enough to adequately compensate for the gap between what we should be paid according to the CPI and what we are getting".

Bday 5/12/91

THE
SALDRU

WAGE REGULATION - GENERAL

1991 — 1992

Gap in wages could stymie world trade

WASHINGTON — A new study foresees a severe stagnation in world trade unless Third World wages are brought closer to those earned by workers in developed countries.

For instance, said the study by the Economic Policy Institute, a typical garment worker in Bangladesh earns about 10 cents for each shirt he makes, while a worker in a more advanced US factory could make the shirt in half the time but at 17 times as much money.

Mexican workers earn about $1 for every $8 earned by workers in the US, the study said.

"If workers ... in Mexico ... earn only a fraction of the wages of Ford workers in Detroit, but produce essentially as many engines as Detroiters, then potentially we have a problem that Henry Ford would understand: too many Fords, not enough customers," wrote Walter Russell Mead, the study's author.

In 1914, Ford created a sensation by announcing that he would pay skilled workers $5 a day, about twice the usual wage.

He wanted them to be able to buy the cars they produced.

In the study, Mead called for enforcing international agreements on standards for labour.

Otherwise, he warned, there would be more pressure to protect American jobs and industries, restricting the US market for goods from the Third World.

Representative Donald Pease told a congressional panel considering a US-Mexican free trade agreement that jobs in his area were being lost to Third World competition. He would like to have US authorities consider the practices Mead described as unfair trade advantages, subject to retaliation by the US.

Mead's ideas were criticised by Ben Wattenberg, a former assistant to President Lyndon Johnson.

"His conclusion is protectionist and regulatory," Wattenberg said.

"He claims to know best what everybody's regulations should be. But you can't save the market by more intensely regulating it." — Sapa-AP.

METRO

MEGABYTE

who went to collect the bodies. Then the

SA 'will need more than cheap labour'

B|Day 26/3/91

SOMERSET WEST — SA could not hope to enter the highly competitive world market on the strength of cheap labour alone, an internationally renowned economist said yesterday.

Prof Alice Amsden of the New School of Social Research opened a high-level discussion on pressure groups and policy at the Wits University Economic Initiative on Policy and Development in Sub-Saharan Africa.

She and Prof Deepak Lal of University College, London, used the examples of Taiwan, Korea and Japan extensively to illustrate trends in late industrialisation.

Amsden said there was no single factor which could be identified as the determinant for more rapid growth in certain countries than in others.

Late industrialisation, however, was an exclusive process of growth through borrowed technology and through learning.

Devaluation

"The real hero of late industrialisation is the production engineer," Amsden said. It was he who knew how borrowed technology worked and how to go about adapting and improving it, and how these aspects affected the real competitive component.

Unlimited labour supply and concurrent constant downward pressure on wages was another property of late industrialisation.

Japan, Korea and Taiwan were classic examples illustrating that low wages alone could not make them competitive and how, for instance, repeated devaluation of exchange rates were necessary.

What had made them better than other countries, though, was their manner of subsidy allocation which differed markedly from the "give-away" principles applied in India and SA.

Subsidies in East Asia were generally given on the principal of reciprocity. This demanded substantial performance in exchange, such as high standards of production, training of labour in exchange for low wages, re-investment of profits in production rather than the export of capital or re-investment in real estate, hotels or other non-productive havens.

The result was firm discipline on capital and labour.

Another discernible property of late industrialisation was that there was no distinction to be drawn between import substitution and export growth.

"These two are totally interlinked," Amsden said. "In Korea, a classic example, no foreign cars were seen for 25 years and no Korean cars were seen in foreign countries for 25 years.

"But ultimately you got the exports . . ."

On the the question of whether SA could really compete in the world on the basis of market prices, she said: "The answer is: in some (products), but in most, not. Too much has been spent on research and production development."

There was no doubt governments played a persuasive role in the East Asian champion economies, mostly controlling all the financial markets, interest rates and prices.

What characterised their success was the seriousness with which development was regarded — the resources committed to gather the necessary intelligence on which was the right industry and what were the optimal world production techniques to be employed in it.

"The world is a tremendously competitive place," she said. SA could not think it was able to enter the world market on the strength of cheap labour alone.

It depended largely on the extent to which resources were directed at identifying profitable industry sectors and techniques which would allow a "leapfrog" to the world's technological frontier. — Sapa.

Unions, Seifsa gear up for crucial wage talks

W1Mail 22/2 - 28/2/91

With retrenchments running at a high level and the economy in recession, employers and unions are preparing to do battle in this year's crucial metal and engineering sector pay talks, reports DREW FORREST

UNIONS and employers are gearing up for the country's most important industrial council pay talks — in the giant metal and engineering industries — amid employer fears that they may prove even tougher than last year.

The talks, covering 380 000 workers and involving 14 unions and the Steel and Engineering Industries Federation, dragged on for five months last year and industry-wide strike action was narrowly averted.

This weekend, the largest union party, the National Union of Metalworkers, is to hold its annual bargaining conference. Some 350 delegates will finalise demands for industrial council talks not only for the metal, but also for the auto assembly, motor and tyre and rubber sectors.

Besides wages, Numsa said in a statement, issues covered would include the renegotiation of grading systems, the right to training for all workers and the creation of modular training systems accessible to all, compensation for the acquisition of skills, the establishment of training funds for retrenched workers, improvements to job security, job creation schemes and parental rights.

Union sources say while wages are still a central issue, Numsa will be shifting its focus towards job creation and the restructuring of the metal industry. "It is Numsa's view that business ... has conclusively demonstrated it is not competent to run the economy and that labour has a major role to play in the reconstruction of the South African economy," the statement said.

To avoid a repeat of what Numsa describes as last year's "drawn-out and frustrating negotiations", employers and unions agreed on a number of measures at a pre-negotiation conference last month.

All union demands are to be in by March 4, while the unions are to distinguish between "core demands", on which settlement must be reached to reach an agreement, and "other demands", which may be dealt with outside the main forum. Each union will submit a maximum of six core demands.

It seems likely Numsa will change its mandating system — last year it was saddled with the R2-an-hour demand of its bargaining conference throughout the talks. Employers gave between 67c and R1,29.

The union said it was giving serious consideration to the fuller involvement of its membership in the bargaining process.

The state of the metal industries augurs ill for the talks. *Seifsa News* comments that many employers expect "an even bumpier ride" than last year.

Industrial council figures show that reported retrenchments are running at 2 100 a month, as against 1 300 in 1989.

"Employment levels ... are expected to decrease in the year ahead," Seifsa has said. "Factors such as the Gulf war, low gold price, political uncertainty in South Africa, lack of foreign investment and high labour costs will almost certainly exacerbate the poor business conditions in our industry."

Employers expect wage increases to top inflation

B|pg 4|2|91

VERA VON LIERES

DESPITE widespread warnings of severe downward pressure on union wage levels, employers are expecting to negotiate wage increases in excess of this year's inflation levels, a poll conducted among 34 major companies shows.

The poll, based on expected changes in negotiated wage levels and total employee headcount during 1991, was spread across several industrial sectors and was conducted by industrial relations consultants Gavin Brown.

It said although wage levels would probably keep pace with the inflation rate, the total workforce was still expected to fall this year.

Job security would be a prominent feature on bargaining agendas in the coming weeks. The poll found that the retail, commercial, food and beverage sectors continued to expect real growth this year, though at a reduced rate.

The highest "relative" levels of negotiated wage settlements were expected in these sectors.

Employers in the retail, commercial, food and beverage sectors were the only ones who expected their workforces to increase during the year.

The most difficult negotiating conditions were expected in the timber, wood and paper sector and in the chemical sector.

The construction and allied sector seemed to be headed for the lowest negotiated wage increases and highest levels of retrenchment as a result of high interest rates and severe reductions in, and postponements of, capital expenditure in the public and private sector.

Package

Findings also showed that most employers had already placed a ban on recruitment and many were involved in retrenchment negotiations with trade unions.

Another report compiled by industrial relations consultants Levy & Associates said unions were attempting to be proactive in addressing the area of job security.

The consultants' 1990-91 labour relations report said nearly every wage round was now accompanied by demands relating to job security and unions would continue to demand that all aspects of retrenchments — not only the size of the final severance package — were negotiable.

Demands relating to job security would include an end to employing temporary workers; that employees of subcontractors be paid a living wage; and that relevant training be offered to unskilled workers to reduce their chances of retrenchment.

It said Cosatu's Living Wage Campaign was expected to gain momentum during 1991. Cosatu, the report said, had established that the basic minimum rate was R750 a month.

The debate within union circles would centre on whether a future government should legislate a minimum rate of pay or whether market forces should determine this.

The current high level of unemployment was unlikely to drop and this would have a negative impact on the willingness of unions to discuss labour productivity, Levy & Associates said.

Continuing pressure for the redistribution of wealth could be expected, which would prompt increasing demands for the disclosure of information regarding company profitability.

The report said the growth of white trade unions was likely to continue in 1991 and some industrial action by white trade unions was inevitable.

There would also be a growing refusal by white workers to co-operate with black workers in the area of training and development of black workers.

Top guns reap the rewards

Wmail 1015 – 16 15 91

Moneywise and in the quality of life, does South Africa deliver the goods for top executives? **REG RUMNEY** reports

SOUTH AFRICAN executives must often wonder what it would be like to have an equivalent position in Europe, the United States, Japan or Australia.

Comparisons are odious, never more so than when those comparisons revolve around living in different countries.

They are also irresistible.

How to compare, though? Even the matter of actual remuneration is no simple exercise.

With the help of Trevor Woodburn, who heads South African headhunting firm Woodburn Mann — affiliated to topflight personnel company Ward Howell International — we compiled the accompanying table.

The buying power of various currencies differs markedly, and South Africa appears, on the basis of our second table, to have a rather undervalued currency.

We wanted to compensate to some extent for the distortions that would arise if we simply converted all the salary packages into dollars or some other currency.

We also wanted some single yardstick for comparison of a chief executive of a typical company in each of the countries chosen. (Converting to rands gives a different picture.)

We settled on a company with a turnover of 100-million units of the currency of that country — rands, dollars, Deutschemarks, etc. The exception was Japan, where yen figures would be unwieldy. Here we decided to convert to dollars.

The result was a surprising similarity of remuneration in the currency chosen.

A chief executive of a South African company doing R100-million earns R230 000 to R250 000. His counterpart in the United States might earn no less than $175 000 to $ 200 000 and not more than $300 000.

The United Kingdom only fits the pattern if the pound is assumed to have twice the buying power of the dollar. But working out a typical UK salary was a case study in the difficulty of such comparisons. Ward Howell's man in London gave figures that varied widely depending on the type of company involved.

In the financial services business a chief executive officer would get up to £200 000 a year; in the manufacturing or engineering field a British chief executive would get only £75 000; in retail he would get £150 000, and in fast moving consumer goods around £100 000.

It would not be surprising if the financial services sector in Britain had far outperformed the manufacturing sector.

What of quality of life? This is so subjective that any glib answer would be foolish. Of course, it's horses for courses. Small things like easier traffic contribute to people's feelings about a place.

But in an informal poll of foreign executives some facts stood out.

One was that the strong current of violence surging through the society is a adverse feature that threatens to overwhelm positive aspects. In the West, only in some parts of the United States would people feel as threatened by violent crime, if at all.

Upjohn MD Jan Peterse remarks that this too is to some extent subjective. Some people living here will feel particularly perturbed by the violence surrounding them, others will shrug it off. Peterse also comments that a foreign executive's feelings about whether the lifestyle here is better or worse than at home depends very much on where he or she comes from. As a Hollander, Peterse would be accustomed to housing that South Africans would find cramped and expensive. To a lesser degree this applies to most of Europe, but not America and Australia, where comparable housing (except in places like New York) can be found.

The Europeans *The Weekly Mail* spoke to agreed housing in South Africa is a bonus.

French Bank MD Francis Klein finds that in most respects there is little he doesn't like about living here. Living in South Africa compares well with France, with the exception of the cultural venues, such as theatres, opera and museums. However, sport is less expensive, particularly golf.

Health care Klein considers as good if not better, though for French speakers education is something of a problem. The general attitude of people is relaxed and easygoing, he notes, and this makes for a pleasant working environment. Another aspect of living and working here he likes is that traffic flow is better.

Vergilio Zaina, MD of Olivetti, the only computer company to have stuck determinedly to having a subsidiary here, remarks that businessmen have to balance business and politics. Heads of a multinational have had to keep a low profile and take care about whom they speak to. "There is lots of skating on thin ice."

In other ways the business environment in South Africa is generally easier because there is less bureaucracy than Europe.

Gillette MD Bob Crespi is a British national with an Italian surname from Mexico working for an American company, giving his observations some weight. He reckons the similarity from a business point of view is that both his home country of Mexico and South Africa have two distinct business communities — one that fits into the First World mould, and one that fits into the Third World. So Mexico has the equivalent of a Pick 'n Pay, but it also has numerous smaller shops ranging from corner cafes to the equivalent of spazas.

Crespi points to the still reasonable lack of pollution as a major plus point for South Africa as compared to the notorious smog of his home town of Mexico City. "One of the reasons I prefer living here is that I can breathe." However, it is a an area of concern and Crespi expresses the hope that South Africans can tackle the pollution problem here before it worsens.

He finds no dearth of consumer goods in comparison to Mexico, though the range of is not perhaps as wide as in the United States. Housing compares well with Mexico, and health care is better. "For me and my family," he says, stressing it is his personal view, "it's beautiful here."

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CE SALARIES - A REMARKABLE SIMILARITY

SA	US	JAPAN	UK	AUSTRALIA	GERMANY
R	$	Y	Pounds	Aus$	DM
240 000	250 000	250 000	150 000	230 000	275 000

Comparison of salary packages of top execs in companies with turnovers of of 100-million units of the local currency (except Japan, where an equivalent turnover in dollars was used).

Source: Ward Howell International.

	Johannesburg	Osaka	US	Birmingham	Frankfurt
Aspirin	7.91	41.68	8.81	8.04	32.03
Cleaning person p/hr +	2.50	26.00	18.00	25.00	26.00
Merc 500SL@	556 500.00	259 548.00	255 219.00	319 388.00	242 841.00
Sirloin/pr lb	7.00	68.89	12.44	24.12	14.36
Oranges	0.91	3.05	2.00	3.41	3.10
Man's suit	900.00	1468.00	946.00	1199.00	791.00
Meal with wine	60.00	192.00	98.00	131.00	180.00
Cinema ticket	8.50	40.00	15.00	16.00	18.00
University *	4 575.00	6 740.00	35 737.00	—	—

*Average fee, first year B Com at Wits.
+ For full-time live-in maid, working 8 hour day five days a week for R400 a month. Cost of accommodation and food not included.
@Fully imported. SA-made Mercedes Benz cars compare pricewise much better.

Source: Fortune magazine and WM spot survey

Comparative costs ... South African prices shape up well. All prices are in rands

Wage settlements decline

AVERAGE pay settlements declined in the first half of this year from last year as unions and employers displayed greater pragmatism in negotiations, labour consul-

VERA VON LIERES

tants Andrew Levy and Associates have found.

Their latest edition of Bargainers' Bulletin says the average increase agreed to between February and June this year was 16,7% of payroll. This compares with the 1990 figure of 17,4% and 1988's 17,9%.

But falling pay settlement levels were not a global phenomenon and industrial sectors which were expanding or individual companies with impressive results would be unlikely to argue about ability to pay with conviction, the bulletin says.

It says lower settlements are being recorded in sectors hardest hit by the recession, including the banking and financial services sector where settlements between 10% and 14% are the norm.

In general, unions have made lower pay demands. The average this year was 43,6% compared with 50,9% last year and a 1989

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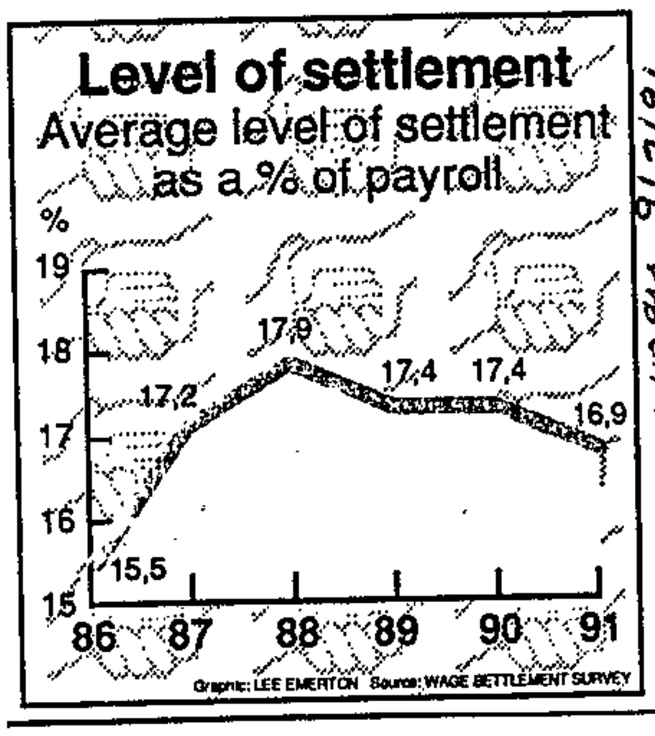

Wages

☐ From Page 1

figure of 86,3%.

The consultants report that wage bargaining so far this year was marked by an apparently greater degree of pragmatism by both parties.

The economic climate and financial problems of different sectors and individual concerns were being taken into account. While unions were concentrating on winning good settlements in growth sectors and companies, they showed "some restraint" in dealings with less healthy concerns.

There was a definite narrowing in the gap between average levels of settlement and the official rate of inflation, although the settlement level was still above the inflation rate. The gap between negotiated increases (16,5%) and the official rate of inflation (15%) was narrowing considerably from figures recorded in 1988, when average increases of 17,9% were agreed to, compared to inflation of 13,2%.

In its latest strike report, the consultants say strike levels are down from last year. About 375 000 man days were lost through strike action in the first half of the year, compared with 1,2-million for the same period in 1990.

Although pay was still the main strike trigger (48% of strikes), this was less than the 63% recorded last year.

Gap between inflation, higher salaries closes

THE gap between 1991 wage settlements and the inflation rate has closed considerably in a bargaining environment marked by growing union pragmatism, according to industrial relations consultants Andrew Levy and Associates.

Negotiated increases this year would average 16,5 percent against an official 15 percent inflation, the consultancy said in its June 1991 *Bargainers' Bulletin.*

In 1988, wage awards were pegged at 17,9 percent and inflation at 13,2 percent.

The Johannesburg-based consultancy warned that falling settlement levels were not a global phenomenon and some sectors would have difficulty, pleading inability to pay.

"An increased measure of pragmatism is being displayed in the negotiating process by both parties, with the economic climate and the financial problems of different sectors and individual concerns being taken into account," the bulletin stated.

The sectors recording the lowest increases were those hardest hit by the recession. Settlements in banking and finance ranged between 10 to 14 percent.

The clothing sector, at 18,1 percent, recorded the highest increases, but these were often won from a low base by Cosatu's SA Clothing and Textile Workers Union.

At 17,9 percent, Sactwu also recorded the highest average level of settlement of Cosatu's 14 affiliates. Next was the SA Commercial, Catering and Allied Workers Union, at 17,7 percent. - *Sapa.*

Bank screws on wages

By CURT VON KEYSERLINGK and DON ROBERTSON

ST Times (Bus Times) 28/7/91

THE RESERVE Bank's policy of keeping interest rates high is beginning to work even though it has not yet damped inflation which remained at 15,2% in June for the second successive month.

Nedbank chief economist Ted Osborn says: "We have entered a phase where wage increases will be markedly lower than they were in recent years.

"Strict monetary policy is working indirectly by causing recessionary conditions which are squeezing profits. This is makes it more difficult for employers to grant excessive wage demands.

"It has already happenend in mining, it is happening in the motor industry and may soon happen in banking. The banks are unable to raise wages even to keep pace with inflation."

TrustBank economist Nick Barnardt agrees, saying exporters are particularly vulnerable to Reserve Bank policy because high interest rates tend to prop up the rand's external value. This makes it even more difficult for them to pass on their cost increases to competitive world markets.

Realities

"Because of this pressure exporters are also unable to accept high price increases from SA suppliers.

"But the effects of lower pay settlements will be reflected in official inflation figures only some time after the middle of next year. I expect inflation to be between 10% and 12% by early 1993."

His prediction would have a better chance of being correct if the Government followed the lead of the private sector. But the chances are that it will not.

Unlike the private sector, the Government has no fear that it will go out of business if it does not make a profit.

This is demonstrated by its tendency to increase its borrowing even when interest rates rise and the average wage increase of 25,7% granted to State employees last year.

Motor industry sources acknowledge that what they call the new economic realities enabled them to take a tough stand against the walkout on Monday by 24 000 members of the National Union of Metalworkers of SA (Numsa).

After being out for a week, Numsa agreed on Friday to return to work tommorrow without any undertaking from employers that its demands would be met. Employer organisation National Association of Automobile Manufacturers of SA (Naamsa) insisted that it would not continue negotiations unless workers returned to work.

Naamsa president Spencer Sterling warned Numsa to review its position, failing which "hundreds, if not thousands" of jobs in the assembly and associated industries could be jeopardised.

Most manufacturers face a financially precarious future, says Mr Sterling. Vehicle sales this year are not expected to show much improvement. The industry will have to rely on exports to boost profits.

If it is to protect jobs and manufacturers are to succeed in the international market, costs will have to be contained and productivity improved, says Mr Sterling.

The timing of the walkout favoured the employers. SA demand is soft and dealers hold reasonable stocks. If production is resumed in the coming week virtually no sales will be lost because of stock shortages.

But workers will have lost about R10-million in wages.

An opportunity to reduce employment at some plants would be welcomed.

The walkout affected the assembly lines of Delta, Samcor, Volkswagen, Toyota, Nissan, Mercedes-Benz and M.A.N. in Pinetown.

Reduced

Since the walkout Numsa has reduced its demands from R1,50 an hour to R1,20. Naamsa offers R1.

Naamsa's retrenchment moratorium, requiring that production schedules be met each month, has been rejected by Numsa which wants the condition dropped.

Naamsa's wage offer represents a 15,2% increase and would take the average wage to R1 571 a month, or R2 120 including fringe benefits.

This, says Mr Sterling, is 12,4% above average rates.

Workers at the Mercedes-Benz plant in East London have ignored the strike and production is being maintained. Only about 180 workers at the Pinetown parts centre went on strike.

Pay talks will resume tomorrow or on Tuesday.

FM 2/8/91 345

Eskinazi

Lombard

ECONOMIC OUTLOOK

FM 2/8/91 345

Cap to growth

The major challenges facing post-apartheid SA will be to provide employment for a growing number of economically active people and to compete on world markets with value-added products. At present, we cannot meet either objective. Though sanctions are falling away, industry is hampered by structural weaknesses that were described by former Reserve Bank Senior Deputy Governor Jan Lombard to the Midrand Chamber of Commerce this week.

"Important relative costs and prices have become distorted over the past two decades; too much of our resources has been spent on uneconomic public expenditure programmes that produced little or no sustained employment and income opportunities."

He argues that policy interventions made many kinds of businesses too cheap and many others too expensive "compared with what a more open market economy, able to face open international participation, would have dictated. The neutrality of company taxation on enterprise has been shattered by too many particular tax concessions."

He suggests cost-push inflation has its roots in the conditions of pricing and wage determination in the product and factor markets and the effect of taxation on these.

Lombard identifies two important underlying weaknesses. One is that a corporate tax rate of 48% is out of line with SA's trading partners. Says Ernst & Young's Ray Eskinazi: "The corporate rate is 33% in the UK, 34% in the US, 35% in the Netherlands, 37,5% in Japan and 34% in France."

The other is that business planning has been bedevilled by the uncertainty that flowed from a series of ad hoc changes to the tax structure and tax practices. Loss of confidence, because of chronic political unrest, was exacerbated by a lack of certainty regarding industrial policy. This inhibited new investment, thereby reducing efficiency and increasing costs. Simultaneously, of course, it constrained job creation.

Says Nedbank economist Kevin Lings: "A decision to undertake new investment is based on the relationship between expected future return and the cost of capital funds. If investors perceive an unacceptable risk factor, investment will be subdued."

One of the many damaging results of this sequence was a "disappointing performance" by manufacturing, on which growth essentially depends. Employment in manufacturing, up 5,2% a year in the Sixties, rose at annual rates of only 2,5% in the Seventies and a negligible 0,2% in the Eighties.

Remedial action, says Lombard, was first taken only towards mid-1984, when SA was faced with a balance of payments crisis. Corrective measures coincided with the start of a capital outflow which Lombard says totalled R30bn over six years. This policy brought temporary relief to the foreign exchange reserves but suspended the chances of domestic industrial growth and deflected attention "from the need to attend to the serious decline in the cost-effectiveness and productivity of the engine of production."

Lombard suggests that, when the drain on domestic savings through the capital account of the balance of payments is stemmed, there will be "macro-economic scope for expansion." Real resources will double the rate of new capital formation and the rate of sustainable growth in output should rise to something like 2,5% a year.

However, he says, if micro-economic reforms are speedily carried out, the improved productivity of investment should push sustainable growth to at least 4%. ■

Labourers' wages above inflation rate

VERA VON LIERES

LABOURERS won annual average wage increases of 20,7% during the first half of this year, despite adverse economic conditions and earlier predictions that they would only win increases of between 13% and 15%, the Cape-based Labour Research Service (LRS) has found.

In a survey of labourers' settlements from January to June, which excludes the mining and engineering sectors, the LRS said labourers' average settlement rates consistently exceeded inflation over the last three years.

However, a comparison of settlements granted in the first half of each year since 1988 showed that the level of increases was, in fact, declining.

The survey found that labourers in the rubber sector won the highest average annual increase this year (25%) while the electrical contracting and servicing sector was the only sector which did not receive increases above inflation.

Only 36 of the 282 companies covered by the survey settled below the inflation rate and increases above 20% were awarded at 38% of companies.

The vehicle assembly industry remained the top paying sector, with labourers earning an average weekly wage of R287.

The LRS provides economic analysis primarily for the trade union movement.

Commission split over Wage Act for domestics

CT 13/9/91

(345)

Own Correspondent

JOHANNESBURG. — The National Manpower Commission is divided on whether to recommend inclusion of domestic workers under the Wage Act.

Recommendations to extend labour legislation to domestic workers are contained in a 19-page report to be published in the Government Gazette today. The report has been handed to Manpower Minister Mr Eli Louw for consideration.

The main recommendations are that domestic workers be covered immediately by the Basic Conditions of Employment Act and the Labour Relations Act.

The Workmen's Compensation Act and the Unemployment Insurance Act should also be extended to domestic workers.

Members who felt that domestic workers should not be included under the Wage Act — which determines minimum wages for employees not covered by negotiated wage agreements — recommended instead that there should be wage guidelines.

These should be non-binding and drafted by the Wage Board or similar institution. Wages could be recommended according to area, worker competence and training and employers' financial status.

Members who recommended that domestics should be included under the Wage Act said inclusion would allow the Wage Board to investigate wages and other conditions of employment in the domestic sector.

The board would take account of relevant factors and could recommend minimum wages for different areas. Mr Louw would, however, retain a discretion as to whether the recommendations should be implemented.

The commission was also split on a contract of employment for domestic workers. One group supported the view that provision should be made in the Basic Conditions of Employment Act that no domestic workers may be employed for longer than three months without a written contract. The contract should be signed by both parties, be available for inspection and both employer and domestic worker should have a copy.

Other commission members felt that no statutory compulsion should exist.

It was recommended that domestic workers be entitled to 12 weeks' maternity leave, as provided by the Basic Conditions of Employment Act.

NMC split on wages issue

THE National Manpower Commission has split on the hot issue of minimum wages for the domestic sector.

In its recommendations on the legal position of domestic workers, published today, it presents two opposing views on the inclusion of domestics under the Wage Act.

Some members call for the Wage Board, or a similar body, to set only non-binding wage guidelines for the sector.

Others, including the Congress of South African Trade Unions' Geoff Schreiner, urge the immediate extension of the Wage Act to domestics. They argue that after hearing evidence and argument, the Wage Board will be placed to recommend appropriate minimum conditions.

Among the arguments against inclusion listed by the NMC is the possibliliy that a countrywide minimum wage could hit domestic employment and spur urban drift from the rural areas. The heavy job losses which followed Zimbabwe's move to a minimum domestic wage are mentioned.

The NMC was split on similar lines on the extension of the Wage Act to farmworkers.

Call to use life funds for development

Bday 16/9/91

LINDA ENSOR

CAPE TOWN — Suitable outlets had to be found for the investments of contractual savings institutions, Finance Minister Barend du Plessis said on Friday.

Addressing the conference of the Cape Assurance Industry Liaison Committee, Du Plessis pleaded for proactive and innovative thinking in this regard.

He said the future of the country had to be secured by the proper use of life funds which had traditionally been invested in inflation-hedging assets such as equity and fixed property. There was a need for the institutions to provide risk capital for growth to the private sector.

"There are various ways in which contractual savings institutions can channel funds to specialised development agencies such as the Small Business Development Corporation, the Development Bank of Southern Africa and the Independent Development Trust, which support socio-economic projects.

"Schemes have been devised to use pension fund contributions as a leverage to gain access to normal channels of funds for home financing, but the results so far are rather limited. More needs to be done to tap the resources available to finance socio-economic projects."

Du Plessis said the contractual savings institutions would be well-advised to pay attention to the infrastructural needs of black urban areas which had a great need for office blocks and shop facilities.

Turning to the question of foreign investment, he said the political clout of unions, which had resulted in high wage and salary increases, was one of the reasons why SA was no longer attractive to foreign investment.

He said the increases obtained in a situation of widespread unemployment were unrealistic.

"No successful economic country has that relationship between unemployment and rising wages."

He said foreign investment was attracted to countries where profits could be made and this required productivity and a stable labour force.

The fact that SA's foreign debt — which stood at 180% of annual export earnings in 1985 — was now at 70% made the prospects of raising capital on foreign markets very promising.

Your wage packet is not as fat as it looks

Star 21/9/91

ROY COKAYNE

THE real earnings of most employees in South Africa have been steadily eroded over the past six years, according to a new annual salary survey.

Hay Management Consultants' latest survey also found there was still a difference in salaries along racial lines among lower-level employees in spite of the fact that most organisations had a common pay policy for all employees.

According to the survey, the gross earnings of a clerk increased by 198,4 percent between 1985 and 1991. The consumer price index (CPI), which measures inflation, rose by 235,3 percent in the same period.

By contrast, the gross earnings of managers increased by 217,3 percent and of senior management and executives 230 percent.

A comparison of the net take-home pay, after tax and deductions, of a married man with two dependents showed reduced earnings for clerical staff and managers. Executive net earnings grew by 250 percent — exceeding the CPI increase.

Hay South Africa managing director Ib Ravnsborg predicted a continuation of this trend. But, he said, the better-skilled section of the workforce seemed to weather the storm better, particularly professional staff and senior managers.

Mr Ravnsborg said the financial position of the average South African could be improved through better individual skills, a reduction in the tax burden and a high economic growth rate over a number of years.

"The first option is, without doubt, the avenue providing increased security and better compensation possibilities," he said.

Salary outlook

According to the survey, overall salaries increased by 12,9 percent in the past year. But the prospect of salary increases next year matching or being above the inflation rate is bleak.

Hay Management Consultants survey manager Maureen Hovy said the predicted salary increases for next year were between 12 and 14 percent for unionised staff, 10 and 12 percent for general staff, 12 and 14 percent for management staff, and 13 and 14 percent for top executives.

There had been a trend away from a basic salary and two-thirds of top executives now obtained a package based more on benefits.

Car entitlements for employees had not changed significantly between 1985 and 1991 but the cost to a company of providing the benefit had changed sharply. The provision of a car benefit had also moved downwards in the organisational ranks.

More than a third of companies had retrenched people, at all levels, over the past few months.

However, the labour turnover figure was significantly down, dropping to 14,9 percent this year from 17 percent last year.

Labour told it has key to employment

SHARON WOOD

THE problem of high unemployment would only be solved if labour made realistic wage demands, Reserve Bank Deputy Governor Jaap Meijer said yesterday.

Meijer added that the problem with the trend towards higher capital intensity projects in preference to labour-type projects would only be solved by increasing the cost of capital and reducing the cost of labour.

Speaking at a seminar hosted by the SA Institute of International Affairs, Sacob and the Economic Society in Johannesburg, Meijer said existing high interest rates and high real wages were not the answer, because they would send companies into bankruptcy.

Redistribution was urgently needed, but it had to be done in the right way, he said. A "caring society" was needed to supplement realistic wages.

Redistribution based on unrealistic wages would either not succeed or would be inflationary.

Meijer criticised the Columbus stainless steel project, saying it was extremely capital intensive and "capital wasteful" and other labour intensive projects would be preferred.

JCI economist Ronnie Bethlehem said the First World sector should be given the inducement to save, rather than punished for 40 years of spending.

"But if redistribution is left up to the market place, it will judge labour very severely and inequality and poverty may be aggravated rather than alleviated."

Meijer said the first thing needed to get the economy on track was to reduce inflation, which would encourage financial planning and saving.

"We are getting the better of inflation, if we can believe the latest producer price index," he said.

Deeply rooted inflationary expectations had to be uprooted.

Awesome shift in unions' role

Sowetan 11/10/91

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SOUTH African trade unions face tough new challenges.

Their job is to defend workers' rights, and so far they've done a pretty good job.

But new realities are likely to cut their membership in the years ahead. And the harder they struggle for their members, the more jobs will be lost.

Several forces are at work in international business that are changing the role of unions, what they stand for and the way they operate.

These new conditions are affecting workers in every country. But their impact will be especially serious here.

The South African work force is too unskilled to attract high-tech jobs and too expensive for low-tech industries.

Competition

Technology has made the world a global village, so our workers are now in competition with workers everywhere.

Because it's easy to fax instructions to Barbados, Calcutta or Hong Kong, companies now go "body shopping" for labour, buying it wherever it's cheaper and most productive.

And since about four billion of the world's five billion people live in conditions of poverty, there are plenty of hungry foreigners who don't care about our "living wage". They snap up jobs at virtually any wage.

Here, the average black factory worker earns around R1 250 a month. In Taiwan, that worker gets R50. But Taiwan is currently exporting factories at a furious rate

FOCUS

Tough challenges wait in the future

By TONY MANNING
(author and business consultant)

because there's cheaper labour elsewhere.

In Malaysia, for example, the same job commands about R3,50 a month, including an allowance for travel and food. And in Shanghai, it's worth just R1,20 a day - and only 10 percent of the population earn that much.

These are the facts, and we'd better face them. For too long we've buried our heads in the sand. Now, for the first time, we face the chill winds of global competition - in a time of unprecedented global change.

Black unions have played a transforming role in South African politics. They did a lot to force a quiet revolution from within commerce and industry, mining and construction, when other movements were banned.

But from now on, with apartheid dying and with a new black government likely in a very short time, the focus of the workers' struggle will shift more and more from politics to economics.

Unfortunately, the very success of union actions so far could frustrate their efforts to get a better deal for their members.

Escalating wage demands with little improvement in productivity have helped to keep the economy in recession and made South African companies uncompetitive in world terms.

The result has been tougher bargaining by bosses and tens of thousands of lay-offs.

Companies are now extremely careful about who they hire, the contracts they sign and what benefits they offer.

Today, 43 percent of the formal work force is unemployed. Only about 12 of every 100 work seekers can find a job. There is no reason to believe that this tragic situation will improve any time in the foreseeable future, with the population growing about three times faster than the economy.

Violence

Criminal violence is thus likely to rise to horrific levels in the next few years. That, in turn, will confirm the view of many foreign investors that South Africa's risks outweigh its possible rewards. Instead of putting their money, their skills and their technology into this country, they'll simply go elsewhere.

The worldwide recession has forced businessmen to watch their pennies. South Africa is a small target of opportunity. The big attractions are Europe the Americas and the Pacific Rim.

If once we could expect easy handouts from the world's do-gooders, that time is now past.

The new South Africa is not an attractive moral issue. What's more, aid to almost all African countries is now under review, and almost all of it comes with strings attached.

Failed

If once we could rely on gold to save our hides, that day is also past. In the past year, a major international war and a revolution in the Soviet Union have both failed to push its price up.

Nor are our other natural resources - for so long our great source of pride and hope - of much use right now.

Commodity prices are depressed everywhere. Any they're unlikely to rise much for some years, and then only too slowly to give us the urgent boost we need.

If we want to share wealth, we have to start by creating wealth. And the only way to transform this economy is by making our workforce world class in terms of both quality and cost.

In this new climate, organised labour has an awesome responsibility. Quite simply, it can encourage business and help attract investment, or it can guarantee that the new South Africa will never feed and clothe and house the millions of people who've suffered so terribly, who've struggled so long and hard, and who now expect so much.

Do company directors deserve their huge salaries?

Are South African directors overpaid fat cats or misunderstood kingpins in the economic structure? **SINCLAIR DAVIDSON** argues for big pay packets for the people at the top

AMID appalling poverty (and declining profits) should directors award themselves pay increases?

Recently, there has been much debate about director remuneration. There are two sides to this debate: the first is that directors earn too much; the other is that directors do not earn enough.

The former argument stems from the recent Labour Research Service (LRS) study into director salaries. The latter is a pro-corporatist reaction to the report. The LRS is a union-affiliated body; no doubt it has its own agenda.

The strategic impact of directors is well known and understood by most. Marxists are the exception — they do not believe that directors create value as they do not produce tangible goods.

There are several determinants of directors' salaries. Human capital is scarce in South Africa: given this scarcity it can be argued that scarcity and monopoly rents attach themselves to director salaries.

The average director's value to the firm is far greater than that of the average worker, so we expect that they should earn more than workers.

A major consideration is the fact that no barriers to exit exist within the South African economy. If directors are not compensated for their human capital then various exit options are available — not least of these is emigration. At best, the director will be tempted away from the firm by competitors.

In economics, the concept of economic rent is well established. This is the payment that a factor of production receives in excess of the payment necessary to retain that factor within a particular occupation. Ensuring that the directors' services are retained is ensuring that the assets of the firm are maintained. After all, good management is probably the most important asset a firm can have.

We should not fall into the trap of thinking that this opportunity cost is constant. When the profits of the firm decline (through no fault of the director), the opportunity costs for the director increases, thus the firm needs to pay him or her more to retain his or her services. This is especially so when the director owns shares in the firm — a pay increase will partially offset losses on the market.

Once the director is earning enough to stay with the firm, we can then consider the effect of incentive structures on remuneration in the firm. This is where the pay-for-performance debate enters the picture.

Directors' remuneration can be divided into two components: the amount necessary to retain their services and that necessary to provide incentives. Incentives should include both the directors' and the shareholders' interests.

It has been argued that director remuneration should be tied to performance — but how to do this?

An obsession with accounting profits can and does lead to that favourite bogey man of the corporate critic — short-termism.

On the other hand, if performance is measured by the stock market a myriad of other problems arise.

The most important consideration is that the market evaluates the firm as a whole, it does not evaluate the performance of individual directors. Directors cannot be held responsible for the crash in 1987; having their pay linked to such occurrences seems unusually cruel.

Having said this, we should also recognise that there is scope for abuse of the system. In the final analysis, directors set their own salaries.

If shareholders feel that the system is being abused, their only recourse is to fire the director(s). In the United Kingdom, we have seen examples of this. To my knowledge, no South African director has been fired for paying himself too much. Similarly, no director has been castigated for paying himself too little.

If directors are abusing the system, how are they getting away with it?

It is generally held that there are three mechanisms that will monitor directors.

The first mechanism is corporate control. The second is the market for managers.

Both of these market mechanisms need active competition in order for them to operate successfully. In their absence, the scope for opportunism can be quite high.

As for the third mechanism, the relationship between outside directors and boards has recently been described as incestuous.

The pyramid structure within our economy inhibits shareholder activism and ensures an almost complete separation of ownership and control. The pyramid structure has the same effect as issuing dual-class shares.

While some academics have argued that pyramids are an alternative monitoring mechanism, the present corporate structure provides few incentives to maximise wealth. (With the pyramid structure all the directors have to do is to meet the objectives of the parent company — these objectives need not be wealth maximisation.) It is for this reason that investor power is not well developed.

The whole debate in South Africa is exacerbated by the lack of shareholder power.

If there were constraints on directors, or at least, if constraints on directors were perceived to exist, then the debate would not be a ferocious as it is.

This is an example where the perceived lack of legitimacy in the South African corporate world becomes apparent.

If we wish to avoid non-market intervention, we need to address the question of corporate legitimacy. This is a perfect example of where perception, valid or not, can have a far-reaching impact on our environment.

● **SINCLAIR DAVIDSON is a junior lecturer in the Department of Business Economics at the University of the Witwatersrand**

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LABOUR

Pay settlements reflect economic decline

By DREW FORREST

SOUTH AFRICA'S deteriorating bargaining environment is brought into sharp focus by the latest *Bargainers' Bulletin* of industrial relations consultancy Andrew Levy and Associates.

Although the bulletin stresses the wide variation in negotiated wage levels, it gives the average level of settlement this year as 16,1 percent — sharply down on the 17,4 percent recorded last February.

The decline has been even more marked in recent months. From June to October the average settlement was a well-below-inflation 15,3 percent, as against 16,9 percent for the same period last year, signalling that "the economic pinch is being passed on to workers".

Wages triggered more than 60 percent of industrial action in the first nine months of the year, but few strikes were successful, the bulletin says. It cites lengthy strikes by cleaners at the University of Cape Town and at Pep-Ackermans, where workers went back to work after the union accepted management's offer.

No less than 52 percent of settlements were marked by some form of industrial action. Strikes erupted in 37 percent of cases, but unions favoured other softening-up tactics, including overtime bans (31,7 percent), go-slows (21,9 percent) and work stoppages (nine percent).

Negotiations took an average of two months to settle and there was an average of 70 days between the opening union statement of demands and the signing of the wage agreement — "a long period during which management is susceptible to worker pressure".

Pay talks, the bulletin points out, are taking place against the background of continuing double-digit inflation — averaging 15 percent between January and August — and declining private consumption, which fell in the second quarter of the 1991 fiscal year for the first time since 1986.

August's consumer price index is a full two percentage points higher than last year, and food and transport costs, weighing most heavily on lower-income groups, are the main contributors to the high inflation rate.

"Conventional wisdom tells us the rate is likely to rise dramatically over the next few months because VAT reimbursements have not been felt," the bulletin says. Other worrying trends isolated include:

- Surging redundancies in the metal industries, largely because of the winding down of Mossgas. In July 6 916 metalworkers were retrenched. The monthly toll early in the year was 2 000. The industry shed 20 295 jobs in the first seven months of the year, as against 26 647 for the whole of last year.
- About 60 000 new applications for unemployment benefits this year, as compared with about 40 000 in 1990.
- Continuing high levels of state spending — running 16 percent over budget — a swollen civil service and state pay settlements which in the last two years had risen more rapidly than those in the private sector.

"It would seem that the Reserve Bank governor is not in a strong position to point a finger a private sector employment practices," the bulletin archly comments.

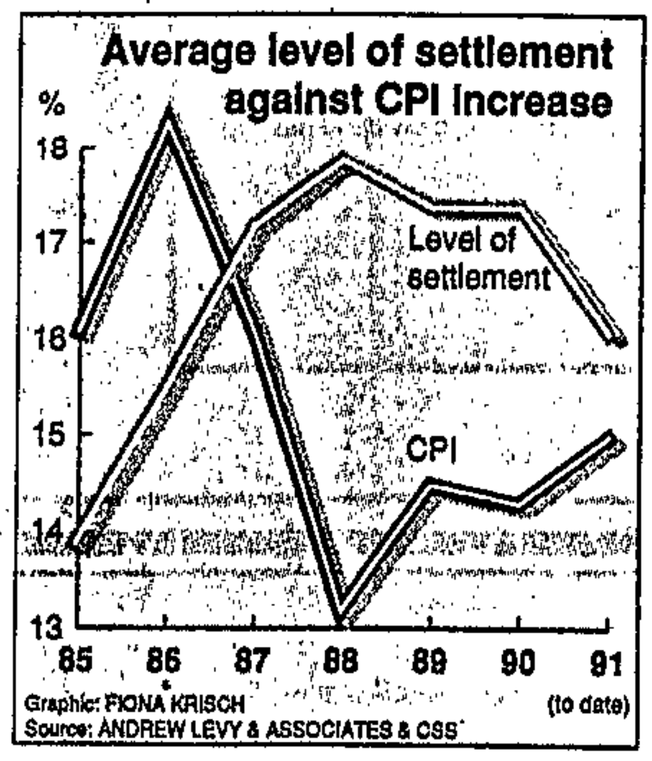
Bulletin sees marked drop in level of wage settlements

BJ Day 18/10/91

DARIUS SANAI

THERE is a marked downturn in the level of wage settlements during the second half of this year, according to the latest edition of Andrew Levy and Associates' Bargainer's Bulletin.

The bulletin says the average level of settlement in the period June-October 1991 was 15,3%, well below the inflation rate and a significant drop from the 16,9% recorded in the same period last year.



The figures show a downward trend in settlement levels and indicate that the economic pinch is being passed on to workers.

But there is still great variety in the levels of settlement, with some reaching 20% and others below 10%

There is also a growing tendency among workers — notably in the metal industry — to settle for wage freezes in a bid to keep as many jobs as possible.

And although the average union wage claim is "still outside the realm of reality" at 47,8%, the level is stable and unlikely to exceed 50%.

Management going-in levels are on average 4% below their settlement levels, making for drawn-out negotiations, with an average 70-day waiting period between the first fax containing the union's demands and the signing of an agreement.

Industrial action took place in 52,6% of settlements monitored by the bulletin, but the unions "scored very little' in most.

Strikes accounted for 37,4% of industrial action, overtime bans for 31,7%, go slows 21,9% and work stoppages 9%.

Closing the wealth gap

Sowetan 31/10/91

THE arguments against nationalisation have been well articulated in the Press.

My personal view is that the nationalisation card will be cashed in during the negotiation process as consensus emerges on economic policies. In other words, nationalisation will not survive negotiation.

But what will remain is the valid challenge issued by ANC president Mr Nelson Mandela to the business community to find constructive alternatives to close the wealth and income gap between the haves and have-nots.

I would like to go over some of the steps that have already been taken by us in pursuit of this goal.

I do not want to convey the impression that we are satisfied or we want to rest on our laurels - there is a long way to go. But equally, I want to dispel the impression that nothing has been done and we are starting from scratch.

Let us start with the revenue cake. I would like to give you some figures on the distribution of the Gold Division Revenue.

In 1970, black labour costs were 7,8 percent of our total revenue in the division. In 1990, the figure was 23,9 percent. So the slice of the cake attributable to black labour costs has tripled between 1970 and 1990.

As far as white labour costs are concerned, they were 14,7 percent of total revenue in 1970, 12,5 percent in 1990. So, in fact, that slice has slightly declined.

As far as dividends are concerned, in 1970 the figure was 23,7 percent and in 1990 it had declined to 7,3 percent. So, in fact, the slice of cake attributable to dividends has actually gone down by a factor of three.

As far as capital is concerned, it is interesting that our capital as a slice of the cake increased from 10,4 percent in 1970 to 12,8 percent in 1990, so I think that says something for our confidence in the future of the gold mining industry.

It shows that we are investing more in our future as a percentage of revenue than we were 20 years ago.

Let's look at the wage rates themselves. The compound growth rate in the average black wage per person from 1970 to 1990 (excluding the effects of inflation) was 20,2 percent a year. For whites it was 12,6 percent compound and the Consumer Price Index went up during that period by 12,3 percent compound.

ANC president Nelson Mandela has accused the business sector of not coming up with alternatives to nationalisation. In his annual report Anglo American's Clem Sunter (pictured left) said something was being done - although not enough. This is an edited version of his report.

In real terms, between 1970 and 1990 black wages increased 4,4 times whereas white wages were almost flat.

Indeed, in the last few years the latter have eroded in real terms. This is a cause for concern, because if the economy picks up next year, we may find we are not competitive in some of our skilled labour categories.

'We may find we are not competitive in areas of skilled labour'

Taking the ratio of an artisan's wage to the wage of a black novice on surface, in 1970 the ratio was 26 to 1; that has fallen to about 5 to 1 now. In fact, the minimum that we pay on surface now is R565 a month. I know that people will say that we started from a very low base in 1970, and indeed we did.

Moreover, our wages now do not compare favourably with industrial wages. That figure of R565 is probably half of what many industrial companies are paying.

But that is why we embarked on a policy of negotiating bonus schemes which share profits on the basis of gold price improvements and hopefully we will shortly negotiate to finality the principle of bonus schemes based on productivity improvements.

These will have the potential of closing the gap between mining and industrial wages, particularly in good times, but not at the expense of the mining industry.

The second thing I want to refer to is what is colloquially called the sharing of power. We tend to call it employee participation in the mining industry.

Let me give you some figures which show the increase in size and complexity of Anglo's Gold Division.

We milled 23 million tons in 1970. In 1990 the figure rose to 46 million tons - exactly double. In addition, we treated at Ergo and the Joint Metallurgical Scheme in the Free State 54 million tons of dump material.

In 1970 the recovered grade of our mines was 17 grams and we produced 388 tons of gold. In 1990 the grade was 6,1 grams a ton and we produced from the mines 238 tons of gold plus 16 tons of gold from Ergo and JMS to give a total of 254 tons of gold.

Our labour force in 1970 was 117 000 and it is now 181 000.

Examples of increased complexity in our operation are the reduced grade, which has put pressure on us to use more selective mining methods, grade control, improved plant recoveries, and also better management accounting systems.

Our operations are deeper, they are hotter and further from the shaft. So we have greater logistical problems underground which have inevitably impacted on productivity.

The gold price prior to 1970 was fixed and, as we all know, it is fairly volatile now. Inflation in those days was running at 2,5 percent, which is very different to what it is today. With the growth of trade unions, much more time is spent on industrial relation matters.

With the increase in complexity of the Gold Division since 1970, power has flowed down the division. We have regionalised - I think we might call ourselves a federation now.

It is very different to 1970 when we had our consulting engineers here in head office and planning was very much centrally done. Many of the decisions taken on the operations were centralised.

We are now fully decentralised, where much of the power of the division lies in the hands of our regional general managers who in turn have passed on a proportion of that power to the mine managers, and so on to the section managers, all the way down the shafts.

'There has definitely been a downward shift in power'

Particularly, this is the case with our marginal shafts where many of the creative ideas for reducing costs and increasing productivity underground have come from the employees themselves.

So, by policy and necessity, there has definitely been a downward shift in power in the division.

The third item I would like to refer to is what we call merit-based manning in the division.

I would like to give you some figures on our programmes. We have a pre-university, after which its students go on to university. In our pre-university bursary scheme, we currently have 19 black students.

In our scholar scheme, which is the university scheme itself, we have 71 black students, which is roughly half of the total students that we support in terms of taking degrees which are relevant to our business: mining, engineering, metallurgy, personnel and accounting.

We have six black in-service bursars and 59 learner officials. We have 69 learner miners, which is about 45 percent of the total learner miners. We now have 331 black certificated miners which is some 13 percent of our total population of miners.

We have 12 shift bosses, five plant metallurgists, 10 surveyors, 158 personnel officers and eight accountants.

In terms of apprentices, we have 216 black apprentices, which is 18 percent of our total apprenticeship pool, and we have 109 black artisans, which at the moment is only three percent of our total artisan pool.

In the more senior management ranks, we have one junior mining engineer, four metallurgical graduates and three hostel managers. This is only a start.

The fourth area concerns our social responsibility contributions. At the moment the Gold Division is giving a little less than R18 million to the Anglo American and De Beers Chairman's Fund, in addition to which we plan to contribute R9 million, which is about 4,5 percent of the Gold Division's dividends.

The ratio compares quite favourably with figures internationally. In addition to that, the regions are pursuing separate community initiatives. I cannot give you the details on that, but for anybody who would like to see what our regions are doing, they only have to contact Mr James Duncan and we would certainly take them down.

So these are the type of exercises we are going through to try and provide a constructive alternative on the lines which Mandela has suggested. As I said, we are certainly not complacent.

All we are trying to show is that we are setting off down a path to provide that alternative.

'We are setting off down a path to provide an alternative'

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Jo'burg, where the living is (fairly) cheap

Star 9/11/91

345

Derek Tommey

JOHANNESBURG is one of the cheapest cities in the world to live in , the Union Bank of Switzerland says in its tri-annual survey of prices and earnings worldwide.

The bank bases its comparison on the prices that have to be paid for a basket of goods and services of more than 100 items in 48 major cities.

With Zurich prices equal to an index number of 100, prices in Johannesburg are equal to 51,1.

In Oslo the index is 115,5, in Tokyo 115,0, in Helsinki 113,6, and Stockholm 111,3. These are the world's most expensive cities.

At the other end of the scale are Bogota (37,9), Cairo (37,1) and Bombay (30,3).

On a par with Johannesburg are Lisbon (56,2), Athens (53,8) and Mexico City (49,8).

Would-be emigrants might like to know that the index for London is 84,2, for New York 83,3, for Los Angeles 79,8, Montreal 72,7 and Sydney 70,8.

However, while Johanneburg may be relatively cheap, wages and salaries are on the low side.

With average wages and salaries in Zurich equal to 100, the index for Johannesburg is 25. The index is based on the wages and salaries in 12 occupations:

● Primary school teacher, bus driver, car mechanic, construction worker, skilled metal worker, cook, department manager in the metal-working industry, electrical engineer, bank teller, secretary to a manager, saleswoman and woman textile workers.

The index for Johannesburg is slightly above that of Hong Kong and just below Nicosia's. However, the Johannesburg index is well above the 5,1 for Nairobi and 2,3 for Lagos.

It is well below the 45,5 for London and Dublin, 51,7 for Sydney, 65,4 for Toronto, 68,2 for New York and 70,7 for Los Angeles.

However, after taking into account both earnings and prices, the bank finds people in Johnnesburg are not as badly off as low wages and salaries suggest.

On a scale of 100, the buying power of Johannesburgers is 48,9. This is about half that of Zurich (100), Geneva (97,2), Luxembourg (97), Frankfurt (97) and Chicago (96,7).

Johannesburg is roughly on a par with Seoul (47,4), but well above Hong Kong (37,1), Tel Aviv (35,1) and Lisbon (31,9).

Londoners have a purchasing power of 54,1. In Dublin the figure is 59,9, in Sydney 73, in New York 81,8, in Los Angeles 88,6 and in Toronto 93,2.

The Union Bank used a basket of goods and services containing 112 different items to determine living costs.

Included were food products, beverages, tobacco products, personal care articles, clothing, household appliances, transport costs and personal services.

The basket of goods would cost $892 in Johannesburg.

The same basket of goods and services would cost $1 114 in Hong Kong, $1 175 in Tel Aviv, $1 225 in Toronto, $1 236 in Sydney, $1 394 in Los Angeles and $1 470 in London.

When it comes to buying food, Johannesburg seems a good place to be.

The basket of 39 food items costs $205 in Johannesburg. In only six other cities are prices lower: Buenos Aires ($192), Rio de Janeiro ($175), Sao Paulo ($167), Nairobi ($144), Bogota ($137) and Bombay ($116).

The same basket costs $232 in Lisbon, $227 in Sydney, $293 in Tel Aviv, $301 in London, $316 in Dublin, $350 in Toronto, $389 in Los Angeles, $517 in Zurich and $743 in Tokyo.

But Johanneburgers pay through the nose for electrical appliances. A basket comprising a refrigrator, frying pan, electric sewing machine, colour TV, autofocus camera, electric steam iron, vacuum cleaner (canister type) and a hair dryer costs $2 760 here.

The cost is $2 350 in Dublin, $1 760 in London, $1 740 in Los Angeles, $2 490 in Sydney and $1 750 in Toronto.

INESS

Pay rises below rate of inflation

Star 15/11/91

Finance Staff

For the first time since 1986 the growth in the aggregate wage bill has dropped below the inflation rate, says Old Mutual's economic monitor.

Old Mutual says the growth in the wage bill was 14,5 percent in the second quarter, with inflation at 15 percent over the same period.

At the same time, the level of employment in the mining, manufacturing and construction sectors reached its lowest levels since the early Eighties.

Chief economist Dave Mohr believes the economic recovery will be sluggish and does not foresee any marked improvement in the consumer's position.

"We don't expect employment and per capita wage rates to improve before profit and production levels have recovered.

"This will depend on rising exports, increased public-sector spending on social infrastructure and some renewed private sector investment activity," he says.

Mr Mohr says consumers are under increased pressure as interest rates and debt levels remain high against historically low personal savings ratios.

This would leave consumers with very little room for raising their real expenditure levels significantly in the near future, he says.

Mr Mohr is confident that once the economic recovery has started, there will be a number of factors that should sustain growth.

"The scenario for exports looks more positive for 1992 as sanctions are gradually lifted, the international economy starts recovering and the recently introduced policy aimed at promoting exports takes effect," he says.

Economists welcome decline in real salaries

SHARON WOOD

TOUGH economic conditions pushed real wages and salaries in the manufacturing sector down by 0,6% month-on-month in August, figures released by Central Statistical Service show.

Economists said the real decline in manufacturing wages and salaries was promising because it showed a major source of pressure on SA's inflation was being brought under control.

This had positive implications for a reduction in inflation next year, they said.

Average monthly real wages and salaries in the electricity sector fell by 3,2% in August and in the construction industry they edged up by 0,9%.

Total wages and salaries were only available to July, when they rose by 4,9%.

Nedbank chief economist Edward Osborn said the decline in real wages was in line with expectations that wage increases had been affected by the state of industry and the economy.

"It shows the inability of companies, because of reduced profits levels, to pass on increases in wages," he added.

Osborn said he had been putting a lot of store in this factor contributing to a decline in inflation, which would probably come down at the beginning of the year.

"SA has a cost push situation in the economy and the only hope of bringing down inflation is through the wage and salary bill."

On the negative side, he said, the decline in wages and salaries was a sad reflection of the degree of retrenchments and the poor state of the economy.

Standard Bank chief economist Nico Czypionka said the figures were calculated by dividing the total salary bill by the number of people employed in the economy and thus did not show lower salaries but probably reflected the decline in overtime worked.

"It does show the job market is extremely weak," he added.

Wage and salary declines were one of the elements required to contain inflation and all indications were that, although this had taken a long time, it was beginning to happen, he said.

SOWETAN BU

Wages fall below the inflation rate

Sowetan 21/11/91

345

THE position of the South African consumer has steadily worsened as average wage increases have dropped below the inflation rate for the first time since 1986.

By JOSHUA RABOROKO

According to Old Mutual's latest economic monitor the increase in the wage bill was 14,5 percent by the second quarter, with inflation over the corresponding period 15 percent.

At the same time the level of employment in the mining, manufacturing and construction sectors has reached its lowest point since the early 80s.

Chief economist Dave Mohr does not foresee any marked improvement in the consumer's position in the near future and believes the economic recovery will be sluggish.

He says: "We do not expect employment and per capita wage rates to improve before profit and production levels have recovered. This will depend on rising exports, increased public sector spending on social infrastructure and some renewed private sector activity. The low level of inventories relative to sales should also assist.

"Consumers are under increased pressure as interest rates and debt levels remain high against a historically low personal saving ratio. This leaves consumers with very little room for raising their real expenditure levels significantly in the near future."

He expected a mild upswing during the course of next year, but that the financial position of most consumers would not improve much in the early stages.

On a more positive note he said once the economy started its recovery, a number of factors would sustain the growth.

The scenario for exports looks more positive for 1992 as sanctions are gradually lifted, the international economy starts recovering and the recently introduced policy aimed at promoting exports takes effect.

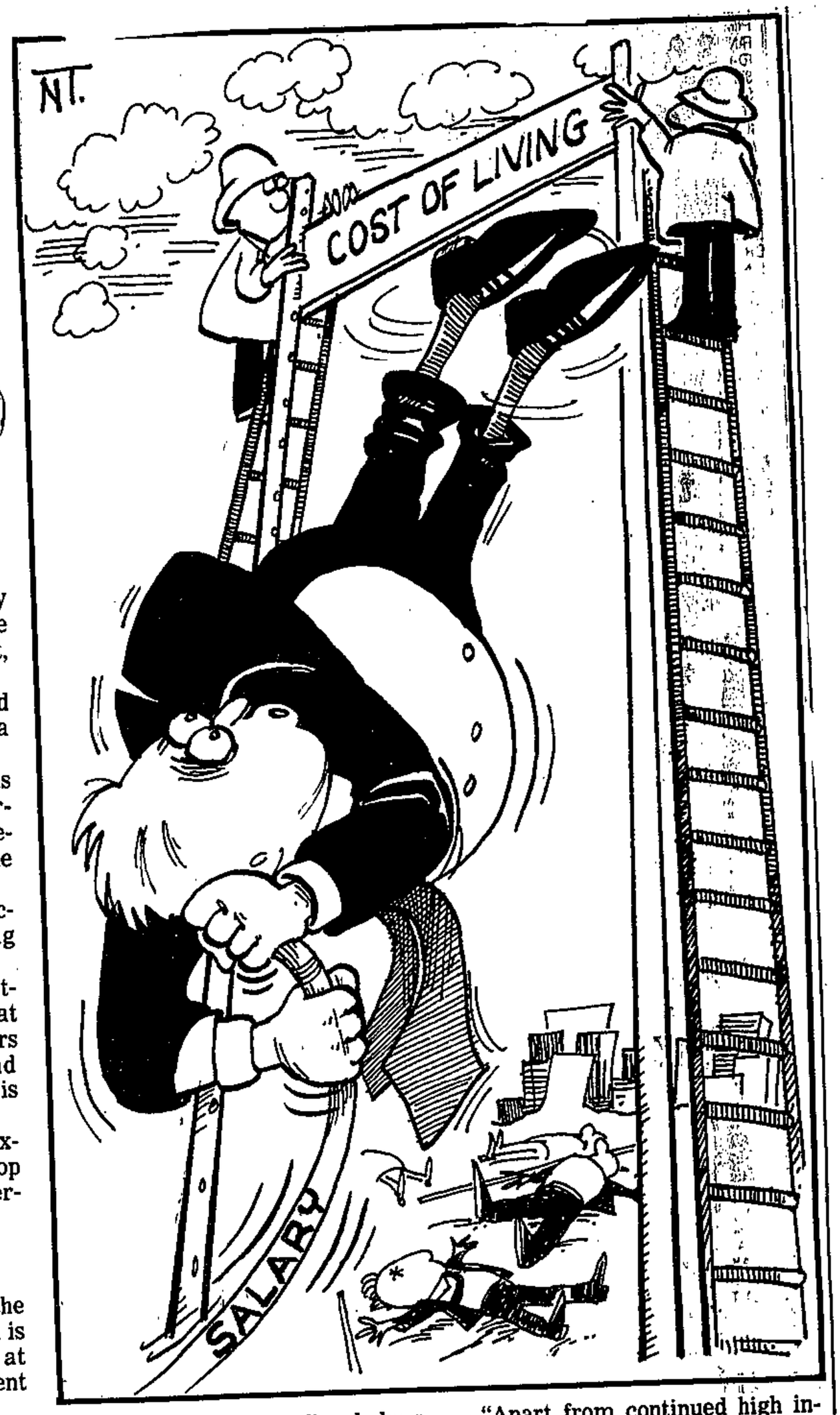
"Another positive aspect is that the relaxed sanctions pressure against South Africa reduces the need to stockpile oil," said Mohr.

Going broke on a higher salary

345

STAR 30/11/91.

MAGNUS HEYSTEK



THIS year you most probably earned more money than you've ever done before. But despite that, you have more debt than ever.

In fact, chances are very good that you are flat broke with a huge overdraft to boot.

If you are, don't feel alone as most South Africans, particularly if you are white and middle-class, fall into this category: Broke at your highest pay ever.

This is the result of several factors, but particularly fiscal drag and inflation.

Latest figures from the department of Inland Revenue show that the greatest number of taxpayers now earn between R50 000 and R60 000 a year — and this level is rising rapidly.

This is the result of more taxpayers being forced into the top marginal tax bracket of 43 percent for married men.

Fiscal drag

The effect of fiscal drag on the average individual's tax position is clearly illustrated by looking at the relationship between current income and direct taxation.

In 1975 this relationship stood at only 8,1 percent, according to the quarterly bulletin of the SA Reserve Bank.

By 1984 individuals were paying more than 11 percent of their income as direct tax, while by the end of the 1990 this figure had increased to 12,8 percent.

This is in addition to indirect taxes like general sales tax, now replaced by valued-added tax, which were not even around in 1975.

While the final figure for 1991 is not available yet, tax economists are predicting that on average South Africans will be paying more than 14 percent of their disposable income to the state in the form of revenue.

In addition to fiscal drag, which pushes people into ever higher tax brackets without a real increase in income, salaries and wages have also started lagging behind the inflation.

The joint effect of fiscal drag and trailing salaries has put enormous pressure on living standards. This is evident in declining house sizes, and the ever-ageing car pool (now on average nine years old) as well as sharp increases in debt levels.

A recent study by Old Mutual shows that average remuneration (wages and salaries) have started lagging behind the inflation rate This means that to maintain living standards people have no choice but to save less or borrow more.

But, as Dave Mohr, chief economist at the insurance giant, points out, savings levels are at historically low levels, which means only one thing: Debt levels are increasing or living standards are dropping.

"Consumers have indeed been under increasing financial pressure lately," he says.

"Apart from continued high interest rates, the falling levels of output in the economy have resulted in both a further decline in total employment in the non-agricultural sectors of the economy in the first half of the year and a slowing per capita remuneration.

"Consequently, the growth in the aggregate wage bill has dropped behind the prevailing inflation rate."

With the economy still very much in the grip of the longest recession since World War 2, workers will have very little bargaining power with employers.

Company profits are under severe pressure and until profits start rising again, employees will have to accept smaller wage increases.

It is highly unlikely that wages will catch up with the inflation rate until the economy starts growing again. And this seems some months down the line.

Grim outlook for wages in '92 – experts

345

STAR 19/12/91

By Shareen Singh

If wage increases this year were disappointing, next year would be worse, according to labour experts.

Brian Allen, director of Andrew Levy and Associates, said he could not see the recession lifting before the completion of the traditional wage round for 1992. Wage negotiations would be as intense, if not worse.

Wage increases below the inflation rate were possible next year, he added.

The commercial sectors and the motor industry would be hardest hit as a result of the recession. Low wage increases could also be expected in the public sector, he said.

In the mining industry, the shared-responsibility bargaining, which resulted in productivity and profit-linked wage increases, had to a large degree set a base for next year, Mr Allen said.

A similar pattern would follow unless major unforeseen problems arose in the administration and application of those agreements.

He dismissed the possibility of wage freezes, saying he could not see unions accepting this.

PE Corporate Services managing consultant Naomi Brehm said many companies were looking at the possibility of productivity bargaining and that this could become a trend next year. Most wage increases were expected to be between 3 and 5 percent below the inflation rate, she said.

Labour consultant Theo Hefer said the current trend of lower increases would continue next year, but increasing pressure would come from workers at the lower levels to get higher percentage increases.

"It would be necessary for lower-paid workers to get higher percentage increases than white-collar workers in order to narrow the wage curve, which is abnormally steep in most companies," he said.

Many companies had recognised the importance of more equitable wealth distribution, and a trend in this direction could be seen next year, Mr Hefer added.

It would be unfair and wrong to expect lower-paid workers to absorb the pain of recession, he said.

Facing the unthinkable

STAR 23/12/91 345

Money Matters

MAGNUS HEYSTEK

IS ANYBODY'S job safe anymore? Ask yourself the question: How long could you survive if you were retrenched tomorrow? One month? Two months?

Maybe longer if you have been prudent and wise and have a nest-egg tucked away for a rainy day?

But the sad truth is that most people would survive barely two months without a regular income.

South Africa is not a welfare state. And considering the state of the economy, it's unlikely that it will be one in the foreseeable future. That means you alone must provide for yourself and your family.

For most middle-class white-collar workers retrenchment has always meant some mine or factory closing down. Those days are over.

A striking characteristic of the recession has been the widespread phenomenon of white-collar retrenchment — even among highly skilled workers. The unthinkable is now happening all around us.

The MD of a large firm of placement specialists had the following to say: "I have never seen so many CVs cross my desk in all my life.

"Most of these are from highly educated and skilled middle and senior managers who have been retrenched or who fear that they could be retrenched."

The recession has been the longest yet endured. By December last year it had entered its fourth year of stagnating or even negative growth.

While some kind of upswing is expected this year, most economists do not see a sharp upturn in job creation in the near future.

The December quarterly bulletin of the Reserve Bank showed that although the recession is not as severe as the previous downturn in 1985-86, it has been accompanied by a sharp contraction in employment across the entire spectrum of the economy.

Even some government and semi-government sectors have made certain jobs redundant.

Moreover, if you are lucky enough to keep your job in the troubled times ahead, the chances are that your salary increases will not keep pace with inflation.

Some instances have been reported where staff have been asked to accept pay cuts across the board in order to keep their jobs.

Other companies have put a freeze on salaries.

Annual salary increases are likely to be four or five percentage points below the inflation rate of around 16 percent.

Until fairly recently wages continued to rise at levels well above the inflation rate, but from the second quarter of this year wages began to fall in real terms.

In the third quarter wages were dropping below the inflation rate, which meant that, on average, people were getting poorer.

But getting back to our original question: How long could you survive if you lost your job today?

And associated with this: What are your most important financial responsibilities?

The first answer we partly know. For some people it would be possible to find another job fairly soon and they would not have to start drawing on retrenchment payouts or savings.

But today more and more people are finding it increasingly difficult to walk into another job soon after retrenchment.

Sometimes it can take up to six months — or longer — to replace your source of income. And then you might find your salary and fringe benefits are substantially lower than before.

But while you're retrenched, your expenses don't come to an end. Your regular financial commitments for house, car and other possessions still have to be met.

Your car you can sell. You can walk or take a bus. But your house is another matter. This suddenly becomes your most important priority in life — apart from providing food for yourself and your family.

Worst of all is that your retrenchment will be not of your own doing. You may have been a hard-working and dedicated worker, but because of factors beyond your control, you lose your job.

However, it is now possible for the first time to take out insurance against it happening to you.

Sage Specialised Insurances, a subsidiary of the Sage Life group, recently introduced two products to meet the needs of the market.

The two products — Job Loss insurance and Bondpayer — are similar.

For a regular premium you can take out insurance that will either pay your bond while you are unemployed, or if you don't have a bond, pay you an income for up to 12 months while unemployed.

Job Loss insurance pays you up to 60 percent of your monthly earnings. For as little as R2,80 a day you can qualify for a total of R14 400 in benefits. At inception you select the six- or 12-month plan.

If you earn R10 000 a month and you decide on the six-month plan, a monthly premium of R210 will ensure that you receive R6 000 a month for six months.

This would surely pay your bond and most, if not all, of your expenses.

Think about it ... what does R210 buy today? A meal for four at a steakhouse. Certainly not much more.

Alternatively, to get the same benefit for 12 months you would need to pay a monthly premium of R310.

The benefit you receive depends on your monthly earnings and the premium you pay.

While the premiums are tax-deductible, the income you receive in terms of the Job Loss policy, unfortunately, is fully taxable.

The advantages of Job Loss insurance are:

- You can keep up your bond repayments.
- Cope with your regular expenses.
- Take time to find the job you want.
- Look after your family.
- Keep your savings intact.

In principle, the Bondpayer policy is similar. If you find yourself retrenched, Bondpayer will pay your monthly mortgage for up to 12 months.

Bondpayer pays up to 150 percent of your monthly bond repayments. For instance, if your bond repayments are R2 500 a month and you opt for the 12-month option, you will receive a maximum benefit of R3 750 a month for a premium of only R206,25 per month.

As in the case of Job Loss, your premiums are fully tax-deductible.

Common regional labour law sought

SUSAN RUSSELL

MOVES to transform the entire southern African region into a cohesive economic community should include a programme to create a common labour law system.

This is the view of UCT labour law unit researcher David Woolfrey, who believes a "harmonised and enlightened" labour system is essential to balanced and equitable economic development.

Writing in the Industrial Law Journal, Woolfrey said investors had to contend with an industrial relations environment that varied considerably from country to country.

"Transnational" investors in southern Africa faced a multiplicity of labour law systems," he said.

"Migrant workers shed rights and obligations, and acquire new ones, as they move across national frontiers."

Woolfrey said the need for labour law harmonisation was possibly more pressing in southern Africa than it had been in Europe because sharp disparities in wage levels and general conditions of serivce would increase the temptation for "social dumping" as countries competed for scarce foreign investments.

"Those countries with a high rate of unionisation and well-developed labour law systems may find themselves outbid in the market for capital by those offering a haven from labour strife and a relatively cheap supply of labour," he said.

The approximation of labour standards, Woolfrey said, would go a long way towards averting this process.

"Investors will not be able to shop around for the most docile and legally handicapped work-forces.

"Workers will not have to move in search of basic minimum working conditions and organisational rights."

Opposition to a harmonised labour law system was likely, though, he added, because the typical Third World problems of poverty, high inflation, unemployment and lack of technology and skills mean a high premium was placed on employment creation and economic growth.

"Inevitably, pressures for economic deregulation and the provision of investment incentives in the form of cheap labour, a union-free environment, will run counter to any calls for labour law harmonisation."

But Woolfrey stressed that an enlightened labour system was essential and would promote industrial democracy thus contributing to overall social consensus and stability.

"The SA Commercial Catering and Allied Workers' Union has already initiated demands for regional wage bargaining and has formed alliances with unions in Namibia, Botswana and Swaziland".

Those interested in promoting sound industrial relations policies and practices in southern Africa, Woolfrey said, should do everything within their power to ensure labour issues were placed squarely on the agenda of current regional political and economic planning.

Male graduates 'get better work deals'

STAR 15/1/92

By Helen Grange
Pretoria Bureau

Women graduates in the workplace generally earn less than their male counterparts — and men get better fringe benefits than women.

This is one of the conclusions of the latest Human Sciences Research Council report, headed "The income of graduates in 1991".

In addition, the report states, "in 1990 white male graduates earned more than male graduates of other races in 1991.

Graduates in urban areas also usually earned more than those in rural areas.

It was established that the male teachers surveyed (not heads of departments) with between 10 and 15 years' experience earned a total package of R47 700 a year.

Women within the same experience bracket earned just over R39 000.

Of the teachers who were heads of departments, the men earned a median salary of R52 500 compared with R51 100 for women.

Some of the few occupations in which women earned more than men were clerical and other administrative occupations in the public sector. Here, women with seven years' experience earned R26 300 compared with men with 10 years' experience earning R25 200.

Australian model of pay restraint is ideal to fight SA inflation

SIMON WILLSON

RESERVE Bank Governor Chris Stals's call for a social accord to combat inflation will be brought into sharp focus next week by the release of a normally humdrum southern hemisphere statistic.

The figure, scheduled for publication next Wednesday, is the rate of inflation in Australia in the year to the fourth quarter of 1991 (the Australians measure inflation only by the calendar quarter, not month by month).

Until recently, the Australian inflation rate was just one more erratic number from a primary product-based economy going through the throes of restructuring. Suddenly, however, Australian inflation has locked into a pattern. Next Wednesday's figure is likely to be one that astonishes not only comparable, competitor economies such as SA's but also the developed Western industrial economies.

Australia is about to announce an annual inflation rate of about 1,5%.

This will mean that Australian inflation is lower than Japan's, lower than Switzerland's, lower than Germany's — lower than in all the economies famed for their thrift and abstemiousness. For at least the first quarter of this year, Australia's inflation rate is likely to be the lowest of all those reported to the 24-nation Organisation for Economic Co-operation and Development (OECD) — the grouping of advanced Western industrial economies.

Australia with the OECD's lowest inflation rate? How can this be?

Is this the same Australia as the one that has been living way beyond its means for nearly two decades; the country whose sustained import binge has chalked up an unbroken current account deficit since the mid-'70s? Yes.

It is the same Australia as the one which has splurged fantastic sums on grandiose domestic projects, in the process ballooning its gross foreign debt from a mere $US15bn in 1980 to more than $120bn last year.

It is the country that, for most of the '80s, has been governed by a trade union-friendly Labor government. Moreover, the Labor prime minister for all but the past two months of this period was previously a hard-drinking, womanising trade union boss. It is a nation of instinctively militant organised labour, whose miners and transport workers are famous for their rapid deployment of the strike weapon.

How, it may reasonably be asked, can a free spending, import loving, strike happy, debt ridden economy such as Australia's have an inflation rate that puts to shame other OECD economies of legendary parsimony and self denial?

The answer to this perplexing question provides the link with Stals's social accord prescription for combating inflation. The main reason Australia's inflation rate has fallen so consistently and is now so low is that Australia has the industrial world's longest lasting, most successful and least publicised incomes policy.

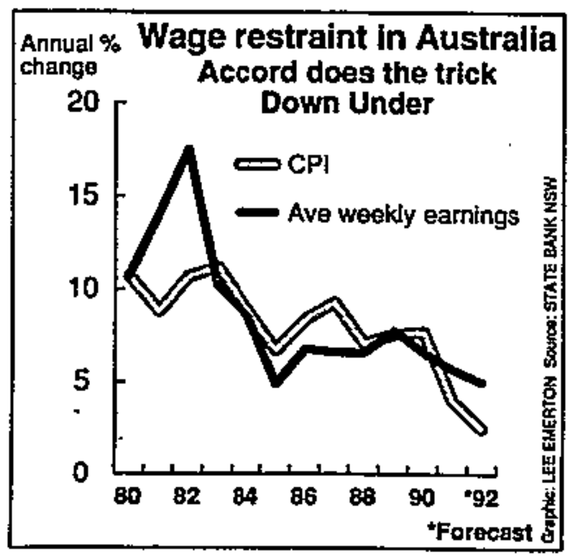
Recession has only helped disinflate the Australian economy since the end of 1990; Australian economic growth tanked ahead during the '80s — at more than 5% in 1985 and by more than 4% in 1987 and 1989 — while inflation was slowing.

The incomes accord between the federal government and the Australian Council of Trade Unions (ACTU) was instituted in 1983 and has been renewed every year since. The accord involves government and unions agreeing on a maximum limit for pay increases in the year ahead, and sticking to it.

The government has used the accord to cut real wages — pay levels adjusted for inflation — with the co-operation of national trade union representatives. There have been disagreements, when the government's offer and ACTU's claim were referred to arbitration. But, as the chart shows, the results in terms of inflation have been spectacular. There has been an incontrovertible correlation between the decline in inflation rate and pay restraint.

How has the Australian government managed to sweep the ACTU militants along with an incomes policy that ostensibly undercuts the trade union function by eroding the real pay levels of ACTU members?

The Labor government did, it is true, start out with an advantage in that it was an avowedly socialist party when it was elected in 1983, headed by a former ACTU boss in Bob Hawke. But the government also needed a carrot to give some incentive to ACTU to go along with the accord, and cannily used tax reform as that carrot.



The government, elected on a platform of restructuring the Australian economy, was planning anyway to follow the Thatcherite/Reaganite formula of cutting direct taxation and loading up indirect taxation as the main federal revenue-generator.

In the early days of the accord, Hawke made personal tax cuts conditional on acceptance of statutory pay limits. His argument, which proved quite persuasive when the nascent accord was at its most vulnerable, was that ACTU members would be no worse off in disposable income terms if they accepted a cut in real wages that was offset by lower direct tax takes from their wage packets.

It worked like a charm. The accord was accepted at the outset and had a chance to operate. Australian real wages began to fall, with all the favourable knock-on effects on export competitiveness and on inflationary expectations. By the time the tax incentive part of the package was delivered, there was real evidence of lower inflation to support the extension of the accord. The Hawke government won four consecutive elections.

Australian inflation, which was well into double digits and close to SA levels 10 years ago, is about to become the lowest in the industrialised West. Wednesday's figures will show that Australian prices take a year to rise by as much as SA prices often do in a month.

Stals's advocacy of a social accord in SA to tackle structural inflation and inflationary expectations is, whether intended as such or not, an endorsement of Hawke's accord model and a recommendation that it be emulated, at least in part, in SA without delay. And why not? When there are two large land mass, southern-hemisphere primary product exporters with competitiveness and productivity problems among their militant labour forces, and one has an inflation rate of more than 15% and the other one of less than 2%, there must be something the first can learn from the second.

Given the Australian precedent, Stals's point about a social accord attacking structural inflation and inflationary expectations is well made. What better time to approach SA organised labour with a plan to start agreeing pay limits for a year or so ahead than when government, business and labour are all sitting around tables anyway?

In forums such as Codesa and gatherings convened by the Consultative Business Movement, collective action in the national interest is already being discussed in the constitutional, political and social fields. It is a relatively small step to accommodate pay bargaining among other such weighty topics.

It is not only the SA unions that would have to be persuaded to accept the concept of an accord. The government has been unusually proscriptive about regulating national pay levels, as this statement last year by the Finance Minister's special economic adviser Japie Jacobs shows: "...government has no intention of intervening in wage negotiating procedures. Government has no wish to cross swords with organised labour. It has no intention of even considering the implementation of an incomes policy."

A figure due out in the early hours, SA time, of next Wednesday morning should change the preconceptions of Jacobs and a great many others.

NUM wage-bargaining study

DIRK HARTFORD

THE NUM will hold a special workshop next month to look into all aspects of wage bargaining, including bonus schemes, NUM assistant general secretary Marcel Golding said yesterday.

But the miners would push this year for a basic across-the-board wage increase in line with the NUM's policy of a uniform wage structure and a living wage.

Golding was speaking at a news conference to announce decisions taken at the union's central executive committee meeting this weekend, and to introduce the newly-elected acting general secretary Kgalema Motlanthe.

Golding said the decision to review the bonus for the next wage round was a result of "the way it has been applied". He said the Chamber of Mines had not honoured last year's agreement and selective bonuses' were causing division among workers. He cited as examples lack of information to the union, poor control over prevention of accidents, and workers' non-participation in setting targets. Mass dismissals after the VAT stayaway showed the chamber was using the agreement in a "punitive way".

Pressed on whether it was the bonus scheme itself, or the way in which it was applied, that the NUM objected to, Golding said the decision was "not to enter into a similar agreement this year".

● See Page 8

No room for labour monolith

B/Day 29/11/92

PETER DODDS

B/Day 29/11/92

THE author of a recent article in the Industrial Law Journal advocated a common labour law system for southern Africa (Business Day, January 9). The same article referred to an SA trade union engaging in regional wage bargaining and forming alliances with unions in Namibia, Botswana and Swaziland.

The implication is that a common labour law system and regional union activities are one and the same thing, which they are not. It is possible to find merit in the argument that disparity in protective labour legislation should be reduced to the minimum, but there are dangers for the region in a monolithic trade union movement.

The primary social and political obligation in Africa today is to accord proper recognition to the fact that the wages sector — the trade unionists — constitute what Marxists call the "labour aristocracy". They are, already, a privileged elite in each of the countries of the region. Recent figures suggest that only one in 12 matriculants is likely to find a niche in the workforce and that, generally, there are eight to 10 applicants for every vacancy.

The wages sector constitutes a small minority; the unemployed, the underemployed, the subsistence farmer and the informal sector are the vast majority, a position which will worsen, progressively, as populations continue to grow, AIDS notwithstanding.

It is a dangerous fallacy, in those circumstances, to suggest that social consensus and stability will follow in the train of "social democracy". Social democracy will benefit the minority who have already democratised their salaries and increased the gap between themselves and the have-nots, those whose earnings are already protected by joint negotiation, labour tribunals and minimum wage regulations and whose working conditions are protected by complex legislation, enforced by the taxpayer through the ministries and departments of labour.

Further protection for the already privileged would outrage the have-nots and it would not be difficult to imagine the repercussions. The author would probably deny that he is advocating a closed shop for southern Africa's wage sector, but that would be the outcome if his proposals were put into effect.

His concerns are clear when he writes: "Those countries with a high rate of unionisation and well-developed labour law systems may find themselves outbid in the market for capital." What it amounts to is a tacit admission that the "high rate of unionisation" has priced the SA employee out of the regional market, and only by extending the tentacles of local unionism to the rest of the region can local competition be eliminated.

There is no apparent reference to productivity. If all employees are equally productive in the same market there is logic in advocating common wage rates, but they are not, and the market place is different.

A monolithic union movement in the southern region would have the capacity to safeguard its members' interests to a degree well beyond the demands of equity but, in the foreseeable future, there is little likelihood of its membership growing. Even if it did, it would not be sufficient to reduce materially the pool of unemployed.

Population numbers will increase, and the wage-earning minority will become smaller in proportion to those without a finger on whatever economic cake is available to be shared.

"Methinks he doth protest too much" is probably a suitable response to the author's arguments. What started off as a reasonably laudable proposal that disparities in labour law in the region be reduced ended up as a motion that it could be accompanied equitably by a common approach to employee organisation and representation.

The former had a measure of common sense in its favour; the latter is neither economic nor moral. It is not beyond the realm of fantasy that the author was musing on other uses to which a monolithic regional union structure could be put. Ministers at the Southern Africa Labour Commission meetings have always agreed that in many social and economic spheres they have common cause, but they stop well short of surrendering sovereignity in matters of wages.

Whose system of labour law and industrial relations is being held up as the paradigm? Are SA industrial relations the yardstick for regional industrial democracy, or are they simply a slightly more sophisticated version of the political phenomenon which those who have spent time in Africa to the north will have experienced in the 1950s?

Big Brotherism is out of date: This is particularly relevant in the light of the author's comment: "Investors will not be able to shop around for the most docile and legally handicapped work force." What the author is saying is that investors will have no choice; they will have to accept whatever the monolith offers, which is not much of an option.

Instead of southern Africa being a stimulating, colourful and competitive free market, it would be a dull grey area, akin to Eastern Europe and equally unattractive.

The reality is that productivity in SA must be raised as dramatically as the rise in wage rates over the past two years. To be competitive in first world manufacturing markets, local labour costs and productivity levels must be on a par which, currently, they are not.

Foreign investors are not likely to be attracted to a situation where wage levels have little link with economic reality. Equally, they are not likely to swarm into a regional closed shop where union hegemony — rather than the imperatives of high productivity, industrial calm and economic earnings — is paramount.

☐ **Dodds is a former director of the Swaziland Federation of Employers.**

Tax rebates withdrawn

CAPE TOWN — Sports sponsors will no longer be eligible for tax rebates as SA's readmission into the international sporting arena gains momentum.

Finance Minister Barend du Plessis and National Education Minister Louis Pienaar said the incentive scheme introduced in 1986 would now fall away.

Sponsors were offered tax rebates of up to 80%.

The Ministers said their departments had been inundated with applications for sponsorships.

"We are experiencing the total collapse of boycotts, resulting in a flood of applications which make unrealistic demands on state funds through tax concessions," they said.

The Ministers said prospective sponsors could still benefit from tax breaks of up to 48% through advertising in sports events. — Sapa. BDay 17/2/92

Pay rises shrink each year

BDay 17/2/92

survey

(345)

DIRK HARTFORD

AVERAGE wage increases have steadily declined from 17,9% in 1988 to 16,1% in 1991 and the national average settlement this year is likely to be between 13% and 14%, labour consultant Andrew Levy's latest wage settlement survey shows.

In the second half of last year the average level of settlement was 15,3%.

Industrial action featured in 63% of negotiations monitored and the use of go-slows increased to 34% of the action monitored, as against 22% previously.

Productivity

Overtime bans were also a favoured union tactic, the report said.

Whereas the 1980s were dominated by "pattern bargaining" — where negotiators tend to follow national and sectoral trends rather than hammering out agreements specific to local needs — the 1990s were likely to see shifts towards "effort-reward bargaining", where issues such as labour productivity and the trade off between jobs and wages could be more decisive.

The report said settlements in the mining and metal industries last year "exploded the myth that there is some inherent right for wages to automatically keep pace with inflation, irrespective of the state of the industry."

This year Levy expects a critical issue for wage bargainers will be the control of government expenditure and the restructuring of the private sector — and the effect these will have on employment.

A social contract at a national level, the report argues, could trade responsible wage bargaining for greater responsibility over job security, training and development.

In addition, alternative benefit programmes designed to meet the specific needs of union members and allowing greater participation of the unions in their management, will be important.

In this sphere, unions will "seek schemes that provide for savings that are available in times of emergency" and where they are represented by "individuals they have come to trust".

Pay rises 'lower than inflation'

B/Day 20/2/92

DIRK HARTFORD

WORKERS are likely to receive below inflation wage increases while retrenchments in almost every sector are set to grow, according to the results of a survey of 76 companies by Gavin Brown and Associates' Erica Jankowitz.

Estimated wage increases this year ranged from 8% to 17% against inflation estimates of 11,5% to 14%.

Many companies said productivity and flexibility would have to be conceded for wage increases.

Although short time was being worked in a number of companies and natural attrition was cutting jobs, many companies said that if the recession bottomed out this year they hoped to keep job losses to a minimum.

Jankowitz said unions were moving away from across-the-board percentage wage increases to a more sophisticated percentage or cash amount demand.

According to the survey, the major issues on union agendas this year, other than wages, were:

- ☐ Job security including a moratorium on retrenchments, no subcontracting, no temporary workers, a reduction in overtime and retraining instead of retrenching;
- ☐ Training programmes to be negotiated including reskilling, literacy and numeracy training;
- ☐ Disclosure of financial information, especially if productivity deals were signed;
- ☐ Centralisation of bargaining;
- ☐ Housing subsidies and allowances; and
- ☐ Taxation demands around the VAT controversy.

Major issues for employers included flexibility clauses, merit increases and productivity.

On productivity, employers would want to decrease absenteeism, increase production quotas, introduce incentives and cut down on wastage, Jankowitz said.

NUM-Chamber negotiations bear fruit

Initiatives from a breakthrough mining industry summit last year seemed to have run aground —but this week unions and employers agreed on some key issues, reports

DREW FORREST

AFTER eight unproductive months, union-employer talks set in motion by last year's mould-breaking mining "summit" are starting to bear fruit.

At a Chamber of Mines executive meeting this week, the mining houses finally achieved consensus on the need to back a National Union of Mineworkers' proposal of a high-level inquiry into laws touching mine health and safety.

The proposal, tabled in a commission set up by the summit to probe industry standards of health, safety and welfare, won broad employer support but was resisted by Gold Fields of South Africa, which saw it as an invasion of its right to manage.

GFSA, often at odds with the other groups, apparently came under pressure at a chamber meeting last week and offered to reconsider its stance. This week, sources say, it agreed to back the inquiry proposal.

At the same time, employers have reached agreement on the need to revise the tax system as applied to workers' retrenchment packages. It is understood the issue is to be raised with government by chamber president Naas Steenkamp during his upcoming annual "tour" of ministerial offices in Cape Town.

In the summit commission on mine retrenchments, the NUM pointed to the injustice inherent in the hefty taxation of severance pay — in some cases more than 25 percent, according to union economist Martin Nicol.

Retrenched miners have little hope of re-employment, but because most are not registered under the PAYE system and lack the education required for the necessary paperwork, they cannot reclaim their tax payments.

"The receiver is retaining a large sum of money he has no right to," Nicol commented. "For many miners, the retrenchment package is the last link with economic life." The problem was shared by workers in all industries, he stressed.

In at least two important respects, however, the Chamber response falls short of NUM demands tabled in summit commissions.

Sources confirmed this week that employers had set their face against a permanent union-employer mining commission, which would keep industry policy under constant review.

"It's seen as an intolerable intrusion in the autonomy of the mining houses, whose circumstances differ widely," a source said. "There's also a feeling that a process with an amorphous brief, as opposed to talks about specific problems, would be a waste of time."

Sources also said that while employers supported the idea of an inquiry into safety laws, sanctioned by government but drawing in outside experts, they did not believe it should look at the question of worker participation in safety issues. "This is seen as an operational matter, not one in the public domain," the source said.

NUM general secretary Kgalema Motlanthe confirmed the union wanted legislation to compel labour's involvement in safety management.

The employers' decision to throw their weight behind certain NUM proposals follows long months in which the summit process stagnated.

NUM concerns about lack of progress are shared by some employers, who argue that a key weakness has been steering committee chairman Van Zyl Slabbert. "He's overcommitted, and doesn't give the process the time it deserves," one said.

Labour loses out as inflation soars

By DREW FORREST

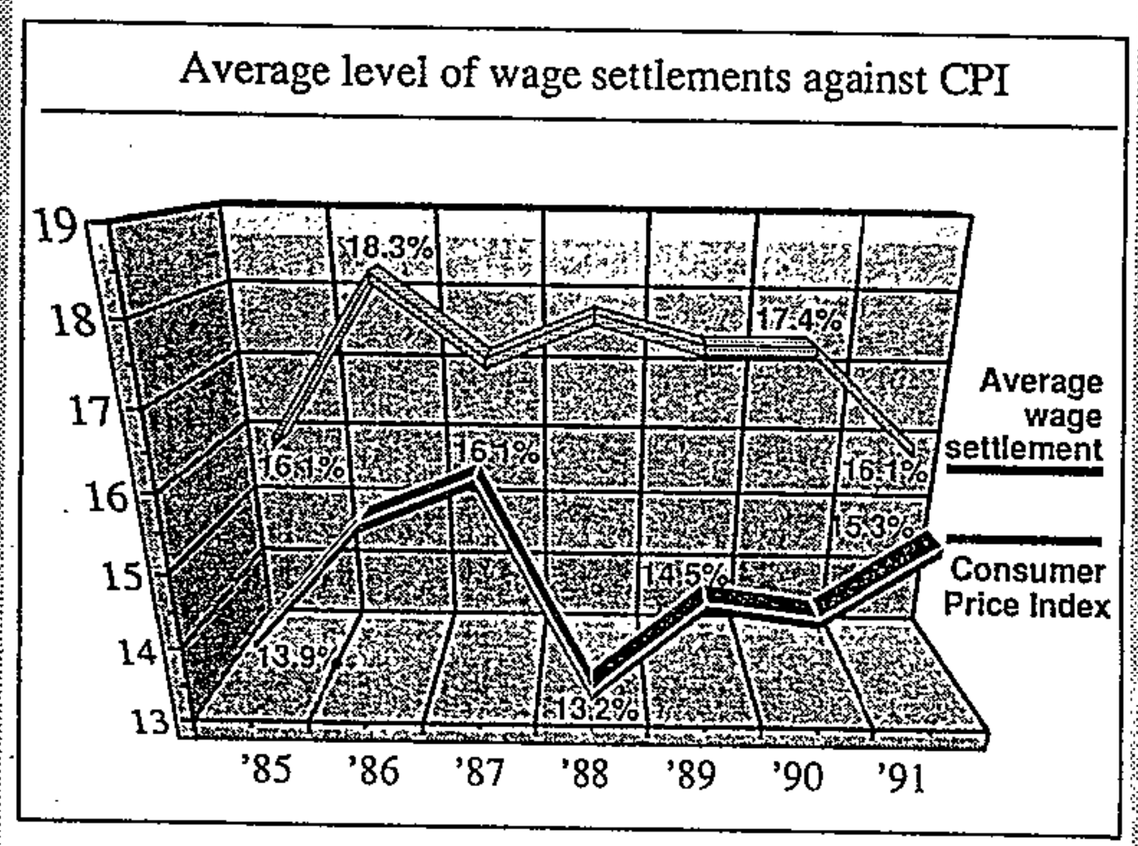
FOR the first time in at least seven years, trade union negotiators are losing the battle for real wage increases.

In the latest *Bargainers' Bulletin* of labour consultancy Andrew Levy shows that the average level of wage settlement in industry for the last six months of 1991 was 15,3 percent, down sharply on the annualised 16,1 percent figure.

The consumer price index for the whole of last year averaged 15,3 percent but, partly under the influence of Value-Added Tax, it rose sharply in the closing months — to 16,8 percent in October and 16,2 percent in December.

Real wages defied the recession by 3,1 percent in 1989 and 2,9 percent in 1990.

With a projected South African growth rate of 1,5 percent and continued international recession, the *Bulletin* predicts that settlement levels will continue to fall this year to between 13 and 14 percent.



"The issue for the unions will be how to achieve a sensible balance between real incomes and job security," it comments.

A further sign that labour is on the retreat is the sharp drop in opening wage demands. The figure for the whole of last year was 47,8 percent, but this fell sharply in the second half of the year to 39 percent.

In the heady days of 1989, the average initial pay demand was an 86,3 increase on the existing payroll.

Bosses dig in on pay rises

By ADRIAN HERSCH

PAY TALKS will be tough this year and several companies have proposed no increase.

Labour consultant Gavin Brown says those that have offered no pay increase will review the position later in the year.

"While few employers are likely to stick to this position as talks wear on, it is nevertheless an indication that a great many of them are determined to settle at single-figure percentage increases for 1992."

Settlements are being concluded below the inflation rate, but even if the economy turns around soon, moderate agreements should prevail at least until the end of the year.

Mr Brown says: "There will be a lag of between nine and 18 months before a changed economic climate allows any lessening in wage restraint."

Retrenchment remains a threat for unions in some sectors in spite of huge job losses last year.

Job security demands will therefore be prominent in many sets of talks.

The chances that many productivity deals will be reached do not look good.

But the option will increase "as talks move to deadlock and further employer concessions are linked to productivity."

Mr Brown writes in Labour Chronicle: "Against all the economic realities is a mounting anger on the shopfloor over job losses and the inflation rate.

"Coupled with political expectations, the bargaining atmosphere in many companies will have a dangerously low accident threshold."

Warning on industrial action

STAR 14/3/92 345

NEGOTIATED wage increases this year are likely to average 14 to 15 percent, compared with 16,1 percent in 1991 and 17,4 percent the year before, as an expected decline in inflation and the poor state of the economy make their mark.

However, according to a document prepared by labour relations consultants Andrew Levy and Associates, actual settlements will vary sharply according to industrial sector and the financial position of employers.

The trend towards variation was seen for the first time last year since robust collective bargaining began in earnest, say the consultants.

The two largest Cosatu-affiliated unions — the National Union of Metalworkers of SA (Numsa) and the National Union of Mineworkers (Num) — accepted their lowest inflation-adjusted increases since the early 1980s and Num regarded its acceptance as a temporary suspension of its national wage policy.

Last year real wage increases averaged only 0,3 percent, compared with 2,9 percent in 1990 and 3,1 percent the previous year.

Greater realism

"While a greater realism is certainly to be seen in the wage bargaining process, unions will continue to fight to maintain the living standards of their members," says Andrew Levy.

"Even with the tough economic backdrop of 1991, there is still a more than 50 percent probability that employers will face industrial action in support of wage demands and a more than 50 percent chance that such action would be in the form of overtime bans or go-slows."

The consultants warn that employers can expect union negotiators to step up calls for shorter working hours as the country moves into an era with a greater emphasis on non-discrimination at work.

Firms successfully resisted such efforts throughout the 1980s on the basis that it would be too costly. In 1989 it was found that 80 percent of workers surveyed still worked a 44-hour week.

However, unions were arguing that there was no reason why unionised workers should work longer hours than non-union employees, many of whom worked 40 hours or less.

At the same time, they claimed — "often with justification" — that better working methods could result in maintained or improved productivity.

C

High labour costs boosting inflation, says Reserve Bank

STAR 19/3/92

Nearly two million people in the past 10 years had to find employment outside the formal non-agricultural sectors, or become unemployed, says the SA Reserve Bank.

In its quarterly bulletin released yesterday, the Bank saw the main problem of the South African economy as a slow growth in production combined with a rapid growth increase in population.

Downturn

The Bank pointed out that in addition to the cyclical downturn that the country was currently experiencing, serious structural deficiencies existed in the economy.

The low rate of growth in domestic production too coincided with an increased capital intensity, with the result that non-agricultural employment grew by only 0,2 percent a year from 1981 to 1991, resulting in some two million job losses.

In the past two years this structural deficiency was aggravated by the cyclical downturn, which led to a decrease in non-agricultural employment.

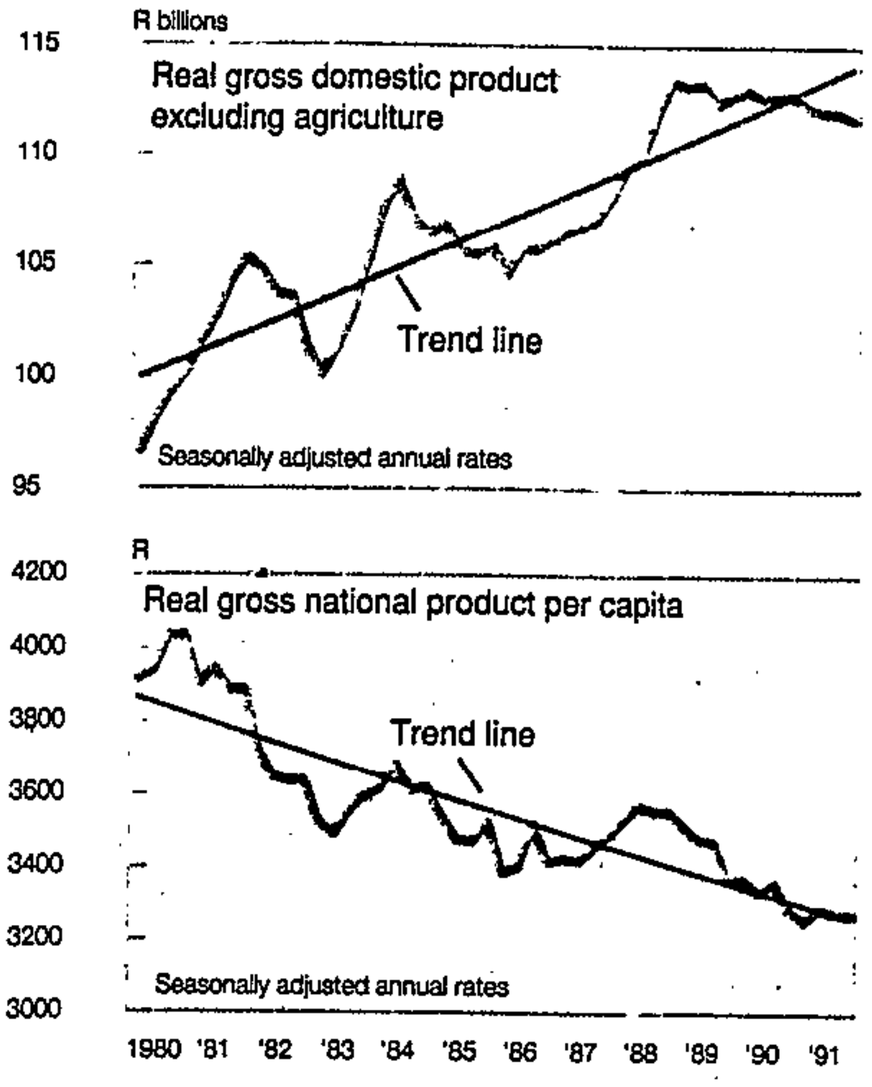
Entrants

Not only did new entrants to the labour market have to be accommodated outside the formal non-agricultural economic sectors, but employed workers also became redundant.

The Bank noted that despite the rise in the number of unemployed or underemployed persons in the country, nominal salaries and wages continued to rise at high rates which exceeded the inflation rate.

As the reductions in the workforce took place at a more rapid rate than the decline in real output, labour productivity rose moderately from the second half of 1990.

Domestic product and national product per capita



This rise, however, was at first too slow to prevent an increase in real unit labour costs.

The Bank explained that the continued high rate of increase in labour costs was an important factor in keeping the rate of increase in consumer prices at high levels throughout 1991 and in January 1992.

If food prices are excluded, however, the rate of increase in other consumer prices declined from 15,4 percent in July 1991 to 13,9 percent in January 1992.

In contrast to the virtually sideways movement in consumer price inflation, the rates of increase in producer prices edged downwards, the Bank says.

Measured over a period of 12 months, the rate of increase in the production price index fell on balance from 14,6 percent in November 1990 to 8,6 percent in December 1991.

The low level of economic activity was accompanied by a decrease in real gross domestic expenditure. The decline in domestic expenditure in the fourth quarter of 1991 amounted to an annualised rate of 2,5 per cent.

This further decrease in domestic expenditure reflected continued sharp declines in expenditure on consumer goods and services and on fixed investment, the Bank said.

Cutbacks in private consumption expenditure related to reductions in personal debt to avoid the prevailing high interest costs, were responsible for a rise in personal saving since the middle of 1990.

Despite large dissaving by general government, the gross domestic savings ratio rose steadily from a low of 18 per cent in the first quarter of 1991 to 19,5 percent in the fourth quarter, the Bank said.— Sapa.

Creeping inflation is having its way with falling wages

SI Times 12/4/92

345

No one thinks they're paid enough. So it can be comforting to discover there are those paid less than you are — even if they are in Pofadder. LINDA SHAW checks the results of a salary survey for office workers

STATISTICS can lie. They can also provide proof of what we believe is true. And yes, we are getting poorer.

A survey conducted by the Kelly Personnel Group has shown that starting salaries for office jobs are dropping — while the cost of living climbs.

The survey compares the period January 1991 to June 1991 with July 1991 to January 1992. Increases during this period offered an average of eight percent for the year — less than half the current inflation rate.

The largest percentage increases went to receptionists, bookkeepers and secretaries. Here the average increases were between 10,8 and 13,4 percent.

More specifically, a Johannesburg secretary will now be earning between R1 800 and R3 400 a month. Johannesburg, however, remains the highest earning area in the country, with the East and West Rand closely aligned. Lowest earners can be found in the Eastern Cape where salaries are an average 24,4 percent lower than Johannesburg.

EXAMPLES of other starting salaries were supplied for executive secretaries who earn R2 800-R5 500 in Johannesburg compared with R1 800-R3 000 in Cape Town and R1 800-R2 800 in Durban.

Girl Fridays on the other hand, are currently being offered R1 500-R2 500 in Johannesburg, R1 300-R1 700 in Cape Town and R1 300-R1 800 in Durban.

Bookkeepers who can take a set of accounts to trial balance are being paid R1 900-R4 000 in the Johannesburg area, while Capetonians can expect R1 600-R3 000 and Durban offers R1 500-R2 700.

Overall, the greatest percentage increase in starting salaries was experienced in the Vaal Triangle where salaries increased an average of 12,9 percent. Bloemfontein, at the lowest level, showed a decline of 3,5 percent.

The forecast remains bleak. The worst recession in South Africa's economic history threatens to continue indefinitely.

Although trade embargoes have been lifted, foreign investment has yet to pour in.

And while the economy remains depressed, salaries will fail to keep up with inflation.

C

Protect domestics, farm workers call

Sowetan 30/4/92

THE Department of Manpower has recommended that the Basic Conditions of Employment and Unemployment Insurance Acts be extended to the agricultural sector.

National Manpower Commission members, except the SA Agricultural Union, recommended that the Wage Act be extended to farms.

The NMC also recommended that domestic workers be protected by the Basic Conditions of Employment, Labour Relations, Unemployment Insurance and Workmen's Compensation Acts.

Its annual report covering its activities ranging from labour relations to religious objection to military service - was tabled in Parliament this week.

The 154-page document reported a rise in trade union membership, advances in extending labour laws to unprotected sectors, fewer workplace accidents and increased unemployment.

An amended Labour Relations Act - agreed between Saccola, Cosatu and Nactu - was passed by Parliament in 1991, but no progress had been made on its consolidation because the National Manpower Commission had not been restructured.

The productivity-based wage agreements in the mining and automotive assembly industries could be regarded as important developments.

Altogether 613 strikes in sectors covered by the LRA claimed 1,24 million mandays lost in 1991, but the numbers involved decreased by almost 50 percent on 1990 figures.

Stayaway

Wages were the main cause and the manufacturing industry suffered most in terms of mandays lost.

In 28 strikes more than 1 000 workers were involved, and each strike lasted seven days on average.

Strike figures did not include public sector disputes and the November 4 and 5 stayaway, when the majority of the country's workforce did not go to work.

Violence in the workplace continued - 22 people were killed and about 90 injured at the President Steyn gold mine in Welkom during November 1991.

The multiracial Federation of Independent Trade Unions, representing some 210 000 workers in 23 unions, was launched in October 1991. Its stated objectives included playing a constructive and moderate role in a free market economy.

A meeting was held between Saccola and three major union federations to discuss setting up an economic forum to give employers and employees a say in restructuring the economy.

The Minister and the Department of Manpower met twice with Cosatu to discuss a wide variety of subjects concerning trade unionism.

"It is . . . the Department's policy, as far as possible, to consult employers and employees whenever changes are envisaged to the legislation administered by the department," wrote the Director-General of Manpower, Mr Joel Fourie.

For the first time in many years, a fulltime deputy, Mr Glen Carelse, was appointed to help the Minister of Manpower, Mr Piet Marais.

The number of employers' organisations dropped from 271 in 1987 to 214 last year.

Trade union membership of registered unions rose from 1 879 million in 1987 to 2 750 million in 1991 and about three million employees belonged to registered and unregistered trade unions in terms of the Labour Relations Act.

Agreements

Eighty-nine industrial councils administering 141 agreements were registered at the end of 1991. They regulated wage agreements covering 36 000 employees, and the conditions of service of 488 000 workers.

The building and construction industries proved the most dangerous, with 123 fatalities in 1991, followed by agriculture and forestry with 86 deaths.

In all, there were 474 work-related fatalities in 1991, compared to 435 the previous year.

Only 53 percent of people who reported for trade tests actually passed. It was hoped that modular training would alleviate this problem.

Apprenticeship contracts increased from one in 1990 to 566 in 1991, proof that training boards could make a significant contribution to training.

During 1991, 173 religious objectors were referred to the department for placement in community service. Owing to a Supreme Court judgment, 389 religious objectors were sentenced anew during 1991.

More than R27 million was spent on training unemployed people for the formal sector by October 31 1991, and more than R31 million on skills' training for the informal sector.

Altogether 550 185 people were paid unemployment insurance benefits in 1991, against 438 292 in 1990. More than R891 million was paid out in 1991, and about R587 million in 1990.

Workmen's Compensation payments for medical costs increased by about 23 percent, amounting to over R111 million, compared with R61 million in 1986.

The 1991 amendments to the Labour Relations Act resulted in a decrease in the number of cases referred to the Industrial Court, but the number of matters which could not be finalised increased by 39 percent.

The Labour Appeal Court heard 65 cases in 1991.

Altogether 7 280 conciliation boards were established following 11 114 applications between November 1 1990, and October 31 1991.

Altogether 5 209 disputes were referred to Industrial Councils, of which 2 101 were settled. The rest, if not settled, were referred to the Industrial Court, arbitration, mediation or eventually ended in deadlock. - *Sapa.*

There were 613 strikes in 1991.

Pay rises outpacing productivity

By Roy Cokayne

South Africa is pricing itself out of world markets with earnings per worker in the manufacturing sector increasing by about 650 percent between 1975 and 1990, says National Productivity Institute executive director Dr Jan Visser.

Giving the Hendrik van der Bijl lecture at the University of Pretoria, Dr Visser said the country had lagged far behind comparable countries in its labour productivity and had shows a sharp rise in the unit cost of production. 345

Although monetary measures were necessary to fight inflation and create international competitiveness, they were not adequate. STAR 21/5/92

It was also essential to ensure that productivity had a bearing on the remuneration of both white and blue-collar workers and the remuneration of capital was also brought into balance with productivity.

South Africa could compete with any country in the world technologically, as was proved by Armscor. But its economic development problems were big and becoming bigger every day.

"The GDP per capita is a reflection of a country's living standard and South Africa's achievement here is tragic.

"SA's living standards decreased from 1980 to 1990 at a rate of 1,1 percent annually. A comparison with Korea, Taiwan and a few other countries makes one jealous."

BUS

Recession bites at starting salaries

ST Times (Cape Metro)

THE recession has adversely affected the starting salaries offered to new employees, says the latest salary report of Kelly Personnel, the largest general office staff placement service in South Africa, with 40 branches nationwide.

Starting salaries for the survey period July 1991 to January 1992 showed only a small increase compared with the period January 1991 to June 1991.

The increase — an average of four percent for the six-month period projected to an average of eight percent for the year — is only half the 5,5% and 5,4% respectively. 17/5/92

Receptionists also showed the largest category increase in the previous survey period, supporting the view that as they are being required to take on more tasks, they are being paid accordingly.

● The salary range for a receptionist/switchboard operator who may help with copy typing, clerical duties and filing is: Cape Town, R1 100 to R2 000; Johannesburg, R1 200 to R2 500; Durban, R1 000 to R1 900; Port Elizabeth and East London, R1 200 to R2 000.

● Secretary: Cape Town, R1 500 to R2 600; Johannesburg, R1 800 to R3 400; Durban, R1 500 to R2 600; Port Elizabeth and East London, R1 450 to R2 200.

● Executive secretary responsible for confidential matters and with top skills including use of word processor and compiling own correspondence: Cape Town, R1 800 to R3 000; Johannesburg, R2 800 to R5 500; Durban, R1 800 to R2 800; Port Elizabeth and East London, R2 000 to R2 500.

● Accounts clerks: Cape Town, R1 500 to R2 100; Johannesburg, R1 300 to R3 000; Durban, R1 200 to R2 200; Port Elizabeth and East London, R1 300 to R2 500.

Social responsibility need not curb investment returns

345

BDay 21/5/92.

ANTHONY ASHER

The Community Growth Fund (CGF) by the Labour Research Service (LRS) and Syfrets has captured the investment public's imagination, if not yet its pockets.

Discussion about the fund has raised a number of questions, not least as to whether socially desirable investment is contrary to the principles of trusteeship. The answer is no; it is, in fact, one of the principles.

The actuarial textbook Day and Jamieson gives five rules that govern institutional investments:

- ☐ The liabilities of the fund must be met as and when they arise;
- ☐ The liabilities must be met with as much surplus as possible (that is, the investment return must be as high as possible);
- ☐ The risk involved in maximising the return must not be so great as to imperil the meeting of the liabilities;
- ☐ The investment should not be objectionable to the original savers on social or ethical grounds and, subject to the above three rules, investments should be those which can be held most beneficially on such considerations; and
- ☐ When these four rules are satisfied, the investment manager should choose the investments which do most to further the other objectives of his business.

The CGF will focus particularly on rule four, at the expense of rule five but not of the first three. As everybody knows, rule five is usually followed by investment managers controlled by the conglomerates.

But will restrictions placed on the investment manager reduce the investment return?

Funds need as few as 12 stocks to be fully diversified. There are 150 stocks in the JSE Actuaries Index. This means that Syfrets will have plenty of choice, even if restricted to only half the shares in the index. The CGF can, therefore, be sufficiently diversified.

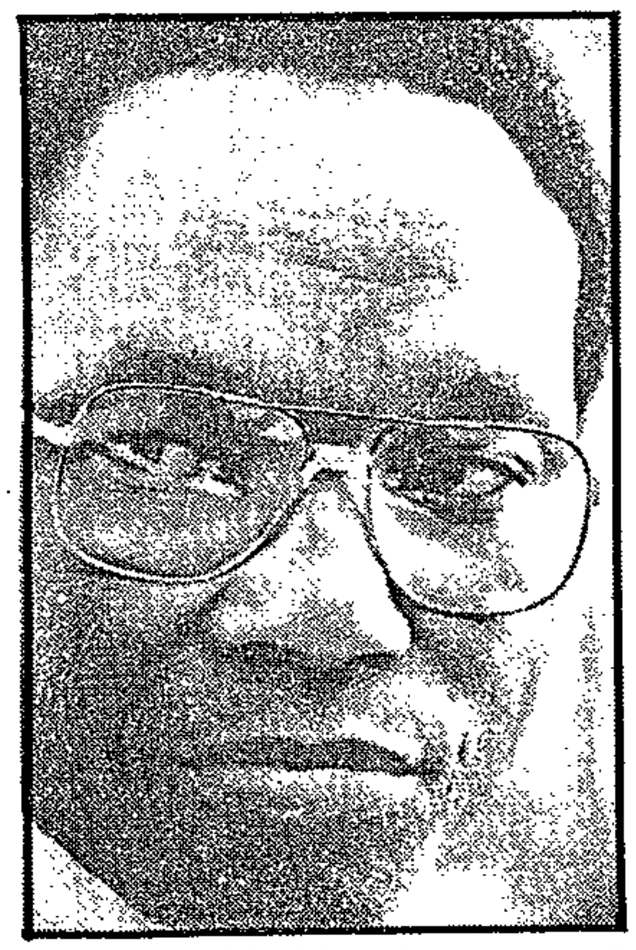
The return will be reduced only if the shares bought by the CGF are too highly priced. If the price rises too much, other investors in these shares will sell them and the price will return to a more reasonable level. Serious distortions will occur only if the CGF becomes a very large investor. If this were to happen, selection criteria might have to be relaxed if the CGF were to remain an appropriate investment for retirement funds.

In addition, LRS has chosen Syfrets to manage the CGF because of its excellent investment performance in the recent past. All in all, I would be surprised if the performance of the CGF differed much from other unit trusts.

But surely companies that pay higher wages must have lower profits and lower investment returns?

This is a common fallacy. It is not important for a company to have a particularly high rate of return on shareholders' funds. Excellent investment yields are more likely to arise from high growth in profits.

Companies that show a high rate of profit may well be bad investments if the high return is dependent on shareholders exploiting one of the other stakeholders in the company, or as a result of an unwillingness to invest in future growth. (The stakeholders in the company — apart from the shareholders — are the employees, suppliers, customers and society as a whole.)



Kgalema Mothlanthe, general secretary of the NUM, the main union backer of the CGF.

Where companies are paying higher than average wages to their unskilled labour, it is possible that one or other of the stakeholders are making sacrifices. It is also possible that higher productivity allows the paying of higher wages. The aim we are setting ourselves is a fair division of the company's turnover between wages, salaries, profits and returns to other stakeholders. It is a question of not too much nor too little, and applies equally to wages, salaries, profits and directors' fees.

But are company managements not responsible for maximising profits, and will the CGF not do harm by encouraging managers to concentrate on other things?

In discussions with the members of various unions, I have found that their major concern in the area of investment is its relationship to the creation of jobs. This is, therefore, also likely to be the main concern of the CGF. A company that is going to provide consistently higher returns to its shareholders can only do so by finding new markets for new products and, in the process, creating jobs. In the long run, job creation and superior profits go hand in hand — there is no other way.

In his article (Business Day, May 12), Jim Jones raised the question of whether trustees were not abdicating in investing in the CGF.

This is a question of corporate governance which is becoming an important issue internationally. If retirement funds own most of the shares in the companies, and they do not exercise their votes, who controls the companies' managers?

I agree that the exercise of votes is a fiduciary responsibility of trustees. This is, however, seldom done in SA. The problem is that retirement fund trustees are seldom in a position to be adequately informed about every company in which they invest. They are necessarily dependent on consultants of one sort or another to advise them in this area. A major reason for supporting the CGF is that it will provide the first such service in SA. This is a crucial area for the democratisation and revitalisation of SA business.

When all is said and done, is there not a danger that the investment decisions taken by the CGF will not be made in the best financial interest of the members?

We are not perfect. Mistakes will be made. But there are two reasons why an investment in the CGF may well yield better returns than the alternatives.

The first is that the CGF will concentrate on the long term. We will attempt to avoid companies that are making short-term profits from pollution, racial discrimination, exploitative wages and other shortsighted policies. In the long run, these companies will have to pay for their myopia, and investment in them is therefore risky for retirement funds.

The second reason is that, in the CGF management company board, the investment managers are going to have to justify their points of view more thoroughly than would be the case in the average investment committee. Better decisions are likely to be hammered out, and investors are likely to benefit.

☐ Asher is director of actuarial studies at Wits University and chairman-elect of the management company of the CGF.

Women find no equality at work

345

STAR 3/6/92.

GENEVA — More women were working outside the home than ever before, but they faced low pay and sexual harassment, the International Labour Organisation said yesterday.

Although employment prospects were generally improving, women still suffered discrimination and the number holding top jobs was "substantially lower than their education or experience would warrant", the UN labour organisation said.

The report also said hundreds of millions of children under 14 worked on farms, in factories, as servants and as prostitutes for little or no wages. In India, one million children were kept in the bonded-labour system to pay off debts accumulated by their parents, the report said.

The 105-page study said Sweden had the highest rate of working women among industrialised countries. Just over 50 percent of Swedish women were employed, compared with 56 percent of men.

In Latin American countries, about 35 percent of women worked. In Arab countries, the figure was about 10 percent. In Africa, millions of women worked the land but were not included in the statistics, the report said.

The ILO quoted US figures showing that 42 percent of women employed by the federal government said they had received some kind of uninvited sexual attention at work. In Belgium, 30 percent of women said they suffered harassment. In the Netherlands, it was 58 percent.

The report said even in industrialised countries, few women had made it to the top of the career ladder.

In the United States, a 1990 survey of the 1 000 largest companies showed that of the 4 012 people listed as the highest paid, only 19 were women.

In Japan, women's monthly wages were 57,6 percent of men's in 1987. In the United States, women in full time employment earned 65 percent of a man's salary in 1988 compared with 59,7 in 1971, it said.

In Western nations, women were moving into careers traditionally dominated by men, the report said. It cited a US study showing that in 1975 only 7 percent of lawyers were women. This rose to 19,5 percent in 1988. Only 3 percent of the police force were female in 1975, compared with 13 percent in 1988. — Sapa-AP.

Beware minimum wage

Sowetan 4/6/92 (345)

The Steve Mulholland Column

A MINIMUM wage, or a living wage or whatever you want to call it is the clarion cry of many trade unions and political parties.

On an emotional level it is difficult to argue against the principle of a minimum wage.

Lifestyle

Why, it can be asked, should a man or a woman work for less than what is generally regarded as the minimum needed to maintain a basic lifestyle?

The question carries added weight in our society where a few earn very high salaries while the vast mass of the people earn very little.

There is also no doubt whatever, that many, mainly white employers, took advantage over the decades of apartheid to pay black people less than they would have had to in a free market situation.

Apartheid, it must never be forgotten, was the opposite of a free market system. There was a free market for whites and they prospered. But for blacks there was no free market.

They were instructed by law as to where they could live, for how long they could live there and under what conditions. And they were also told where they could work and what sort of work they could do.

I do not have to tell readers of this newspaper of the evil labour discrimination inflicted on blacks. One of the results of this has been the powerful growth of trade unions and an equally powerful insistence on a minimum wage.

But when one thinks about it, a minimum wage is a system which discriminates against the poorest and the least skilled of our people. A minimum wage law forbids a willing employer and a willing worker from coming to an agreement on a rate for a particular job.

Activity

In the face of the minimum wage many employers will clearly prefer to stop a business activity which will lose money paying the minimum wage EVEN if there are thousands of workers at the factory gate willing to work for less than the minimum wage.

A minimum wage acts against the worker as much as it does against the employer. It says to the starving unemployed man: "You may not work for less than a minimum wage even if you want to. You must rather starve so that those who have better skills than you can demand the minimum wage."

In this way the poor and unemployed become the human cannon fodder in an ideological struggle. The winners are the few privileged workers whose skills and output make it possible for employers to pay them above the minimum wage.

Victims

But they themselves, whether they realise it or not, can also become victims of the minimum wage for if this wage rises above what the firm can afford to pay them, the firm will close down and they will lose their jobs.

There are many examples of jobs that have been destroyed because of the demand for a minimum wage which was more than the particular business activity concerned could afford to pay.

There are now more than 5 million people unemployed in South Africa. This figure is expected to rise to 7 million over the next few years.

Prohibition

Does it make sense to have a law which prohibits these people from working if they are willing to do so at a rate lower than the minimum wage? Beware of the minimum wage. It is a two-edged sword which can cost you your job.

Wage increases fail to keep up with inflation

HILARY GUSH

WAGE increases agreed to so far this year were falling behind inflation and were expected to slow even further by year-end, labour analysts said.

Industrial relations consultant Gavin Brown said wage settlements had averaged 13% this year and were likely to fall even lower as tougher employer-union negotiations got under way.

Reviewing the benchmark settlements achieved in key sectors since the beginning of the year, Brown predicted a "dramatic" fall in wage growth rates. Unions were likely to settle lower, he said, as the wage round passed its mid-point. This was particularly true in the retail sector where year-on-year wage increases currently averaged 15,2%.

Seven major settlements in the chemical industry had shown rises in wages of 13%. Average settlement in the food sector was 14,7%, while parastatal workers' wages increased by 9,6%.

Research by industrial relations consultants Andrew Levy and Associates indicated an easing in the national settlement rate to 15,86% in the year to May from 15,98% in the 12 months to April.

Levy and Associates predicted an average 13% to 14% wage settlement for 1992.

The Bureau of Economic Research (BER) at the University of Stellenbosch forecast a 13,6% year-on-year change in employees' remuneration by the third quarter of this year and projected a rise to 14,1% by the fourth quarter.

A year of dry bread, water

IF YOU feel you've just been managing to keep your head above water these past few years, get set to hold your breath, advises Derek Tommey.

FOR years most South Africans have worked hard at their jobs but ended up with little to show in the way of additional wealth. The slump in the savings rate to what is probably its lowest level is proof of this.

South Africans, in fact, have been on a vicious treadmill where salary and wage increases have been quickly eaten up by higher prices and higher taxes.

Nonetheless, Reserve Bank figures suggest that between 1988 and 1991 most people in the formal sector were just able to keep their heads above water. In these years, salary and wage increases, overall, were slightly above the inflation rate.

Demands

But this, it seems, is no longer the case. This year, for the first time since 1987, wage increases generally are falling behind inflation. This primarily is the result of the poor state of the economy.

In the past, employers did not fight too hard against demands for pay rises as they believed they could recover the cost simply by raising prices. But the world recession and the Reserve Bank's tough measures against inflation are making life difficult these days for companies which charge more for their products. In most cases it leads to lower turnover, lower profits and production cutbacks.

This is making employers resist demands for wage increases, particularly if they appear to be excessive. As a result, there have been many wage agreements where the increase is well below the accepted inflation rate of 15 percent.

The recent Post Office settlement gave workers on the minimum wage a 19,8 percent increase, but gave all other workers an increase of between 10 and 11,6 percent.

In its negotiations with the National Union of Metalworkers, the Steel and Engineering Industries Federation has raised its initial offer of 6,4 percent — but only to 8 percent.

Some large retail chains are not giving any raises at all this year. The Government is also trying to keep pay raises in single figures.

The gold mining industry limited pay increases last year to about 5 percent, though several mines sweetened the pill by offering incentive schemes. It is not easy to see the industry giving a better increase this year, especially as the gold price in real and nominal terms has plunged again.

Trade unions have not let employers off easily. They have been putting up a tough fight against below-inflation pay rises.

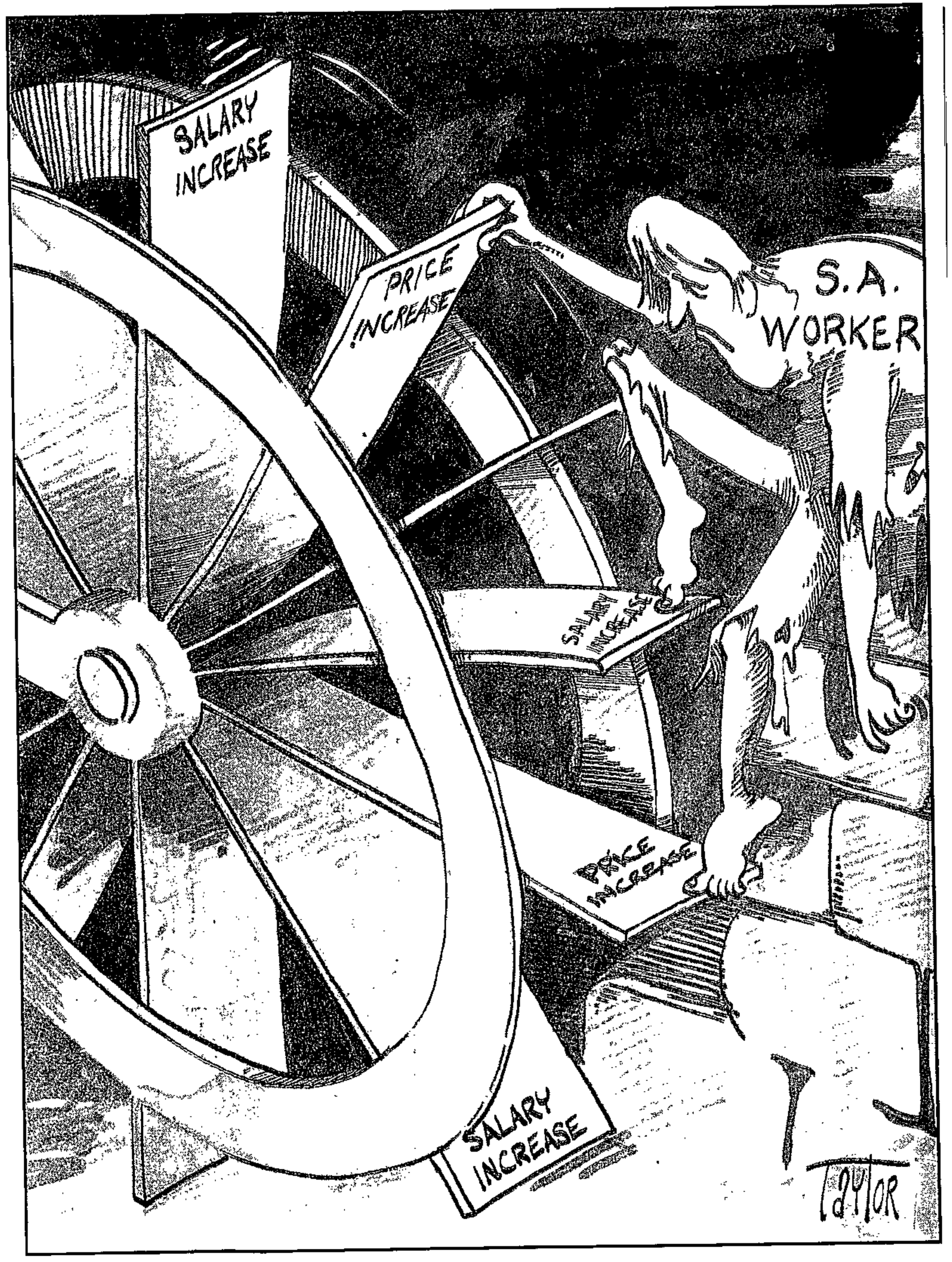
But labour advisers report that many unions are showing realism and responsibility, especially where an industry appears to be in difficulties. In these instances the union's first priority is not seeking pay rises, but keeping their members' jobs.

Overall, it seems this will be a hard year for a great many people, with belts being tightened, especially as income tax rates were increased in the Budget. But in between eating their dry bread and drinking their water, they might like to reflect that the present situation should lead to a much better future than the recent past.

Destroyed

The high level of inflation has done tremendous harm. It has been a major deterrent to new investment, has kept the rand weak, has destroyed savings, has enabled the Government to increase income tax without appearing to do so, and — overall — it has helped to keep people poor.

In a future where inflation is negligible, people should be able to say, as a South African who recently moved to the low-inflation United States said when he reported on the differences in working in the two countries: "When you get a pay rise in the States it really means something."



Unemployment situation worsening, says BER

STAR 25/6/92

345

CAPE TOWN — The employment situation is deteriorating with regular announcements of more retrenchments, says the Bureau for Economic Research (BER) at Stellenbosch University.

"Threats of mass action, stayaways and go-slow strikes will also not contribute towards stability in an already troubled and politicised labour force," it said today in a trade and commerce survey.

Wage negotiations between labour unions and employers were not characterised by a large degree of consensus, which could lead to further unemployment.

This would dampen growth in the total wage bill of the country.

Personal taxes would remain high and, coupled with an expected high inflation rate, would keep disposable income under pressure until the third quarter, when a drop in inflation was expected, it said.

Consumer spending would not be particularly buoyant in 1992, "and we forecast marginal growth in real terms".

The bureau said that while white consumer confidence had edged up marginally, it remained "relatively pessimistic".

Regarding the general economic situation in South Africa over the short-term, about 45 percent of white consumers expected an improvement in the economy in the next 12 months, while 53 percent foresaw a deterioration.

Consumers in the Cape Province were the most optimistic, followed by the Transvaal and Natal, with the Free State the weakest.

The confidence of black consumers had increased, with about 65 percent expecting an improvement in the general economic position in the next 12 momnths.

"A possible explanation for this relative optimistic attitude can be linked to the publicity given to the process of political change, particularly within the Codesa framework.

"It can also point to a much higher political awareness among blacks and the degree of expectation cultivated by the political developments."

In what could be considered as an indication of better things to come, wholesalers and retailers reported bigger sales volumes than a year ago.

However, motor dealers continued to experience poorer sales volumes, compared with last year, and expectations for the second quarter were not much better.

"It now appears more likely that the upswing may only become visible well into the second half of the year. Retailers and wholesalers appear to be more optimistic of an improvement in business conditions in the third and fourth quarter." — Sapa.

Job losses in recession total 160 000 — report

Bloan 24/6/92 SHARON WOOD

ALMOST 160 000 people had lost their jobs since the beginning of the downswing, despite a slowdown in wages during the same period, the Reserve Bank said in its latest quarterly bulletin.

Labour costs eased during 1991, with growth in average nominal wages and salaries per worker slowing to 15,4% from 16,9% the previous year.

However, the Bank described this as only a marginal slowdown. It said these high rates of increase probably contributed to the rising unemployment.

Many employers were forced to retrench employees to contain rising labour costs and remain competitive in a weak domestic market.

In many cases, this was also due to an international market characterised by falling commodity prices and lower rates of increase in the production costs of many competitors, the Bank said.

The bulletin said total nominal wages dropped sharply from 19% in the second quarter of 1990 to 13% in the second quarter of 1991, but then accelerated to 15,8% and 15,3% in the next two quarters.

As a result of the slower increases in nominal wages, real wages per worker remained virtually unchanged last year from 2,2% in 1990.

Private sector nominal wage and salary increases, which averaged 14,9%, were lower during 1991 than those in total nominal wages.

Wages and salaries of public authorities rose by 15,7%, sharply down from 1989's 21,9% increase.

"For the third year in a row, the increases in the average remuneration of workers employed by the public authorities were nevertheless higher than those of workers in the private sector," the Bank said.

The decrease in formal employment took place mainly in the private sector, it said, with employment contracting by 3,6% during 1991. Public sector employment rose by 1,6% last year. The Bank attributed this to staff increases in the police force, black education and the correctional services.

Strike activity up by more than 70%

CAPE TOWN — Strikes increased by 73,3% in the second quarter of 1992 over 1991 with grievances being the main reason and with the motor industry being hardest hit. BDay 30/6/92

An Andrew Levy & Associates report released yesterday, said strike activity was expected to increase when the Cosatu/ANC/SACP mass action programme clashed with a general hardening in employer attitudes towards stayaways.

Wage negotiations in the metal and mining sectors were expected to contribute to a rise in man-days lost. The second quarter figure was 650 000 compared with 375 000 last year, but 45,83% lower than the 1990 high of 1,2-million.

Commenting on the mass action programme, Levy & Associates said: "As a result of this, it is anticipated that there will be an increased potential for conflict in companies housing unions with different ideological viewpoints, as workers who do not support the campaign will come under severe pressure to do so.

"It is also envisaged that because of a noticeable hardening in employer attitudes towards stayaways in general, further disputes will arise as a result of discipline meted out.

"It is interesting to note that grievances (39,8%) are the main trigger factor, followed by wages (32,3); recognition/bargaining levels (13,9) and dismissal/discipline (10,5).

"Wages traditionally dominate the trigger scene but during a period marked by a high degree of confrontation and political tension, a number of strikes have taken place over issues such as unfair protection of white employees, calls for the dismissal of white management and differential

☐ To Page 2

Strikes BDay 30/6/92

☐ From Page 1

treatment between the race groups."

The motor industry accounted for the largest number of man-days lost (35,3%) mainly as a result of the Toyota strikes in May and June. The retail sector was next (14,7) and the state (13,9) next due to an upsurge in hospital strikes and that between the SABC and Mwasa. Intermittent strike action at Impala Platinum Mines contributed to the figure of 12,9% for the mining sector.

The most active unions in terms of man-days lost to the economy were Numsa (37%), Saccawu (14,8), the NUM (13,4), Nehawu (10,4), Fawu (9,2) and Mwasa (6,4). The unions responsible for the greatest number of strikes were Saccawu, Nehawu, Numsa, Fawu, CWIU and Sacwu. — Sapa.

Rules of the game

FM 17/7/92

PROFITS & WAGES *by Nicoli Nattrass (Penguin Forum Series, 59pp, R19,79).*

The Greeks, who invented books, had a saying: "A big book is a big evil." This one, from a UCT economist with an Oxford D Phil, is a small masterpiece.

The reader is told in the introduction that "chapter one sets the scene with a brief outline of SA's profitability performance. The relationship between wages and profits is discussed, along with the negative impact of apartheid and other State economic policies on profitability. For those who find the technical and historical detail tiresome, it is possible to skip straight to the conclusion and pick up the thread of the argument there." For my part, I enjoyed chapter one as much as the other two chapters, and I recommend it as a real help in evaluating the book as a whole.

Profits are related both to black and white wages. Two brief extracts throw light upon the growth of rightwing political parties: "The Seventies saw a dramatic turnaround in the relative fortunes of white and black workers. This time the rise in the profit share was possible because the low growth of white wages sufficiently compensated for faster growing black wages . . . It is interesting to note that (later) the growth of black wages far exceeded that of the surplus (= profits). It was only as a result of falling white wages that capitalists were able to obtain a greater profit share."

Nattrass notes the case for class compromise based on *rules of the game:* "An economy is an entity consisting of groups with conflicting interests held together by rules of the game. When the conflicts become so acute that the rules are unplayable, the economy ceases to be viable, and explodes or changes into a different entity."

She makes the comment that when the rules of the game — be they capitalist or socialist — are regarded as a sham, the system suffers from a crisis of legitimacy and becomes ripe for revolution. The crisis will clearly be more acute if not only the economic but the political system faces such a crisis and the two are linked, however mistakenly, as aspects of the same evil. Discontent can diminish only under a set of rules of the game which "minimises exploitation, maximises the surplus for investment and encourages growth and redistribution."

There is in fact only one basis for such rules since, to quote J E Meade, "the intelligent radical seeks for some intermediate position in which the maximum possible use is made of the market price mechanism, as the foundation on which a structure of essential social controls is built. The intelligent radical is anything but an optimistic utopian. He recognises that the world is a wicked place in which compromise is inevitable. He freely admits that the price mechanism is the worst possible form of economic system, except all the other," — an echo of Churchill on democracy.

Nattrass diagnoses the present confrontational position taken up by trade unions in the light of their exclusion from key decision-making: "It is not surprising that they (often correctly) are suspicious of government and management protestations about productivity, inflation and international competitiveness."

She contrasts our situation with that of Germany — perhaps, alas, somewhat opportunely in view of present troubles there. But she could surely argue that the economic outcome of reunification has given the German rules a temporary jolt which will prove to be as unique as it is unprecedented.

In her final chapter, Nattrass turns to the "social wages" which comprise the services to which workers need access, over and above their take-home pay — pensions, unemployment benefits, education and health.

Here she argues that the demands of a tax system, which has in the past been inimical to growth, cannot safely be left unabated in the future, so that "rather than attempting to give each South African the same level of State support previously enjoyed by whites, it will be necessary to reduce spending norms and reorient expenditure patterns."

A most valuable part of this chapter is Nattrass's proposal for alleviating poverty. She places high on any redistribution agenda the need for a special employment programme (SEP). SEPs have been recognised by the World Bank as cost-effective relief measures, and Cosatu secretary-general Jay Naidoo has recently given his blessing to a programme of employment at wage levels below those applicable to unionised labour. In Keynesian terms, it is better for a multiplier effect to filter up than down.

I put this book down with a valedictory "Bravo!" *Radford Jordan*

Spectacle and facts

HOW'S THAT! On tour with South Africa in India, the World Cup and the West Indies *by Argus Group writers (Struik, 64pp, R24,99).*

It is difficult to think of a more boring and predictable title for this publication, which, if it had to be defined, would fall somewhere between a slim paperback and a glossy souvenir brochure. Perhaps the publishers thought, not unreasonably, that the product would be sold by their dramatic World Cup cover picture of a war-painted Allan Donald appealing for the wicket of Graham Gooch.

The book is worth buying for the colour photographs alone. Some are famous: Clive Rice kneeling before Mother Teresa in Calcutta; the embrace of Kepler Wessels by the ANC's Steve Tshwete after the defeat of Australia; and various views of the fielding highlight of the series, Jonty Rhodes's mid-air hurtle to run out Pakistani batsman Inzamam-al-Haq. And some photos are fresh, such as the one of Meyrick Pringle rolling about in goggles and flippers in the water-logged outfield at Brisbane.

The text is mainly by Peter Robinson, one of the country's best sportswriters. The cricketing side of the trail-blazing tour to India last November (it seems so long ago!) is dismissed in a sentence, presumably on the assumption that what we really want to read about is the World Cup.

Here Robinson does not always write as well as he did when filing on deadline from the tournament. A matchwinning performance, such as Richard Snell conceding only 15 runs off nine overs against Australia, can get buried in a general summary. But there are also lively patches — and perhaps one should not expect too many coloured lights in what, after all, is meant to be a publication of record. Robinson excels at neat phrases and the avoidance of cliché; he is never boring.

Andrew Drysdale, dealing with the West Indian tour, is competent and meticulous but less successful than Robinson. Drysdale likes long sentences and is prone to the old-fashioned sportswriter's fault of using a big word when a small one would do. And he talks of Hudson being "painfully bruised" by the West Indian fast bowlers — what other kind of bruising is there? For both writers, the present tense might have been useful.

The scorecards are a valuable record of the first few months of our remarkable return to international cricket — but they are all grouped together on two pages at the end. This probably made the layout artist's job easier but is not helpful for the reader.

Detailed accounts of the one-day matches in the West Indies are omitted. A pity — they had their own flavour. *David Williams*

BUYING BOOKS

Some books reviewed may not be readily available. If you have difficulty obtaining a title from a bookshop, we suggest you contact the publisher's representative. Telephone numbers for books reviewed this week are:

☐ Penguin — (011) 496-1730; and
☐ Struik — (011) 444-9473.

Labour a worry for Keys

By ZILLA EFRAT

THE "disturbing" rise in labour costs was SA's major economic problem, Finance Minister Derek Keys said yesterday.

He told a Taiwanese Association meeting in Johannesburg that this was also the opinion of Reserve Bank Governor Chris Stals — "a warning given greater point by recent events on the labour front".

A key question was whether the new SA could improve productivity of labour and capital to the extent where a high growth rate could be sustained.

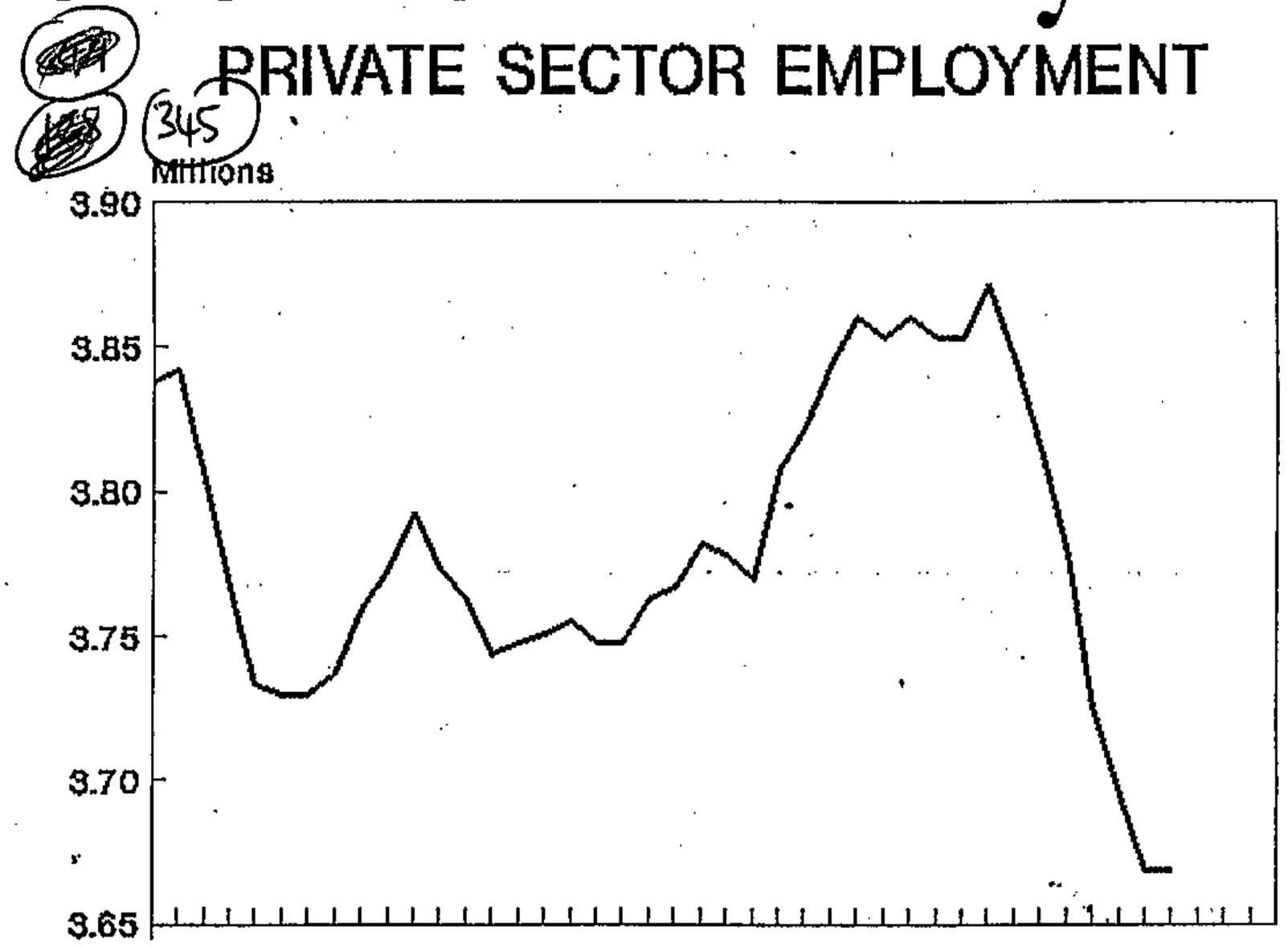
Because capital took flight easily and was highly mobile, SA would have to build up foreign confidence in its stability and make its industrial environment more "user-friendly".

Mr Keys quoted ANC leader Nelson Mandela as saying "any political settlement cannot survive unless we can turn the economy around so that it generates the jobs and the wealth which will make a rapid and visible impact on the standard of living of the black people especially".

Political stalemate 'will stifle economic recovery'

SOUTH 15/8-19/8/92

The message from economists is clear: Sort out the politics and end the violence or the recession will continue deep into the future. **Lynda Loxton** reports:



THERE is more than politics in the balance in South Africa's political deadlock. Latest economic forecasts indicate that unless politicians get it right soon, the recession could continue for another year, putting South African living standards under even more severe pressure.

According to Old Mutual's chief economist, Mr David Mohr, continued tight business conditions over the last year have had "a grave effect on the financial state of employees in the private sector".

Wage increases in the private sector fell from an average of 16,1 to 14 percent, while inflation rose from 14 percent to 16 percent. About 200 000 people were retrenched.

The main reason for rapidly rising inflation has been higher food prices. This has been due to VAT rather than the drought, says Mohr.

Predictably, government employees were much better off. Salary increases, although lower than the previous year, still meant they were earning about 17 percent more while the number of people employed by the state rose 27 000.

State salary increases and higher government spending generally led to higher taxes. This, combined with the fact that private sector incomes grew more slowly, meant a further slowdown in the disposable income available to individuals — so they spent less on non-essential items.

This is reflected in the latest consumer confidence index by the Human Sciences Research Council. The CCI hit its lowest level in April as 79 percent of about 2 000 people of all races interviewed said inflation was out-stripping their incomes.

Consumer confidence has important consequences for economic growth. The lower the confidence, the less likely people are to buy consumer durables and the less the companies making those goods are likely to sell, affecting profits and jobs.

Mohr predicts that overall economic growth this year will be the worst in the four-year recession — and he is not too hopeful about any improvement soon.

"In addition to the weak state of the economy, factors such as political uncertainty, continued violence and threats of industrial disruption have inhibited both consumer and business confidence. This has happened to such an extent that it could be asked whether 1993 will in fact be a growth year for the economy, or whether the recession will drag on until deep into next year."

Old Mutual believes the first step towards long-term economic growth "must be the breaking of the political impasse and the resumption of negotiations for a new constitution. This must be followed by fostering conditions for renewed investment.

"An integral element of this process must include efforts from all quarters to address the causes and incidence of violence. Economic growth and persistent violence are simply not compatible," it says.

"Secondly, it is important for a cyclical recovery in economic activity to take hold. Investment in new production capacity and job creation will not occur unless sales and expectations regarding future demand begin to improve."

Unions are forced to settle for less

By MONDLI MAKHANYA

UNIONS have had to settle for below-inflation wage increases this year as the recession continues biting into workers' bargaining power.

With most sectors now having completed wage negotiations, settlements appear to have averaged 12 percent — four points below the inflation rate and way below the 27 percent food inflation rate. This figure may drop to single digits after settlements have been reached in the strike-hit engineering industry, where employers have indicated they will not budge from their 8,6 percent offer.

Apart from the engineering industry, where the National Union of Metalworkers of South Africa (Numsa) has revised its demand from 20 to 16 percent, unions' opening demands were moderate, indicating their expectation of low awards. Instead, they have concentrated on working conditions and issues of job security.

Econometrix economist Azaar Jammine notes that, in the past, unions usually added the growth rate to the inflation rate as their bottom line for wage increases — meaning that this year's increases should have averaged 18 percent.

The lowest increases in a major industry were granted in the gold-mining industry, with workers settling for a five percent increase plus a 20 percent profit-sharing scheme.

Coal miners accepted an 11 percent wage hike, while hotel and public-sector workers settled for 9,8 percent and 9,6 percent respectively. In the retail and chemicals industries, average settlements were 15 percent.

Motor-manufacturing workers accepted a 12 percent increase and concentrated their energies on pushing for a renewal of the retrenchment moratorium. In the end, Numsa managed to secure a fund for retraining retrenched workers.

Gavin Brown and Associates consultant Andre Jooste predicts the trend will continue beyond the recession.

The virtual bridging of wage gaps between black and white workers and the hardening of employer attitudes as a result of the politicisation of industrial relations have also contributed to the lower settlements, Jooste adds.

Job losses increase on economy's troubles

GERALD REILLY

JOB losses in the 12 months to end-March 1992 reflect the economy's severely troubled state, according to economists.

Central Statistical Service figures released yesterday show that 80 607 jobs were lost in the non-agricultural sector in the year — a 1,6% decline.

In the mining and quarrying industry total employment in the same period shrunk by 31 070, or 4,8%. In the non-primary sectors, the job losses amounted to 49 537 or 1,1%.

Average monthly salaries and wages at constant 1990 prices in the non-agricultural sectors decreased by 0,4%, and by 6,6% in the mining and quarrying sector. However, there was a marginal increase of 0,3% in the non-primary sectors.

Average salaries and wages at current prices increased to R1 524 from R1 408. At constant 1990 prices, the average declined to R1 208 from R1 293.

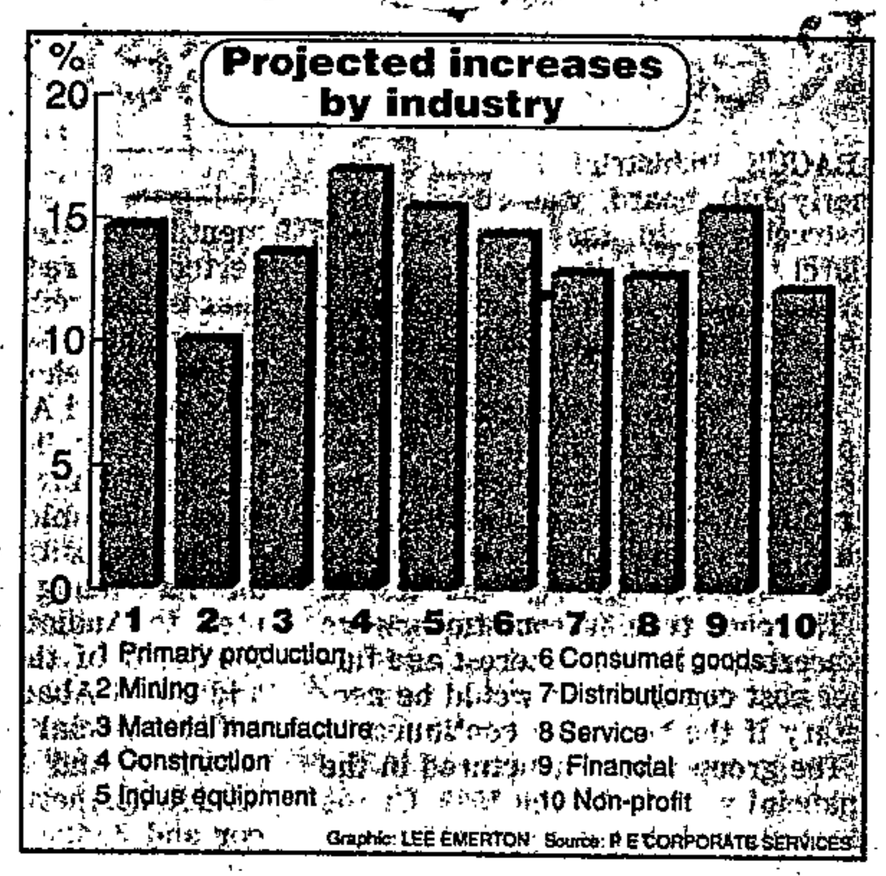
In the manufacturing industry, the number employed dropped to 1 409 822 from 1 441 118, and average salaries and wages at current prices increased to R1 982 from R1 725.

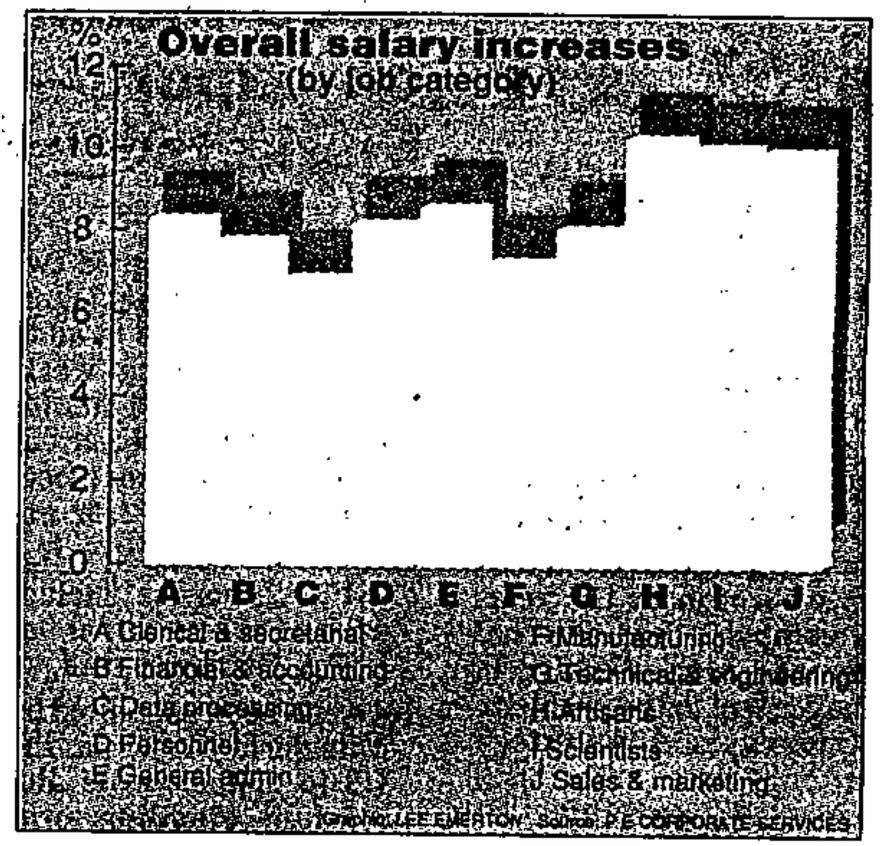
The construction industry was also hard hit with a decline in total employment to 378 300 from 396 300. Average earnings at current prices increased to R1 328 from R1 112.

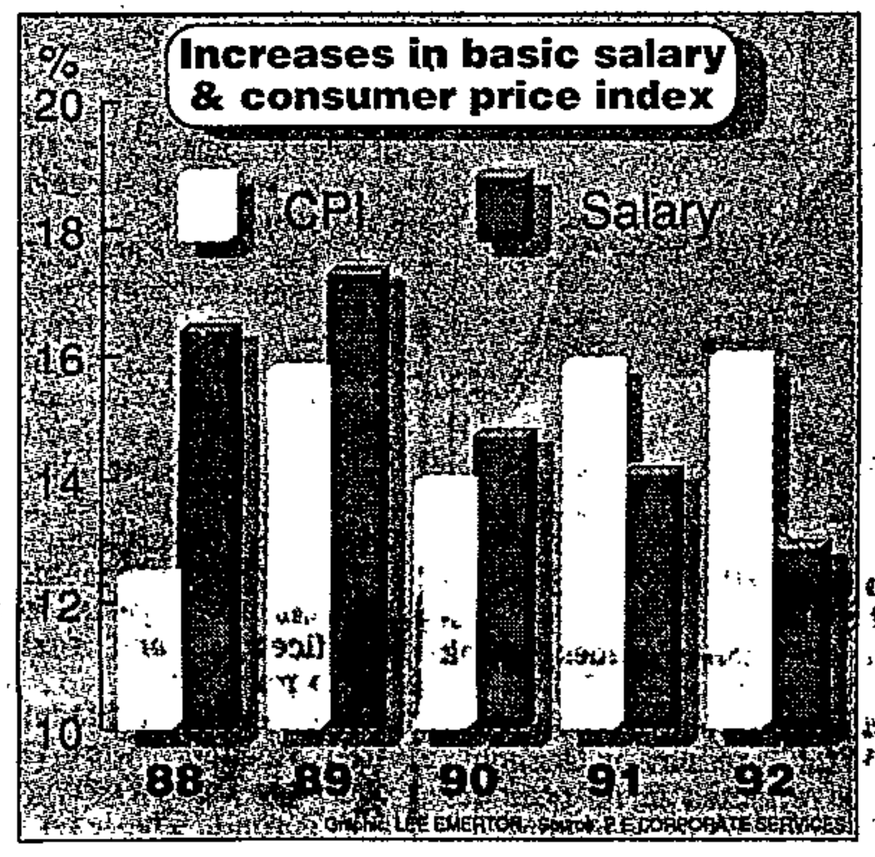
Economists said the figures also indicated that South Africans were getting poorer with increased earnings falling behind inflation.

Business Day SURVEY

Recruitment consulting is worth about R1,2bn a year but the market faces a tenuous situation. Companies that used to 'snap up high calibre professionals are now recruiting only if they have to and many are doing their own recruiting. Industry observers say a quota system could be introduced requiring companies to hire a certain percentage of blacks. ***BRENT VON MELVILLE*** *reports.*







Look at salaries before you pick a career

FOR those about to enter the job market, a recent study may influence which career area to move into. The study by P-E Corporate Services, shows in detail trends in the pay structures for different employee rankings over the past 10 years.

Over the past decade the levels of salary increases for executives have fluctuated. In five of those years average increases outstripped the rate of inflation. At the same time general staff increases have tended to be lower than those awarded to executives.

According to the P-E Remuneration Services study, since 1982 general staff increases have exceeded the CPI in only three years — from 1987 to 1990.

P-E Remuneration Services manager Naomi Brehm believes this trend is set to continue, unless the rate of inflation can be brought under control, an event which seems unlikely this year.

The attendant graph indicates that during the eight months from July 1991 to March 1992 general staff increases were, once again, lower than the increase in the rate of inflation.

The largest increase in general staff salaries occurred in the data processing category, followed by financial and administration staff, and clerical and secretarial staff.

The lowest increases thus far have been for qualified artisans, followed by staff in the general administration field and by staff in the scientific and chemical fields.

While the study indicated organisations were intending to give increases averaging 13,4% this year, in reality increases were likely to be much lower.

"The continued effects of the recession and the pressure on company profitability has meant companies have been forced into giving increases this year which are substantially lower than projected," she says.

In the same study 33% of companies indicated they would not be giving any increases to some or to all staff. The discrepancy between the estimated and actual came about because some companies felt they had to give large increases this year.

"These companies are having to do so to make up the shortfall in their salary structures which occurred because they did not give market-related or any increases over the past two years," says Brehm.

She says organisations will face problems when they do not or are unable to give market-related increases: "While the market is depressed, it is possible to hold onto staff as there are not jobs available elsewhere. However, once companies begin to recruit they find that their salary structures have moved out of line with market trends."

This means companies are having to recruit at levels higher than they are paying established employees. "It also means that companies are in danger of losing good staff who may find more lucrative offers elsewhere," says Brehm.

There is a trend amongstcompanies to link performance to remuneration, linking employees' rewards to the performance of the individual or the company. Brehm feels this trend will become more prevalent in future pay structures.

Gold needs more than dollar run

By JULIE WALKER

A GENUINE bull market for gold requires the metal's price to run in currencies other than the dollar alone.

In mark, yen, sterling and Swiss franc, gold has reached its lowest level since 1980, according to International Gold Mining Newsletter.

When gold failed to breach $360/oz in its brief bull dollar run that started in May, speculative interest quickly disappeared. Fundamentals were unable to support gold at this price.

Since May, the outlook for an improved supply and demand balance for gold has deteriorated because confidence of a move out of recession has been lost.

Depth

The key factor for gold, ignoring possible central bank activity, remains the demand for gold jewellery.

Anglo American's Clem Sunter says the corporation's gold strategy is based on a rise in jewellery demand supporting the gold price.

The newsletter says that in turn jewellery demand depends on the length and depth of the world recession.

Certain negative factors are coming to light, such as lower Japanese imports of gold and lower diamond jewellery sales.

Dubai, China, Taiwan and Hong Kong are the only regions increasing gold imports. But a clearer picture of 1992 gold jewellery demand will emerge in the next few months as the busy season in the trade begins.

The prospect of declining gold supply remains. The longer the gold price is low, the greater the number of mines likely to close.

Hedging contracts — not much used by SA producers but which have undoubtedly led to the prolonged life of many foreign operations — are running out. A declining contango on the gold price means that few contracts are being replaced at current levels. Russian supply is also likely to fall.

Reduced gold exploration expenditure will lead to a lack of replacement production, indicating a drop of supply in future. But suspended operations at marginal mines could be resurrected.

New projects are unlikely to go ahead — Anglovaal's shelving of the Sun prospect is used as an example and the political risk is highlighted.

The newsletter says: "To secure a long-term future, SA needs to be seen as a worthwhile safe investment for capital."

Mr Sunter predicts a decline in SA output, depending on the gold price. At $400/oz he forecasts production at 500 tons in the year 2000, falling to 200 by 2017. At $500/oz, production would remain at 600 tons by 2000, falling to 375 17 years on.

Mining Journal does not expect much of an improvement in gold until well into 1993, barring unforeseen circumstances.

WEEK IN BRIEF

A SUMMARY of the week's corporate announcements.

MONDAY: Saampro to be delisted, members offered 100c by Saambou. Frigate to be delisted, offer of 10c a share opens 2/10, closes 28/10. Hyperette warns. Racy calls off negotiations.

WEDNESDAY: Sage Financial Services changes name to Sage Group from 21/9 after members approve scheme of arrangement. Blue Circle to be suspended from 18/9, delisted from 30/10.

THURSDAY: Randcoal, Rand Mines warn of restructure. Holders of 100 Prefhold ordinaries to be offered 75 McCarthy. Junior and senior debentures to be converted one for one, but converted into 75 ordinary McCarthy for 100 debentures. Pepkor, Pep warn of restructure of Ackermans.

FRIDAY: Coronation Syndicate members offered 105,3c a share after change of control.

Most pay rises below inflation

By ADRIAN HERSCH

A WAGE survey covering 72 major companies for the year to the end of August shows below-inflation increases — averaging 13%.

The survey by labour consultants Gavin Brown Associates found that the highest increases were in the food sector (14,8%).

Mr Brown says: "The relatively high pay increase in the food sector is not surprising due to the sector not being too depressed. Obviously, the last thing people will cut expenses on in a recession is food."

He believes that below-inflation pay rises will continue in most sectors at least towards the end of next year.

"Even if the economy turns around soon, there will be a 'lag effect' on wage increases of at least 12 months in most industries."

The survey shows increases firmly below inflation in chemicals (13,7%), commercial services (13%), clothing and footwear (11,8%) and parastatals (9,6%).

Bargain

Low pay increases in the metal industry, covering about 320 000 workers, are likely.

Eleven out of the 12 trade unions in the metal industrial council have accepted pay increases of 9,1% on actual rates and have agreed not to bargain for more at plant level.

The 11 unions are due to sign the agreement on Wednesday.

Numsa, with about 120 000 members in this sector, wants a 9,5% pay rise on scheduled rates and to bargain at plants.

But Numsa negotiator Les Kettledas says Seifsa's offer will be put to membership this weekend. The outcome could be known tomorrow.

The metal industrial council reports that 20 companies under its jurisdiction — but which are not covered by the national wage agreement — have settled for rises of between 6% and 11%.

The 20 companies, which include Iscor, employ about 55 000 workers.

Increase in strikes despite recession

W/Mail 2/10 – 8/10/92

Despite the economic downturn, worker militancy is as high as ever — and rising, reports

MONDLI MAKHANYA

STRIKE activity in South Africa is escalating — in the teeth of the worst economic slump in four decades.

Figures released by the Department of Manpower and Andrew Levy and Associates show worker militancy has not been dampened by the downturn. According to the Levy statistics, more than three million man-days were lost in the first nine months of the year, compared with two million for the same period last year.

Significantly, wages were still the main strike trigger, causing 76 percent of strikes, as against 62,7 percent over the equivalent period last year. Levels of pay settlements this year have been among the lowest in recent years, averaging 12 percent.

According to the consultancy, the dramatic increase was mainly due to turbulence in the metal industries, hit by the biggest strike in five years. The dispute between the National Union of Metalworkers (Numsa) and the Steel and Engineering Federation of South Africa accounted for 43 percent of strike action.

Second in line was another Numsa sector, auto assembly, which accounted for 21 percent of all strikes. Action included a one-week industry-wide strike and the month-long stoppage at Toyota's Durban plant.

This year also saw the most protracted strike ever in the public service, with the hospital strike keeping 7 000 workers out of their jobs for four months and costing 247 000 man-days.

The Manpower Department's figures also showed that workers lost a total of R18,5-million in wages during the first five months of this year. This figure would probably be higher if the public sector were included.

The department's strike statistics exclude sectors not covered by the Labour Relations Act. Public service strikes such as disputes in the hospitals and the South African Broadcasting Corporation are not taken into account.

Political stayaways, which have cost the economy millions of man-days this year, are also not included in these figures.

Numsa also features prominently in the department's strike figures, having been responsible for 61 percent of man-days lost and about 11 percent of the strikes. Leading the pack in the strike tally is the South African Commercial, Catering and Allied Workers' Union.

Grievances and disciplinary issues also feature prominently, accounting for some 20 percent of strikes. Demands relating to union recognition and bargaining levels were responsible for some 2,5 percent of strikes. Surprisingly, only 0,3 percent of strikes related to retrenchment, at a time when job cutbacks are costing many jobs and unions are pushing for a retrenchments moratorium in the different sectors.

Nursing blues ... The hospital strike accounted for a large part of the man-days lost Photo: KEVIN CARTER

Outlook for jobs is bleak

By KEVIN DAVIE

EVEN the most optimistic of economic scenarios will not be enough to combat unemployment in South Africa, says a new study by the World Bank.

SA could grow at its fastest rate since the 1960s and yet provide only sufficient jobs in the next decade to reduce the proportion of blacks without wage employment from 50% to 40%, the study says.

"While this would in itself constitute a remarkable improvement, the urgency of the unemployment crisis in SA is such that other vehicles for black employment creation may be needed," says author Peter Fallon, the bank's economist for SA.

Mr Fallon's study is due to be released shortly as an informal working document published by the bank.

Rocketed

SA faces a growing labour crisis. The study says that SA absorbed more than 80% of labour-market entrants in the early 1960s. This proportion has fallen to below 10%.

"Despite ongoing employment growth in the many forms of government within SA, overall employment growth has deteriorated consistently since 1970."

Whites were protected from this until 1985: "Since then white unemployment has grown significantly.

"It is estimated that the unemployment rate has rocketed upwards to over 20% of the labour force and reached a much higher level among blacks.

"Unemployment rates of this magnitude represent a considerable waste of SA's resources and are a major source of existing unrest."

The study sets out three possible optimistic scenarios, none of which will provide sufficient jobs to effectively reduce black unemployment.

A major problem is that wages are well above what jobseekers are prepared to accept.

"Employers find it against their interests to pay below some minimum wage. The result will be sub-optimal employment levels."

Mr Fallon says the Government should price unskilled labour at below prevailing wage rates in making future investment decisions, encourage pay restraint in the economy in general and seek ways of improving employment in the private and parastatal sections.

Four mechanisms can be used: public employment-creation schemes, the encouragement of small business and the informal sector, improving the skills of black workers and introducing employment subsidies.

Warning

Labour should be valued at its shadow price using the informal sector as a gauge.

"The special employment scheme used by SA during 1985-86 paid much lower wages than prevailing rates, yet there was a strong demand for places on the scheme."

Because the formal economy is unlikely to absorb sufficient new workers, the informal sector is likely to be the "the only plausible route to fill the gap for many years to come".

Mr Fallon says capital-intensive industries should be investigated for distortionary influences: "The most obvious example is the redirection of investment in both the 1970s and 1980s towards strategic industries such as iron and steel and petrochemicals.

"Past strategic investments could not be justified under rational cost-benefit methodology, and there is no reason to believe that this does not apply to existing investments."

Where employment subsidies are used, they should be temporary and aimed at easing adjustments to a more labour-absorbing economic structure.

The study warns against raising minimum wages above market rates. In virtually every case in sub-Saharan Africa where minimum wages have been used, they have failed.

"Such aggressive policies were subsequently moderated over time, and minimum rates allowed to fall steadily given domestic inflation."

The study says that job security regulations discourage employment. Although the theory is that these regulations protect jobs, empirical evidence suggests that job security rules reduce employment as employers become reluctant to hire additional workers.

Four reasons are isolated for SA's slow employment growth: upward pressure on black wages, an emphasis on strategic industries, job reservation and the recessionary conditions since the early 1980s.

"Of these, only the recessionary forces may perhaps be quickly removed."

Strikes

Unionisation increased from 1,2% of the black workforce in 1980 to 30% in 1990.

"This has been accompanied by a massive rise in both the number of strikes involving Africans and the number of mandays lost."

Although overall black unemployment has increased, union activity may have raised real black wages by as much as 15% between 1979 and 1990, the equivalent of an average annual real pay increase of 1,27%.

Salaries not keeping abreast of inflation

IN SHARP contrast to two years ago, salaries in the information technology field have been lagging behind inflation.

The PE Corporate Services data processing salary survey 1992, done in conjunction with personnel firm CPL, evaluated salaries in 300 companies, most of which had large computer departments.

PE Corporate Services director Jon Cole said salaries were failing to keep pace with inflation because there was no longer the scarcity of skills of a few years ago. Also, hardware and software were becoming more user-friendly so demand for high-level skills was not as high.

Information technology workers were, however, probably faring better than those in many other industries, Cole said.

Higher-level skilled staff, such as project leaders and systems analysts, as well as software developers, were less affected than other workers because software and services were growing at a faster rate than hardware sales.

Staff turnover had dropped considerably, with people holding onto their jobs. In 1990, the turnover rate was 21%. It dropped to 14% last year and in the latest survey was at 9%.

He advised those interested in entering this job market to look at areas such as software programming, and advised them to gain sufficient business skills to become competent analysts.

"Many people wanting to enter the industry or to move up the corporate ladder do not have sufficient business skills to do so; it's becoming more important for them to be able to relate computer systems directly to the way businesses work," he said.

Cole declined to give details on how far behind inflation salaries were actually lagging. He said figures published in the past had caused problems in some companies which were noit keeping up with the industry's averages.

No slump in salaries for executives

WJ Mail 23/10/92 to 29/10/92

By FERIAL HAFFAJEE

SOUTH AFRICAN executives have awarded themselves much higher percentage increases than their workers in the past six months, despite the slashed profits most companies are enduring in one of South Africa's worst slumps.

Chief executives earn an average of R6 650 a week or R26 600 a month according to a recent salary survey — not too bad when you consider the gloom surrounding the economy. The survey also reveals that executive perks rose by 28,8 percent over the six-month period.

Our executives are not keen to have us know what they earn — the survey done by PE Corporate Services is highly confidential.

The survey found that executives just about beat inflation with 14,7 percent increases in their basic pay. The captains of industry really scored in the "whopping" 28,8 percent increases in their bonuses, perks and share options. These perks are now worth about R2 605 a week.

"This large increase is most surprising as bonuses are normally linked to profit performance and nearly every day chief executives report on poor profits," says the Labour Research Service.

"Increases are usually given out of profits, but executives are important enough to get increases anyway," believes a leading economist.

Andrew Levy and Associates found that average union settlements for the year were just below 13 percent.

Metal and mining industry workers, traditionally the best paid sectors, won increases of about nine percent. In the metal industry, struggling employers can apply to pay lower increases and in the mining industry, increases were in some cases linked to profit and productivity. In many sectors, employers proposed wage freezes pending an upturn in the economy.

No increases matched the Consumer Price Index, the country's most reliable measure of inflation.

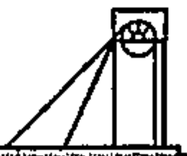
A representative of the Institute of Directors would not comment on the salaries survey because "the story is far too complex". The organisation is "too busy" with more important issues like "uplifting black managers so they can be promoted to directors".

He also pointed out that decent packages ensured talented executives who were otherwise attracted overseas.

He said that debate over executives' salaries was like "putting plaster over the fingers of a talented surgeon".

staff members who are on employees. unlawful competition.

Who gets what in the workplace



OCCUPATION BY ECONOMIC SECTOR

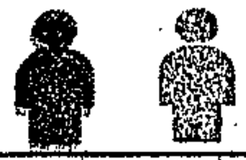
OCCUPATIONS UNSPECIFIED AND NEC	TOTAL	ACTIVE	AGRICULTURE	MINING	MANUFACTURING	ELECTRICITY	CONSTRUCTION	WHOLESALE, RETAIL, CATERING ACCOMMODATION	TRANSPORT COMMUNICATION	FINANCING INSURANCE REAL ESTATE BUS. SERV.	COMMUNITY SOCIAL AND SERVICES	NOT ADEQUATELY DEFINED
Total	10 215 303	10 215 303	1 004 986	679 981	1 260 324	88 018	460 111	1 218 145	437 385	444 598	2 539 345	2 282 410
Male	6 026 679	6 026 679	728 496	656 678	880 263	78 220	430 013	704 161	374 758	227 355	852 816	1 093 923
Female	4 188 624	4 188 624	276 491	23 303	380 062	9 798	30 098	513 984	62 628	217 243	1 486 529	1 188 490

Graphic: RUBY-GAY MARTIN Source: CSS

OCCUPATION BY INCOME

TOTAL ECONOMIC ACTIVE	TOTAL	NO INCOME	R1 - R999	R1000 - R2999	R3000 - R4999	R5000 - R6999	R7000 - R9999	R10000 - R29999	R30000 - R49999	R50000 - R69999	R70000 - R99999	R100000 - R299999	R300000 +	UNSPECIFIED
Total	10 215 303	1 859 739	532 307	1 623 088	821 920	738 153	1 102 301	2 299 826	503 133	238 413	140 866	106 329	11 112	196 116
Male	6 026 679	824 229	211 833	784 051	481 383	490 884	814 772	1 422 759	441 567	206 611	127 968	101 228	9 997	109 397
Female	4 188 624	1 035 509	320 474	839 038	340 537	247 269	287 528	817 067	161 566	31 802	12 898	7 101	1 115	86 719

Graphic: RUBY-GAY MARTIN Source: CSS



OCCUPATION BY INCOME

TOTAL ECONOMIC ACTIVE		TOTAL	NO INCOME	R1 - R999	R1000 - R2999	R3000 - R4999	R5000 - R6999	R7000 - R9999	R10000 - R29999	R30000 - R49999	R50000 - R69999	R70000 - R99999	R100000 - R299999	R300000 +	UNSPECIFIED
Blacks	Total	6 590 652	1 566 491	445 520	1 324 758	643 188	564 722	809 151	1 628 974	55 255	17 158	11 523	6 152	1 465	122 265
	Males	3 871 721	574 664	138 177	631 422	375 422	401 254	568 143	808 695	39 267	12 809	8 068	4 764	959	72 004
	Females	2 718 931	991 827	287 343	693 232	267 765	163 518	143 008	814 279	15 998	4 349	2 455	1 388	507	50 261
Whites	Total	2 070 386	65 358	16 927	71 612	37 319	38 945	78 048	804 379	483 625	206 797	123 961	98 346	9 051	36 018
	Males	1 240 621	31 760	7 353	37 715	20 425	15 680	26 384	334 412	349 691	180 698	114 057	93 063	8 556	20 827
	Females	829 765	33 598	9 574	33 897	16 894	23 265	51 664	469 967	133 934	26 099	9 904	5 283	495	15 191
Coloureds	Total	1 219 221	189 653	61 859	211 638	126 869	110 773	165 219	282 618	34 036	6 975	2 073	1 535	297	25 276
	Males	688 343	95 283	21 891	103 904	78 246	62 225	98 564	183 460	27 199	5 705	1 817	1 238	215	13 596
	Females	530 878	94 370	39 969	107 734	48 623	48 548	71 656	99 158	6 837	670	256	297	82	12 680
Asians	Total	335 045	38 237	8 001	18 101	14 546	23 663	49 882	131 855	30 218	8 082	3 309	2 296	299	6 557
	Males	225 994	22 522	4 412	10 926	7 290	11 725	28 681	98 192	25 421	7 398	3 026	2 163	268	3 970
	Females	109 050	15 715	3 589	7 175	7 255	11 937	21 201	33 663	4 797	684	282	133	31	2 587

Graphic: RUBY-GAY MARTIN Source: CSS

Recession delays wage gap closure

Blom 9/11/92.

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DIRK HARTFORD

SA's racial wage gap remained unchanged over the past two years, after narrowing substantially in the several years up to then, surveys by PE Corporate Services have shown.

This is despite renewed commitments by 70% of SA companies to an equal opportunity employment policy and the trend towards affirmative action programmes.

PE MD Martin Westcott said there had been a 6% narrowing of the wage gap of black and white workers at the unskilled level in the two years ending September 1990. The gap has not, however, closed further in the past two years because of the recession.

Currently, unskilled whites earn 15% more on average than blacks for the same jobs. At the skilled level, whites earn 10% more than blacks.

PE Corporate Services surveys — which are confidential — are the most comprehensive in the country and use a sample of 1-million economically active people.

Westcott agreed to discuss the surveys to correct "misleading" reports, of executive salaries.

He said at the weekend top executive salaries and benefits had increased by 13% over the past year, and not by 14,7% over the past six months as was first reported by the Labour Research Service.

This, said Westcott, was similar to general staff salary and wage increases this year. He also pointed out that executives' salaries did not compare well with their counterparts' in Europe, Japan and America.

PE research showed, for example, an MD of a company with R100m turnover, R5m profit and a staff of 2 500 would earn a total salary of R309 000 a year on average in SA. The equivalent salary would be R436 000 in Australia, R460 000 in Belgium, R520 000 in France, R600 000 in Germany, R680 000 in Japan, R410 000 in the UK and R470 000 in the US.

However, in terms of overall purchasing power, SA compared favourably with Australia, Belgium, the UK and Japan, the research shows.

Westcott said high inflation and a weak rand made executive salaries particularly unattractive in SA,.

SA executives were concentrating on net pay and wealth-generating incentives, such as performance pay and incentive bonuses in their salary packages. Performance pay usually amounted to 10% and 20% of salary if budget targets were achieved.

Share options were currently out of favour because of the state of the stock market and also because it was difficult to correlate the performance of executives with the market.

Fringe benefits, although a standard part of any executive's package, were no longer important because of the way benefits are taxed. There was only a limited financial advantage to be gained by increasing benefits at a higher rate than salaries.

Areas where skills were in short supply included data processing, technical staff and senior executives. There were also serious shortages at middle-management and supervisory levels.

JOB MARKET

The lion tamer wants to be a CA

S|Times (BUSS) 15|11|92.

CLERGYMEN, jewellery designers, engineers, nuclear physicists — even lion tamers — can become chartered accountants.

This is a sample of some of the 24 people enrolled for the University of Cape Town's (UCT) two-year conversion course. UCT is the only university in SA to offer the course

Course director Josephine Taylor says the degree crams three years of BComm into one.

"The students attend all lectures and write the same examinations as the hundreds of full-time students."

After this they do the fourth year full or part time.

Miss Taylor says the last group of conversion students had a 100% pass rate in the Public Accountants and Auditors Board examination, which is done at the end of the course — way above the 57,5% national average.

She says the course has been successful because of the stringent entry requirements.

"Only people with a degree, who have never failed a subject and have a good grasp of mathematics and English are accepted."

So far 71 people have qualified as accountants through the conversion course. Their qualifications include medicine, arts, social science and engineering.

By TERRY BETTY

Miss Taylor says most applicants have science degrees and either want to supplement their knowledge or are horrified at the thought of spending the rest of their lives in a laboratory.

Past pupil Invicta Holdings financial director Arnold Goldstone says: "I must have been temporarily insane to tackle the course. However, I would never have got to where I am without it.

Family

"My first degree was an engineering one. Having both skills is essential in my job because I can speak the language of accountants and engineers."

Mr Goldstone describes the course as being harder than anything he has ever done before.

"You need to be dedicated to complete the conversion course. You also need to be able to handle pressure."

Miss Taylor says that because of this older students with working experience tend to do better than 22-year-olds straight out of university.

"Only students desperate to get the qualification pass because they are the ones who have to support a family and realise how hard the competition is out there. Young graduates generally do not have the necessary drive."

Miss Taylor says people take the course because they do not like what they are qualified to do, or are struggling to find a job. They also believe that because there are fewer employment opportunities available they need to be better than the person seeking the same job.

"Career opportunities in SA and internationally for CAs make the qualification desirable. It is also a discipline that can be moulded for a variety of jobs."

Miss Taylor says auditing firms are keen to employ conversion students because of the variety of information they have and which is not part of an average CA training.

Deloitte & Touche human resource manager Geraldine Hand says her firm provides a conversion course bursary.

She says conversion course students have valuable skills stemming from their background and are able to add a strong financial management perspective.

Having a qualified civil engineer as part of an audit team for a construction company improves the service. The engineer helps the other auditors with his inside knowledge.

Unions put work before pay rises

S|Times (BUSS) 15|11|92

By ADRIAN HERSCH

PAY increases are likely to be moderate next year, says a leader of South Africa's second-largest trade union federation.

Nactu assistant general secretary Mahlomola Skhosana says: "We are in a difficult position. It is hard for workers to cope with below-inflation increases, but we want to project jobs.

Under

"We lost many workers in building and construction this year. Many positions were lost because small companies went under.

"If the economy does not improve sufficiently next year, unions will not be in a position to push too hard for above-inflation pay increases. Retrenchment has to be avoided."

This year may prove to be a watershed one in terms of the incidence of large-scale strike action in recession.

The Nactu-affiliated Metal and Electrical Workers Union of SA (Mewusa) was this year involved in a four-week wage strike in the metal industry, together with Cosatu-affiliate Numsa. The action was not co-ordinated.

The unions demanded a 20% pay increase before the strike, but settled for 9,1%.

Nactu is preparing to play an active role in the recently launched National Economic Forum.

Mr Skhosana says Nactu will hold a consultative conference towards the end of the month to establish an economic policy.

The conference will also deal with political issues. Matters such as preparing for the general election will be covered.

15|11|92

Nactu, with its Africanist-principled policy, is regarded by some as close to the PAC. But Nactu is not officially affiliated to any political organisation.

Mr Skhosana denies reports that a split is likely in its member union, the Black Trade Union of Transnet (Blatu).

A report in September said Blatu's Natal region was seeking disaffiliation from Nactu.

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Active

Mr Skhosana says: "Blatu held its annual congress last week and all regions were present. The Natal region did not express any desire to disaffiliate."

But a major problem for Nactu is that some of its unions in similar industries have not yet merged in spite of a target date of March this year having been set.

Pay rises drop below inflation

LLOYD COUTTS

AVERAGE wage increases have dropped below the inflation rate for the first time since 1986, with the recession forcing trade unions to settle for single-digit increases or no raises at all.

According to the latest wage settlement survey by Andrew Levy & Associates, the average level of settlement for 1992 dropped to 12,6%, almost three percentage points lower than the average inflation rate of 15,07%.

Levy said the average could drop another half a percentage point by year-end, and predicted that wage levels would continue to be depressed in 1993. Wage settlements were unlikely to catch up with inflation, even if the CPI did drop to a predicted 11,5% by the end of the year.

Unions were maintaining moderation and realism in wage demands — even though the average 56,4% demand was higher than the 47,8% for 1991 — and this was being reciprocated by realistic opening offers from employers.

Industrial action this year would account for the loss of more than 4-million man-days. Wage-related industrial action was still showing a downward trend, despite protracted Numsa and Nehawu strikes.

The level of industrial action in support of wages in the private sector — especially the metal industry — would probably be depressed in 1993. But the public sector could expect an increase in industrial action, with the lifting of restraints on collective bargaining in this sector.

Industrial action was a feature in only 23% of the wage negotiations surveyed.

Matriculants urged to lower their pay sights

ST Times [B455] 22/11/92

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By ADRIAN HERSCH

IT is widely believed that about only one in 10 of this year's matriculants will find a job next year. But this need not be so, says a free marketer.

Free Market Foundation head Leon Louw says many of them can get jobs if they are prepared "to stand back from the emotional analysis and see things from a cold-blooded economic basis".

Those who delay entry into the job market and undertake tertiary education will have to choose their courses carefully. They will have to put aside what they would "like" to study and take courses which offer skills that are "marketable", say personnel practitioners.

Inflation

Mr Louw says the "cold-blooded economic analysis" means that one has to sell one's services on the same basis as a commodity.

In the current climate of economic recession, falling inflation, and the surplus of job applicants, as with a sale of a commodity the matriculant must be prepared to start work on a "very low salary".

Mr Louw says: "Emotionally, it is difficult for people to come to terms with being placed on the same level as a commodity. But this has to be put aside.

"Many matriculants have much to offer. But because of several factors, including a high inflation rate — although it is dropping — unrealistic salary expectations are created."

He advises matriculants who are prepared to work hard and are keen to "prove themselves" to approach employers with a realistic salary request.

They will then be able to get experience and have a chance of "moving up the ladder".

Mr Louw practises what he preaches. A few months ago a matriculant, who had done manual work for eight months, was employed by the Free Market Foundation.

Waiters

The matriculant, Stephen Humphries, says: "I help in gathering information for the research department. I am gaining skills and making good contacts. Although the salary is low, it is a sacrifice well worth making because I am building up my career opportunities."

Some matriculants are likely to be put off by low pay rates in full-time jobs and will work part time, such as being waiters, getting a higher rate of pay but forfeiting career experience.

"Long-term interests are paramount. The temptation to seek more pay must be resisted if there is a chance of getting a job where skills can be acquired. Obviously part-time jobs provide an important stop-gap where there is no alternative," says Mr Louw.

Starry

Personnel practitioners are at one in their advice to those considering doing tertiary education: "Keep away from the social sciences — it will be extremely difficult to get a job with qualifications in this area.

"Study the hard sciences or something with a technical bias."

John Dawkins, president of the Association of Personnel Service Organisations (Apso), says that apart from the universities and technikons, some colleges offer courses that give skills that will enhance the job prospects of a matriculant.

Mr Dawkins, who is also Kelly Personnel managing director and chairman of the Association of Private Colleges of SA (APCSA), says required standards are maintained at APSCA colleges.

Institute of Personnel Management (IPM) executive director Dani Smith says matriculants are often "starry-eyed about what they want to do".

"Many think doing a BA is wonderful. But in terms of finding a job they have to gear their expectations to reality. The reality is that often a one-year book-keeping or secretarial course stands a person in better stead than the three years at university."

Mr Dawkins agrees: "There is always a good demand for secretaries and book-keepers, even in a recession. Even if not always so on a full-time basis, there is demand on a 'temp' basis."

Mrs Smith says that "contrary to popular belief, secretarial work offers scope for going into other areas of work in the company and for better opportunities".

"I started work as a secretary," she says.

Mrs Smith says that as the economy changes it is important that pupils are taught to think of starting their own businesses.

"In SA, pupils tend to think of 'where and who' will provide them with a job. The IPM would like to see 'entrepreneurship' as part of the school syllabus."

Wide

Mr Louw says the Free Market Foundation is trying to get economics included in the curriculum of all high schools.

"Apart from a wide range of benefits, such as understanding its impact on politics, pupils would understand more about the job market — which would ultimately help them when looking for their first job," he says.

Commenting on the general state of the job market, Mr Dawkins says Apso, comprising about 300 personnel agencies, reports that job demand from companies this year is down by about 20% compared with last year.

Death by diktat

ST Times (B455) 22/11/92

CHRIS Stals's refusal to print money to treat the ailing SA economy is exposing its many deficiencies. But the cry is still for treatment of the sympton rather than the disease. Comment by KEVIN DAVIE (345)

A SPECTRE often raised is that a new government will introduce minimum wage legislation like Robert Mugabe did in Zimbabwe, bringing new inefficiencies, slowing economic growth and killing jobs.

But take a close look at South Africa and you will find that such legislation is alive and well and destroying jobs.

As we report today, an industrial council and wage board system sets minimum wages and regulates much of the formal economy. (346) (347)

Hundreds of thousands of South Africans are prevented from working for less. Regulation of the labour market kills jobs, lowers output and pushes up prices.

So only the informal sector has experienced any growth in recent years.

Regulation suffocates the labour market. It prevents people from working for their social cost.

It leads to idle hands and hungry stomachs, fuelling the violence which is keeping investors at bay.

Where people are prevented from earning a living they have to turn to the State for support or to another well-entrenched SA institution, theft.

Subsidies normally go hand in hand with regulation. So a growing lobby of economists and unionists want a public works programme subsidised by the taxpayer to provide hundreds of thousands of jobs for the unemployed.

This is the South African way: first regulate and then bill the taxpayer for the costs which flow from the inefficiencies which regulation brings.

Then, as the system begins to strangle itself, cry for cheaper money. It is easier to print money than tackle vested interests which are artificially boosting prices in the first case.

Reserve Bank Governor Chris Stals says the restrictive monetary policy is exposing the numerous deficiencies of the economy.

He says distortions stem from the fact that the economy is overly protected from foreign competition. (453)

High tariffs on imports, unrealistic regulation in labour and other markets, exchange controls and monopolistic practices all put pressure on prices.

These deficiencies have led SA to be one of the few remaining countries in the world which has unacceptably high inflation.

Simply put, SA becomes less and less competitive every year. Key industries, says Dr Stals, could disappear in about three years.

He noted in a recent speech that little progress has been made in the past year in freeing SA markets.

He has also said that the IMF believed that South Africans did not have the will to restructure. Dr Stals believes that a country which has the courage to create a new nation could also reform its economy.

Drastic economic reform will come. Whether it comes from domestically produced consensus and on SA's terms, or on IMF-imposed conditions when overregulation has strangled us near to death, remains to be seen.

Study confirms the influence of unions

W|M ail 4|12 – 10|12|92

Weekly Mail Reporter

PROOF of the strength of the trade union movement in South Africa comes from a just-published academic study by eminent left-of-centre economist Peter Moll.

According to his study, South African unions have raised black wages by 24 percent above what they would otherwise have been.

Also, despite the fire some unions have drawn for sexist practices, they have won larger wage gains for women than for men. Moreover, the gains were larger for unskilled than for the semi-skilled to skilled.

The study by Moll, Visiting Scholar in Economics at Northwestern University, examines union and non-union workers in South Africa using data for 1985. By raising wages around 24 percent for black workers the unions showed they were about as influential as American and Canadian unions, which succeeded in raising their members' wages by between 10 percent and 30 percent above those of non-union workers in the 1970s and 1980s.

During the same period British and European unions had smaller effects of 10 percent or less.

Unskilled union members in the services sector did best on average, with increases 31 percent above non-union members for both men and women. Those in manufacturing did worst, with 15 percent for men, and 28 percent for women.

Semi-skilled workers derived smaller benefits from unionisation, with five percent for men and 15 percent for women. Skilled men had only a four percent advantage over the non-unionised.

Moll argues the unions effectively compressed wages across skill levels, probably because of plant-level organisation of the new non-racial unions, which concentrated their efforts on achieving a "living wage". This meant stressing the wage levels of the least-skilled workers and downplaying the wage demands of the semi-skilled and especially the skilled.

Who joined the unions? About 23 percent of black (African, coloured and Asian) workers were unionised in 1985, although this varied from 71 percent in the service sector to 42 percent in manufacturing.

Moll shows that, as of 1985, women and men were equally likely to join unions. Workers in large firms were much more likely to be unionised than workers in small firms. Workers in Bloemfontein, Klerksdorp and the Free State Goldfields were less likely to be unionised than workers in the PWV area, Kimberley and Durban.

Older workers and workers with longer tenure with their current employer were more likely to join unions than young workers.

Overall, the picture is one of a growing and powerful union movement. Moll remarks: "Even in 1985, five years before political negotiation became an acceptable concept for the minority white regime, African union workers had won wage concessions of a size similar to those in democratic developed countries."

●**Black South African Unions: Relative Wage Effects in International Perspective. Industrial & Labour Relations Review 46.**

LABOUR BRIEFS

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Wages below breadline

■WORKERS in 10 of the country's largest sectors earn less than the Award all-industry average wage — a Labour Research Service (LRS) wage database.

In its Wage Review, the LRS found that workers at Transnet, Telkom and in the iron and steel, building, clothing and motor industries as well as public servants earn an average of R218 a week and won increases of 15,2 percent between April and September this year. w\Mail 11/12 - 17/12/92

The Award average is R247 a week with average increases of 16,5 percent increase in the same period.

The supplemented living level — a poverty datum line — is R232,78 a week. About 64 percent of the companies surveyed by the LRS paid labourers below-inflation increases.

Workers in the catering and hotel sector won the highest average increases — 26,5 percent. And although miners have been hard hit by recession, the industry produced the highest percentage increase — 75,5 percent at Phelps Dodge.

Workers in the auto sector earn take home wages of R367,45 a week, the highest in the country.

Sun International wins

■A COURT application to order leisure group Sun International to negotiate wages and service conditions at a centralised forum was dismissed by the Transkei Appeal Court on Tuesday.

The application was brought by the South African Commercial, Catering and Allied Workers' Union and 1 527 Sun International workers in the homeland.

The Court ruled that centralised negotiation was not permitted by the Transkei Military Council's decree.

w\Mail 11/12-17/12/92

Informal is beautiful

FM 18/12/92

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Prof Schlemmer is GM of group social dynamics at the Human Sciences Research Council. This is an edited version of an article written for the *SA Foundation Review*.

In debates about SA's political and economic situation, it has become part of popular wisdom to refer anxiously to the black unemployed as a category of despair and as a major threat to political stability. Frequently the black unemployed and the so-called lost generation of black youth are grouped together as the nemesis of the new SA.

Obviously, unemployment is a serious problem with grave human, political and economic implications. It should be a major consideration in the development of economic and welfare policies for the future. In order to know how to approach the issue of unemployment, however, it is necessary to define the nature of the problem more accurately than is the case in the general policy debate. The argument in this brief assessment is that the threat may not be as serious as many observers fear.

The official rate of unemployment among blacks in 1991 was 24,5% excluding the TBVC states. Estimates for those states, by the Development Bank of Southern Africa, for 1991 were roughy 32%. Hence the official figures would suggest that the rate for SA in its original boundaries would have been around 27%. Unemployment has increased since 1991 and, therefore, the rate equivalent to those quoted for 1992 would be roughly 30%.

There is no doubt that these figures are high. One nevertheless has to inspect them carefully to assess their full implications. Official definitions of unemployment allow for a small proportion of part-time work and so not all of the unemployed are totally deprived of income. This is one reason one has to delve into the circumstances of the unemployed to identify the ramifications of the problem.

In late 1991 and early 1992 I conducted a nationwide survey among a sample of 1 660 black adults. Homeland areas were covered, though they were somewhat under-represented relative to urban areas. The field work was based on personal interviews by trained black interviewers.

In this survey, 35% stated that they were unemployed. About 30%, however, said that they were unemployed and looking for work. This estimate of 30% thus agrees with the official estimates given above. In the survey, however, we delved a little deeper.

Only 21% of the sample of black adults said they were unemployed and looking for "any" work; the other work-seekers said that they were looking for "suitable" work and thus one might assume they were not desperate to earn money (indeed, other results confirmed this).

We asked about household incomes and what wages unemployed people would be willing to accept. The household incomes, which are usually under-reported on surveys, suggested that not all unemployed people were in dire poverty relative to employed blacks. Among the unemployed, average household incomes were 60% of the average incomes for employed people; in fact the household incomes reported by the unemployed were about the same as the household incomes reported by employed people with no high school education.

Furthermore, only 35% of the unemployed said that they would accept jobs paying less than R500 a month. Roughly 16% of the unemployed had household incomes of less than R200 a month.

From these estimates, one has to conclude that 5%-10% of black adults are unemployed and living in severe deprivation, at a level at which an absolute shortage of food is an issue.

One must not underestimate the scope of the problem. The estimates above indicate that 1m-2m black adults are unemployed and living in households in which sheer starvation is the issue. But the problem is more manageable than loose estimates would suggest.

Dire poverty is the main issue. Another important issue is the extent to which the unemployed are politically and economically "radicalised" by their condition. A large number of political attitudes and opinons were canvassed. In general, the unemployed adults were not significantly more likely to express radical views than the employed on issues such as mass action and minimum wages.

Frequently rates of unemployment of 40%-50% are quoted in the media, suggesting that up to half of the labour force is festering in frustration and misery. The problem is presented in such a way that it demotivates policy thinking because no policies on earth could address problems of the size presented.

If unemployment were as dire as is often suggested, we would not have hundreds of thousands, perhaps millions, of Zimbabweans and Mozambicans in SA working in menial jobs that South Africans either do not want or are dissatisfied with once they get them.

What we do know is that as many as six out of 10 "unemployed" South Africans are working in the informal sector and, therefore, have in a sense indicated that we should not compare ourselves with Germany or France, but with India and other semi-industrialised Third-World countries where it is not assumed that everyone can work in modern factories and offices.

Much of the alarmist reporting is an insult to the self-reliance that so many "unemployed" people have demonstrated. As with any good policy, our policies regarding employment must strengthen positive trends. So it is important to strengthen this self-reliance by facilitating conditions and resources for small business enterprises.

SA's "unemployed" are not, en masse, a particular political constituency of pre-revolutionary militants. There are militants among them, as there are among the employed.

The sheer size of the working population outside of the formal sector indicates that we must stop complaining about unemployment in general and start doing more to develop the informal sector. Once we do that, we will be better able to identify the relatively smaller group of unemployed people who do need urgent relief.

☐ The approach to unemployment suggested here is dealt with in greater detail in the project *Platform for Investment*, undertaken by Frankel Pollak Vinderine, Sanlam, Ernst & Young and the HSRC.

Business urged to fight price increases

CAPE TOWN — The Cape Town Chamber of Commerce has urged business to take a tough stand against product and labour price increases.

In its latest bulletin the chamber said despite bitterly harsh recessionary conditions, inflationary pressures continued to remain high.

"Indications are that wage and salary increases for next year will be well below the current rate of inflation and the first priority must be to ensure that labour increases are not allowed to fuel the inflationary spiral," the bulletin said.

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The chamber urged businessmen not to accept any price increases on their inputs which exceeded the inflation rate and said they should negotiate hard to reduce input cost increases to the very minimum.

"Finally, business people should avoid fuelling inflationary expectations by producing prognostications in marketing their goods/services that develop a psychology of acceptance of the fact that high inflation is inevitable," the chamber said.