

AGRIC. - fruit

1-1-80 -31-12-80

Squeeze on citrus farmers

HOUSE OF ASSEMBLY. ³ The Marketing Amendment Bill was read a third time yesterday.

The Opposition objected to a clause, in the committee stage, which provided that farmers could be penalized who deliberately or negligently caused the Citrus Board and its pool of farmers a loss by giving incorrect estimates of the quantities they would deliver for the local and foreign market.

The Opposition said the clause allowed for the penalizing of farmers and the claiming of damages from a farmer even though the quick action of the board might have prevented any actual losses. It was not calculable damage.

The NRP member for East London North, Mr John Malcomess, said that when a farmer failed to deliver for a shipment and the other farmers in the pool managed to pick oranges through the night and fill the booked shipping space, the loss they would have suffered through the negligence or deliberate action of the farmer could be calculated.

^{27/2/65}
The Minister of Agriculture, Mr Hendrik Schoeman, said the measure was aimed at getting accurate estimates of expected stock to enable the board to plan its marketing effectively to the benefit of the pool of farmers it served.

Replying to the second reading debate, he said it would be a very happy day for him if the two organizations representing mealie farmers could solve their differences.

The government could not deviate from its policy which was to deal only with the South African Agricultural Union or its affiliates.

The South African Mealie Specialist Organization was receiving funds from the government as it was affiliated to the SAAU. But this did not mean that he or other farmers were taking sides against the SA Mealie Producers Industry in the dispute between the two organizations.

It was, however, noteworthy that financial support given to Samsu was to the benefit of all mealie producers, irrespective of which organization they supported. — Sapa

3 (Print)

CAPE TOWN 23/2/80

Strike continues

A STRIKE by 750 workers at the Ceres Fruit Growers Co-operative continued yesterday in spite of efforts by the co-operative's management and union officials to break the deadlock.

The workers decided to walk out after a colleague, Mr Klaas Markus, was asked to retire.

All those who walked out were subsequently fired, but the co-operative has offered to re-employ them. However, the strikers have refused to return to work without their colleague, Mr Markus.

Mr Jan Theron, an official of the Food and Canning Workers Union, is in Ceres negotiating on behalf of the 750 workers.

The company's general manager, Mr Ben Ludik, confirmed yesterday that the dispute was still continuing, but refused to comment further.

Ceres co-op

ARGUS 29/2/80

is back ¹⁵²

to normal ¹²¹

ALL activities at the Ceres Fruit Growers Co-op were back to normal. This follows the successful negotiations between representatives of the workers and the management, the firm's general manager, Mr Ben Ludik, said today.

Mr Ludik said employees had been under a misapprehension that a worker would be paid off because of his part in negotiating a Conciliation Board agreement which came into effect on February 20.

About 700 workers decided to strike on Friday February 15, automatically terminating their employment contracts with the co-op, he said.

All differences and misunderstandings were cleared up during negotiations on Wednesday. About five percent of employees who terminated service were not considered for re-employment.

wese

Fruit exports begin ^{NM 3/4/80}

regi FRUIT exports passing through Durban
 gron are expected to rise by at least 33
 meni percent this year, according to a spokes-
 man for the Perishable Products Export
 Control Board.

"onc Last year consignments of oranges,
 d.w. lemons and grapefruit passed through the
 like port at the rate of 12 000 tons a week.

emi "We are aiming to push this figure up
 pro by a third this year," the spokesman for
 the Board said yesterday. This will in-
 crease the tonnage of fruit moving
 through Durban to 16 000 tons a week.

The 1980 fruit exports from Durban

harbour begin this month and the first
 major consignment will be loaded aboard
 the 7 213 refrigerated cargo ship, Laura,
 formerly the Rothesay Castle, later this
 week.

Fruit exports will be maintained at
 around 1 000 tons a week for the first half
 of the month.

"We will reach the peak around April
 21 and this will be maintained for the
 next few months," the board spokesman
 said.

Fruit exports from Cape Town are al-
 ready well underway.

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tot gevolg, wat juis so dramaties by wyse van dalings in die
 aktiwiteitsindekse geïllustreer word; die teendeel geld van-
 selfsprekend ook.

Die huidige insinking in die S.S.K. van Kaapstad - volgens
 plaaslike persverslae neig dele van die gebied om te ontaard in
 doolhowe vir wetteloses - sal beswaarlik gestuit word,
 voordat 'n hoër besettingspeil verkry is vir die beskikbare sake-
 en kantoorruimte in die middestad en dit impliseer uitbreiding
 van werkgeleenthede in die stadskern.

Die owerheid kan moontlik die verdere bevordering van groepsverhou-
 dings deur uitbreiding van Kleurling-indiensneming in die Wes-
 Kaap in ag neem, by besinnings oor desentralisasie van staats-
 aktiwiteite. Spesifieke departemente - wat nie hierin by
 name hoef genoem te word nie - bied besonder toepaslike werk-
 saamhede sover dit taakinhoud en volumes van roetinewerk betref,
 vir nuttige indiensstelling van manlike Kleurlinge met sekun-
 dêre onderwys-kwalifikasies, 80 000 van wie reeds teen 1981
 nie elders in die Suid-Afrikaanse ekonomie andersins geabsorbeer
 sal kan word nie.

Uiteraard sal besluite van dergelyke belangrikheid berus by
 die hoogste gesagsvlak en derhalwe sou die verantwoordelike
 instansie(s) besmoontlik oorweging daaraan kan skenk dat 'n
 Kabinetskomitee ondersoek instel na desentralisasiemoontlikhede
 van owerheidsaktiwiteite, met spesifieke verwysing na heersende
 asook karakteristieke toestande in die Wes-Kaap.

Die BEO bepleit dan ook hiermee, oorweging van so 'n moontlik-
 heid.

Apple workers get more pay

ARGUS 152
3 Fruit 138
7/5/80 138

Labour Reporter

STRIKING workers of the Kromrivier Apple Co-op near Grabouw return to work today with a 'significant increase' in wages, negotiated during three days of talks with their bosses.

'We are happy with the outcome and the workers are happy,' the general secretary of the Food and Canning Workers' Union, Mr Jan Theron, said today.

TRANSKEI

He said seasonal workers from outlying districts, whom management evicted from their Bot River hostel last week, would be brought back by bus today.

Contract workers sent back to Transkei would receive a payment equal

to half their wages to mid-July, when their contracts would have expired.

Management guaranteed that of the 80-odd black workers, those on one-year contracts would be re-employed and those on six-month contracts would have first option of jobs next season.

Mr Theron said wages at Kromco were brought in line with those being paid for similar work at the Ceres Fruit Growers Co-operative, negotiated earlier this year at a conciliation board hearing.

A guaranteed minimum wage of R23,92 a week for piece work would be introduced. Minimum weekly wages for labourers would be increased to R23,92 for women and R26,22 for men.

CITRUS CROP Fm 9/5/80
36 (Sunt)

Hard on consumers

The value of citrus exports jumped by 20% to a record R218m in 1979. SA's Citrus Exchange says it is optimistic that this success will be repeated in 1980.

Citrus exports have become a lucrative source of foreign exchange, with their total value having shot up more than four-fold since 1970. Of SA's total crop last year, 63% was exported, accounting for 93% of the citrus industry's gross earnings. The remaining 37% of production was sold at home and fetched some R16m, or 7% of total earnings.

Main markets abroad are in Canada, the Middle East and the Far East. Citrus Exchange commercial manager Ray Hauptfleisch attributes the big demand for SA produce in overseas markets to its availability there in the off-season.

But the foreign housewife's gain is the SA housewife's loss. With oranges, which form the bulk of citrus exports, selling last year at R9 per pocket overseas, the Citrus Exchange diverted supplies abroad

to maximise earnings. Domestic prices when rose sharply as market supplies became scarce.

In justification, Hauptfleisch argues that an export market is essential if orange production is to survive in SA. Even at last season's high prices, domestic receipts failed to outweigh the costs of production by 30%. "If local growers were reliant on local markets they would dig out their trees," he says.

But then why does the Exchange sell oranges to the juice manufacturers at prices as low as 30c to 40c per pocket? Hauptfleisch points to this as proof that the local market is not under-supplied, claiming "that the consumer gets preference over the manufacturer".

Shipping by Bill Goddard



WORK has begun on the first phase of a R10-million refrigerated holding store in Cape Town harbour — a project designed to provide storage for containers loaded with export shipments of fruit.

According to port officials the first phase will provide for 500 containers and is due to be ready for

use towards the end of the 1982 fruit season.

The project, which will eventually provide for 2 400 containers, is part of the R60-million alterations made to Cape Town harbour to enable it to fall into the containerisation pattern.

250-m tons

Port officials said the bulk of South Africa's annual exports of 250-million tons of fruit, which earn the country more than R100-million in foreign ex-

R10-m frozen

3- Fruit

fruit store for harbour

change, will pass through the new holding sheds.

It is expected that much of the fruit will be precooled to the required temperature in the harbour's existing cool-chambers and then packed into containers before being moved to the holding store to await loading.

Cape Town harbour's precooling plant, which has 312 chambers, is the biggest single-roof complex of its kind in the world.

Fruit Board

Officials of the Deciduous Fruit Board, which handles the bulk of South Africa's fruit exporting, said facilities in Grabouw

and Ceres would also be used to precool fruit to the required shipping temperature before the container loads were moved to the harbour.

Port officials said the holding sheds were to be built similar to the inside of a cellular container carrier and the TEUs would be stacked five high.



WORKERS sort apples for export shipments which will go through Cape Town harbour's precooling plant — part of the annual fruit exports which earn the country more than R100-million in foreign exchange.

SA citrus faces tough export battle

By SIMON WILLSON
Industrial Reporter

THE EUROPEAN orange market is likely to be better supplied this year than at any time since 1976, so export prospects for South Africa are not as good as they were 12 months ago.

This was the orange-trade outlook given by Mr L A Danckwerts, chairman of the South African Co-operative Citrus Exchange, at the exchange's annual general meeting in Pretoria.

Mr Danckwerts said 1979 had been an "extremely good" year for South African orange exports because of supply shortfalls from Europe's traditional suppliers.

"But unlike previous years when due to a variety of reasons our citrus, especially at the beginning of the season, arrived on a relatively under-supplied or even empty market, the outlook for this season is different.

"We expect to be faced, particularly in oranges, with a more 'normal' situation similar to pre-1977 years," Mr Danckwerts said.

The undersupply last year was evident by early April when it became clear that Spain and Morocco would have less fruit than normal and the resulting shortfall was partly met by Israeli Valencias, leaving a gap in the market for South Africa.

When the Spanish crop came through late in the season South African sales dipped, first on the Continent and later in Britain, and at the end of November stocks had to be cleared by price cutting.

In 1979 South Africa sold 14 595 000 cartons of oranges at

an average price of R8,42 each compared with the 15 662 000 cartons sold in 1978 at a R7,16 average.

This year most of the suppliers of the European orange market who fell short last year were poised to produce much more fruit this season, Mr Danckwerts said.

"Although Israel and Spain are not expected to present any serious overlap problems the quantity of oranges still due to arrive from Morocco is extremely large, and if the condition of this fruit does not deteriorate, it will influence the market."

There were also indications of abnormally large volumes of oranges for export to Europe from California and Brazil.

"At present the total quantity could be as high as approximately 4-million cartons from Brazil and approximately 5-million from California.

"In addition, there will be some small quantities from Argentina and about a million cartons from Uruguay. It all amounts to a crowded citrus scene and it looks as if we are in for a difficult first half of the orange season."

The outlook for grapefruit and lemons this year was better, although the high South African lemon sales last year, when Californian lemons were hit by frost and Italian and Spanish crops were 25% down, could not be expected because costs were now much higher.

The Japanese grapefruit market - South Africa's biggest outside Europe - suddenly collapsed at the end of last year and stocks had to be sold off at a loss. This year the Japanese consignment would be much lower.

RDM

3 Fruit

23/6/80

Handwritten notes on the left margin.

Vertical handwritten notes on the right margin.

Forecast for 1980

Forecast for 1980

Fair outlook for orange exports

Industrial Reporter

SALES of South African oranges in Europe are set for an upswing as the supplies of competitive fruit on the continent begin to fall away, the Citrus Exchange reports in its latest bulletin.

The likely upswing follows a strong demand for larger oranges on Western European markets, which have been supplied with an abundance of smaller fruit this year, the bulletin says.

It adds that current Western European sales of South African grapefruit and lemons are also good.

On the domestic market, the

bulletin says large Valencias are in limited supply and retail prices are expected to increase to around R2,45 for a 10kg pocket.

Medium and small Valencias should continue to retail at the present price of about R1,50 to R2 a pocket.

Most major packhouses have now stopped packing grapefruit as supplies have been reduced, and, the bulletin says, grapefruit prices can be expected to increase shortly.

Lemons are scarce, but the bulletin says this is temporary as packhouses are concentrating on the Valencia orange crop.

SA fruit selling well overseas

RDM 6/10/30

CAPE TOWN. — South African fruit sold well overseas this year.

Gross income from exports rose by R39-million, the chairman of the Deciduous Fruit Board, Mr Alex van Niekerk, said in his annual report.

South African fruit sold under the trade mark "Cape" was in tremendous demand overseas.

The fact that gross income from sales rose by 35% could be attributed mainly to the good prices realised abroad for South African apples. However, virtually all South African fruits did well.

Gross income from exports increased by 18% to R245-million, while payments to produc-

ers rose from R95-million to R128-million.

Mr Van Niekerk said freight charges remained the largest cost factor and this year totalled 44% of all costs, 4% more than last year.

He also announced establishment of two committees, one in the Hex Valley and the other at Paarl, to investigate the availability of pre-cooling facilities inland.

The board hoped to be able to set up a "cold chain" through which it would be able to dominate the market for grapes in Europe.

The possibility of converting a section of the Table Bay docks for cold storage and fruit exports would also be investigated. — Sapa.

Exports set to soar to R

Cape deciduous fruit growers are set fair for another fine export season this summer providing there is no natural disaster of severe proportions.

Provisional export estimates of the Deciduous Fruit Board (DFB) indicate that shipments abroad may reach 22m cartons, an advance of more than 1m on 1980. At the same time, price projections are equally bullish, although expectations in respect of apples have been pitched about 45-50c a carton lower than 1980's average cif realisations of just over R12 a carton.

However, apple shipments are expected to rise to 10,5m cartons (9,8m), so payouts to farmers will at least match this year's R66m (R41m).

All this means that 1981 turnover could go well over this year's R245m (R206m) and may hit a figure somewhere between R250m-R260m.

A feature of the last season was that growers were able to contain export costs to a mere R117m (R112m), an increase of under 5% due to a favourable rand/dollar exchange rate which kept down the freight bill to an advance of only 4% on the previous season. It could happen again, although most pundits expect a strengthening of the dollar next year. Even if it does, there is potential relief in the prospect that a strong dollar will reflect in a downward adjustment of conference lines' currency adjustment factor, now standing at just over 9%. On the 1980 export programme, sea and air freight made up 44% of total pool expenses.

The 1981 earnings outlook will once again be largely determined by the perfor-

mance of apples on Euromarkets. Although SA is the largest southern hemisphere exporter to Europe, Cape apples do not exert much influence on the price, since out of 70m cartons offered for fresh consumption in the period April-August this year, SA supplies only 8m (11%).

The main factor determining price is the volume of apples offered by European growers for fresh consumption, compared with the portion of the crop bought (and destroyed) by the European community in terms of its intervention scheme.

Although the 1979/80 European crop was 2% larger than the previous season (and 6% up on average of the past five seasons), the monthly supply position was 17% down in April, 24% down in May and 42% down in June compared with 1978/79. What happened was that 459 000 t of apples (25m cartons) were bought and destroyed or turned into stock feed by the European farm authorities. It is understood that the intervention scheme is to be radically amended to weed out inefficient growers and restore a better balance between supply and demand.

Safmarine slammed over fruit delivery

STAR
3 (Fruit)
232
JH

By John Cavill
Financial Correspondent
The Star Bureau

LONDON — A high-speed dash by the Safmarine container ship Cedarberg, will still fail to get 26 000 cases of South African pineapples to Britain in time for the lucrative pre-Christmas market — the fourth year running South African fruit has missed the Christmas market.

This was claimed yesterday by Mr Keith Sims, managing director of JO Sims Ltd, one of London's leading fruit importers.

"It is the fourth year something has gone wrong

— and it could cost the pineapple growers more than R250 000," said Mr Sims, who strongly criticised Safmarine's decision to put the Cedarberg into dry dock in Cape Town.

Safmarine's London office claimed that high winds delayed the Cedarberg's getting into dry dock and so failing to sail yesterday as advertised.

"There is very little we can do," said a Safmarine spokesman.

"It was beyond our control. But we are now hoping to leave on December 5 and will make full speed to Southampton.

"Unless bad weather de-

lays the vessel it should arrive on December 18," he said.

The Cedarberg will also be carrying 30 000 cases of peaches for the European markets.

"We would obviously have preferred to have had them on December 16 as planned," said a DFB official here.

"It will present us with difficulties but we have made plans to shift the 10 000 cases for the British market as quickly as possible, including getting a dispensation to have them cleared by Customs as quickly as possible."

But Mr Sims said Safmarine's efforts to make up the delay were "a hit and miss affair and just not good enough."

He claimed the East London shippers of the 250 tons of pineapples, Shelford Pineries, would not have loaded the fruit had they been told the Cedarberg would not sail as planned.

"By the time the 23 containers of pineapples are unloaded and cleared we will be into the weekend (of December 20 to 21) and it will be Monday before the fruit gets onto the markets," he said.

"That means we have effectively just 24 hours in which to sell 26 000 cases.

"It is a disaster and would not be allowed to happen in any other country."

Agriculture

1979 → 1984

3 - Fruit

2 Feb. 1979 — ~~30 JUNE~~ 1979

~~5 OCT~~

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DECIDUOUS FRUIT A peach of a season ^{PK 2/12/79} ³

Cape deciduous fruit growers appear to be heading for their best export year ever, surpassing last year's R200m gross sales which yielded net payments of about R100m.

A feature of this year's foreign marketing programme is the consolidation of the 1978 breakthrough in the Middle East (and that does not refer to Israel and Iran). In addition to a first-time contract for the delivery of 50 000 cartons of Bon Chretien pears during the current season, last year's Middle East orders for 30 000 cartons of "Cape Grade" table grapes (rejected for European export) have been followed up with a call for 340 000 cartons. Growers are confident that ME markets will ask for repeats of the pear order even during the current season.

According to the latest Deciduous Fruit Board estimates, apricot offerings are slightly down at 26 562 cases compared with shipments of 26 958

layer equivalents (512 468). Table grapes, the big money-spinner which is more or less impervious to EEC protectionism, are 31% up on last year's deliveries of 4,9m cartons and should come close to 6,5m cartons. Prices, however, may decline by 7-8%.

Deliveries of pears for export are reckoned to be in excess of 3m cartons, compared with actual shipments of 2,4m cartons last season. Unit prices will be marginally down on last year.

With the weather holding well, apple offerings this season will go close to 11,5m cartons compared with shipments of 10,6m last year. Despite a large European crop, prices will be about the same as last year. Not even the UK strikes have had much effect on the bullish expectations of fruit farmers. The 1979 season is running later than usual and this has raised hopes that UK transport workers will have returned to work by the time high volume shipments of grapes and apples start in a few weeks' time.

Of the 122 000 cartons of peaches planned for shipment by the end of January, 47 000 were to go to the UK, while 119 000 out of 214 000 cartons of plums planned for shipment during the same period have been safely landed in

Britain by using the ferry from Zeebrugge where reefer ships have been diverted. About 19 000 cartons of early table grapes were due to reach the UK in the same manner. Container stripping and trans-shipment will obviously increase marketing costs.

A. NATIONAL D TECHNI

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B. NATIONAL CE TECHNI

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Building Foren
Works Inspect
TOTAL

D. Witwatersrand

The answers to question 3 (how many African technicians would employ ...) are tabulated on the following page

Under the powers vested in me by section 75 (2) of the Marketing Act, 1968 (Act 59 of 1968), I, Hendrik Stephanus Johan Schoeman, Minister of Agriculture hereby amend the prohibitions, permits and conditions prescribed in Schedule 4 of Government Notice R. 2194 of 3 November 1978, as amended, as set out in the Schedule hereto.

H. S. J. SCHOEMAN, Minister of Agriculture

SCHEDULE

Schedule 4 to Government Notice R. 2194 of 3 November 1978, as amended, is hereby further amended by—

- (a) the substitution for the expression "Annexure D" in clause 5 of the expression "Annexure C"; and
- (b) the substitution for Annexure C of the following Annexure:

"ANNEXURE C

PERMIT

TO INTRODUCE APPLES OF COUNT CODES 7 AND 8 INTO THE TABLE BAY DOCKS AREA/PORT ELIZABETH DOCKS AREA

To

You are hereby authorised to introduce into the Table Bay Docks Area/Port Elizabeth Docks Area during the period of 31 July 1979 only a quantity of cartons containing apples of count codes 7 and 8 equivalent of the following percentage of the total number of cartons of apples of the following cultivars which you may introduce into such area: Provided that the quantity of cartons containing apples of count code 8 alone shall not exceed the percentage hereunder.

	Count codes 7 and 8 combined	Count code 8 alone
	%	%
Starking.....	55	25
Golden Delicious.....	55	25

Kragtens die bevoegdheid my verleen by artikel 75 (2) van die Bemarkingswet, 1968 (Wet 59 van 1968), wysig ek, Hendrik Stephanus Johan Schoeman, Minister van Landbou, hierby die verbodsbepalings, perмите en voorwaardes voorgeskryf in Bylae 4 van Goewermentskennisgewing R. 2194 van 3 November 1978, soos gewysig, soos in die Bylae hiervan uiteengesit.

H. S. J. SCHOEMAN, Minister van Landbou.

BYLAE

Bylae 4 van Goewermentskennisgewing R. 2194 van 3 November 1978, soos gewysig, word hierby verder gewysig deur—

- (a) die uitdrukking "Aanhangsel D" in klousule 5 te vervang deur die uitdrukking "Aanhangsel C"; en
- (b) Aanhangsel C deur die volgende Aanhangsel te vervang:

"AANHANGSEL C

PERMIT

OM APPELS VAN TELLINGKODES 7 EN 8 IN TE BRING IN DIE TAFELBAAI-DOKKEGEBIED/PORT ELIZABETH - DOKKEGEBIED

Aan

U word hierby gemagtig om slegs 'n hoeveelheid kartonne bevattende appels van tellingkodes 7 en 8 gesamentlik gelykstaande aan ondervermelde persentasies van die totale getal kartonne appels van ondervermelde cultivars wat u in Tafelbaai-dokkegebied/Port Elizabeth-dokkegebied gedurende die tydperk tot 31 Julie 1979 inbring, in sodanige gebied in te bring: Met dien verstande dat die getal kartonne bevattende appels van tellingkode 8 alleen nie ondervermelde persentasies mag oorskry nie.

	Tellingkodes 7 en 8 gesamentlik	Tellingkode 8 alleen
	%	%
Starking.....	55	25
Golden Delicious.....	55	25

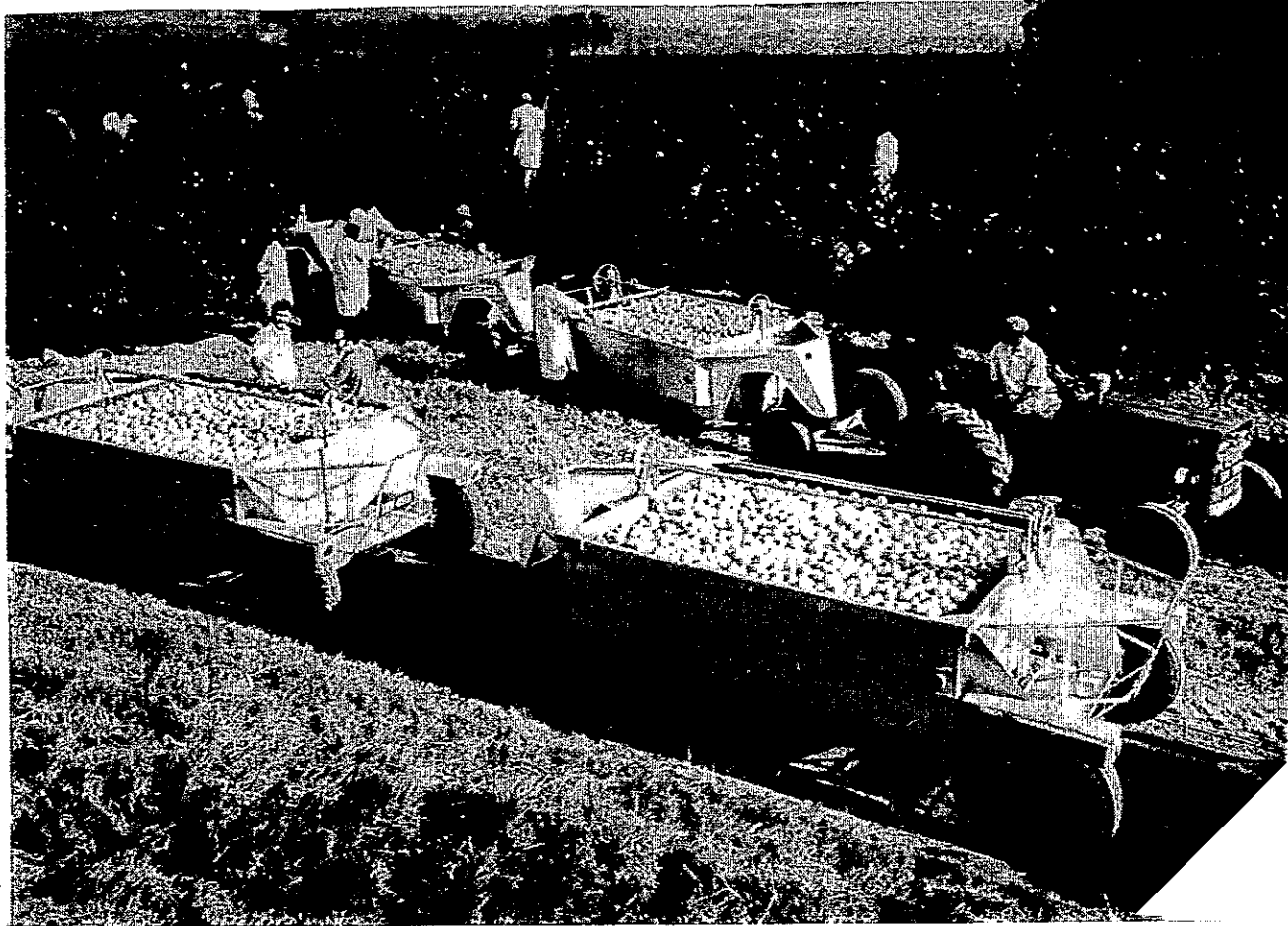
66-6612

Per pro Deciduous Fruit Board,

This permit is issued subject to any conditions prescribed in terms of section 75 (2) of the Marketing Act, 1968 (Act 59 of 1968)."

Per pro Sagtevrugteraad,

Hierdie permit word uitgereik behoudens die voorwaardes wat kragtens artikel 75 (2) van die Bemarkingswet, 1968 (Wet 59 van 1968), voorgeskryf is."



DIE lemoenseisoen het weer aanbreek en orals in die produksiegebiede word die sappige vrug lustig gepluk. Die foto toon 'n bedrywige toneel op een van die land se voorste sitrusplase.

LEMOENE GAAN DUURDER WEES

RAPPOORT 29/4/79 3 CITRUS

Deur ALPHONS DU TOIT

DIE totale bemarking van Suid-Afrika se lemoenes word vanaf môre deur die Sitrusbeurs behartig. Met dié stap is die 1979/80-seisoen amptelik in aanvang.

Mnr. Ray Hauptfleisch, handelsbestuurder van die Sitrusbeurs het aan Sake-Rapport gesê: „Ons verwag dat sitrus uit Suid-Afrika weer 'n goeie vraag op wêreldmarkte gaan ondervind. Die voorraad wat tot ons beskikking is, sal na raming, soortgelyk aan dié van verlede jaar wees, toe die oes sowat 28 miljoen pakkies van 15 kg elk gelewer het.”

Verlede jaar het die sitrusoes R120 miljoen aan buitelandse valuta vir Suid-Afrika verdien. Die aanduiding is dat hierdie syfer in die komende jaar met 'n aansienlike bedrag oorskry gaan word.

Lemoene wat in Suid-Afrika gekweek word, het in die vorige seisoen teen 20c elk op die Europese markte (kleinhandel) verkoop, vergeleke by die gemiddelde van 8c elk in plaaslike winkels.

Pomelo's

Danksy die stygende vraag in die buiteland, en weens 'n produksie wat nie noemenswaardig gestyg het nie, kan daar verwag word dat die plaaslike prys van lemoene vanjaar gaan styg.

Volgens mnr. Hauptfleisch sal hierdie stygings nie groot wees nie. Plaaslike verbruikers sal eester

aangemoedig word om meer pomelo's te koop. Die gedagte is vanselfsprekend nie dat pomelo's lemoene moet vervang nie, maar dat Suid-Afrikaners meer bewus moet word van die voedingswaarde en lekker smaak van pomelo's. In teenstelling met ander dele van die wêreld is dié vrugtesoort nie besonder gewild in Suid-Afrika nie.

Nawellemoene, wat vroeg in die seisoen verskyn, behoort vrylik beskikbaar te wees. Dié lemoensoort kom hoofsaaklik van die Laeveld van Oos-Transvaal en die sentrale dele van Noord-Transvaal.

Sapbedryf

Die sappige Valencialemoene, wat later in die seisoen hul verskyning maak, sal waarskynlik nie te volop wees nie. Hierdie lemoensoort word grotendeels in die sapbedryf gebruik, maar geen tekort van lemoensap word verwag nie. Die plaaslike vraag na lemoensap het tot op hede nog nooit die aanbod oorskry nie.

Volgens mnr. Hauptfleisch is die vooruitsigte wat die uitvoermark betref heeltemal gunstig — dit ondanks die verlies van Iran as 'n klant. Voor die onrus en voordat Iran be-

sluit het om 'n handelsboikot teen Suid-Afrika te handhaaf, het dié land sowat 1,5 miljoen pakkies van 15 kg elk jaarliks gekoop.

Die Sitrusbeurs verwag dat die hoeveelheid wat Iran gekoop het, baie maklik deur die Europese mark as geheel geabsorbeer sal word.

Gehalte

Wat die gehalte betref, sal vanjaar se lemoene weens die landwye droogte ietwat kleiner wees, maar die vrug sal nog van die beste gehalte wees.

Die Sitrusbeurs is ook voornemens om 'n groot-skaalse poging aan te durf om die afset van suurlemoene aan te moedig. Dit geld vir sowel die uitvoer as die binnelandse markte. Wat suurlemoene betref, word die kwaaieste mededinging uit Kalifornië en die lande om die Middellandse See ondervind.

Op die plaaslike mark gaan kleinhandelaars aangemoedig word om hul winsgrense te besnoei. Die gedagte val saam met 'n landwye veldtog om verbruikers aan te moedig om suurlemoene as 'n noodsaaklike deel van enige vrugte- of groenteslaai te beskou.

No.	Sections—Afdelings	Imports—Invoere		Export
		1979	1978	1979
Social Welfare General Notice 321 Nat tion	XI. Textiles and textile articles Tekstiele en tekstielartikels.....	99,1	85,9	84,1
Transport, Dep Government Ne 938 Roa Noti Roac of 1 Tran	XII. Footwear, headgear, umbrellas, sunshades, whips, riding-crops and parts thereof; prepared feathers and articles made therewith; artificial flowers; articles of human hair; fans Skoeisel, hoofdeksels, sambrele, sonsambrele, swepe, ryswepe en onderdele daarvan; bereide vere en artikels daarvan gemaak; kunsblomme; artikels van mensehaar; waaiers.....	6,7	5,4	2,1
Appl	XIII. Articles of stone, of plaster, of cement, of asbestos, of mica and of similar materials; ceramic products; glass and glassware Artikels van klip, van gips, van sement, van asbes, van mika en van dergelike stowwe; keramiese produkte; glas en glasware.....	18,3	17,5	9,1
Offici 197	XIV. Pearls, precious and semi-precious stones, precious metals, rolled precious metals, and articles thereof; imitation jewellery; coin Pêrels, edel en halfedelstene, edelmetale, gewalste edelmetale, en artikels daarvan; nagemaakte juweliersware; muntstukke.....	6,4	3,8	48,9
Amer Go	XV. Base metals and articles of base metal Onedelmetale en artikels daarvan.....	96,6	87,2	37,2
Gener Admi Busin Butch Chan; Comp Deeds Gener Insolv Not Liquic Lost I Natur Orders Public Sales i Slums Supers Third Trade	XVI. Machinery and mechanical appliances; electrical equipment; parts thereof Masjinerie en meganiese toestelle; elektriese toerusting; onderdele daarvan.....	529,3	490,2	41,1
	XVII. Vehicles, aircraft, and parts thereof; vessels and certain associated transport equipment Voertuie, vliegtuie en onderdele daarvan; vaartuie en sekere verwante vervoertoerusting.....	330,5	299,4	31,1
	XVIII. Optical, photographic, cinematographic, measuring, checking, precision, medical and surgical instruments and apparatus; clocks and watches; musical instruments, television image and sound recorders and reproducers; parts thereof Optiese, fotografiese, kinematografiese, meet-, kontrole-, presisie-, mediese en chirurgiese instrumente en apparaat; uurwerke en horlosies; musiekinstrumente; televisiebeeld- en klankopnemers en -weergewers, magnetiese; onderdele daarvan.....	71,0	50,2	1,1
	XX. Miscellaneous manufactured articles Diverse vervaardigde artikels.....	11,0	9,0	1,1
	XXI. Works of art, collectors' pieces and antiques Kunswerke, versamelaarsstukke en antieke.....	3,5	0,7	1,1
	Other unclassified goods Ander ongeklassifiseerde goedere.....	2,6	10,3	15,1
	GRAND TOTAL—GROOTTOTAAL.....	1 605,0	1 437,1	1 96,1

(4 May 1979)/(4 Mei 1979)

(3) Fruit 666423 NOTICE 325 OF 1979

REGULATIONS RELATING TO THE GRADING, PACKING AND MARKING OF MANGOES INTENDED FOR EXPORT FROM THE REPUBLIC OF SOUTH AFRICA.—PROPOSED PUBLICATION

The Division of Inspection Services of the Department of Agricultural Economics and Marketing intends to request the Minister of Agriculture to publish the regulations as set out in the Schedule hereto.

Interested persons are invited to furnish the Director, Division of Inspection Services, Private Bag X258, Pretoria, 0001, with any written comments or representations they wish to make in regard to the proposed regulations within three months of the date of publication of this Notice.

KENNISGEWING 325 VAN

REGULASIES MET BETREKKING TOT GRADERING, VERPAKKING EN MERKEERING VAN MANGO'S BESTEM VIR DIE UITVOER VAN DIE REPUBLIEK VAN SUID-AFRIKA.—VOORGESTELDE AFKONDIGING

Die Afdeling Inspeksiedienste van die Departement van Landbou-ekonomie en -bemarking wil versoek die Minister van Landbou te versoek om die regulasies soos in die Bylae hiervan uiteengesê te publiseer.

Belanghebbende persone word hierby versoek om binne drie maande vanaf die datum van hierdie kennisgewing skriftelike kommentare of voorstelle te stuur. Die regulasies wil lewer aan die Direkteur, Afdeling Inspeksiedienste, Privaatsak X258, Pretoria, 0001.

SCHEDULE CONTENTS		BYLAE INHOUD	
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DEFINITIONS

1. In these regulations, unless inconsistent with the context, a word or expression to which a meaning has been assigned in the Agricultural Produce Export Act, 1971 (Act 51 of 1971), shall have a corresponding meaning, and—

“blemishes” means any external defect on the surface of the mango which affects the appearance of the mango detrimentally;

“bruise” means any bruise or bruises which has as a result discolouration directly under the peel;

“consignment” means a quantity of mangoes which is delivered at any one time under cover of the same consignment note, delivery note or receipt note or from the same vehicle, or if such quantity is subdivided into different cultivars or size groups, each quantity of each of the different cultivars or size groups;

“consignment note” means a consignment note approved by the Director of Inspection Services;

“container” means the container in which the mangoes are packed;

“count” means the number of mangoes packed in a container;

“decay” means a state of decomposition, fungus development or insect infestation, affecting the internal quality of the mangoes detrimentally;

“Department” means the Department of Agricultural Economics and Marketing;

“Director of Inspection Services” means the Director of the Division of Inspection Services of the Department;

“foreign matter” means any material not normally present in, on or between the mangoes;

“injury” means any wound or puncture which has penetrated the skin of the mango and exposes the flesh, with the exception of such wounds or punctures which have healed completely or have become calloused;

“mango” means the fruit of the tree *Mangifera indica*;

“maturity” means a state of maturity to such a degree that the flesh next to the pip has started to yellow and that the mango shall ripen normally;

“the Act” means the Agricultural Produce Export Act, 1971 (Act 51 of 1971); and

“well formed” means that the mangoes have a shape which is normally typical of the cultivar concerned.

WOORDOMKSRWINGS

1. In hierdie regulasies, tensy uit die samehang anders blyk, het 'n woord of uitdrukking waaraan in die Wet op Uitvoer van Landbouprodukte, 1971 (Wet 51 van 1971), 'n betekenis geheg is, 'n ooreenstemmende betekenis, en beteken—

“bederf” 'n toestand van verrotting, swamontwikkeling of insekbesmetting wat die inwendige gehalte van die mango's nadeling beïnvloed;

“besending” 'n hoeveelheid mango's wat op 'n bepaalde tydstip afgelewer word onder dekking van dieselfde afleveringsbrief, vragbrief of ontvangsbewys, of van dieselfde voertuig, of indien so 'n hoeveelheid ingedeel is in verskillende cultivars of groottegroepe, elke hoeveelheid van elk van die verskillende cultivars of groottegroepe;

“besering” enige wond of prik wat die skil van die mango deurboor en die vlees blootstel, uitgesonderd sulke wonde of prikke wat volkome genees of vereelt geraak het;

“Departement” die Departement van Landbou-ekonomie en -bemarking;

“die Wet” die Wet op Uitvoer van Landbouprodukte, 1971 (Wet 51 van 1971);

“Direkteur van Inspeksiedienste” die Direkteur van die Afdeling Inspeksiedienste van die Departement;

“goedgevormd” dat die mango 'n vorm het wat normaalweg kenmerkend van die betrokke cultivar is;

“houer” die houer waarin die mango's verpak is;

“kneusplek” enige kneusplek of kneusplekke wat verkleuring direk onder die skil tot gevolg het;

“letsels” enige uitwendige gebrek op die oppervlakte van die mango wat die voorkoms van die mango nadelig beïnvloed;

“mango” die vrug van die boom *Mangifera indica*;

“telling” die aantal mango's wat in 'n houer verpak is;

“volwassenheid” 'n stadium van rypheid waar die vlees teenaan die pit begin geel verkleur het en waar die mango normaal sal ryp word;

“vragbrief” 'n vragbrief deur die Direkteur van Inspeksiedienste goedgekeur; en

“vreemde stowwe” enige materiaal nie normaalweg in, op of tussen die mango's teenwoordig nie.

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GENERAL*Notice*

2. (1) Any person intending to export a consignment of mangoes, shall give written notice of his intention to the Director of Inspection Services, Private Bag X258, Pretoria, 0001, or to an inspector, at least four days prior to the date of export.

(2) Such notice shall state—

- (a) the number and type of containers in the consignment;
- (b) the name of the exporter or his agent;
- (c) the port from which the export shall take place;
- (d) particulars concerning the marking and destination thereof; and
- (e) the date of export and, if exported by air, the scheduled time of departure.

Submission for inspection

3. Mangoes shall be submitted for inspection at least 24 hours prior to the loading thereof into the vessel, aircraft or vehicle in which it is intended to export the mangoes.

Consignment note

4. Every consignment of mangoes intended for export shall, when submitted for inspection, be accompanied by a consignment note duly completed in quadruplicate of which each copy shall have the same serial number and of which one copy shall become the property of the Department.

Inspection

5. (1) An inspector may in any consignment of mangoes abstract and open as many containers and inspect the contents thereof and remove samples of such contents for the purpose of further inspection or analysis as he may deem necessary: Provided that no consignment or count, as the case may be, may be rejected unless such consignment or count, as the case may be, is inspected in the manner as prescribed in Part VI.

(2) An inspector's finding in relation to the containers opened by him by virtue of the provisions of subregulation (1) and the contents thereof, shall apply as a finding in respect of the whole consignment or count as the case may be, from which such containers were abstracted.

(3) Mangoes which have been inspected and approved for export may, at any time thereafter, be re-inspected by an inspector.

(4) If an inspector is satisfied after his inspection that the requirements of these regulations have been complied with in respect of the consignment of mangoes, he shall—

(a) in the case of an inspection, approve for export such consignment, either by marking or causing to be marked on each container or label affixed thereto the words "Approved by Government Inspector" or by issuing a certificate which indicates such approval, and

(b) in the case of a re-inspection, confirm the previous approval, granted in respect of such consignment, by issuing a certificate which indicates such confirmation.

DEEL I

ALGEMEEN

Kennisgewing

2. (1) Enige persoon wat van voornem besending mango's uit te voer, moet skriftlik Direkteur van Inspeksiedienste, Privaatsak Pretoria, 0001, of aan 'n inspekteur, kennis sodanige voorneme minstens vier dae voor van uitvoer.

(2) Sodanige kennisgewing moet verstrek—

- (a) die aantal en tipe houters in die besending;
- (b) die naam van die uitvoerder of sy agent;
- (c) die hawe waarvandaan die uitvoer plaasvind;
- (d) besonderhede aangaande die merk en oorsprong daarvan; en
- (e) die datum van uitvoer en, indien per luggevoer, die geskeduleerde tyd van vertrek.

Aanbieding vir ondersoek

3. Mango's moet vir ondersoek aangebied word minstens 24 uur voor die inskeping daarvan in vliegtuig of voertuig waarin dit beoog word om mango's uit te voer.

Vragbrief

4. Elke besending mango's wat vir uitvoer aangebied word, moet, by die aanbieding daarvan vir ondersoek, gesel wees van 'n vragbrief wat behoorlik voltooi is waarvan elke afskrif dieselfde moet hê en waarvan een afskrif die eienaar van die Departement sal word.

Ondersoek

5. (1) 'n Inspekteur mag in 'n besending soveel houters onttrek en oopmaak en die inhoud daarvan van ondersoek en monsters van sodanige besending vir die doel van verdere ondersoek of verifikasie wat hy nodig mag ag: Met dien verstande dat besending of telling, na gelang van die geval, deur die inspekteur mag word nie tensy sodanige besending of telling, na gelang van die geval, anderszins voorsien is soos in Deel VI voorgeskryf.

(2) 'n Inspekteur se bevinding met betrekking tot die houters deur hom oopgemaak uit hoofde van die bepalinge van subregulasie (1) en die inhoud daarvan sal as 'n bevinding ten opsigte van die besending of telling, na gelang van die geval, wettig aanvaarbaar houters onttrek is, geld.

(3) Mango's wat vir uitvoer goedgekeur is, kan enige tyd daarna deur 'n inspekteur herondersoek word.

(4) Indien 'n inspekteur na sy ondersoek bevind dat daar ten opsigte van die besending, die vereistes van hierdie regulasie voldoen is, sal hy—

(a) in die geval van 'n ondersoek sodanige besending vir uitvoer goedgekeur deur of die besending goedgekeur deur Staatinspekteur" op elke houer of etiket daaraan geheg, te merk of te laat merk, 'n sertifikaat wat sodanige goedkeuring aandui, afreik; en

(b) in die geval van 'n herondersoek sodanige besending wat ten opsigte van sodanige besending verleen is, bekragtig deur 'n sertifikaat wat sodanige goedkeuring bevestig, afreik.

Inspection fee

6. An inspection fee of 3c per container in a consignment of mangoes shall be paid to the Department by the exporter of mangoes when such mangoes are submitted for inspection.

Appeal

7. (1) Any person who feels aggrieved as a result of any decision or action taken by an inspector may appeal against such decision or action by submitting a written notice of appeal to an inspector within 24 hours after he has been notified of that decision or action and depositing within the said period with such inspector or at any office of the Division of Inspection Services of the Department a deposit of R21: Provided that a separate deposit shall be deposited in respect of each separate consignment and provided further that, if the notice of appeal and deposit are not submitted and deposited within the prescribed period of 24 hours, the appellant shall lose his right of appeal in terms of this regulation.

(2) An inspector may apply to mangoes in respect of which an appeal has been lodged, or to the containers thereof, any mark or marks which he may deem necessary for identification purposes and such mangoes shall not, without his consent, be removed from the place where they were inspected or where they are stored.

(3) The Secretary of the Department or an officer of the Department nominated by him, shall designate a person or persons who shall decide such an appeal, and such person or persons shall decide such an appeal within 48 hours (excluding Sundays and public holidays) after it was lodged, and the decision of the person or persons so designated, shall be final.

(4) The person or persons so designated, shall give the appellant or his representative at least 2 hours notice of the time and place determined for the hearing of the appeal, and may, after the mangoes concerned have been produced and identified and all the interested persons have been heard, instruct all persons (including the appellant, his representative and the inspector) to leave the place where the appeal is being considered.

(5) (a) If the appeal is upheld, the amount deposited in respect thereof shall be refunded to the appellant.

(b) If the appeal is dismissed or if the mangoes to which it relates, are not produced at the time and place determined by the said person or persons, the amount deposited in respect thereof, shall be forfeited.

Exemptions

8. Notwithstanding anything to the contrary, the requirements of the Act and these regulations shall not apply—

(a) to mangoes intended for export to the Kingdom of Lesotho, the Kingdom of Swaziland, the Republic of Botswana, the Republic of Bophuthatswana, the Republic of Transkei and the Territory of South West Africa;

(b) to mangoes in respect of which the Director of Inspection Services has approved in writing that, subject to conditions determined by him they may be exported as an experiment, and in respect of which such conditions have been complied with;

Ondersoekgeld

6. 'n Ondersoekgeld van 3c per houer in 'n besending mango's moet aan die Departement, deur die uitvoerder van mango's, betaal word wanneer sodanige mango's vir ondersoek aangebied word.

Appel

7. (1) Enige persoon wat hom deur 'n beslissing of optrede van 'n inspekteur veronreg ag, mag appèl aanteken teen sodanige beslissing of optrede deur binne 24 uur nadat hy van daardie beslissing of optrede in kennis gestel is, skriftelike kennisgewing van appèl by 'n inspekteur in te dien, en binne genoemde tydperk by die inspekteur, of by enige kantoor van die Afdeling Inspeksiedienste van die Departement 'n deposito van R21 te deponeer: Met dien verstande dat 'n afsonderlike deposito gedeponeer moet word ten opsigte van elke afsonderlike besending en met dien verstande verder dat indien die kennisgewing van appèl en die deposito nie binne die voorgeskrewe tydperk van 24 uur ingedien en gedeponeer word nie, die appellant sy reg van appèl ingevolge hierdie reglasie verbeur.

(2) 'n Inspekteur mag aan mango's ten opsigte waarvan 'n appèl aangeteken is, of aan die houters daarvan, 'n merk of merke aanbring wat hy vir uitkenningdoeleindes nodig mag ag en sodanige mango's mag nie sonder sy toestemming van die plek waar dit ondersoek of opgeberg is, verwyder word nie.

(3) Die Sekretaris van die Departement of 'n beampte van die Departement deur hom benoem, moet 'n persoon of persone aanwys deur wie oor so 'n appèl moet beslis en sodanige persoon of persone moet daarvoor beslis, binne 48 uur (uitgesonderd Sondae en openbare vakansiedae) na indiening daarvan, en die beslissing van die aldus aangewese persoon of persone sal afdoende wees.

(4) Die aldus aangewese persoon of persone moet die appellant of sy verteenwoordiger minstens 2 uur kennis gee van die plek en tyd bepaal vir die verhoor van die appèl en mag nadat die betrokke mango's vertoon en uitgeken is en alle belanghebbendes aangehoor is, alle persone (met inbegrip van die appellant, sy verteenwoordiger en die inspekteur) gelas om die plek waar die appèl oorweeg word, te verlaat.

(5) (a) Indien die appèl gehandhaaf word, moet die bedrag wat ten opsigte daarvan gedeponeer is, aan die appellant terugbetaal word.

(b) Indien die appèl van die hand gewys word, of indien die mango's waarop dit betrekking het, nie op die tyd en plek bepaal deur die genoemde persoon of persone vertoon word nie, sal die bedrag wat ten opsigte daarvan gedeponeer is, verbeur word.

Vrystellings

8. Nieteenstaande andersluidende wetsbepalings, is die voorskrifte van die Wet en hierdie regulasies nie van toepassing nie—

(a) op mango's wat vir uitvoer bestem is na die Koninkryk van Lesotho, die Koninkryk van Swaziland, die Republiek van Botswana, die Republiek van Bophuthatswana, die Republiek van Transkei en die gebied Suidwes-Afrika;

(b) op mango's ten opsigte waarvan die Direkteur van Inspeksiedienste skriftelik goedgekeur het dat dit onderworpe aan voorwaardes deur hom bepaal, by wyse van proefneming uitgevoer word en ten opsigte waarvan sodanige voorwaardes nagekom is;

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(c) to mangoes loaded as provisions for consumption aboard a ship or other means of transport to foreign countries: or

(d) to mangoes exported as a gift and of which the net mass does not exceed 5 kg.

PART II

QUALITY REQUIREMENTS

Class

9. (1) There is one class of mangoes namely Class 1.

Specifications

(2) The class mentioned in subregulation (1) shall comply with the following specifications:

Quality factor	Class 1
(a) Specified defects:	
(i) Appearance.....	Attractive.
(ii) Shape.....	Well-formed and typical of the cultivar concerned.
(iii) Maturity.....	Mature, well developed for the cultivar concerned.
(iv) Over-ripe.....	Shall not be over-ripe or show signs of "jelly seed".
(v) Bruises.....	None.
(vi) Injuries.....	None.
(vii) Blemishes.....	None.
(viii) Heat or cold damage..	None.
(ix) Shrivelling.....	None.
(x) Decay.....	None.
(xi) Foreign matter.....	None.
(b) Unspecified defects:	
(i) Any other external or internal quality defect....	None.
(c) Uniformity of size in the same container.....	Uniform.

(3) Deviations (according to number).—The class mentioned in subregulation (1) may deviate from the specifications prescribed in subregulation (2) to the extent set out hereunder:

Quality factor	Class 1
	%
(a) Decay.....	1
(b) Injuries.....	3
(c) All deviations combined, excluding those mentioned in paragraph (d): Provided that the limits in paragraphs (a) and (b) are not exceeded.....	10
(d) Size deviations.....	7

PART III

CONTAINERS

10. Containers containing mangoes shall—

- (a) be suitable, clean, strong, unbroken and new;
- (b) be provided with suitable lids; and
- (c) have the following external dimensions:

400 mm in length, 300 mm in width and depth optional.

PART IV

PACKING REQUIREMENTS

- 11. (1) Mangoes shall be packed in single layers.
- (2) Mangoes in the same container shall be uniform in size and of the same cultivar.
- (3) The containers shall be packed to capacity.
- (4) Mangoes may be wrapped or unwrapped: Provided that if mangoes are wrapped, suitable material shall be used.
- (5) Sufficient ventilation shall be provided for, irrespective of the type of packing material used.

(c) op mango's wat ingeneem word vir verbruik op 'n skip of ander vervoer die buiteland; of

(d) op mango's wat as 'n geskenk uitgesoek en waarvan die netto massa nie 5 kg oorskry.

DEEL II

GEHALTEVEREISTES

Klas

9. (1) Daar is een klas Mango's naamlik Klasse 1.

Spesifikasies

(2) Die in subregulasie (1) genoemde klas moet die volgende spesifikasies voldoen:

Gehaltefaktor	Klas 1
(a) Gespesifiseerde gebreke:	
(i) Voorkoms.....	Aantreklik.
(ii) Vorm.....	Goedgevorm en betrokke kultivar.
(iii) Volwassenheid.....	Volwasse, goed ontwikkelde kultivar.
(iv) Oorryp.....	Mag nie oorryp van "jellie-saad" wees.
(v) Kneusplekke.....	Geen.
(vi) Beserings.....	Geen.
(vii) Letsels.....	Geen.
(viii) Hitte- of kouebeskadiging.....	Geen.
(ix) Verkrimping.....	Geen.
(x) Bederf.....	Geen.
(xi) Vreemde stowwe.....	Geen.
(b) Ongespesifiseerde gebreke:	
(i) Enige ander uitwendige of inwendige gehaltegebreke.....	Geen.
(c) Eenvormigheid van grootte in dieselfde houer.....	Eenvormig.

(3) Afwykings (volgens getal).—Die in subregulasie (1) bedoelde klas mag tot die mate hieronder gesit afwyk van die in subregulasie (2) spesifiseerde spesifikasies:

Gehaltefaktor	Klas 1
(a) Bederf.....	1
(b) Beserings.....	3
(c) Alle afwykings gesamentlik, uitgesonderd die in subregulasie (d) genoem: Met dien verstande dat die afwykings in paragrafe (a) en (b) nie oorskry word.....	10
(d) Grootte afwykings.....	7

DEEL III

HOUERS

10. Houers wat mango's bevat moet—

- (a) geskik, skoon, sterk, heel en nuut wees;
- (b) van geskikte deksels voorsien wees;
- (c) die volgende buite-afmetings hê: 400 mm lank, 300 mm breed en diepte 300 mm.

DEEL IV

VERPAKKINGSVEREISTES

- 11. (1) Mango's moet in enkel lae verpak word.
- (2) Mango's in dieselfde houer moet uniform in grootte en van dieselfde kultivar wees.
- (3) Die houers moet volverpak wees.
- (4) Mango's mag toegedraai of ontoedraai wees: Met dien verstande dat indien mango's toegedraai is, geskikte toedraai materiaal gebruik moet word.
- (5) Voldoende ventilasie moet voorsien word, ongeag die tipe verpakkingsmateriaal wat gebruik word.

PART V

MARKING REQUIREMENTS

Marking of containers

12. (1) Each container containing mangoes shall be clearly and legibly marked in block letters with the following particulars:

(a) The name and address or trade mark of the producer, the exporter or owner in letters of at least 3 mm in height; and

(b) the class, count, cultivar and the shipping mark in letters of at least 10 mm in height on one end of the container.

(2) Labels on containers shall be clean, securely attached and not be superimposed on other labels.

(3) If the country to which mangoes are exported, prescribes requirements relating to the marking of containers which differ from the aforesaid requirements, the containers containing such mangoes shall, notwithstanding the provisions of this regulation, be marked in a manner so prescribed and approved by the Director of Inspection Services.

Prohibited particulars

13. No wording, illustration or other means of expression which constitutes a misrepresentation or which, directly or by implication, creates a misleading impression of the contents shall appear on a container which contains mangoes.

PART VI

INSPECTION METHODS

Sampling

14. (1) An inspector shall abstract at random for inspection purposes at least one per cent of the containers in a consignment and shall satisfy himself that the containers, so abstracted, are representative of all count groups in the consignment concerned.

(2) The entire contents of each container, abstracted for inspection, shall be inspected.

(4 May 1979)

NOTICE 326 OF 1979

DEPARTMENT OF AGRICULTURAL
ECONOMICS AND MARKETINGREGULATIONS RELATING TO THE GRADING,
PACKING AND MARKING OF AVOCADOS
INTENDED FOR EXPORT FROM THE REPUBLIC
OF SOUTH AFRICA.—PROPOSED PUBLI-
CATION

The Division of Inspection Services of the Department of Agricultural Economics and Marketing intends to request the Minister of Agriculture to publish the regulations as set out in the Schedule hereto.

Interested persons are hereby invited to furnish the Director, Division of Inspection Services, Private Bag X258, Pretoria 0001, with any written comments or representations they wish to make in regard to the proposed regulations within three months of the date of publication of this Notice.

DEEL V

MERKVEREISTES

Merk van houers

12. (1) Elke houer wat mango's bevat moet in duidelike en leesbare blokletters met die volgende gegewens gemerk wees:

(a) Die naam en adres of handelsmerk van die produsent, eienaar of die uitvoerder met letters minstens 3 mm hoog;

(b) die klas, telling, cultivar en die verskepiingsmerk met letters minstens 10 mm hoog op een end van die houer.

(2) Etiket op houers moet skoon, stewig aangeheg wees en mag nie oor ander etikette geplak wees nie.

(3) Indien die land waarheen mango's uitgevoer word, vereistes met betrekking tot die merk van houers voorgeskryf wat verskil van voormelde vereistes, moet die houers van sodanige mango's, niteenstaande die bepalings van hierdie regulasie, gemerk word op 'n wyse aldus voorgeskryf en deur die Direkteur van Inspeksiedienste goedgekeur.

Verbode besonderhede

13. Geen bewoording, illustrasie of ander metode van begripsuitdrukking wat 'n wanvoorstelling behels of wat regstreeks of by implikasie 'n misleidende indruk van die inhoud skep, mag op 'n houer wat mango's bevat, verskyn nie.

DEEL VI

ONDERSOEKMETODES

Monsterneming

14. (1) 'n Inspekteur moet ten minste een persent van die houers in 'n besending vir ondersoek op 'n ewekansige wyse onttrek en homself tevrede stel dat die houers, aldus onttrek, verteenwoordigend van die betrokke besending is.

(2) Die hele inhoud van elke houer wat vir ondersoek onttrek is, moet ondersoek word.

(4 Mei 1979)

KENNISGEWING 326 VAN 1979

DEPARTEMENT VAN LANDBOU- EKONOMIE
EN -BEMARKINGREGULASIES MET BETREKKING TOT DIE
GRADERING, VERPAKKING EN MERK VAN
AVOKADO'S BESTEM VIR UITVOER UIT DIE
REPUBLIEK VAN SUID-AFRIKA.—VOORGE-
STELDE AFKONDIGING

Die Afdeling Inspeksiedienste van die Departement van Landbou- ekonomie en -bemarking is voornemens om die Minister van Landbou te versoek om die regulasies soos in die Bylae hiervan uiteengesit, af te kondig.

Belanghebbende persone word hierby versoek binne drie maande vanaf die datum van publikasie hierdie kennisgewing skriftelike kommentaar of verwat hulle in verband met die voorgestelde regulasies wil lewer aan die Direkteur, Afdeling Inspeksiedienste, Privaatsak X258, Pretoria, 0001, voor te lê.

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DEFINITIONS

1. In these regulations, unless inconsistent with the context, a word or expression to which a meaning has been assigned in the Agricultural Produce Export Act, 1971 (Act 51 of 1971), shall have a corresponding meaning, and—

“avocado” means the fruit of the plant *Persea americana* Miller;

“blemishes” means any external defect which affects the appearance of the avocado detrimentally;

“bruise of severe intensity” means any bruise of more than 10 mm in diameter which has as a result discolouration directly under the skin;

“clean” means free from spray residues, excessive dirt or foreign matter;

“consignment” means a quantity of avocados which is delivered at any one time under cover of the same consignment note, delivery note or receipt note, or from the same vehicle, or if such quantity is subdivided into different cultivars or size groups, each quantity of each of the different cultivars or size groups;

“consignment note” means a consignment note approved by the Director of Inspection Services;

“count” means the number of avocados packed in a container;

“decay” means a state of decomposition, fungus development or insect-infestation partly or completely affecting the internal quality of the avocados detrimentally;

“Department” means the Department of Agricultural Economics and Marketing;

“Director of Inspection Services” means the Director of the Division of Inspection Services of the Department;

“foreign matter” means any material not normally present in, on or between the avocados;

“injury” means any wound or puncture which has penetrated the skin of the avocado exposing the flesh, excluding such wounds or punctures which have healed completely or have become calloused;

“mature” means a stage of development of an avocado to a degree ensuring the proper completion of the ripening process;

“sunburn” means a condition where the appearance of an avocado is affected by the sun to a greater extent than to give it a greenish-yellow colour aggregating 10 per cent of the fruit surface;

“the Act” means the Agricultural Produce Export Act, 1971 (Act 51 of 1971); and

“well-formed” means that the avocado has a shape which is normally typical of the cultivar concerned.

WOORDOMSKRYWINGS

1. In hierdie regulasies, tensy uit die same blyk, het 'n woord of uitdrukking waarvan op Uitvoer van Landbouprodukte, 1971 (1971), betekenis geheg is, 'n ooreenstemmende beteken—

“avokado” die vrug van die plant *Persea Miller*;

“bederf” 'n toestand waar verrotting, wikkeling of insekbesmetting deels of inwendige gehalte van die avokado's nadelig beïnvloed;

“besending” 'n hoeveelheid avokado's op 'n bepaalde tydstip afgelewer word onder dieselfde afleweringbrief, vragbrief of oorkoepel van dieselfde voertuig, of indien sonder ingedeel is in verskillende kultivars of in elke hoeveelheid van elk van die verskillende kultivars of groottegroepe;

“besering” enige wond of prik wat die avokado deurboor en die vlees blootstel, sulke wonde of prikke wat volkome genees geraak het;

“Departement” die Departement van Landbou, ekonomie en -bemarking;

“die Wet” die Wet op Uitvoer van Landbouprodukte, 1971 (Wet 51 van 1971);

“Direkteur van Inspeksiedienste” die Direkteur van die Afdeling Inspeksiedienste van die Departement;

“goed gevorm” dat die avokado 'n vorm het wat kenmerkend van die betrokke kultivar is;

“kneusplekke van ernstige intensiteit” plekke van meer as 10 mm in deursnee wat direk onder die skil tot gevolg het;

“letsels” enige uitwendige gebrek wat die avokado's nadelig beïnvloed;

“volwassenheid” 'n stadium van ontwikkeling van 'n avokado tot 'n mate wat die behoeftes van die rypwordingsproses verseker;

“skoon” vry van spuitreste, oortollige vreemde stowwe;

“sonbrand” 'n toestand waar die avokado deur die son tot 'n groter mate geel of rooi word, om dit 'n groenerige-geel kleur wat persent van die vrugoppervlakte beslaan;

“telling” die aantal avokado's wat in 'n pak is;

“vragbrief” 'n vragbrief deur die Direkteur van Inspeksiedienste goedgekeur; en

“vreemde stowwe” enige materiaal wat nie in, op of tussen die avokado's teenwoordig is.

PART I

GENERAL

Notice

2. (1) Any person intending to export a consignment of avocados shall give written notice of his intention to the Director of Inspection Services, Private Bag X258, Pretoria 0001, or to an inspector, at least four days prior to the date of export.

(2) Such notice shall state—

- (a) the number and type of containers in the consignment;
- (b) the name of the exporter or his agent;
- (c) the port from which the export shall take place;
- (d) particulars concerning the marking and destination thereof; and
- (e) the date of export and, if by air, the scheduled time of departure.

Submission for inspection

3. Avocados shall be submitted for inspection at least 24 hours prior to the loading thereof into the vessel, aircraft or vehicle in which it is intended to export the avocados.

Consignment note

4. Every consignment of avocados shall, when submitted for inspection, be accompanied by a consignment note duly completed in quadruplicate of which each copy shall have the same serial number and of which one copy shall become the property of the Department.

Inspection

5. (1) An inspector may in any consignment of avocados abstract and open as many containers and examine the contents thereof and take samples of such contents for the purpose of further examination or analyses as he may deem necessary: Provided that no consignment may be rejected unless such consignment is inspected in the manner as prescribed in Part VI.

(2) An inspector's finding in relation to the containers opened by him by virtue of the provisions of subregulation (1) and the contents thereof, shall apply as a finding in respect of the whole consignment from which such containers were abstracted.

(3) Avocados which have been inspected and approved for export may, at any time thereafter, be re-inspected by an inspector.

(4) If an inspector is satisfied, after his inspection that the requirements of these regulations have been complied with in respect of the consignment of avocados, he shall—

(a) in the case of an inspection, approve for export such consignment, either by marking or causing to be marked on each container or label affixed thereto, the words "Approved by Government Inspector", or by issuing a certificate which indicates such approval; and

(b) in the case of a re-inspection, confirm the previous approval granted in respect of such consignment by issuing a certificate which indicates such confirmation.

Inspection fee

6. An inspection fee of 3.0c per container in a consignment of avocados shall be paid to the Department by the exporter of avocados when such avocados are submitted for inspection.

DEEL I

ALGEMEEN

Kennisgewing

2. (1) Iemand wat van voorneme is om 'n besending avokado's uit te voer, moet skriftelik aan die Direkteur van Inspeksiedienste, Privaatsak X258, Pretoria, 0001, of aan 'n inspekteur, kennis gee van sy voorneme minstens vier dae voor die datum van uitvoer.

(2) Sodanige kennisgewing moet verstrek—

- (a) die aantal en tipe houers in die besending;
- (b) die naam van die uitvoerder of sy agent;
- (c) die hawe waarvandaan die uitvoer sal plaasvind;
- (d) besonderhede aangaande die merk en bestemming daarvan; en
- (e) die datum van uitvoer en, indien per lug, die geskeduleerde tyd van vertrek.

Aanbieding vir ondersoek

3. Avokado's moet vir ondersoek aangebied word minstens 24 uur voor die inskeping daarvan in die skip, vlieg- of voertuig waarin dit beoog word om die avokado's uit te voer.

Vragbrief

4. Elke besending avokado's wat vir uitvoer bestem is, moet by die aanbieding daarvan vir ondersoek, vergesel wees van 'n vragbrief wat behoorlik in viervoud voltooi is waarvan elke afskrif dieselfde reeksnommer moet hê en waarvan een afskrif die eiendom van die Departement sal word.

Ondersoek

5. (1) 'n Inspekteur mag in 'n besending avokado's soveel houers onttrek en oopmaak en die inhoud daarvan ondersoek en monsters van sodanige inhoud neem vir die doel van verdere ondersoek of ontleding as wat hy nodig mag ag: Met dien verstande dat geen besending afgekeur mag word nie tensy sodanige besending ondersoek is op die wyse soos in Deel VI voorgeskryf.

(2) 'n Inspekteur se bevinding met betrekking tot die houers deur hom oopgemaak uit hoofde van die bepaling van subregulasie (1) en die inhoud daarvan, sal as 'n bevinding ten opsigte van die hele besending waaruit sodanige houers onttrek is, geld.

(3) Avokado's wat vir uitvoer goedgekeur is, mag te enige tyd daarna, deur 'n inspekteur herondersoek word.

(4) Indien 'n inspekteur na sy ondersoek tevrede is, dat daar ten opsigte van die besending avokado's aan die vereistes van hierdie regulasies voldoen is, moet hy—

(a) in die geval van 'n ondersoek sodanige besending vir uitvoer goedkeur deur of die woorde "Goedgekeur deur Staatsinspekteur", op elke houer of op elke etiket daaraan geheg, te merk, of te laat merk, of 'n sertifikaat wat sodanige goedkeuring aantoon, uit te reik; en

(b) in die geval van 'n herondersoek, die vorige goedkeuring bekragtig deur 'n sertifikaat wat sodanige bekragtiging aantoon, uit te reik.

Ondersoekgeld

6. 'n Ondersoekgeld van 3.0c per houer in 'n besending avokado's moet aan die Departement, deur die uitvoerder van avokado's, wanneer sodanige avokado's vir inspeksie aangebied word, betaal word.

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Appeal

7. (1) Any person who feels aggrieved as a result of any decision or action taken by an inspector may appeal against such decision or action by submitting a written notice of appeal to an inspector within 24 hours after he has been notified of that decision or action and depositing within the said period with such inspector or at any office of the Division of Inspection Services of the Department a deposit of R21: Provided that a separate deposit shall be deposited in respect of each consignment and provided further that if the notice of appeal and deposit are not submitted and deposited within the prescribed period of 24 hours, the appellant shall lose his right of appeal in terms of this regulation.

(2) An inspector may apply to avocados in respect of which an appeal has been lodged, or to the containers thereof, any mark or marks which he may deem necessary for identification purposes and such avocados shall not, without his consent, be removed from the place where they were inspected or where they are stored.

(3) The Secretary of the Department or an officer of the Department nominated by him, shall designate a person or persons who shall decide such an appeal within 48 hours (excluding Sundays and public holidays) after it was lodged, and the decision of the person or persons so designated shall be final.

(4) The person or persons so designated shall give the appellant or his representative at least two hours notice of the time and place determined for the hearing of the appeal, and may after the avocados have been produced and identified and all interested persons have been heard, instruct all persons (including the appellant, his representative and the inspector), to leave the place where the appeal is being considered.

(5) (a) If the appeal is upheld the amount deposited in respect thereof shall be refunded to the appellant.

(b) If the appeal is dismissed or if the avocados to which it relates are not produced at the time and place determined by the said person or persons, the amount deposited in respect thereof shall be forfeited.

Exemptions

8. Notwithstanding anything to the contrary, the requirements of the Act and these regulations shall not apply—

(a) to avocados intended for export to the Kingdom of Lesotho, the Kingdom of Swaziland, the Republic of Botswana, the Republic of Transkei, the Republic of Bophuthatswana and the territory of South West Africa;

(b) to avocados in respect of which the Director of Inspection Services has approved in writing that, subject to conditions determined by him, they be exported as an experiment and in respect of which such conditions have been complied with;

(c) to avocados loaded as provisions for consumption aboard a ship or other means of transport to foreign countries; or

(d) to avocados exported as a gift and of which the net mass does not exceed 5 kg.

Appel

7. (1) Iemand wat hom deur 'n beslissing van 'n inspekteur veronreg ag, mag 'n appel teen sodanige beslissing of optrede deur binne 24 uur na daardie beslissing of optrede in 'n geskrewe kennisgewing van appel aan die inspekteur in te dien, en binne genoemde tyd 'n deposito van R21 by enige kantoor van die Inspeksiedienste van die Departement neerlê: Voorsien dat 'n aparte deposito in ooreenstemming met die kennisgewing van appel ingedien word en dat indien die kennisgewing van appel nie binne die voorgeskrewe tyd ingedien en gedeponeer word nie, die reg van appel ingevolge hierdie regulasie verlore gaan.

(2) 'n Inspekteur mag aan avokado's ten opsigte van 'n appel aangeteken is, of aan die houer van 'n merk of merke aanbring wat hy vir identifikasie doeleindes nodig mag ag en sodanige avokado's nie, sonder sy toestemming, van die plaas van inspeksie of opberg, verwyder word.

(3) Die Sekretaris van die Departement of 'n persoon van die Departement deur hom aangewys, sal 'n besluit in verband met 'n appel binne 48 uur (uitgesluit Sondag en openbare vakansiedae) na indiening van en die beslissing van die aldus aangewysde persoon sal afdoende wees.

(4) Die aldus aangewese persoon of persoon wat die appellant of sy verteenwoordiger kennis gee van die tyd en plek bepaal vir die hoor van die appel en mag nadat die avokado's vertoon en uitgeken is en die appel gehoor is, alle persone (met inbegrip van die appellant, sy verteenwoordiger en die inspekteur) om die plek waar die appel oorweeg word te verlaat.

(5) (a) Indien 'n appel gehandhaaf word, sal die bedrag wat ten opsigte daarvan gedeponeer is, aan die appellant terugbetaal word.

(b) Indien 'n appel van die hand gewys word, sal die avokado's waarop dit betrekking het, binne 'n tyd en plek bepaal deur die genoemde persoon vertoon word nie, sal die bedrag wat ten opsigte daarvan gedeponeer is, verbehoort.

Vrystelling

8. Nieteenstaande andersluidende bevoorrindings van die Wet en hierdie regulasies, sal die volgende nie toegepas word—

(a) op avokado's wat vir uitvoer na die Koninkryk van Lesotho, die Koninkryk van Swaziland, die Republiek van Botswana, die Republiek van Transkei, die Republiek van Bophuthatswana en die gebied van Suidwes-Afrika bestemd is;

(b) op avokado's ten opsigte waarvan die Direkteur van Inspeksiedienste skriftelik goedgekeur het dat dit, onderworpe aan voorwaarde, as eksperimente geëksporteer word en in verband waarvan sulke voorwaarde bepaal is deur die Direkteur van Inspeksiedienste of deur 'n persoon wat deur hom aangewys is;

(c) op avokado's wat ingeneem word vir gebruik op 'n skip of ander vaartuig wat na 'n ander land of die buiteland; of

(d) op avokado's wat as geskenke geëksporteer word en waarvan die netto massa nie 5 kg oorskry.

PART II
QUALITY REQUIREMENTS

Class

9. (1) There shall be one class of avocados namely Class 1.

Specifications

(2) The class mentioned in subregulation (1) shall comply with the following specifications:

Quality factor	Class 1
(a) Specified defects:	
(i) Appearance.....	Attractive and clean.
(ii) Shape.....	Well-formed.
(iii) Maturity.....	Mature and contain not more than 80 per cent moisture but shall be firm and show no signs of softening.
(iv) Injuries.....	None.
(v) Blemishes.....	None.
(vi) Bruises of severe intensity.....	None.
(vii) Discolouration.....	Free from excessive discolouration.
(viii) Decay.....	None.
(ix) Foreign matter.....	None.
(b) Uniformity of size in the same container.....	Uniform.
(c) Unspecified defects:	
(i) Any other external or internal quality defect....	None.
(d) Chemical treatment.....	Shall be treated with a fungicide as prescribed by the Department of Agricultural Technical Services.
(e) Prevention of drying out....	May be treated with a preparation as prescribed by the Department of Agricultural Technical Services.
(f) Pedicels.....	
(i) The pedicels shall not exceed 8 mm in length.	
(ii) Fruit without pedicels shall be waxed: Provided that a maximum of 20 per cent of fruit without pedicels shall be allowed after 1 May.	

(3) *Deviations (according to number).*—The class mentioned in subregulation (1) may deviate from the specifications prescribed in subregulation (2) to the extent set out hereunder:

Quality factor	Class 1
	%
(a) Decay.....	1
(b) Injuries.....	3
(c) Bruises of severe intensity.....	3
(d) All other deviations combined.....	15
(e) All deviations combined: Provided that the limits in paragraphs (a), (b), (c) and (d) are not exceeded	15

PART III
CONTAINERS

10. (1) Containers containing avocados shall—

- (a) be suitable, clean, strong, unbroken and new;
- (b) be provided with suitable lids; and
- (c) have the following outside dimensions: 400 mm in length and 300 mm in width with depth optional.

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DEEL II
GEHALTEVEREISTES

Klas

9. (1) Daar is een klas avokado's naamlik Klas 1.

Spesifikasies

(2) Die in subregulasie (1) genoemde klas moet aan die volgende spesifikasies voldoen:

Gehaltesfaktor	Klas 1
(a) Gespesifiseerde gebreke:	
(i) Voorkoms.....	Aantreklik en skoon.
(ii) Vorm.....	Goedgevorm.
(iii) Volwassenheid.....	Volwasse en nie meer as 80 persent vog bevat nie maar ferm wees en geen tekens van sagwording toon nie.
(iv) Beserings.....	Geen.
(v) Letsels.....	Geen.
(vi) Kneusings van ernstige intensiteit.....	Geen.
(vii) Verkleuring.....	Vry van oormatige verkleuring.
(viii) Bederf.....	Geen.
(ix) Vreemde stowwe.....	Geen.
(b) Eenvormigheid van grootte in dieselfde houer.....	Eenvormig.
(c) Ongespesifiseerde gebreke:	
(i) Enige ander uitwendige of inwendige gehaltegebreke.....	Geen.
(d) Chemiese behandeling.....	Moet met 'n swamdoder behandel word soos deur die Departement Landbou-egniesedienste voorgeskryf.
(e) Voorkoming van uitdroging	Mag met 'n middel soos deur die Departement Landbou-egniesedienste voorgeskryf; behandel word.
(f) Blomstele.....	
(i) Blomstele moet nie langer as 8 mm wees nie.	
(ii) Vrugte sonder blomstele moet gewaks wees: Met dien verstande dat 'n maksimum van 20 persent van die vrugte sonder blomstele na 1 Mei toegelaat word.	

(3) *Afwykinge (volgens getal).*—Die in subregulasie (1) bedoelde klas mag tot die mate hieronder uiteengesit, afwyk van die in subregulasie (2) voorgeskrewe spesifikasie:

Gehaltesfaktor	Klas 1
	%
(a) Bederf.....	1
(b) Beserings.....	3
(c) Kneusplekke van ernstige intensiteit.....	3
(d) Alle ander afwykinge gesamentlik.....	15
(e) Alle afwykinge gesamentlik: Met dien verstande dat die perke in paragrawe (a), (b), (c) en (d) nie oorskry word nie.....	15

DEEL III
HOUERS

10. (1) Houers wat avokado's bevat, m

- (a) geskik, skoon, sterk, heel en nuut
- (b) van geskikte deksels voorsien we
- (c) die volgende buite-afmetings hê: 400 mm in lengte en 300 mm in breedte en diep

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PART IV

PACKING REQUIREMENTS

11. (1) Avocados in the same container shall be of the same cultivar and shall more or less correspond in ripeness, shape and appearance.

(2) Each avocado may be wrapped separately in suitable paper, cellophane or other suitable material: Provided that newspaper shall not be used for this purpose.

(3) Avocados shall be firmly packed.

(4) Avocados shall be packed—

- (a) to a suitable pattern in single layers; and
- (b) to the full capacity of the container.

(5) The maximum count per container shall be as follows:

Cultivar	Maximum count per container
Hass.....	28
Fuerte.....	22
Edranol.....	20
Ryan.....	20
Cariton.....	20
Nabal.....	14
Collinson.....	14
Other cultivars.....	20

PART V

MARKING REQUIREMENTS

12. (1) Containers containing avocados shall be clearly and legibly marked in block letters with the following particulars:

(a) The name and address or trade-mark of the owner, the producer or the exporter in letters of at least 3 mm in height;

(b) the words "CLASS 1" and "AVOCADOS" in letters of at least 10 mm in height; and

(c) the cultivar, count group and shipping mark in letters of at least 10 mm in height.

(2) If containers are marked by means of affixing labels thereto such labels shall be clean and securely attached and shall not be superimposed on other labels.

(3) If the country to which avocados are exported, prescribes requirements relating to the marking of containers which differ from the aforesaid requirements, the containers containing such avocados shall, notwithstanding the provisions of this regulation, be marked in a manner so prescribed and approved by the Director of Inspection Services.

Prohibited particulars

13. No wording, illustration or other means of expression which constitutes a misrepresentation or which, directly or by implication, creates a misleading impression of the contents shall be marked on a container containing avocados.

PART VI

INSPECTION METHODS

Sampling

14. (1) An inspector shall abstract at random for inspection purposes a number of containers and shall satisfy himself that the containers so abstracted are representative of the consignment concerned.

(2) The entire contents of each container abstracted in accordance with this regulation shall be inspected.

May 1979)

DEEL IV

VERPAKKINGSVEREISTE

11. (1) Avokado's in dieselfde houer of dieselfde cultivar wees en min of meer ooreenstemmend in rypheid, vorm en voorkoms.

(2) Elke avokado mag afsonderlik in geskeide sellofaan of ander geskikte materiaal toegepak word. Met dien verstande dat koerantpapier vir hierdie gebruik mag word nie.

(3) Avokado's moet stewig verpak word.

(4) Avokado's moet—

- (a) volgens 'n geskikte patroon in lae verpak word; en
- (b) tot die volle inhoudsvermoë van die houer verpak wees.

(5) Die maksimum telling per houer moet soos volg wees:

Cultivar	Maximum count per container
Hass.....	28
Fuerte.....	22
Edranol.....	20
Ryan.....	20
Cariton.....	20
Nabal.....	14
Collinson.....	14
Ander cultivars.....	20

DEEL V

MERKVEREISTES

12. (1) Houers wat avokado's bevat, moet duidelik en leesbare blokletters met die volgende besonderhede gemerk wees:

(a) Die naam en adres of handelsmerk van die produsent of die uitvoerder in letters van minstens 3 mm hoog;

(b) die woorde "KLAS 1" en "AVOCADOS" in letters van minstens 10 mm hoog; en

(c) die cultivar, tellinggroep en verskottingsmerk in letters van minstens 10 mm hoog.

(2) Indien houers gemerk word deur middel van etikette daarop, moet sodanige etikette stewig aangeheg wees en mag nie oorskraap of geplaak word nie.

(3) Indien die land waarheen avokado's gevoer word, vereistes met betrekking tot die merking van die houer wat verskil van voormelde vereistes, moet die houer van sodanige avokado's, nie slegs in ooreenstemming met die bepalinge van hierdie regulasie, gemerk word, maar ook aldus voorgeskryf en deur die Inspeksiedienste goedgekeur.

Verbode besonderhede

13. Geen bewoording, illustrasie of ander uitdrukking wat 'n wanvoorstelling skep, of wat regstreeks of by implikasie 'n misleidende indruk van die inhoud skep, mag op 'n houer gemerk wees, verskyn nie.

DEEL VI

ONDERSOEKMETODES

Monsterneming

14. (1) 'n Inspekteur moet 'n aantal houer abstracteer op 'n ewekansige wyse en moet seker stel dat die houer aldus onttrek verteenwoordigend is van die betrokke besending.

(2) Die totale inhoud van die houer so abstracteerd moet ondersoek word.

(4 Mei 1979)

NOTICE 327 OF 1979

REGULATIONS RELATING TO THE GRADING, PACKING AND MARKING OF LITCHIS INTENDED FOR EXPORT FROM THE REPUBLIC OF SOUTH AFRICA.—PROPOSED PUBLICATION

The Division of Inspection Services of the Department of Agricultural Economics and Marketing intends to request the Minister of Agriculture to publish the regulations as set out in the Schedule hereto.

Interested persons are hereby invited to furnish the Director, Division of Inspection Services, Private Bag X258, Pretoria, 0001, with any written comments or representations they wish to make in regard to the proposed regulations within three months of the date of publication of this Notice.

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DEFINITIONS

1. In these regulations, unless inconsistent with the context, a word or expression to which a meaning has been assigned in the Act, shall have a corresponding meaning, and—

"blemishes" means any external defect which affects the appearance of the litchis detrimentally and which is caused by extraneous factors such as hail, sun, wind, insects, cold, heat, handling practices or transport;

"clean" means free from spray residues, excessive dirt or foreign matter;

"consignment" means a quantity of litchis which is delivered at any one time under cover of the same consignment note, delivery note or receipt note, or from the same vehicle, or if such quantity is subdivided into different cultivars or size groups, each quantity of each of the different cultivars or size groups;

"consignment note" means a consignment note approved by the Director of Inspection Services;

"container" means the container in which litchis are packed;

"decay" means a state of decomposition, fungus development or insect-infestation affecting the quality of the litchis detrimentally;

"Department" means the Department of Agricultural Economics and Marketing;

"diameter" means the greatest diameter of a litchi measured at right angles to the longitudinal axis of the litchi;

"Director of Inspection Services" means the Director of the Division of Inspection Services of the Department;

"foreign matter" means any material not normally present in, on or between the litchis;

"injury" means any wound or puncture which has penetrated the skin of the litchi exposing the flesh, excluding such wounds or punctures which have healed completely or have become calloused;

KENNISGEWING 327 VAN 1979

REGULASIES MET BETREKKING TOT DIE GRADERING, VERPAKKING EN MERK VAN LIETSJIES BESTEM VIR UITVOER UIT DIE REPUBLIEK VAN SUID-AFRIKA. — VOORGESTELDE AFKONDIGING

Die Afdeling Inspeksiedienste van die Departement Landbou-ekonomie en -bemarking is voornemens om die Minister van Landbou te versoek om die regulasies soos in die Bylae hiervan uiteengesit, af te kondig.

Belanghebbende persone word hierby versoek om binne drie maande vanaf die datum van publikasie van hierdie kennisgewing skriftelike kommentare of vertoë wat hulle in verband met die voorgestelde regulasies wil lewer aan die Direkteur, Afdeling Inspeksiedienste, Privaatsak X258, Pretoria, 0001, voor te lê.

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WOORDOMSKRYWINGS

1. In hierdie regulasies, tensy uit die samehang anders blyk, het 'n woord of uitdrukking waaraan in die Wet betekenis geheg is, 'n ooreenstemmende betekenis en beteken—

"bederf" 'n toestand waar verrotting, swamontwikkeling of insekbesmetting die gehalte van die lietsjies nadelig beïnvloed;

"besending" 'n hoeveelheid lietsjies wat op 'n bepaalde tydstip afgelewer word onder dekking van dieselfde aflewingsbrief, vragbrief of ontvangsbewys, of van dieselfde voertuig, of indien so 'n hoeveelheid ingedeel is in verskillende cultivars of groottegroepe, elke hoeveelheid van elk van die verskillende cultivars of groottegroepe;

"besering" enige wond of prik wat die skil van die lietsjie deurboor en die vlees blootstel, uitgesonderd sulke wonde of prikke wat volkome genes of vereelt geraak het;

"Departement" die Departement van Landbou-ekonomie en -bemarking;

"deursnee" die grootste deursnee van 'n lietsjie reghoekig met die lengte-as van die lietsjie gemeet;

"die Wet" die Wet op Uitvoer van Landbouprodukte, 1971 (Wet 51 van 1971);

"Direkteur van Inspeksiedienste" die Direkteur van die Afdeling Inspeksiedienste van die Departement;

"gesond" vry van insekbeskadiging, uitwendige of inwendige fisiologiese of ander gebreke wat die kwaliteit van die lietsjie mag beïnvloed;

"goedgevorm" dat die lietsjie 'n vorm het wat normaalweg kenmerkend van die betrokke cultivar is;

"houer" die houer waarin die lietsjies verpak is;

"le'sels" enige uitwendige gebrek wat die voorkom van die lietsjies nadelig beïnvloed en wat deur uiteerfaktore soos hael, son, wind, insekte, koue, hitte, teringspraktyke of vervoer veroorsaak is;

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"litchis" means the fruit of the plant *Litchi chinensis*;
"ripe" means a stage of development where the colour and taste are acceptable;
"sound" means free from insect damage, external or internal physiological or other disorders which may affect the quality of the litchi detrimentally;
"the Act" means the Agricultural Produce Export Act, 1971 (Act 51 of 1971); and
"well-formed" means that the litchi has a shape which is normally typical of the cultivar concerned.

PART I GENERAL

Notice

2. (1) Any person intending to export a consignment of litchis, shall give written notice of his intention to the Director of Inspection Services, Private Bag X258, Pretoria, 0001, or to an inspector, at least four days prior to the date of export.

(2) Such notice shall state—

- (a) the number and type of containers in the consignment;
- (b) the name of the exporter or his agent;
- (c) the port from which the export shall take place;
- (d) particulars concerning the marking and destination thereof; and
- (e) the date of export and, if by air, the scheduled time of departure.

Submission for inspection

3. Litchis shall be submitted for inspection at least 24 hours prior to the loading thereof into the vessel or vehicle in which it is intended to export the litchis.

Consignment note

4. Every consignment of litchis shall, when submitted for inspection, be accompanied by a consignment note duly completed in quadruplicate of which each copy shall have the same serial number and of which one copy shall become the property of the Department.

Inspection

5. (1) An inspector may in any consignment of litchis abstract and open as many containers and examine the contents thereof and take samples of such contents for the purpose of further examination or analysis as he may deem necessary: Provided that no consignment may be rejected unless such consignment is inspected in the manner as prescribed in Part VI.

(2) An inspector's finding in relation to the containers opened by him by virtue of the provisions of subregulation (1) and the contents thereof, shall apply as a finding in respect of the whole consignment from which such containers were abstracted.

(3) Litchis which have been inspected and approved for export may, at any time thereafter, be re-inspected by an inspector.

(4) If an inspector is satisfied after his inspection that the requirements of these regulations have been complied with in respect of the consignment of litchis, he shall—

- (a) in the case of an inspection, approve for export such consignment, either by marking or causing to be marked on each container or label affixed thereto, the words "Approved by Government Inspector," or by issuing a certificate which indicates such approval and;

"lietsjies" die vrug van die plant *Litchi chinensis*;
"ryp" 'n stadium van ontwikkeling waaraan die vrug en smaak aanvaarbaar is;

"skoon" vry van spuitreste, oortollige hoeveelhede vreemde stowwe;

"vragbrief" 'n vragbrief deur die Departement van Inspeksiedienste goedgekeur; en

"vreemde stowwe" enige materiaal wat nie in, op of tussen die lietsjies teenwoordig is nie.

DEEL I ALGEMEEN

Kennisgewing

2. (1) Iemand wat van voorneme is om litchis uit te voer, moet skriftelik kennis gee van sy wettens vier dae voor die datum van uitvoer.

(2) Sodanige kennisgewing moet verstrekte

- (a) die aantal en tipe houers in die besending;
- (b) die naam van die uitvoerder of sy agent;
- (c) die hawe waarvandaan die uitvoer moet vind;
- (d) besonderhede aangaande die merk en oorsprong daarvan; en
- (e) die datum van uitvoer en, indien van toepassing, die geskeduleerde tyd van vertrek.

Aanbieding vir ondersoek

3. Lietsjies moet vir ondersoek aangebied word minstens 24 uur voor die inskeping daarvan in die voertuig waarin dit beoog word om die uitvoer te doen.

Vragbrief

4. Elke besending lietsjies wat vir uitvoer voorgelê moet, by die aanbieding daarvan vir ondersoek moet sel wees van 'n vragbrief wat behoorlik voltooi is waarvan elke afskrif dieselfde moet hê en waarvan een afskrif die eienaar van die Departement sal word.

Ondersoek

5. (1) 'n Inspekteur mag in 'n besending litchis houers onttrek en oopmaak en die inhoud daarvan ondersoek en monsters van sodanige inhoud vir die doel van verdere ondersoek of ontleding afneem. Met dien verstande dat 'n besending goedgekeur mag word nie tensy sodanige ondersoek is op die wyse soos in Deel VI van die Wet.

(2) 'n Inspekteur se bevinding met betrekking tot litchis houers deur hom oopgemaak uit hoofde van subregulasie (1) en die inhoud daarvan, sal ook as 'n bevinding ten opsigte van die litchis houers waaruit sodanige houers onttrek is, geld.

(3) Lietsjies wat vir uitvoer goedgekeur is, mag nie enige tyd daarna deur 'n inspekteur herondersoek word.

(4) Indien 'n inspekteur, na sy ondersoek, bevind dat daar ten opsigte van die besending litchis vereistes van hierdie regulasies voldoen is, sal hy—

- (a) in die geval van 'n ondersoek, 'n kennisgewing vir uitvoer goedkeur deur die Departement van Inspeksiedienste, "Goedgekeur deur Staatsinspekteur", of op 'n etiket daaraan geheg, te merk, of 'n sertifikaat wat sodanige goedkeuring toon, uit te reik; en

(b) in the case of a re-inspection, confirm the previous approval granted in respect of such consignment by issuing a certificate which indicates such confirmation.

Inspection fee

6. An inspection fee of 3c per container in a consignment of litchis shall be paid to the Department by the exporter of litchis when such litchis are submitted for inspection.

Appeal

7. (1) Any person who feels aggrieved as a result of any decision or action taken by an inspector may appeal against such decision or action by submitting a written notice of appeal to an inspector within 24 hours after he has been notified of that decision or action and depositing within the said period with such inspector or at any office of the Division of Inspection Services of the Department a deposit of R21: Provided that a separate deposit shall be deposited in respect of each separate consignment and provided further that if the notice of appeal and deposit are not submitted and deposited within the prescribed period of 24 hours, the appellant shall lose his right of appeal in terms of this regulation.

(2) An inspector may apply to litchis in respect of which an appeal has been lodged, or to the containers thereof, any mark or marks which he may deem necessary for identification purposes and such litchis shall not, without his consent, be removed from the place where they were inspected or where they are stored.

(3) The Secretary of the Department or an officer of the Department nominated by him, shall designate a person or persons who shall decide such an appeal within 48 hours (excluding Sundays and public holidays) after it was lodged, and the decision of the person or persons so designated shall be final.

(4) The person or persons so designated shall give the appellant or his representative at least two hours notice of the time and place determined for the hearing of the appeal, and may after the litchis have been produced and identified and all interested persons have been heard, instruct all persons (including the appellant, his representative and the inspector), to leave the place where the appeal is being considered.

(5) (a) If an appeal is upheld the amount deposited in respect thereof shall be refunded to the appellant.

(b) If an appeal is dismissed or if the litchis to which it relates are not produced at the time and place determined by the said person or persons, the amount deposited in respect thereof shall be forfeited.

Exemptions

8. Notwithstanding anything to the contrary, the requirements of the Act and these regulations shall not apply—

(a) to litchis intended for export to the Kingdom of Lesotho, the Kingdom of Swaziland, the Republic of Botswana, the Republic of Transkei, the Republic of Bophuthatswana and the territory of South West Africa;

(b) to litchis in respect of which the Director of Inspection Services has approved in writing that, subject to conditions determined by him, they be exported as an experiment and in respect of which such conditions have been complied with;

(b) in die geval van 'n herondersoek, die vorige goedkeuring bevestig deur 'n sertifikaat wat sodanige bevestiging aantoon, uit te reik.

Ondersoekgeld

6. 'n Ondersoekgeld van 3c per houer in 'n besending lietsjies moet aan die Departement, deur die uitvoerder van lietsjies, wanneer sodanige lietsjies vir inspeksie aangebied word, betaal word.

Appel

7. (1) Iemand wat hom deur 'n beslissing of optrede van 'n inspekteur veronreg ag, mag appel aanteken teen sodanige beslissing of optrede deur binne 24 uur nadat hy van daardie beslissing of optrede in kennis gestel is, 'n geskrewe kennisgewing van appel by 'n inspekteur in te dien, en binne genoemde tydperk by dié inspekteur, of by enige kantoor van die Afdeling Inspeksiedienste van die Departement 'n deposito van R21 te deponeer: Met dien verstande dat 'n afsonderlike deposito gedeponeer moet word ten opsigte van elke afsonderlike besending en met dien verstande verder dat indien die kennisgewing van appel en die deposito nie binne die voorgeskrewe tydperk van 24 uur ingedien en gedeponeer word nie, die appellant sy reg van appel ingevolge hierdie regulasie verbeur.

(2) 'n Inspekteur kan aan lietsjies ten opsigte waarvan 'n appel aangeteken is, of aan die houers daarvan, 'n merk of merke aanbring wat hy vir uitkenningdoelendes nodig mag ag en sodanige lietsjies mag nie, sonder sy toestemming, van die plek waar dit geïnspekteer of opgeberg is, verwyder word nie.

(3) Die Sekretaris van die Departement of 'n beampte van die Departement deur hom benoem, moet 'n persoon of persone aanwys deur wie oor so 'n appel beslis moet word binne 48 uur (uitgesonderd Sondae en openbare vakansiedae) na indiening daarvan en die beslissing van die aldus aangewese persoon of persone sal afdoende wees.

(4) Die aldus aangewese persoon of persone moet die appellant of sy verteenwoordiger minstens twee uur kennis gee van die tyd en plek bepaal vir die verhoor van die appel en mag nadat die betrokke lietsjies vertoon en uitgeken is en alle belanghebbendes aangehoor is, alle persone (met inbegrip van die appellant, sy verteenwoordiger en die inspekteur) gelas om die plek waar die appel oorweeg word, te verlaat.

(5) (a) Indien 'n appel gehandhaaf word, moet die bedrag wat ten opsigte daarvan gedeponeer is, aan die appellant terugbetaal word.

(b) Indien 'n appel van die hand gewys word of indien die lietsjies waarop dit betrekking het nie op die tyd en plek bepaal deur die genoemde persoon of persone vertoon word nie, sal die bedrag wat ten opsigte daarvan gedeponeer is, verbeur word.

Vrystelling

8. Nieteenstaande andersluidende wetsbepalings is die voorskrifte van die Wet en hierdie regulasies nie van toepassing nie—

(a) op lietsjies wat vir uitvoer bestem is na die Koninkryk van Lesotho, die Koninkryk van Swaziland, die Republiek van Botswana, die Republiek van Transkei, die Republiek van Bophuthatswana en die gebied van Suidwes-Afrika;

(b) op lietsjies ten opsigte waarvan die Direkteur van Inspeksiedienste skriftelik goedgekeur het dat dit, onderworpe aan voorwaardes deur hom bepaal, by wyse van 'n proefneming uitgevoer word en ten opsigte waarvan sodanige voorwaardes nagekom is;

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- (c) to litchis loaded as provisions for consumption aboard a ship or other means of transport to foreign countries; or
(d) to litchis exported as a gift and of which the net mass does not exceed 5 kg.

PART II

QUALITY REQUIREMENTS

Class

- 9 (1) There shall be one class of litchis namely Class 1.

Specifications

- (2) The class mentioned in subregulation (1) shall comply with the following specifications:

Quality factor	Class 1
(a) Specified defects:	
(i) Appearance.....	Sound and attractive.
(ii) Shape.....	Well-formed.
(iii) Minimum diameter.....	30 mm.
(iv) Maturity.....	Ripe and firm.
(v) Injuries.....	None.
(vi) Blemishes.....	None.
(vii) Discolouration.....	Free from excessive discolouration.
(viii) Decay.....	None.
(ix) Stems.....	Shall have firmly attached stems: Provided that when litchis are packed loose, the stems may be removed close to the stem-end.
(x) Foreign matter.....	None.
(b) Uniformity of size in the same container.....	Uniform.
(c) Unspecified defects:	
(i) Any other external or internal quality defect..	None.

- (3) *Deviations (according to number).*—The class mentioned in subregulation (1) may deviate from the specifications prescribed in subregulation (2) to the extent set out hereunder:

Quality factor	Class 1
	%
(a) Decay.....	1
(b) Injuries.....	3
(c) All deviations combined, excluding those mentioned in paragraph (d): Provided that the limits in paragraphs (a) and (b) are not exceeded.....	8
(d) Minimum diameter—	
(i) smaller than 30 mm but not smaller than 22 mm.....	7
(ii) smaller than 22 mm.....	1
(iii) (i) and (ii) collectively: Provided such deviations are individually within the limits as specified above.....	7

PART III

CONTAINERS

10. (1) Containers containing litchis shall—
- be suitable, clean, strong, unbroken and new;
 - be provided with suitable lids;
 - have the following external dimensions:
 - 400 mm in length and 300 mm in width; or
 - 200 mm in length and 300 mm in width;
 - have a maximum depth of 87 mm (internal dimensions): and
 - in the case of wooden containers, be suitably strapped after packing to prevent spillage in the event of nails or staples pulling loose. Wire, plastic tape or other suitable material may be used for this purpose.

(c) op lietsjies wat ingeneem word as gebruik op 'n skip of ander vervoer in buiteland; of

(d) op lietsjies wat as geskenk uitgewaer word waarvan die netto massa nie 5 kg oorskry.

DEEL II

GEHALTEVEREISTES

Klas

9. (1) Daar is een klas lietsjies naamlik

Spesifikasies

- (2) Die in subregulasie (1) genoemde klas moet die volgende spesifikasies voldoen:

Gehaliefaktor

(a) Gespesifiseerde gebreke:	
(i) Voorkoms.....	Gesond en aantreklik.
(ii) Vorm.....	Goedgevorm.
(iii) Minimum deursnee.....	30 mm.
(iv) Rypheid.....	Ryp en ferm.
(v) Beserings.....	Geen.
(vi) Letsels.....	Geen.
(vii) Verkleuring.....	Vry van oormatige verkleuring.
(viii) Bederf.....	Geen.
(ix) Stingels.....	Moet stingels hanteer: Met dien verstande dat waar lietsjies in houeers verpak word, die stingels verwyder moet word.
(x) Vreemde stowwe.....	Geen.
(b) Ongespesifiseerde gebreke:	
(i) Enige ander uitwendige of inwendige gehalteegebreek.....	Geen.
(c) Eenvormigheid van grootte in dieselfde houer.....	Eenvormig.

- (3) *Afwykings (volgens getal).*—Die in subregulasie (1) bedoelde klas mag tot die mate hierin gesit afwyk van die in subregulasie (2) spesifikasies:

Gehaliefaktor

(a) Bederf.....	1
(b) Beserings.....	3
(c) Alle afwykings gesamentlik uitgesonderd die paragraaf (d) genoem: Met dien verstande dat die perke in paragrafe (a) en (b) nie oorskry word.....	8
(d) Minimum deursnee—	
(i) kleiner as 30 mm maar nie kleiner as 22 mm.....	7
(ii) kleiner as 22 mm.....	1
(iii) (i) en (ii) gesamentlik: Met dien verstande sodanige afwykings individueel binne die perke soos hierbo gesertifiseer is.....	7

DEEL III

HOUEERS

10. (1) Houers wat lietsjies bevat, moet
- geskik, skoon, sterk, heel en nuut;
 - van geskikte deksels voorsien;
 - die volgende buite-afmetings hê:
 - 400 mm lank en 300 mm breed;
 - 200 mm lank en 300 mm breed;
 - 'n maksimum diepte van 87 mm (interne afmetings) hê; en
 - in die geval van houthouers, met geskikte wyse vasgebind word of in die geval waar spykers of kramme los is, draad, plastiekband of ander geskikte materiaal vir die doel gebruik word.

The rates derived from the simulations have shown that the fission model provided the fastest rate of expansion. The fission model was also characterized by a lower rate of expansion for a single culture than for the whole tradition. A comparison of the rates of expansion derived from the

This week, produce agents and market masters at two national conferences in East London are considering a radical proposal which, it is hoped, will help them win more of the business.

The idea, proposed by Apple Producers of Elgin (Apec) MD Johnny Mudge, is to turn the agents into brokers, making it unnecessary for much of the produce ever to appear on market floors. Indications are that it will get a sympathetic hearing — provided the actual deals are still handled through the markets.

Mudge says the brokerage system could handle the bulk of 3m cartons of apples sold annually by Elgin locally and could be applied to many other agricultural products.

His draft proposals claim many other all-round benefits, such as fresher produce at points of sale, fuel savings, a run-down of big buying departments maintained by retail chains, trimming of commissions and continuity of supply. "Smaller commissions (at present markets take 5% and agents 7,5%) will be more than offset by much bigger turnover even though a lot of produce will never see the market floor," reassures Mudge.

Market business, meanwhile, is anything but sluggish with both value and volume rising steadily. The 1977-78 turnover of R192,1m was up 10,9% on the previous year, and volume reached 1,58 Mt, up 2,1%. Turnover is expected to reach R300m in the next five years.

Traditional marketing, says Mudge, is no longer good enough for an industry in which supermarket chains and canning processors may need hundreds of tons of the right quality on a specific day. "Sophisticated buying departments from retail chains and national canners are doing deals with farmers even before the crop is planted," says Mudge.

He believes a lot of this super-bulk and forward buying could be won back to the markets if masters and agents opt for more off-the-floor deals.

What are the chances? The Elgin apple producing district, (60% of SA's output) distributes 12m cartons a year. Already about 20% goes directly to processors. "Under the present market system it is feasible for apples to go from the Cape to Johannesburg and be sold for shipment to Durban. We had to cut all that out," says Mudge.

Mudge argues that if broking works so well with apples, making up 12% by value of the produce market, it will work with potatoes (24%), tomatoes (17%), and many other commodities.

Tomorrow the Market Masters' Institute president, Pat du Preez, will put broking to his biennial conference. "We're sympathetic," he says.

The Commission for Fresh Produce, Markets chairman, Piet Venter, says: "It's a good idea and has our blessing. It might assist the movement of produce."

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he simulations of (Seper, 1971a) is by the simulations of most likely mechanism oral tradition (54; Vere 1974). ance and settled and they so more than one

RESULTS

The regression line for the Urewe culture had a slope of 0,54 with the origin at 92 years (Fig.4). This gave a rate of expansion of 0,57 Km/year. The slope for the Urewe to Silver Leaves expansion was 0,116 with the origin at 34 years. The overall expansion rate was 9,6 Km/year (Fig. 4). The overall rate of expansion corresponded fairly well with the values derived from the

not used in the analysis as the analysis was an attempt to measure the rate of spread of the Early Iron Age.

DATA

Regression analyses for both of the possible routes of expansion, Urewe to Silver Leaves and Kwaile to Silver Leaves, were carried out. Three regression lines were calculated, the value for the expansion of the Urewe culture and the values for the two possible routes. In each case the earliest date was set at a distance of zero. The distance from this site to other early sites was measured. The regression line was then calculated and rates of expansion were derived from the results.

The sites and associated dates used in the present study are shown in tables seven, eight, and nine.

supported a new complex. The complex use stream and therefore the historical reconstruction temporal ordering within hence a 'stream' model. The relatively slow the continuous spread probably incorrect. The the discontinuous spread of dispersal. This mech (Kimambo, 1974; Legassic The groups that were hiv could have acted as nuclei

PRODUCE MARKETS Going for broking

The R192m business done annually by SA's 14 main municipal markets is a small proportion of the total fruit and vegetable trade. An increasing amount is bypassing these outlets as major retail chains buy direct from farmers, cutting out the middleman and (in theory) keeping prices down.

chronology and bevelled from the eastern sorted the 17). However the south spread and he simulations of (Seper, 1971a) is by the simulations of most likely mechanism oral tradition (54; Vere 1974). ance and settled and they so more than one

3 Front 12/5/79

3 Front PM 8/5/79

DEFINITIONS

1. In these regulations, unless inconsistent with the context, any word or expression to which a meaning has been assigned in the Act, shall have a corresponding meaning and—

“banana” means the fruit of the plant *Musa acuminata*, *M. paradisiaca*, *M. sapientum* or *M. cavendishii*: Provided that the neck shall be deemed to be part of the fruit;

“circumference” means the largest circumference measured at right angles to the length of the banana;

“cluster” means the stem collar with a number of bananas attached to it, but not a natural hand of bananas;

“code number” means an identification number issued by the Banana Board, referred to in section 3 of the Scheme, to a producer of bananas or another person packing bananas for a producer or the owner of bananas;

“cold damage” means a state where exposure to a temperature not conducive to maturity of green bananas, causes the peel to be affected and that such affected parts of the peel appear glassy or watery;

“consignment” means a quantity of green bananas of the same grade delivered at any one time under cover of the same consignment note, delivery note or receipt note or from the same vehicle;

“damaged” means a state in which the banana is broken, cracked or has obviously been injured to such an extent that the flesh is exposed or that the banana has obviously been snapped;

“decay” means a state of decomposition or fungus development, excluding cigar end rot, partly or completely affecting the quality of bananas adversely;

“foreign matter” means any material not normally present in, on or between the bananas;

“fully grown” means that bananas are properly swollen without marked ridges;

“green” means that the banana does not show signs of maturity in relation to colour and firmness;

“inspector” means a person authorised by the Board in terms of section 32 of the Scheme, to conduct inspection of green bananas;

“length” means the distance between the point of the stalk where it is attached to the stem collar and the tip of the banana, measured along the outer curve of the banana;

“light” in relation to cigar end rot, means a type of dry fungus rot, limited to the blossom end of the banana, which has no discoloration as a result and is not longer than 5 mm from the blossom end;

“major”, in relation to cigar end rot, means a type of dry fungus rot which has as a result a dark discoloration of the flesh of the banana which goes further than 5 mm from the blossom end;

“minor” in relation to cigar end rot, means a type of dry fungus rot limited to the blossom end of the banana and which does not detrimentally affect the appearance of the banana;

“production area” has the same meaning as the meaning attached to it in the Scheme;

“single bananas” means bananas which have been removed from the stem collar or from part of a stem collar;

“sun or heat damage” means a state where the surface of green bananas appears yellow-white to brown as a result of sun or heat damage;

WOORDOMSKRYWINGS

1. In hierdie regulasies, tensy uit die samehang anders blyk, het 'n woord of uitdrukking waaraan in die Wet 'n betekenis geheg is, 'n ooreenstemmende betekenis en beteken—

“bederf” 'n toestand van verrotting of swamontwikkeling, uitgesonderd sigaarentverrotting, wat die gehalte van die piesangs deels of in die geheel nadelig beïnvloed;

“behandeling teen kraagentverrotting” dat piesangs vir minstens 30 sekondes in of 'n Thiabendazole oplossing van 200 mg per kg ondergedompel is of in enige ander soortgelyke geskikte swamdoder;

“besending” 'n hoeveelheid groen piesangs van dieselfde graad wat op 'n bepaalde tydstep afgelewer word onder dekking van dieselfde afleweringbrief, vragbrief of ontvangsbewys, of van dieselfde voertuig;

“beskadig” 'n toestand waar die piesang in so 'n mate gebreek, gebars of opsigtelik beseer is dat die vlees blootgestel is of dat die piesang opsigtelik geknak is;

“deelhand” die stamkraag met 'n aantal piesangs daaraan, maar nie 'n natuurlike hand piesangs nie;

“die Skema” die Piesangskema afgekondig by Proklamasie R. 109 van 1976 soos gewysig;

“die Wet” die Bemarkingswet, 1968 (Wet 59 van 1968);

“enkel piesangs” piesangs wat van die stamkraag of gedeelte van 'n stamkraag verwyder is;

“ernstig”, met betrekking tot sigaarentverrotting, 'n tipe van droë swamverrotting wat 'n donker verkleuring van die vlees van die piesang tot gevolg het en verder as 5 mm van die blomstrek;

“gering”, met betrekking tot sigaarentverrotting, 'n tipe droë swamverrotting wat tot die blomstrek van die piesang beperk is, en geen afbreuk aan die voorkoms van die piesang doen nie;

“goedgevorm” die fatsoen van 'n hand of 'n piesang van enige kultivar, kenmerkend van daardie kultivar;

“groen” dat die piesang nog nie tekens van rypwording met betrekking tot kleur of fermheid toon nie;

“inspekteur” 'n persoon aan wie die Raad ingevolge artikel 32 van die Skema magtiging verleen het om inspeksie op groen piesangs uit te voer;

“kodenommer” 'n identifikasienommer wat deur die Piesangraad vermeld in artikel 3 van die Skema toegeken word aan 'n produsent van piesangs of 'n ander persoon wat piesangs ten behoeve van 'n produsent verpak of die eienaar van piesangs;

“kouebeskadiging” 'n toestand waar blootstelling aan 'n temperatuur wat nie vir rypwording van groen piesangs bevorderlik is nie, veroorsaak dat die skil aangetas word en dat sodanige aangetaste deel van die skil glasagtig of waterig voorkom;

“lengte” die afstand tussen die punt van die stingel waar dit aan die kraagdeel geheg is en die punt van die piesang gemeet langs die buitenste buiging van die piesang;

“lig” met betrekking tot sigaarentverrotting, 'n tipe swamverrotting wat tot die blomstrek van die piesang beperk is, maar geen verkleuring in die vlees tot gevolg het nie en hoogstens 5 mm van die blomstrek;

“omtrek” die grootste omtrek gemeet reghoekig met die lengte van die piesang;

“piesang” die vrug van die plant *Musa acuminata*, *M. paradisiaca*, *M. sapientum* of *M. cavendishii*: Met dien verstande dat die nek geag word deel van die vrug te wees;

"the Act" means the Marketing Act, 1968 (Act 59 of 1968);

"the Scheme" means the Banana Scheme, published by Proclamation R. 109 of 1976, as amended;

"treatment against stem collar decay" means that bananas shall be immersed for at least 30 seconds in a Thiabendazole solution of 200 mg per kg or in any similar suitable fungicide;

"well formed" means the shape of a cluster or a banana or any cultivar, typical of that cultivar.

PART I

GENERAL

Purpose of regulations

2. These regulations have been made for the purpose of control over the quality of single green bananas intended for orderly marketing in certain delimited marketing areas under a permit issued by the Banana Board in terms of section 39 of the Scheme.

Inspection

3. (1) An inspector may abstract and open as many containers in any consignment of green bananas and examine the contents thereof and remove samples of such contents for the purpose of further examination or analysis as he may deem necessary: Provided that the inspector shall, for the purposes of regulation 9, draw an inspection sample of 100 bananas at random from each individual container, which may consist of clusters or loose bananas, as the case may be.

(2) An inspector's finding in relation to the containers opened by him by virtue of the provisions of subregulation (1), and the contents thereof, shall apply as a finding in respect of the whole consignment from which such containers were abstracted.

PART II

QUALITY REQUIREMENTS

Grade

4. (1) There shall be one grade of green single bananas, namely "Single".

Specifications

(2) The grade mentioned in subregulation (1) shall comply with the following specifications:

Quality factor	Single bananas
(a) Stem collar....	The collar shall be trimmed neatly and not more than 15 mm-20 mm from the necks: Provided that single bananas shall not be attached to a stem collar or part thereof.
(b) Maturity.....	Green but fully grown.
(c) Decay.....	None.
(d) Treatment against stem collar decay	Shall be treated.
(e) Damage.....	None: Provided that snapped necks of bananas shall be allowable.
(f) Wiltedness....	None.
(g) Sun or heat damage	Allowable: Provided that the fruit is not discoloured brown or black.
(h) Cold damage...	Allowable: Provided that it is light.
(i) Insect infestation or insect damage	Allowable: Provided that damage is restricted to the surface and the flesh is not exposed.
(j) Blemishes and marks of a light intensity including light dry orchard marks	Allowable: Provided that such marks are superficial and do not cover more than 50% of the skin area of the banana.

"produksiegebied" het dieselfde betekenis as die betekenis daaraan geheg in die Skema;

"son- of hittebeskadiging" 'n toestand waar die oppervlakte van groen piesangs geel-wit tot bruin as gevolg van son- of hittebeskadiging vertoon;

"volgroeid" dat piesangs behoorlik uitgeswel is sonder opmerklike riwwe; en

"vreemde stowwe" enige vreemde materiaal nie normaalweg in, op of tussen die piesangs teenwoordig nie.

DEEL I

ALGEMEEN

Doel van regulasies

2. Hierdie regulasies is gemaak vir die doel van beheer oor die kwaliteit van enkel groen piesangs bestem vir ordelike bemarking in sekere afgebakende bemarkingsgebiede kragtens 'n permit uitgereik deur die Piesangraad ingevolge artikel 39 van die Skema.

Inspeksie

3. (1) 'n Inspekteur mag in 'n besending groen piesangs soveel houers onttrek en oopmaak en die inhoud daarvan inspekteer en monsters van sodanige inhoud neem vir die doel van verdere inspeksie of ontleding as wat hy nodig mag ag: Met dien verstande dat 'n inspekteur by die toepassing van regulasie 9, ewekansig uit elke individuele houer 'n inspeksiemonster van 100 piesangs, wat uit deelhande of los piesangs na gelang van die geval, mag bestaan, moet trek.

(2) 'n Inspekteur se bevinding met betrekking tot die houers deur hom oopgemaak uit hoofde van die bepaling van subregulasie (1), en die inhoud daarvan, geld as 'n beslissing ten opsigte van die hele besending waaruit sodanige houers onttrek is.

DEEL II

GEHALTEVEREISTES

Grade

4. (1) Daar is een graad groen enkel piesangs, naamlik "Enkel".

Spesifikasies

(2) Die in subregulasie (1) bedoelde graad moet aan die volgende spesifikasies voldoen:

Gehaltefaktor	Enkel piesangs
(a) Stamkraag.....	Die kraag moet netjies en nie verder as 15 mm-20 mm vanaf die nekke gesny wees nie: Met dien verstande dat enkel piesangs nie aan 'n kraag of kraaggedeelte geheg mag wees nie.
(b) Rypheid.....	Groen maar volgroeid.
(c) Bederf.....	Geen.
(d) Behandeling teen kraagentverrotting	Moet behandel wees.
(e) Beskadiging....	Geen: Met dien verstande dat geknakte nekke van piesangs toelaatbaar is.
(f) Verleptheid....	Geen.
(g) Son- of hittebeskadiging	Toelaatbaar: Met dien verstande dat die vrug nie bruin of swart verkleur is nie.
(h) Kouebeskadiging	Toelaatbaar: Met dien verstande dat dit lig is.
(i) Insekbesmetting of insekbeskadiging	Toelaatbaar: Met dien verstande dat dit slegs oppervlakkig is en die skil nie tot op die vlees beskadig is nie.
(j) Letsels en merke van 'n ligte intensiteit waarby ligte droë boordmerke ingesluit is	Toelaatbaar: Met dien verstande dat dit slegs oppervlakkig is en nie meer as 50% van die skiloppervlakte van die piesang beslaan nie.

Quality factor	Single bananas
(k) Foreign matter	Allowable: Provided that the foreign matter does not constitute poisonous substances.
(l) Appearance . . .	Washed clean.
(m) Stem collar decay	None.
(n) Cigar end rot . . .	Allowable: Provided that it is light.
(o) Dry remains of blossom	Allowable.
(p) Size—	
(i) minimum length per banana	150 mm.
(ii) minimum circumference per banana	95 mm.
(g) Unspecified defects	Allowable: Provided that the keeping quality and ripening of bananas is not adversely effected.

(3) *Maximum allowable deviations per consignment* (by number).*—The grade mentioned in subregulation (1) may deviate from the specifications prescribed in subregulation (2) to the extent set out hereunder:

Quality factor	Single bananas
(a) Bananas attached to one stem collar provided that they are adjoining—	
(i) 3 bananas attached to one stem collar	5 per container.
(ii) 2 bananas attached to one stem collar	15 per container.
(iii) Deviations in (i) and (ii) collectively	15 per container.
(b) Size deviations where the length of bananas are less than 150 mm and at least 140 mm or the circumference of bananas is less than 95 mm	5%.
(c) Decay, damage, ripeness, major wiltedness and major cigar end rot (by percentage and if decay does not exceed 2 per cent)	8%.
(d) All other quality defects	15%.
(e) Quality defects collectively, excluding those in subparagraph (a): Provided that such deviations are individually within the specified limits—	
(i) maximum per consignment*	15%.
(ii) maximum per individual deviating container	30%.

**PART III
CONTAINERS**

5. Containers containing bananas shall be clean, firm and whole.

**PART IV
PACKING REQUIREMENTS**

6. Single bananas shall be packed in the container according to the following method:

(a) Layers of single bananas along the length of the container with the fingertips pointing towards the bottom and the collars or stem ends next to the sides of the container so that the bananas lie horizontally;

(b) a few single bananas may be placed in the space between layers prescribed in (a) if the packer is of the opinion that the fruit in the layers might possibly shift to the middle of the container during further handling of the container;

* Deviations in a consignment shall be determined according to the average deviation per container in the sample inspected (refer regulation 3).

Gehaliefaktor	Enkel piesangs
(k) Vreemde stowwe	Toelaatbaar: Met dien verstande dat die vreemde stowwe nie gifstowwe is nie.
(l) Voorkoms	Skoongewas.
(m) Stamkraag bederf	Geen.
(n) Sigaarentverrotting	Toelaatbaar: Met dien verstande dat dit lig is.
(o) Droë blomreste	Toelaatbaar.
(p) Grootte—	
(i) minimum lengte per piesang	150 mm.
(ii) minimum omtrek per piesang	95 mm.
(g) Ongespesifiseerde gebreke	Toelaatbaar: Met dien verstande dat dit nie die goeðhouvermoë of rypmaking van piesangs nadelig beïnvloed nie.

(3) *Maksimum toelaathare afwyking per besending* (volgens getal)*—Die in subregulasie (1) bedoelde graad mag tot die mate hieronder uiteengesit, afwyk van die in subregulasie (2) voorgeskrewe spesifikasies:

Gehaliefaktor	Enkel piesangs
(a) Piesangs aan een stamkraag geheg mits hulle aangrensend aanmekaar is—	
(i) 3 piesangs aan een stamkraag geheg	5 per houer.
(ii) 2 piesangs aan een stamkraag geheg	15 per houer.
(iii) Afwykings in (i) en (ii) gesamentlik	15 per houer.
(b) Grootte-afwykings waar die lengte van piesangs minder as 150 mm en minstens 140 mm is of die omtrek van piesangs minder as 95 mm is	5%.
(c) Bederf, beskadigde, ryp, erg verleptheid en ernstige sigaarentverrotting (volgens persentasie en mits bederf nie 2 persent oorskry nie)	8%.
(d) Alle ander gehaltegebreke	15%.
(e) Gehaltegebreke gesamentlik, uitgesonderd die in subparagraaf (a): Met dien verstande dat sodanige gehaltegebreke individueel binne die gespesifiseerde perke is	
(i) maksimum per besending	15%.
(ii) maksimum per individuele afwykende houer	30%.

**DEEL III
HOERS**

5. Houers wat piesangs bevat, moet skoon, stewig en heel wees.

**DEEL IV
VERPAKKINGSVEREISTES**

6. Enkel piesangs moet volgens die volgende metode verpak wees:

(a) Lae enkel piesangs aan elke lengtekant van die houer met die vingerpunte na onder en die krae of nekke teenaan die kante van die houer sodat die piesangs horisontaal lê;

(b) 'n paar enkel piesangs mag in die opening tussen die in paragraaf (a) voorgeskrewe rye geplaas word indien die verpakker van mening is dat die vrugte in bedoelde rye met die verdere hantering van die houer waarskynlik na die middel van die houer sal skuif;

* Afwykings in 'n besending sal volgens die gemiddelde afwyking per houer in 'n monster wat geïnspekteer is, bepaal word (verwys regulasie 3).

DECIDUOUS FRUIT

A happy ending

After initial outrage at the imposition of import quotas by the EEC in March, SA apple producers now find themselves hard put to fill the quota, and exports to the US have had to be scaled down.

On March 8 the Deciduous Fruit Board (DFB) was told that 1979 apple exports to the EEC would have to be limited to 110 500 t, or 85% of volume in the three preceding export seasons. DFB protested, since shipping contracts had been based on exports of 131 000 t.

As a compromise, DFB asked the European Commission to consider restricting apple exports to 105 000 t in April, May and June and allowing increased sales in July when a large proportion of the EEC's

apple mountain (1.78 Mt in February) will have been consumed. The EEC Commission turned down the request, the DFB calculated that 800 000 cartons (1 t=50 cartons) would have to be sold elsewhere.

In subsequent talks, however, the commission fixed a final quota for SA of 123 000 t. After reviewing crop expectations (scaled down because of severe sunburn and smaller fruit), DFB concluded that it would be hard pressed to meet the quota. On adjusted forecasts of 9.5m cartons (compared with 11.4m estimated initially), and planned exports to the US, Oceania, Far and Middle East it estimated that only 115 454 t would be available for export to the EEC, a shortfall of about 360 000 cartons on the increased quota.

To ease its embarrassment, DFB has cut its North American export allocation from 925 000 cartons to 619 000 cartons, the minimum requirement to guarantee continuity in that market.

Meanwhile, the DFB estimates that gross export realisations this season will rise to R214m (R205m), but that payments to farmers will probably drop to R93m (R104m) because of increased ocean freight rates and the oil surcharge.

o) Ander Lede:

Lede word na die Algemene Jaarvergadering van die Maatskappij en kias elke drie jaar n verteenwoordiger

ryl geen
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nam raak.

ie

Afrika

Onder-
Skier-
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Friends (Quakers) en van die American Friends Service Committee deurgebring. Hy het n aantal konferensies in verskillende dele van die land bygewoon, baie vergaderings toegesprek en senior beamptes van die Carnegie Corporation, van Community Relations Services van die Departement van Justisie van die Amerikaanse regering, van die American Friends Service Committee en kollegas verbonde aan verskeie universiteite besoek.

Gedurende Augustus en September het die Direkteur Engeland, Nederland, Switserland, Swede, Israel en Zambik besoek. Hy het vooraanstaande joernaliste, Suid-Afrikaanse diplomaate, senior amptenare van die Suid-Afrika-Stigting en verskeie regerings betrokke by Suid-Afrikaanse belangte ontmoet. Hy het besprekings gevoer met stigtings, truste en opvoedkundige verenigings. As gevolg van sy besoek aan Nederland het hy n toelae vir die Konstruktiewe Program ontvang van die Algemeen Dikonaal Bureau van die Gereformeerde Kerken in Holland.

Professor J.L. Boshoff, ere-Fellow van die Konstruktiewe Program, het met n aantal instansies, wat universiteite in Natal en Transvaal insluit, en met verskeie handels- en industriële firmas in Natal, kontak opgebou.

(b) Konferensies

Gedurende 1978 het die Direkteur die volgende konferensies bygewoon:

Jaarlikse Konferensie, Nasionale Uitvoerende Komitee- en Raadsvergadering van die Suid-Afrikaanse Instituut vir Rasseverhoudings, Kaapstad (Januarie).

Suid-Afrikaanse Jaarlikse Vergadering van die Religious Society of Friends, Stutterheim (April).

Negende Wêreldkongres van Sosiologie, Uppsala, Swede. Verhandeling voorgedra in Werkgroep 6 en vergaderings bygewoon van die Raad van die Internasionale Sosiologiese Vereniging as die amptelike afgevaardigde van Suid-Afrika (Augustus).

No. R. 1097

③ Fruit

25 May 1979

REGULATIONS RELATING TO THE GRADING,
PACKING AND MARKING OF GREEN SINGLE
BANANAS INTENDED FOR SALE UNDER A
PERMIT ISSUED BY THE BANANA BOARD IN
TERMS OF SECTION 39 OF THE BANANA
SCHEME

The Minister of Agriculture has, under the powers vested in him by section 89 of the Marketing Act, 1968 (Act 59 of 1968), made the regulations set out in the Schedule hereto.

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No. R. 1097

25 Mei 1979

REGULASIES MET BETREKKING TOT DIE
GRADERING, VERPAKKING EN MERK VAN
GROEN ENKEL PIESANGS BESTEM VIR VER-
KOOP KRAGTENS 'N PERMIT UITGEREIK
DEUR DIE PIESANGRAAD IN TERME VAN
ARTIKEL 39 VAN DIE PIESANGSKEMA

Die Minister van Landbou het, kragtens die bevoegdheid hom verleen by artikel 89 van die Bemarkingswet, 1968 (Wet 59 van 1968), die regulasies in die bylae hiervan uiteengesit, gemaak.

BYLAE		
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(c) in no fully packed container shall the fruit protrude more than 30 mm above the container; and

(d) after packing each container shall contain at least 20,7 kg of bananas and the mass of the container and the bananas collectively, shall be at least 22 kg.

PART V

MARKING REQUIREMENTS

7. Each container containing bananas shall be marked clearly and legibly in block letters with the following particulars:

(a) On both ends of the container in block letters of at least 20 mm in height with—

(i) the code number of the producer or packer or the owner, where the latter is not the producer or the packer; and

(ii) the grade of the bananas, i.e. "Single".

(b) On only one end of the container in block letters of at least 5 mm in height with—

(i) the date on which the bananas were sent out of the production area; and

(ii) the name and address of the marketing agent or the addressee.

Prohibited particulars

8. No wording, illustration or other means of expression which constitutes a misrepresentation or which directly or by implication creates a misleading impression of the contents, shall appear on a container which contains green bananas.

PART VI

INSPECTION METHODS

Determination of size

9. (1) An inspector shall, in determining possible deviations from the size requirements of bananas, apply the measuring method.

(2) With the application of subregulation (1), "measuring method" means the method according to which, in determining the length and circumference each individual banana in the sample shall be measured.

(c) in geen volverpakte houer mag die vrugte hoër as 30 mm bokant die houer uitstaan nie; en

(d) elke houer moet na verpakking minstens 20,7 kg piesangs bevat en die massa van die houer en piesangs moet gesamentlik minstens 22 kg wees.

DEEL V

MARKVEREISTES

7. Elke houer wat piesangs bevat, moet duidelik en leesbaar in blokletters met die volgende besonderhede gemerk wees:

(a) Op beide ente van die houer in blokletters van minstens 20 mm hoog met—

(i) die kodenommer van die produsent of verpakker of die eienaar, in die geval waar laasgenoemde nie die produsent of verpakker is nie; en

(ii) die graad van die piesangs naamlik "Enkel".

(b) slegs op een ent van die houer in blokletters van minstens 5 mm hoog met—

(i) die datum waarop die piesangs uit die produksiegebied versend is; en

(ii) die naam en adres van die markagent of die geadresseerde.

Verhede besonderhede

8. Geen bewoording, illustrasie of ander metode van begripsuitdrukking wat 'n wanvoorstelling behels of wat regstreeks of by implikasie 'n misleidende indruk van die inhoud skep mag op 'n houer wat groen piesangs bevat, verskyn nie.

DEEL VI

INSPEKSIEMETODES

Bepaling van grootte

9. (1) By die bepaling van moontlike afwykings van die groottevereistes van piesangs moet 'n inspekteur die meetmetode toepas.

(2) By die toepassing van subregulasie (1) beteken "meetmetode" die metode waarvolgens by die bepaling van lengte en omtrek, elke afsonderlike piesang in die monster gemeet moet word.

LEVY AND SPECIAL LEVY ON DECIDUOUS FRUIT.—AMENDMENT

In terms of section 79 (a) of the Marketing Act, 1968 (Act 59 of 1968), I, Hendrik Stephanus Johan Schoeman, Minister of Agriculture, hereby make known that the Deciduous Fruit Board referred to in section 3 of the Deciduous Fruit Scheme, published by Proclamation R. 288 of 1962, as amended, has in terms of sections 18 and 19 of the said Scheme with my approval, further amended the levy and special levy published by Government Notice R. 2391 of 1 December 1978, as amended, as set out in the Schedule hereto.

H. S. J. SCHOEMAN, Minister of Agriculture.

SCHEDULE

1. The Schedule to Government Notice R. 2391 of 1 December 1978, as amended, is hereby further amended by the substitution for subparagraph (ii) of clause 2 (c) of the following subparagraph:

"(ii) Freestone peaches and nectarines, produced in the controlled area (other than freestone peaches and nectarines produced in the Magisterial Districts of George, Humansdorp, Knysna and Uniondale) and sold in the marketing area, the registration area, South West Africa, Bophuthatswana, Lesotho, Transkei and Swaziland under authority of a permit issued in terms of section 17 (p) (ii) of the said Scheme: Provided that the levies contemplated in subparagraph (i) and (ii) shall not apply to deciduous fruit purchased from

GG6460

to take a wagon over

HEFFING EN SPESIALE HEFFING OP SAGTE-VRUGTE.—WYSIGING

Kragtens artikel 79 (a) van die Bemarkingswet, 1968 (Wet 59 van 1968), maak Hendrik Stephanus Johan Schoeman, Minister van Landbou, hierby bekend dat die Sagtevrugteraad genoem in artikel 3 van die Sagtevrugteskema, afgekondig by Proklamasie R. 288 van 1962, soos gewysig, kragtens artikels 18 en 19 van genoemde Skema, met my goedkeuring, die heffing en spesiale heffing afgekondig by Goewermentskennisgewing R. 2391 van 1 Desember 1978, soos gewysig, verder gewysig het soos in die Bylae hiervan uiteengesit.

H. S. J. SCHOEMAN, Minister van Landbou.

BYLAE

1. Die Bylae van Goewermentskennisgewing R. 2391 van 1 Desember 1978, soos gewysig, word hierby verder gewysig deur subparagraaf (ii) van klousule 2 (c) deur die volgende subparagraaf te vervang:

"(ii) Lospitperskes en kaalperskes in die beheerde gebied geproduseer (behalwe lospitperskes en kaalperskes in die landdrostdistrikte George, Humansdorp, Knysna en Uniondale geproduseer) en verkoop in die registrasiegebied, die bemarkingsgebied, Suidwes-Afrika, Bophuthatswana, Lesotho, Transkei en Swaziland kragtens 'n permit uitgereik in terme van artikel 17 (p) (ii) van genoemde Skema: Met dien verstande dat die subparagraaf (i) en (ii) beoogde heffings nie van toepassing is op sagtevrugte wat van die Raad gekoop is,

the Board, or from a person who sold such deciduous fruit under authority of a permit referred to in the said paragraph (ii):"

2. This Notice shall come into operation on 4 June 1979.

of van 'n persoon wat sodanige sagtevrugte verkoop het op gesag van 'n permit vir genoemde subparagraaf (ii) bedoel."

2. Hierdie Kennisgewing tree in werking op 4 Junie 1979.

~~I was~~ sanction to do anything I liked in the matter. I went again to see the O.C. convoy escort and the transport Officer and told them that, if necessary, positive orders would be issued to give me a guide, wagon and the necessary oxen. I must say they took it very well, and the latter did all he could to help me. I selected a covered wagon - there were only three in the convoy - and this did not please the Sergeant Conductors as they sleep in them when empty. They told the transport Officer that the team would not pull it as they were weak. Thereupon I asked for 32 oxen. This at once settled matters, and they said if I would be content

Pat on the back for pineapple growers

The co-operation and support of pineapple growers in the Border area were commended by the officer in charge of East London's Agricultural Research Station, Dr. D.P. Keetch.

"Farmers regularly make sections of their pineapple lands available for research and for this we are indeed grateful. Without this co-operation research prospects could be greatly handicapped," Dr Keetch said.

It leaves no doubt, however, that the work carried out by the research station is greatly appreciated by pineapple growers. Since its establishment 23 years ago very valuable information has been passed on to farmers.

The following is a brief sketch by Dr. Keetch of the history of the research station.

The Agricultural Research Station at East London, which is one of a number of research centres in the Republic under the control of the Citrus and Subtropical Fruit Research Institute, is concerned with all aspects of pineapple cultivation and production throughout South Africa.

The first steps towards the formation of the Research Station occurred in April 1956 when a number of scientists attached to the Eastern Cape Region of the

Department of Agricultural Services were given offices at East London airport in buildings formerly occupied by air crews during World War II. Towards the end of 1968 the buildings of the present research station were completed at a cost of some R120 000.

Today the Research Station covers an area of some 570 ha, much of which has been retained as indigenous bush and forest. With a staff of 15 officers and 56 labourers the station is one of the largest centres for pineapple research in the Southern Hemisphere. One member of the research station staff is stationed at Bathurst and another at Pinetown (Natal) to attend to the needs of pineapple farmers in the nearby production areas.

The current research programme covers investigations and experiments into: 1. the control of plant parasitic nematodes insects and mitepests 2. fertilisation and forcing by means of hormones 3. plant propagation and plant selection. 4. weed control 5. the relationships between climate and the growth and yield of pineapple plants 6. pineapple fruit diseases and disorders

Much of the above work could not be undertaken without the understanding and fullest co-



Dr D. P. Keetch, head of the Agricultural Research Station outside East London.

operation of the pineapple farmers, their representative committees and associations and the canning factories.

The results of the research work are communicated to farmers in various publications of the Department of Agricultural Technical Services at meetings and demonstrations and in early morning radio talks.

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e) Discipline:

This is an area where problems arise for management. It must be remembered that the African who comes from the townships has left behind him much of the tribal law and therefore has no moral code to guide him. The White man's laws are a mystery to him and the African becomes confused resulting in being amoral. It is his place of work which should provide him with a moral code i.e. a code of behaviour, as here the African is subjected to discipline

Oranges are likely to cost more this season

The South African Co-operative Citrus Exchange has taken charge of the marketing and distribution of the local orange crop — a move which officially marked the start of the 1979 orange season.

The Citrus Exchange predicts strong demand for South African fruit on world markets this season, and estimates supplies at the same level as last year, when the crop produced some 28 million 15kg equivalents for export.

Exports of citrus last year produced R120 million in foreign exchange and continued their steady growth pattern both in quantity exported and rand values. South African oranges sell in the European retail markets for about 20 cents each, as compared with the local price of about 8 cents.

With heavy export demand for South African fruit and a normal overall crop, an under-supply position can be expected to push the local price of oranges slightly higher this year.

The early season varieties — Navels and Midseasons — should be freely available and will come mostly from the bigger growing areas of the Eastern Transvaal Lowveld and the central Northern Transvaal.

The Juicy Valencia

oranges, which come onto the market later in the season and are used substantially for juice processing, are expected to be in short supply.

This year South Africans will be encouraged more strongly than ever before to consume more grapefruit.

Grapefruit will start pouring onto the market with the start of control with early fruit coming mainly from the Eastern Transvaal, Natal and Swaziland.

Due mainly to increased plantings, especially of the Rose (pink) variety, availability of grapefruit on the local market is expected to increase substantially over the next few years. Yet consumer research shows that 40 per cent of South Africans never buy grapefruit and per capita consumption is very low.

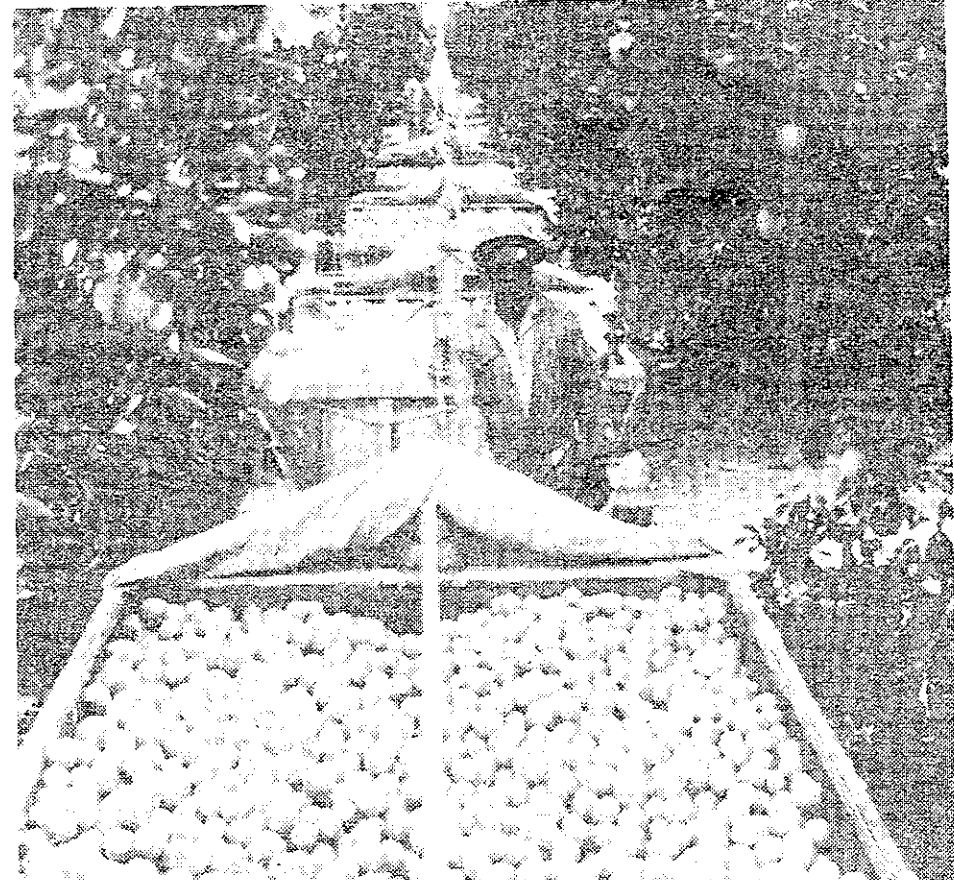
The Citrus Exchange is putting a great deal of effort into marketing grapefruit this year with heavier and more persuasive advertising to encourage consumers to eat the bigger grapefruit, juice the smaller ones and drink more Citrus-approved processed grapefruit juice.

A major incentive for consumers will be the fact that retail prices for the fruit are expected to be equal to or lower than those of last year. In ad-



A momentous day for fruit growers in 1925 when the first millionth box of fruit from South Africa during one season was reached.

Notables in the photograph included General Smuts, then Prime Minister of South Africa (sixth from left), and on his left, Sir Thomas Smart, then Minister of Agriculture.



Picked and ready for packing — crates full of oranges make their way from the orchards to the pack houses.

dition, the popular Rose fruit will make up about 30 per cent of all local grapefruit this year.

Heavy lemon plantings in recent years have meant that the lemon crop is expected to increase 40 per cent by 1982.

With export prospects looking good this season and less competition than usual expected from the mediterranean countries and California — there should be a boost in demand for this growing crop. However, the Citrus Exexchange is injecting increased funds into promoting the use of lemons. It is encouraging housewives to use lemons with fruit and vegetable salads and is advising greengrocers to tag lemons onto all their fresh produce sales.

In addition, a campaign is to be launched to retailers to reduce their

margins on loose and prepacked lemons, this starts with a major

national multiple offer of 6 lemons for 29 cents. Prices of lemons at

wholesale levels will be unchanged from those of 1978.

FM 11th Aug 1978

③ fruit

The EEC gets tough

① 136

SA exporters are heading for hard times in European markets. Although a great deal of secrecy surrounds the Tokyo round of multi-lateral trade talks in Geneva, enough information has emerged to confirm that SA is faring poorly in efforts to negotiate not only lower tariffs in Europe but some form of compensatory treatment for the loss of its favoured position in British markets.

According to the EEC offer lists in respect of canning, SA gains are virtually nil. For example, the EEC offered to cut the common external tariff (CET) on grapefruit segments from 20% to 17%, fruit cocktail from 22% to 20% and canned mandarin oranges by the same measly margin. It originally intended to include peaches, pears and pineapples (the volume sellers) on the list, with a 5% or 6% cut in the CET, but these were deleted on the insistence of the French and the Italians.

European canners can supply on average no more than 25% of the community's demand for canned deciduous fruit but the EEC is committed to the protection of the least efficient of its members, hence the protective barriers.

If this cast of mind prevails across the full spectrum of trade with Europe, prospects seem dim that SA will export much more than primary products and raw materials — on terms which suit the Europeans.

Nor does there seem to be any limit to the scope and range of non-tariff barriers which the people in Brussels can devise. Starting next season is a device called the "production aid system." It amounts to a subsidy on the production of canned peaches and tomatoes to compensate Italian canners for their high production costs. The aid system is an equaliser and will work primarily against the Greeks.

In practice it will mean that Italian canners of average efficiency will get their fresh fruit for nothing; if they are super-efficient it will mean that they will receive more aid than they pay for their fruit.

The worrying thing is that, with the exception of Belgium, quality is a secondary consideration to price with most European consumers. And although the currency factor has helped SA exporters who sell in rands/dollars, there is no way SA can begin to pare prices 50%. On top of that there is mounting competition from Third World exporters, mainly Francophone and Commonwealth states in Africa which enter Europe duty free. Argentina, too, is getting a firm grip in Europe, assisted by a 25% government subsidy, while in the US growers with heavy surplus production subsidise canners to take fruit off their hands and drop it off in Europe, as happened last year.

Underlying all these problems is genuine concern in Europe that incipient trade

action against SA may materialise into a real embargo. Buyers are reluctantly having to negotiate alternative sources of supply, thus adding another dimension to the marketing problems of exporters.

Implications for SA are grim. Canning may be small beer compared with total exports, but it is important for the Cape region. It's a trade of 8m cartons worth R80m to R90m a year, 90% of it from export earnings. It involves 2 500 farmers and maybe 20 000 farm workers producing 185 000 t of raw fruit worth about R20m a year; not to mention 14 major canneries employing 14 000 blacks and 1 500 whites and a wage bill of R14m a year for the blacks alone.

In addition, the canners pay Metal Box Company R26m a year for cans; they pay the sugar industry about R8,5m a year for consuming 40 000 t of sugar; and the shipping companies receive about R8m a year in freight charges.

CITRUS EXPORTS ^{(3) Fruit} Rich pickings *for 10/8/79*

Citrus exports are likely to bring in more than R200m this year, compared with 1978's record R181m. The record will be broken despite the year's dry summer. The export crop is expected to be 2% down on last year (28.1m 15kg cartons), but quality is high.

Says Citrus Exchange commercial manager Ray Hauptfleisch: "It is early days yet to forecast how the export market will develop this year, but we are optimistic." To date 55% of the orange crop has been shipped. Prices are high. The cumulative average so far is R9.66 per carton (R6.89). The good prices are the result of low sales by South American and European competitors. Though supplies of soft fruit are now increasing, Hauptfleisch notes that "demand for our fruit remains very strong and we expect a good season for oranges."

Demand for grapefruit is also firm, with good prices and sales well ahead of target. Exports should reach 4.5m cartons. Lemons are generally in short supply and are currently fetching around R12 per carton. Exports should total 1.2m cartons. Some 23% of citrus exports are sold in the UK, with France taking 16% and West Germany 12%.

Comments Hauptfleisch: "Despite much higher transport costs, the very high overseas prices mean that growers will get a good net return."

But the good export performance is not good news for local consumers. Local supplies of oranges are down by 28% and the wholesale price is up 22%. There were

also shortages of grapefruit earlier in the season, but average weekly sales are now 12% up on last year and wholesale prices are 7% lower. Lemons have not been affected by exports: local sales are 12% better than 1978 and wholesale prices 11% lower.

NO.	W		A		C		B	
	M	F	M	F	M	F	M	F
0-1	1.57	0.76	0.60	1.03	1.24	0.79	0.89	0.74
1-4								

NO.	W		A		C		B	
	M	F	M	F	M	F	M	F
0-1	12.46	9.07	16.92	11.55	29.22	24.78	23.16	22.23
1-4	0.02	0.02	0.02	0.02	0.02	0.04	0.04	0.00
5-24	-	-	-	-	-	-	-	-
25-44	-	-	-	-	-	-	-	-
45-65	-	-	-	-	-	-	-	-
65+	-	-	-	-	-	-	-	-
ALL	0.25	0.17	0.48	0.32	0.83	0.67	0.55	0.67
NO.	519	359	170	113	942	785	1143	1075

NO.	W		A		C		B	
	M	F	M	F	M	F	M	F
0-1	0.17	0.08	0.10	0.21	0.78	0.29	0.49	0.48
1-4	0.00	0.00	0.00	0.00	0.07	0.10	0.05	0.05
5-24	0.03	0.01	0.03	0.01	0.04	0.03	0.05	0.05
25-44	0.39	0.10	0.39	0.10	0.41	0.19	0.23	0.22
45-64	1.60	0.72	1.60	0.72	1.31	0.67	0.80	0.68
65+	1.61	2.44	1.61	2.44	1.91	0.75	1.44	0.91
ALL	0.33	0.16	0.33	0.16	0.33	0.17	0.25	0.20
NO.	116	56	370	201	533	329		

S OF THE GENITO-URINARY SYSTEM

NO.	W		A		C		B	
	M	F	M	F	M	F	M	F
0-1	0.02	0.03	0.00	0.10	0.25	0.10	0.04	0.06
1-4	0.01	0.01	0.02	0.00	0.12	0.14	0.02	0.04
5-24	0.02	0.01	0.04	0.04	0.02	0.04	0.03	0.02
25-44	0.02	0.05	0.06	0.09	0.17	0.13	0.06	0.08
45-64	0.23	0.19	0.44	0.37	0.36	0.36	0.34	0.25
65+	1.25	1.09	1.07	1.83	1.57	1.10	0.73	0.56
ALL	0.13	0.15	0.11	0.12	0.15	0.14	0.10	0.08
NO.	276	303	38	42	169	165	203	130

New plan for banana marketing

NM 26/9/79

3-Fruit

Agricultural Correspondent

NATAL'S Indian and White banana farmers could benefit from increased sales if the Banana Board took over marketing their fruit, says Natal's representative on the board.

Mr. Corky Kelly said yesterday that all farmers would make about 60c more a box through savings in transport if the board did the marketing.

At present Natal's surplus bananas have to be sent by road to the Reef for ripening and distribution to other provinces.

If the new scheme is accepted, Natal will be zoned into production and marketing areas to improve efficiency.

Markets

Mr. Kelly said new markets in the Transkei, Ciskei and other African areas for Natal fruit had been planned.

Under the present marketing policy of the board, it had virtually no control over Natal and farmers of all race groups were losing as a result.

He said they had been given freedom to adapt the Banana Board's control measures to suit local needs and protect the traditional Indian way of marketing their fruit.

Agreed

The board had agreed to accept loose fingers — which were normally thrown away — if they were first grade.

A ready market had been found for them and Blacks would be able to buy bananas at reasonable prices.

Mr. Kelly said the main opposition to the Banana Board's take-over of marketing in Natal appeared to have fallen away and the majority of Indian growers had welcomed the scheme.

Mr. Kelly assured Indian growers that the Squatters' Market and the Clairwood Indian Producers' Market would be left untouched by the scheme.

"Indian growers can continue as they have done for many years," he said.

Indians to oppose plans for banana marketing

27/9/79

30 Fruit

Mercury Reporter

INDIAN banana farmers said yesterday that they would "strongly oppose" any moves to control the production and marketing of bananas.

They were commenting on a report in the Mercury yesterday in which Mr. Corky Kelly, Natal representative on the Banana Board, said that Indian and White banana farmers could benefit from increased sales if the board took over marketing their fruit.

Mr. Sunny Venketsamy, vice-president of the Natal Indian Agricultural Union, said Indian banana farmers at a meeting this week decided to lodge their objections to the move.

He said they were opposing the move for several reasons. "Any form of control in the production and marketing of the fruit would seriously affect the Indian farmer because they were growing bananas under difficult conditions.

"Most of their fruit would not qualify for grading because of the high standard set by the board."

Mr. C. S. Mudely, secretary of the Natal Indian Canegrowers' Association, said his association was also strongly opposed to the move.

The production and sales of bananas must be regulated by supply and demand, and not by the control board, he said, pointing out that there were 160 Indian banana farmers in Natal, and the introduction of any form of control, might force them out of business.

FRUIT EXPORTS

Till the pips squeak

~~3~~ 3 Fruit. for 5/10/79

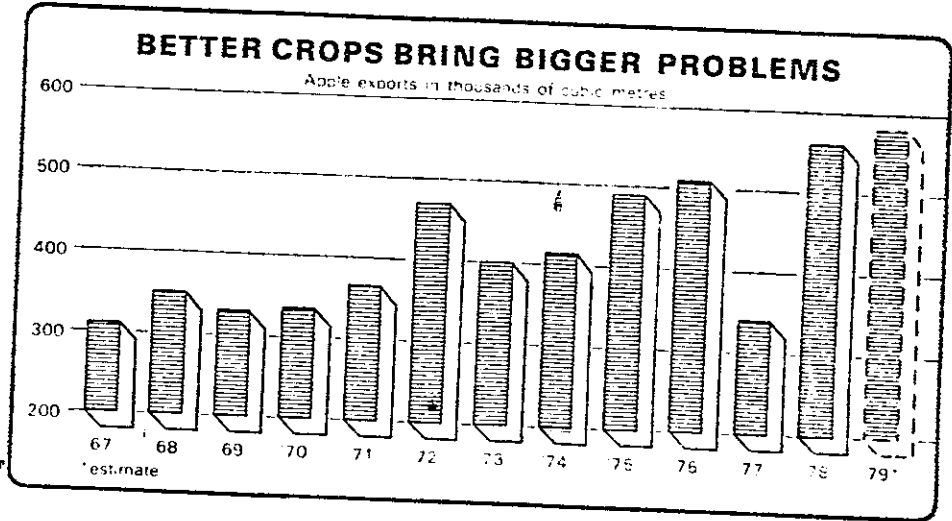
Dire warnings of a slump in the R200m-a-year apple industry take some swallowing as producers head for what looks like their best-ever crop. Growers are, however, far from jubilant despite the prospect of topping last-year's 9.5m export cartons by 10%. As shipping rates rise, the farmers get less from a mainly European market where an oversupply of local apples is already depressing international prices.

"If freight rates can't be controlled, there'll be no apples to export. By 1982 we'll be selling at a loss," says Apple Producers of Elgin Co-op chairman Guy Bradley.

"A R3 carton of apples already costs another R7.61 to get to market. The country is going to lose R100m a year in foreign exchange because shipping costs will kill us," says Apec general manager Robin McGregor.

After a 200-strong meeting at Grabouw recently, Deciduous Fruit Board (DFB) top officials should have the message — if they didn't know before. There is something going radically wrong if each year an industry expands production from which it earns progressively less.

In these circumstances, there is growing frustration among growers over having to hand over the foreign marketing of their produce to a quasi-government de-



partment.

News that another SA-Europe freight rate rise of around 15% is on the cards (FM last week) only compounds their fears that local apples could lose substantial ground in traditional markets, notably the UK, to Australian and New Zealand suppliers while rapidly emerging Argentinian and Chilean growers clamour for a toe hold.

The trend is certainly ominous. Annual export of apples has, with odd exceptions, been steadily upwards (see graph) from 300 000 m³ in 1967 to last year's record 560 000 m³. Provisional estimates for this year's total exports indicate that even this will be topped by another 20 000 m³. Each m³ contains 350 kg.

With recent production costs being restrained, from an average R3.10 a carton in 1977 to R3.75 this year, growers should be optimistic. Instead, they find themselves fighting on two fronts. At home the cost of getting each 18-kg carton of apples to the market, including *inter alia* land transport, cooling, storage and inspection, has gone in two years from R5.65 to R7.61. In the same period the sea freight component of this total on the same carton has risen from R2.70 to R3.90.

To make matters worse, foreign buyers are paying less, down from R12.50 last year to R12 this year.

"The return on each carton is already marginal. Out of the R4.40 present return must be deducted R3.75 production costs. We just can't afford to pay more for freight with the European price dropping at the same time," says Bradley.

DFB chairman Alex van Niekerk confirms that producers are having a thin time. "We followed the European season when consumer resistance had already

built up. With much slower buying we came in to the market also with poor-specification fruit and the price went down about 12%," he says.

Van Niekerk sees the key to the long-term lifting of apple exports as the elimination of poor specification (wrong type rather than bad fruit) shipments. A new five-year corporate marketing plan will project "what the various international markets want and the expected prices" so that growers will know which fruit to supply.

This throws the onus back on local growers to deliver the goods. But there is not much farmers can do about shipping rates. Van Niekerk promises that further attempts will be made to secure the best freight deals possible but declines to commit himself on keeping them at what seems to be the critical benchmark (though the DFB works in m³) of R4 a carton for the sea leg.

Both the DFB and growers are, however, in the same boat when it comes to keeping up export volume at almost any price. About 50% of the SA annual crop goes overseas and there is no possibility of the local market absorbing surpluses caused by export cutbacks.

McGregor points out that for every 12 cartons of fresh high-grade apples sold overseas the local market takes only two cartons with the residue, mainly lower-grade, going to processors of fruit drinks.

Circumstances appear to be forcing both DFB and growers closer together in a co-ordinated revamping operation to get the most appropriate apples from the orchard to foreign buyers as expeditiously and cheaply as possible. Both, as well as the country as a whole, have much to lose if their efforts do not fructify.



Bradley... selling at a loss by 1982?

financial traditions of the board needed revitalising," says Eaton, "and, with the full support of the board, we reorganised our entire outlook."

The first tradition to be jettisoned was the almost automatic renewal of the board's insurances, the premiums for which amounted to R1.4m in 1978. Its insurance is divided into three sections: marine, credit guarantees covering political and commercial risks, and a loss of revenue policy which insures against any catastrophe.

Big premium saving

In what Eaton describes as a "change in insurance philosophy," the board decided to accept the first R250 000 aggregate loss, and the resulting saving in premium was R405 000. "We had a few claims," admits Eaton, "but nothing like in the past. Because we knew we were carrying the first loss, everyone was a little more careful. But our savings are going to be about R300 000 net."

For short-term finance, the board has in the past, like other control boards, borrowed from the Land Bank. Explains Eaton: "Land Bank money would have cost us 8.5% so we asked for, and received, ministerial approval to approach the open market and we invited five banks to tender." For the first time in the DFB's history, therefore, two banks were used

for the provision of short-term finance. A total of R40.2m was borrowed at an average rate of 6.3%. Had the board borrowed at Land Bank rates, the interest bill would have been R50 000 more.

With short-term borrowings secured, Eaton and Kritzinger applied the same competitive principles to their foreign banking policy and to the flood of money resulting from sales.

To gear themselves for this market, they introduced changes to their communications network round the world markets. This included enlarging their telex centre, while actual fruit marketing instructions were relayed via their computer hook-up.

The board trained two of its internal accountants in exchange methods and set about playing the world money markets. Says Eaton: "We used 14 banks in all, buying foreign currencies wherever it suited us. When we had a million or two available, we got onto the telex and asked for quotes in particular currencies. It was like a miniature money dealer's control room." What surprised the DFB team was that most of the time it received better quotes from SA banks. During this short period — barely five months — the board bought and sold R90.4m in foreign currency and showed a net profit on its forex dealings of over R60 000.

By anticipating the rand's appreciation

against the US dollar, the DFB claims it made another R50 000. And, by selling forward sterling for dollars earlier in the year when the pound was taking a battering, it made another R40 000 once sterling recovered. Although the final figure is not available, Eaton estimates that the board will have made a super profit of almost R250 000 on financial dealings.

Out of the board's R200m sales, no less than R110m is earmarked for freight (which alone accounts for a staggering R50m), distribution and handling costs. The balance is repatriated to the farmers.

Concludes Eaton: "This is the first year we have played the world's forex markets and we have learnt a lot by our experience which has been a good one. We have relied heavily on financial experts to advise us and the success we have had this year has encouraged us to repeat the exercise in 1980."

F.M. 19/10/79
CONTROL BOARDS ~~26~~ ~~boards~~

Forex fruit

3 Fruit
44

SA's 22 control boards manage vast millions on behalf of their shareholder farmers. But they are a long way from being regarded as sophisticated financial institutions or money market players.

An exception is the Deciduous Fruit Board. Not only has it demonstrated it is one of the country's more efficient control boards by successfully exporting R200m worth of fruit but, this year, it also earned a sort of "super profit" on purely financial transactions.

During 1979 the board's financial team of Wilton Eaton, assistant GM for finance, and chief accountant Barend Kritzinger, introduced an aggressive policy designed to make greater use of the millions the board has lying around in foreign markets from time to time. "We decided that the

APPLE INDUSTRY ³Fruit 1984 for apples also

SA apple growers may find it hard to digest the gloomy forecast in an MBA thesis on the economic structure of the South African apple industry and its future projections. In his 190 page report Richard von Hoesslin, from UCT's Graduate School of Business, confirms the report in the *FM* (October 5) that the industry is facing a serious financial crisis.

Von Hoesslin says SA's R140m apple market is being threatened by an over supply in both the domestic and foreign fresh markets. He predicts that by 1984 the supply of apples will exceed demand by 30%.

"Up until 1974 apple production was highly profitable but since then there has been a substantial decline in the average net income — from R 1991 per hectare in 1973 to R645,81 in 1977."

Apec's general manager, Robin McGregor and Deciduous Fruit Board (DFB)

chairman, Alex van Heerden, both admit that apple growers are going through a lean patch but they reject the hopeless picture painted by von Hoesslin.

Says McGregor: "I agree the outlook is gloomy, but von Hoesslin's predictions are too pessimistic. The local market can absorb a great deal more." Van Niekerk agrees with him. "There will never be an oversupply of quality apples. Housewives throughout the world have become highly sophisticated and want only the best."

Von Hoesslin points out that growers have also been hit by an 11,4% increase in production costs. Van Niekerk says: "At present the DFB is doing everything in its power to secure favourable freight rates, a producer's greatest single expense. We don't deal with a fixed flat shipping rate and have to work out a deal which suits all parties."

Von Hoesslin's assessment of the export market is no better. SA's export market has primarily been affected by the entry of the UK — SA's largest importer — to the EEC. Preferential tariffs with Australia, New Zealand and SA have ceased and as a result competition has intensified. "SA's share in the European market shrank from 61% in 1951 to 29% in 1976," says von Hoesslin.

He says SA is a "price taker" in the European market — it can therefore have little influence on prices and growers have

to take what comes. He feels this is increasingly becoming a raw deal.

Van Niekerk says the UK market is becoming less and less important as the DFB exploits other markets. "There is a vast market in the Middle and Far East. We are promoting sales and launching an extensive campaign. The USA and Canada are also becoming major importers."

McGregor also agrees that SA can still expand the export market quite significantly. "The Middle and Far East markets can be exploited beyond the present 20% figure. It also presents a potential for larger export market."

pean prices for apples are either falling or not rising sufficiently to offset shipping charges, so a strong distinction must be made between volume sold and cash return per carton.

The bulk of SA's crop should start to arrive just as the northern hemisphere cold storage supplies start running out in March and April.

One of the problems encountered by SA exporters to Europe this year was a large (980 000 t) carry-over of poor quality northern apples. European farmers agitated for the imposition of quotas, demanding that anticipated southern offerings of 370 000 t be cut to 230 000 t.

The European Commission suggested a compromise at 280 000 t, but the final figure agreed to was 313 000 t of which 123 000 t was awarded to SA.

The DFB does not expect quotas or voluntary restraints on offerings next year but the European apple market is highly inelastic. Small changes in the volume of

SA grapes dominate Euromarkets and demand is rising despite an 18% EEC duty, the purpose of which is obscure since the fruit is offered in the northern off-season. The effect of the duty is to needlessly raise prices to the consumer.

Like applegrowers, who will increasingly have to watch competitive offerings from Chile and Argentina to maintain their dominant (40%-50%) position in Europe, pear exporters will have to keep an eye on South America.

In 1979 SA exported 2.46m cartons (12% up) and realised a gross R23.5m. At the same time, the South Americans weighed in with 2m cartons. Prospects in 1980 for SA are clouded by the likelihood of tough competition (backed by EEC protection) from cold-stored long-lasting British pears in the early part of the 1980 season. Prices will suffer.

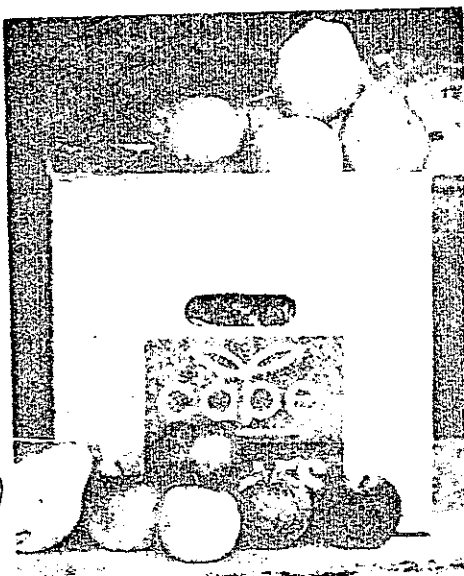
FRUIT EXPORTS Better pickings?

After a depressed 1979, SA fruit exporters should do better in Europe next year. In particular, apple producers will benefit from poor quality in the European crop, even though this year's crop is 3% bigger than last year's.

Deciduous Fruit Board (DFB) feedback suggests traditional UK and Continental outlets will absorb 8.8m cartons despite local producer protests. This is 1m cartons up on 1979 but still 300 000 cartons short of 1978's 9.1m. There also seems to be a lot of scope for shipment of another 1m cartons split equally between North America and the Middle East.

Chile's refusal to implement voluntary restrictions on shipments to Europe must also help SA growers as the Latin American producer has been banned from landing apples in Common Market countries between March and mid-August.

The bugbear for local producers remains rising sea freight rates which are likely to take the cream off much of the extra export effort by SA growers. Euro-



Cape fruit . . . juicier sales
in 1980

fruit on offer have a *marked effect on price. For example, the Eurocrop is about 350m cartons. If there is a 1% carry-over into the southern export season the additional 3.5m cartons are equal to 5% of total southern exports.

As a result, payments to growers could suffer by 70c-80c per carton. Something like that happened this year: 7.8m cartons sold at an average R9.82 cif, yielding a gross R77m. Last year 9.1m cartons sold for R10.50 cif, realising a gross R95m.

SA table grape exporters command something like a licence to print money in Euromarkets. Sales in 1980 are unlikely to match this year's 6.7m cartons (4.6m last year) but prices could go 12%-15% higher. Gross yield this year was R44.4m (R30.9m) on an average cif price of R6.62 per carton (R6.74).

... members be a representation of the whole body...

3 (fruit)

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rise in the future because of the general impact of inflation.)

In 1978, Escom credited some R300m of Revenue to the CDF, just below the statutory annual ceiling of 6% of loans outstanding at the end of the year — R5 223m of external borrowing was outstanding at end 1978.

Of the balance of finance, about one half would come from local borrowings and the rest from overseas, but Smith points out the obvious — changing circumstances in capital markets could influence this ratio. At present, Escom's paper is enjoying a high rating on overseas markets, including the Eurocurrency market where most borrowing takes place.

Current loans run up to seven years and the interest rate has come down to only 1% above Libor, a low enough premium considering the disfavour with which SA was recently regarded by overseas bankers. Indeed, Escom recently rejected a loan offered for 8 years because the interest rate was too high.

The cost of forward cover for overseas borrowing is around R30-40m, a small enough percentage of current annual revenue of R1 800m.

Smith makes the point that borrowing at fixed interest rates to build permanent production facilities during inflationary times makes a lot of business sense. At present, even long-term interest rates in SA are below the local inflation rate, while power plants, once erected, are inflation proof. So Escom operates exactly like the ordinary householder who borrows from the building society to add a room on to his house.

FRUIT EXPORTS

Better pickings?

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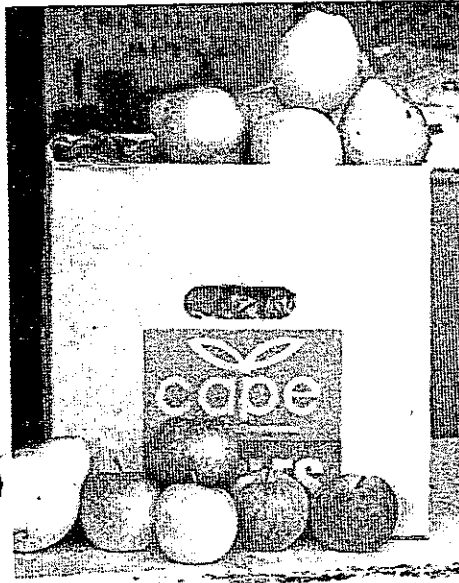
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Cape fruit . . . juicier sales
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AGRICULTURE — OTHER — FRUIT.

~~10/4/81~~

23 JAN. 1981 — 10 NOV. 1981

DD 23/1/81 (3. Fruit)

Hunt for ideal banana mutant

Researchers at the Citrus and Subtropical Fruit Research Institute are still looking for the ideal banana mutant for South African conditions.

Most farmers prefer the taller Williams cultivar rather than the Dwarf Cavendish in their replanting programmes.

Although the height of the Williams is generally regarded as a disadvantage, especially in windy locations, this is offset by the obvious advantage of quicker cycle time,

larger bunch mass, cylindrical bunch shape, absence of choke throat and a higher proportion of marketable fruit.

The ideal mutant should have the same advantages as Williams, but should be shorter with a fatter stem to reduce wind damage and obviate the need for propping.

Potential mutants are currently being compared with Williams rather than dwarf Cavendish. Two selections are now being critically

compared in a trial at Burgershall.

Banana growers can aid in the research for an ideal mutant by monitoring their Williams plantations and looking for a short, sturdier plant which otherwise retains the bunch characteristics of Williams. In particular, any shorter mutant should not be prone to choke throat.

Any such plant should be reported to the director of the Institute at Nelspruit for further evaluation.

During a severe storm

which hit the Natal South Coast recently the gale-force winds, accompanied by little rain, caused considerable damage to banana plantations, especially in the Port Edward and Marina Beach localities.

A preliminary survey shows some sections to have lost up to 20 per cent of the plants. Because of their height the Williams banana suffered severe losses. In addition, many trees were blown over. The losses here is an added incentive in the search for the ideal plant.

D H Pryce Lewis
year.
For the best work in fourth
Osborn Prize

S A Read
For the best final year student.
General J B M Hertzog Prize

D H Pryce Lewis
of Professional Practice.
Surveying) in the subject
Architecture (or Quantity
For the best student of
David Haddon Prize

Miss C Tredgold
in third year.
For the best woman student
Molly Gohl Memorial Prize

P A Rappoport
satisfactorily completed
1st, 2nd and 3rd major courses.
For a student who has
Helen Gardner Travel Prize

P F Dunkley
Sixth Year
For the best student in :-
of Architects' Prize
Cape Provincial Institute

ARCHITECTURE

PRICKLY PINEAPPLE PROBLEM

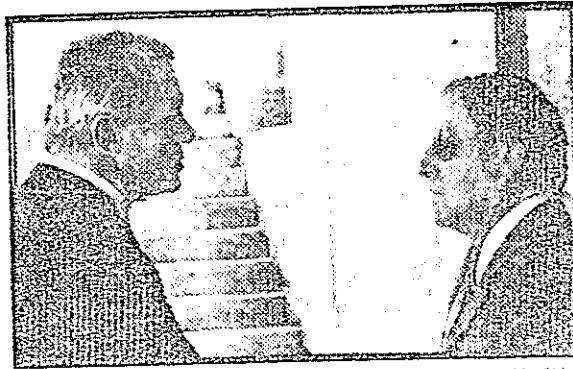
PLANS to incorporate part of the Eastern Cape's most valuable pineapple producing land into the Ciskei could crush a R32-million industry and put 25 000 people out of work.

Already in crisis following the spectacular strengthening of the rand against the US dollar, the pineapple industry faces fragmentation if the recommendations of the Van der Walt Commission on consolidation are accepted by the Government.

This fragmentation would be the death knell of the industry as a whole, pineapple growers and canners told Mr Hennie van der Walt this week.

It would mean the end of R32-million in foreign exchange and unemployment for 9 000 people directly employed in the industry, a further 1 000 indirectly employed and 15 000 in commercial and service businesses reliant on the industry.

The Pineapple Growers' Association has told the South African Government it can expect to support an additional 100 000 people if the industry goes under — and this in an area



Pineapple barons Corder Tilney (left) and Barry Purdon. Their industry could collapse

405 3 full 5. Inhouse 25/1/80

which has the highest unemployment rate in South Africa.

Mr van der Walt's proposals to give large portions of valuable pineapple farming land to the Ciskei and to create a border with the soon to be independent homeland along the boundaries of the largest farms are sure to result in a massive drop in productivity, farmers have warned.

Any such drop would mean the canneries catering to affected farms would become unviable and would have to close down.

Farmers and canners have urged that the boundary either be

become completely unviable.

Mr Barry Purdon, chairman of the Pineapple Growers' Association, said the turnover in the Peddie district, where pineapple farms had been handed over to the Ciskei, had shown a predictable drop.

A similar drop was bound to occur on the farms affected by Mr Van der Walt's recommendations and this would result in a drop in the input to the major canneries sufficient to cause their closure.

The investment in these canneries, according to figures Mr Purdon's association presented to the SA Agricultural Union last year, is R32 million.

A number of ancillary industries such as can-makers, carton manufacturers, engineering works, printing works and shippers are largely dependent on the pineapple industry and would also be severely affected if it were to collapse, the association warned.

About 95 percent of pineapple production was exported and even the temporary closure of the industry would result in the loss of export markets.

drawn at the Chaluma River, leaving out the pineapple lands, or that the pineapple industry, lock stock and canneries, be bought out by the South African Government.

The possibility of leasing the farms and canneries back to the whites while Ciskeians were trained to run them could then be investigated.

Pineapple baron, Corder Tilney, who has cornered virtually the entire fresh pineapple export market, said if Mr van der Walt's recommendations were accepted two of the major players, Safford and Gallowdale, would

For the best woman student
Molly Gohrt Memorial Prize

P A Koppoport

1st, 2nd and 3rd major courses.
satisfactorily completed

For a student who has
Helen Gardner Travel Prize

P F Dunclley

Sixth Year

For the best student in :-
of Architects' Prize

Cape Provincial Institute

ARCHITECTURE

Deciduous fruit is flowing out ~~of~~ ^{fruit}

CT 31/1/81

THE annual outflow of South African fruit to the European markets has begun.

The Swedish ro-ro liner Kolsnaren this week loaded a consignment of pears in the port, and the first of the specially-chartered freighters will be loading at the adjoining cool chambers this weekend.

The seasonal fruit exports represented for years the most remunerative cargoes for the Cape liners, and some of the container ships which have been sailing north with mainly empty boxes will for the next five months be well supplied in the cool chambers with deciduous and then citrus fruit.

An important development in recent years has been the securing of other markets for the South African product, although it may not be prudent to say precisely where some of these are. Nevertheless, the extension of the trade has provided the refrigerated ships with almost continuous employment.

Additional fruitships have been built or bought in the past couple of years, and some of these are employed on distant trades more profitably than they would be here.

Fruit juices carried in deep tanks of ships or in liquid containers are also finding a ready market overseas, and with a little enterprise these could possibly be extended further.

Police investigate sea drowning

Argus
2/3/81

3 fishing
387

Crime Staff
POLICE and the Division of Sea Fisheries are investigating the drowning of a fisherman after he had been apprehended at sea by a Hout Bay inspector last week.

Mr Mogamat (Dienie) October, 21, drowned in pounding surf near the Sentinel when he and his brother Ibrahim, 28, were trying to reach safety in a leaking dinghy.

The director of the Divisional Sea Fisheries, Mr George Stander, said he would not comment as the events surrounding the drowning were still being investigated.

Colonel Willem van der Merwe, Deputy Divisional CI Chief for the Western Cape, confirmed that police were investigating Mr Ibrahim October's allegations.

Mr October said today he and his brother fished for crayfish because they had no other income when the snoek were not running.

They left about 6.30 am last Thursday and rowed in a small wooden dinghy to Duikerskloep (Seal Island), where they netted about half a sack of crayfish.

But then we saw the dolphin boat coming towards us. I knew there was an inspector on board, so we threw the crayfish back in the sea.

The inspector shouted that he was arresting us. I wanted to escape so I jumped into the water, but I saw they had already tied a rope to our dinghy, and I gave myself up.

The inspector confiscated both oars and towed the dinghy towards Chapman's Peak, where it was set loose and the inspector's boat went after a school of dolphins — the October brothers being told to remain where they were, according to Mr October.

The brothers started baiting water from their leaking boat, broke a wooden plank off the seat and used it to row towards the Sentinel.

About 10 metres from the rocks, Mr October made an attempt to swim to safety.

'I looked around and saw that Dienie was also in water but because the current was too strong and the seas rough, I returned to our dinghy.'



MR MOGAMAT OCTOBER, left, consoles his eldest son, Ibrahim, who was with his brother Dienie when he drowned after they were arrested for allegedly poaching crayfish.

'I saw the red dolphin boat coming towards us and then looked round for Dienie. He was lying face down in the water.'

'When I got to him he was dead. At the same time the dolphin boat had arrived, and I said to the inspector: "Oubaas, my brother is already dead. Help me into your boat," said Mr October.

They abandoned the sinking dinghy, and Mr

October made a statement to the police when they reached Hout Bay harbour soon after 9 am.

Mr October said his brother was a strong swimmer, but it appeared he had been knocked unconscious against the Sentinel rocks.

Mr October also said the inspector apologised for what had happened, saying he was 'sorry' about the incident.

RDM 16/3/81

Citrus outlook bright

3 fruit

SOUTH African lemon export packing for 1981 has started and grapefruit packing is due to begin toward the end of March and oranges about mid-April, says a spokesman for the Citrus Board.

First estimates for the 1981 season show the orange crop is likely to be about 5% higher than the previous season, but exports are likely to be similar to last year's total.

Orange exports are likely to be similar to last year's 375 000 tons. The 1979 figure was 355 000 tons.

Grapefruit exports are expected to be about the same as last year's 68 000 tons.

Lemon exports are expected to increase by 24% from last year's 21 000 tons.

The UK and Eire account for about 25% of the export volumes. Indications are there will be smaller overlap than usual with northern hemisphere citrus competitors in Europe at the beginning of the South African season.

This is because of the relatively small crop in Israel, adverse weather in Morocco and cold damage in Spain. These factors will help South African exports early in the season.

However, the recession in Europe and the relative strength of the rand against European currencies will complicate matters. — Reuter.

FRUIT EXPORTS FM 22/5/81
Getting the pip

③
The SA canned deciduous fruit industry, worth R125m annually in foreign exchange, is heavily threatened by the current strength of the rand and the substantial subsidies offered by the EEC to similar industries in Europe.

Says Noel Lawson, manager of the SA Canned Fruit Export Board: "The position of the industry is gradually getting worse."

Lawson notes that each year it is becoming more difficult to compete with countries in Europe, particularly Italy and Greece, which are subsidised by as much as 50% of the retail price.

"There is no question that our quality is still better, but with high unemployment and the present economic climate in Europe, quality is not the most important consideration," says Lawson.

The UK is SA's biggest canned fruit market, and since 90% of all fruit canned in SA is exported, this represents a very big market share.

However, canned fruit consumption in the UK, as in other places, has fallen considerably. The US, consumer-leaders in indicating food trends, shows a 20%

drop in the consumption of canned fruit over the past few years. It is commonly accepted that in these days of inflation and escalating food costs, canned fruit is a luxury.

A spokesman for the Canning Fruit Board (CFB) in Paarl notes that there has been a marked decrease in the intake of fruit by canneries this season. He attributes this to adverse weather conditions, including the devastating floods in the western Cape earlier this year, and to stricter regulations regarding the quality of fruit for canning.

Lawson says the lower intake of fruit has added to the unit costs. Volume sales overseas have remained fairly constant, but he sees operating margins getting smaller and smaller and the pressure on local canners and farmers will follow.

Since 85% of SA products are sold under the buyers' labels, direct marketing campaigns cannot work. So how has SA man-

aged to maintain its volume sales of canned fruit in the face of competition and currency exchange losses? Says Lawson: "We have built up personal contact and trust with our overseas buyers and this has certainly been a strong factor."

Last year, the board spent R800 000 on direct promotions and advertising campaigns, in collaboration with overseas buyers. This year it intends to have an even higher budget.

The CFB spokesman says the growing difficulties facing the industry in SA, could mean a stricter grading system. It is necessary to ensure unmatched quality on the world market, and, as a last resort, quotas may have to be imposed on canners. "But," he notes, "this will lead directly to a decrease in farmers' income." As he knows, this won't be easy to sell. By selling his canning interests to the Langeberg Co-operative, Jan Pickard may have offloaded a bundle of trouble.

South Coast goes bananas

S. Tribune ^{3 fruit}
Property Editor
17/5/81

BANANA farms on the Lower South Coast have been in demand and are now definitely viable propositions, says John Reasbeck, managing director of a Port Shepstone-based estate agency.

And, he said, there is still a "fantastic demand" for cane farms although there are virtually none available to sell.

Reasbeck was commenting on the Lower South Coast property scene in an interview. He said quite a few banana farms had changed hands in the last year.

Buyers fell into two categories: Those who did it for a living on farms of 16 to 20 hectares planted, and those on four to 10 hectares planted who were supplementing a private income.

Since the inception of the Banana Board's marketing system, the price to the producers on the South Coast had doubled and farms were becoming more viable.

A farm for a "professional" banana



TIG Howie and John Reasbeck of Alfred County Estates at Umtentwini this week.

farmer was fetching about R250 000 and the smaller farm reached R100 000.

On cane, Reasbeck said the demand was exceptionally high. "Cane is a good long term investment, despite drought and the world sugar prices," he said. "The advantages of cane is that the marketing is highly organised."

Prices for farms have

rocketed from R35 a ton yield 18 months ago to R60 now.

Reasbeck said quite a few smallholdings had been sold.

A reasonable house on a site of between two and eight hectares, with fruit and vegetables could fetch between R60 000 and R100 000.

He said many inquiries from people wanting to invest in farms on the

Lower South Coast concerned the availability of building society loans.

"The qualification is that if the property is outside a municipality, a building society is not allowed to lend money under the Building Society Act.

"There are ways to finance such a property — often the seller lends the purchaser the balance of the purchase price of

what the buyer can pay in cash in a private bond, usually repayable over five years, or he can find the cash from a private investor at current building society rates."

On other spheres of the market, Reasbeck said some of the smaller estate agents in the area who had opened business during the recent boom could disappear again as there has been a slackening in residential sales since November-December.

But prices had been catching up with larger centres such as Durban.

● Reasbeck's company, Alfred County Estates, this week launched the marketing of a 24-townhouse scheme in Umtentwini. The homes are in six blocks of four each, have two bedrooms and are selling at R35 000. The scheme is the first phase of a development of more than 100 homes to be built.

SOUTH COAST SURVEY — Pages Three and Four.

RDM 20/5/81

Less for fruit (fruit)

CAPE TOWN. — Payment to South African deciduous fruit producers this year would be about R26-million less than that of last year, said the general manager of the Deciduous Fruit Board, Mr Louis Kriel, in Cape Town.

He told the annual symposium of the Cape Pomological Society that the drop was beyond the board's control.

The biggest factor was the exchange rate which made the rand's value 17% lower than that of last year. The rand's strength would cost the industry about R30-million in the current season.

...but Citrus Exchange ^{S. Tubue} ^{2/8/81} is another story altogether...

THE Citrus Exchange is almost the golden boy of the agricultural bodies, the actual Citrus Board — unsalaried — having appointed the Exchange as its secretary. Again the central planning which is so necessary for independent farmers and the slick operations of the Citrus Exchange earn valuable foreign exchange for this country.

Export earnings total R200-million annually now, and though local consumption is 40 percent of the crop, this realises only R15-million. Obviously, then, the whole operation is export-orientated and the Exchange has agents in other countries vying for foreign markets. This keeps them on tip-toe and they do a splendid job.

Locally the Exchange promotes consumption of citrus and awareness of its benefits as well as working with and for producers by providing sophisticated research and technical services. This includes marketing-related problems such as prevention of decay, pests, packing

equipment, transport and variety improvement, the result being the internationally highly regarded "Outspan" image.

The price of citrus is not controlled but distribution is, to prevent dumping of surpluses on markets already over-supplied. The Exchange also insures a steady supply of fruit to processing factories, in fact a pooling of production to the general benefit.

The farmers sell the best fruits overseas because they get the highest prices there. Local consumers sometimes complain that they can no longer buy the best quality. They can, at a price comparable to the overseas price. Such fruit is marked Export and has a blue label and is available at Woolworths, for one. Choice grade has a yellow label, standard grade pink and substandard green.

Finally the Citrus Exchange is financed entirely by citrus growers and not by the taxpayers, and farmer membership is voluntary.

● NEXT WEEK: More Control Boards

Account
Alleged
Cartic
Harwar
Hangin
Interp
Limits,
Long r
Packag
Paper
Plofti
Progra
Punchi
Quane
Regnes
Comp
Specia
STN an
Termin
World
Miscel

Departmental file allocations 1
File usage, cycles, overflow, etc. 21
File backup, recovery, etc. including rescuing of elements 20

Files:

Tape access, assignment, labelling, registration 18
Tape to tape copying 1
Tape reading (mostly foreign tapes) 21
Tape writing (for local and foreign use) 10
IMPORT-TAPE/EXPORT-TAPE 10
TAPE UTILITY 10

Magnetic tape:

ASPT	1	GPSS	2
ASCIISONT	3	KWOC	2
BATCH	5	MATHPACK	1
BAPP	66	MCO	3
COMTE	4	MDS(X)	3
COSTS	1	PAGER	1
GNAPLE	2	PRINT	1
DAS	3	PRINTT	15
FAMBUS	12	PROB*LIB.	2
FMPB	1	RESCUE	1
GDP	7	SACLANE	7
GNAPLOT	1	SIMBLX*ASCI	2
GLIM	1	STATJOB	16

Packages and software in general:

MOONE 1
MFD 5
MTRAN 5
PROCS (procedures) 3
SSC 1
@CONS 1

CML 7107/23 23/2/89 (3/1987)

Boycott probe proposed

THE government and the Deciduous Fruit Board should investigate the proposed boycott in Britain of South African deciduous fruit and look for alternative markets, the Acting Minister of the Budget and Auxiliary Services, Mr Chris April, said yesterday.

D. J. ...

FRUIT EXPORTS FM 14/8/81

Sticky markets

③ *fruit*
South Africa's fruit exporters, seeking to maintain and maximise rand returns to their grocers amidst a sea of shifting exchange rates, are finding they have little room for manoeuvre, even when the markets are conveniently clustered together in north-western Europe.

It makes sense in theory to step up volumes to markets where the local currency/rand rate is strongest, but in practice it is not that easy. The kind of headache provided by currency swings is clearly illustrated by Outspan, which is about a third of the way through its current season in which it expects to ship 14m cartons of oranges, 5m cartons of grapefruit and 1m cartons of lemons to Europe. According to Keith Ollier at Outspan's headquarters in Herefordshire, the position facing it in January this year was that to obtain the same rand returns (after absorbing 11% cost increases) sterling prices needed to be 13.5% higher than in 1980 while Deutschmark prices would have to be 44.4% up.

By June, the currency changes (chiefly sterling's) meant that UK prices had to be 19.3% up and Germany's 33.6%.

Germany, as the pivotal market in the European monetary system, presented the biggest difficulties. "The Germans, unlike the British or French, aren't used to this kind of inflation," says Ollier. "In free markets we can't impose price increases."

But the volume drift is less spectacular than these differences might suggest. Britain, which last year took 33%-34% of Outspan's exports to Europe, has so far taken 36% of this season's sales. This 7.5% grapefruit shift in the UK's volume is roughly matched by the decline in Germany (Outspan's third biggest orange market and second in grapefruit) from around 15% last year to some 14% so far in 1981. The relationship is similar in the other EMS markets — such as France, which is second to Britain for orange sales.

The overall position is that, helped by generally better prices for oranges in local currencies, rand returns are being maintained. But grapefruit, held at levels similar to 1980, are doing less well in rand terms.

"One of the problems is that we are so dependent on European markets that we can never abandon established outlets in any one market simply because of short-

term currency benefits. We can't imitate what certain South American sellers do in jumping into a strong currency market one year and disappearing the next," says Ollier.

Farmers hit by pineapple thieves

EAST LONDON — Pineapple farmers bordering the Chalumna River boundary of Ciskei are being driven to despair and near bankruptcy by gangs of thieves who steal thousands of rands worth of pineapples every year.

The farmers are virtually powerless to do anything about the organised and massive thefts and find it increasingly difficult to find watchmen to guard the fields.

The watchmen have become intimidated by the gangs of between 20 and 50 thieves armed with sharpened iron rods.

One of the worst hit farmers is 72-year-old Mr W. Klingelhoffer whose farm borders the Chalumna River.

Mr Klingelhoffer said yesterday that he was just waiting for the government to buy out his farm for incorporation into Ciskei.

His farm was gazetted in 1972 as one of the areas for incorporation, but the pineapple gangs have reduced him to near bankruptcy and he cannot wait much longer.

"I am just getting an existence out of my farm now," he said.

Mr Klingelhoffer said the organised large-scale thefts of about 200 tons of pineapples a year have been continuing unabated

for the past seven years.

"I should say it has increased.

"I did have a watchman who watched the fields and the biggest gang he saw was one of about 50 with bags.

"I had a field officer from the Langeberg Co-op who studied our field for a year and he estimated that I had lost about 250 tons of pineapples during that year. We only reaped 59 tons.

"This was three years ago, and nothing has changed since then. I estimate that I am losing about R10 000 a year from the thefts."

Mr Klingelhoffer said it was becoming increasingly difficult to find security guards to watch the fields.

"The guards from around here know about these gangs and they are scared of them. These gangs get iron rods — the kind used in concrete reinforcing — and they sharpen them into spears.

"Last year we had to get a guard from Butterworth who did not know the gangs and who had a vicious dog. He watched for 13 days and it helped."

He said the pineapple crop came out in October, but the gangs were already starting to steal green unripe pineapples off the land.

"I go around with a pistol, but what can you do? I am 72 years old."

Another farmer hit by the thieves is Mr O. K. Allright, a neighbour of Mr Klingelhoffer.

Mr Allright described the situation as "rampant" and "out of hand."

"Every farmer has a little bit of theft out of his lands, but this is large-scale theft by organised gangs of about 20 with sacks.

"They are even stealing the green fruit which will only be ready in late September, early October.

"I estimate that out of my annual crop of between 500 and 600 tons I am losing 25 tons to the thieves.

"But the farmers whose farms actually border the Chalumna are much worse off — they are losing anywhere between 100 and 200 tons.

"There is nothing we can do about it. We cannot have the police watching all our fields every night from now to the end of the season. There is no means of identifying the fruit, so you can not prove fruit being sold locally has been stolen.

"The only thing you can do actually is to catch them in the act and even then there is little or no chance of doing that." —
 DNR

SA apple growers' huge loss

ARGUS 3/9/81
3 fruit

Staff Reporter

SOUTH AFRICAN apple growers have lost tens of millions of rands on the European export market this year through currency changes and an artificial glut on the European market.

Mr Alex van Niekerk, chairman of the Deciduous Fruit Board (DFB), told The Argus today that apple producers lost R30-m on the revaluation of currency with the dollar-tied rand's improvement against the European Economic Community's currencies.

Then a glut of poor grade apples bought by European speculators from Argentina and Chile and stored in warehouses in Rotterdam came flooding on to the market, bringing down the value of the better quality South African and European apples.

Added to this, a successful 1980 market caused

EEC countries also to store some of their 1980 surpluses, which they released this year.

The total cost of this to the South African producer had not yet been calculated — it is believed that DFB experts are still trying to evaluate the blow to local producers — but, Mr van Niekerk said, 'it is below the cost of production.'

Mr van Niekerk said the prospects for 1982, however, were much brighter for the South African industry.

'A lot of brokers have burnt their fingers severely. In fact, some of them have gone bust.'

'Europe had very bad weather and severe late frosts and snow at the beginning of this summer, and there will be no stocking this time.'

'We have had many good years. We are going to just have to live this one out,' he said.

Fruit export competition increasing

CT 5/9/81 (24) 3 fruit
HOUSE OF ASSEMBLY. — The South African canned fruit industry had to be prepared for cutbacks in production because of increased competition on the European and British markets, according to the annual report of the South African Canned Fruit Export Board.

The report, tabled in Parliament yesterday, said it was inevitable that the level of self-sufficiency in the European Common Market would increase and that pressure would be brought to bear to ensure that produce from EEC countries had preference over imported canned fruit.

"Even without this pressure, the level of subsidization is such that several buyers who have previously purchased from South Africa are being compelled, because of price differential, to turn increasingly to Italian and Greek production."

Another factor was the decline in consumption on the major markets, and this had resulted in a world oversupply.

"This is aggravated by the fact that due to the subsidy system, there has been a shift in origin from non-EEC to EEC or associate countries of supply and this is the most serious long-term threat to the South African position in world trade.

"It is therefore inevitable that the South African industry must face these basic facts of world competition and prepare for cutbacks in production, with the likelihood of fewer production units and marketing outlets, as well as being required to make basic changes in its methods of marketing overseas."

During 1980 these matters had been studied by the board and a standing committee had been established with a mandate to establish a programme to ensure the medium

and long-term viability of the industry in the Western Cape.

"The effect of the EEC duties, the exorbitant high subsidization of community production and the adverse exchange rates, resulted in considerable unsold stocks being held by the industry at the end of 1980.

"The United Kingdom remains the largest single market for South African canned deciduous fruit and the Republic is the largest single supplier to that market.

"However, two factors are relevant in assessing this position, the first being the decline in consumption of canned fruit in general."

In Britain, consumption had dropped by 37 percent in seven years. The country had also increased its imports from countries like Italy and Greece.

"The sole reason for this expansion, which

is expected to accelerate in the future, is the production-aid system.

"The price differential of some 20 to 25 percent renders the Greek and Italian product most attractive to United Kingdom buyers despite the fact that the quality may leave something to be desired.

"While the volumes sold to Europe in 1980 compare favourably with those of 1979, this has been achieved at the cost of lower returns to canners.

"At the time of writing this report there are no grounds for believing that the position will improve in 1981."

While markets outside Europe constituted only 10 percent of total export volumes, increased attention would have to be paid to them in the light of the difficulties foreseen in the more "traditional" markets of Europe, the report said. — Sapa

From BARRY STREET
CAPE TOWN — The South African Minister of Police, Mr Louis le Grange, yesterday refused to answer any questions about the theft of pineapples in the Chalumna area.

Mr Le Grange said that because the Chalumna area was being policed by the Ciskei, he was not in a position to answer questions about the alleged thefts.

The Minister said this in

Pines thefts:
DD 10/7/81
109-200vt reply

reply to a series of questions about the alleged thefts tabled in Parliament by Mr Errol Moorcroft (PFP, Albany).

Mr Moorcroft said afterwards that the minister's reply was "most unsatis-

factory".

Mr Moorcroft added that he was sure the farmers in the area would be interested to know that the area was controlled by the Ciskei police.

"Perhaps the Kidd's

Beach Farmers' Association or some of the farmers might think that this is a most unsatisfactory answer. I certainly do," he said.

His questions followed reports that pineapple farmers on the Chalumna River border with the Ciskei were being driven to despair and bankruptcy by gangs of thieves who were stealing pineapples worth thousands of rands each year.

distinguishing between a maturation period and a holding

period.

If interest were not capitalised on inventories, this could result in the stock being underpriced when placed in the market. Arthur Young & Co. are aware of this - they feel interest should be capitalised on inventories until they are sold.⁴ This further eliminates the need for a distinction to be made between the holding period and the maturation period. Anthony feels that where the manufacturing cycle is short, the interest cost may not be significant enough to warrant assigning such costs to inventory. Where the passage of time is significant in the production process, interest cost is important and should be recorded.⁵ It may be added that this will not lead to overstatement of the value of inventories, due to the application of the lower of cost or net realisable value rule.

One respondent suggested that interest be capitalised on inventories only in the event of specific stockpiling.⁶

Another suggested the treatment of applying the policy to inventories only if the cycle of purchase - process - sale of inventory exceeds the annual reporting cycle, or where the stock turnover is exceptionally low. If the stock turnover is low, then it is likely production will not be unduly

SA fruit exports fall

By NEIL BEHRMANN

LONDON. — South Africa's fresh and canned-fruit exports have fared poorly in Europe this season.

Sales are lower because the European market has been flooded by apples from South American countries, especially Chile.

Canned-fruit sales have been affected by the European recession and there is a surplus.

A spokesman for the Deciduous Fruit Board says South Africa's apple prices have fallen from an equivalent of R15,4 a carton in June to R10,25 a carton. A carton weighs 40 lb.

But he is satisfied with the performance of apples because the board has sold 7 300 000 cartons, even though the South Americans were selling their

apples at £2 to £2,50 a carton and in some instances as low as £1,50.

Last year 7 700 000 million cartons of SA apples were sold in Europe.

The Chileans did not affect exports of other types of South African fruit. But export quantities were hampered by poor crops. In some cases quality did not match previous years' high standards and fruit had to be withdrawn from sale.

Compared with 1980, peach and nectarine sales dropped from 216 000 cartons to 118 000 cartons, plums from 970 000 cartons to 819 000 cartons and grapes from 6 400 000 cartons to 5 600 000 cartons.

Pear and apricot sales were higher.

With volume and values down, fresh-fruit export revenue will be much lower this season.

Canned fruit is also suffering because Greece, a newcomer to the EEC, has helped to cause a glut.

A spokesman for Koo International says the market is still suffering from a surplus of canned fruit which was built up in 1980. Several UK factories have closed because high interest rates and a weak economy have "made the factories carry the can".

BANANA INDUSTRY IS ON THE VERGE OF BECOMING A MONOPOLY

S. Tribune
27/9/81



3 fruit

By PAT BULGER

NATAL banana distributors met last week to discuss a new marketing strategy which could eliminate all competition and send the banana price soaring.

A Sunday Tribune investigation into the banana industry has disclosed:

- The price of Natal bananas has jumped by 46 per cent since the Banana Board's controversial takeover of the province's industry 14 months ago.

- Natal's banana industry is on the verge of becoming a multi-million rand monopoly controlled by the Transvaal company Sentraal Piesang Kooperasie (SPK) whose director, Colonel Cornelius Huyzers, is chairman of the Banana Board.

- A big Natal distributor is in danger of losing his licence thus increasing SPK's 60 percent hold on the market.

Progressive Federal Party spokesman on consumer affairs, Harry Schwarz, said he would call for an immediate Government inquiry into what he called "a gross abuse of public trust".

"If the so-called free market system can be abused in such a way, the Government will have to step in and break the power ring to protect the consumer," Mr Schwarz said.

According to a source who attended the meeting but did not wish to be named the general manager of SPK, Bannie Bester, met with major Natal distributor D. Naidoo.

Among the matters discussed, the source claimed, was the possible implementation of a marketing agreement between Mr Naidoo and SPK's distribution subsidiary Sunripe Fruits.

Under the agreement, which according to the source would be considered as a long-term project, distributors who normally compete with each other to offer retailers better prices, would agree to fix prices once a week.

"One distributor will not be able to approach another's clients under the agreement.

"The board has got nothing to do with this, it is simply a matter for the distributors. There has been a lot of clashing and many instances where one distributor offers another distributor's clients a better price," the source said.

Mr Bester confirmed the meeting took place but denied a divisional marketing strategy had been discussed.

The Tribune has also learned that a Port Shepstone distributor is in danger of losing his distributor's licence.

The distributor, Mr Z. Balejko, confirmed this.

"My licence has been renewed only until November. I have written to the Banana Board asking them to give me a chance to state my case."

If Mr Balejko loses his licence he will be the second distributor to drop out. The first, Mr R. Budhoo, opted out of banana distribution in March this year.

Under the Banana Board scheme only licensed distributors can buy bananas from the board to sell in the major centres such as Durban and Pietermaritzburg. Competition between distributors, the board claims, is what keeps the banana price within reach of the consumer.

Retail outlet spokesmen threatened "drastic action" if they found out distributors had agreed to fix the price.

"The only thing that helps us keep the price down is market flexibility," said Game Discount World's senior vice-president Alec Hurter.

"If we cannot choose distributors to get a better price we will have to take the strongest possible action to protect ours and the consumers' interests," he said.

Pick n' Pay's general manager Colin Clark said he was opposed to monopolies of any sort.

"They can only push the price up," he said.

Banana Board chairman, Colonel Huyzers, said he had heard nothing of the agreement to fix prices.

Speaking in his capacity as chairman and not as a director of SPK, he said that while it was true the Natal banana price had risen from about R6.00 a 20 kg crate to an average of R10.00 this was because of a drought.

He added that the farmer was getting almost double what he was before the Banana Board started in Natal.

From 20/9/81
Deciduous
crop down
R52-m (3 fruit)

Quality costs during the various productic	INTERNAL FAILURE COSTS
2 Rework, at full shc	10.3.3.
1 Scrap, at full shop	
12 Field testing.	
11 Product engineering	
10 Maintenance and cal	
9 Outside endorsement	
8 Test and inspectio	
7 Set up for test an	
6 Laboratory or othe	
5 Checking labour qu	
4 Incoming tests and inspection and laboratory acceptance.	
3 Quality audits.	
2 Inspection.	
1 Testing.	

These are the costs related to maintaining the quality of the product and will include:

APPRASIAL COSTS	10.3.2
7 Vendor surveys, audit and surveillance planning.	
8 Reliability studies.	
9 Design and development of quality measurement and control equipment.	
10 Qualification of materials.	

THE CAPE's deciduous fruit farmers, who employ more than 230 000 people, have had their 1981 crop income slashed from R60-million to R8-million.

The chairman of the Deciduous Fruit Board, Mr Alex van Niekerk, said this week bad weather, an adverse swing in the exchange rate, increased costs and a poor marketing environment had made the past season the worst since World War 2.

In a report to producers attending a conference in Stellenbosch, Mr van Niekerk said he was convinced the industry was sound in spite of the 'disastrous' season.

He did warn, however, that it could have a serious effect on the economy of the Western Cape.

The 5 300 deciduous fruit producers saw their gross export proceeds drop by R45-million to R200-million.

Sales costs on reduced volumes increased by R3-million to R18-million.

a result of:
 release.

Arms 2/10/81

1981 apple season worst in 35 years

Staff Reporter

THE CAPE has just had its worst apple season since World War 2 and payments to producers have been cut by half.

The export earnings on apples, which accounts for more than 50 percent of South Africa's fruit exports, fell to R34,5-million.

These figures were given this week by the chairman of the Deciduous Fruit Board, Mr Alex van Niekerk.

He told producers at a meeting in Stellenbosch that climatic conditions had had a minor effect. But because of slight cosmetic imperfections — a characteristic of this year's crop — the effective 'pack out' for export was below average.

'No one will dispute that our apple producers have had a most trying year, but the ray of hope is that the prospects for 1982 are considerably better,' Mr van Niekerk said.

③fruit

On the future of the deciduous fruit industry, Mr van Niekerk said the industry had entered a far more competitive era.

'We are confident we can maintain our position as the brand leader in the international marketplace — provided we get sufficient quantities of fruit.'

'The major policy direction we have assumed is to actively pursue a philosophy of growth.'

Stone fruit
Star 8/10/81
farmers' bad
3 fruit
season

CAPE TOWN — Stone-fruit farmers have been badly hit by a disastrous fruit season, according to figures released by the chairman of the Deciduous Fruit Board, Mr. Alex van Niekerk.

In the annual report to producers at Stellenbosch, it was disclosed that bad weather, lower production, poor quality and weak overseas markets had caused the average farmer's net income to decline by 76 percent in the past season.

Reporting on apricots, peaches and plums, Mr. Van Niekerk said that net farm income from the crop would "more or less" cover only half the anticipated 1982 production and packaging costs. Producers had been paid out only R4.2-million, 34 percent down on the previous year, and higher production and packaging costs had left net farm income at R1.438-million, a reduction of 57 percent on the previous year.

Total tonnage delivered for fresh consumption dropped by 13 percent. The number of units approved for export was down by 19 percent. — Sapa.

R12m downturn in producer payments. Increased marketing expenses, including shipping, cut the payout by a further R3m.

"Adverse marketing environment," including problems with quality and aggressive competition from Chile, shaved a further R13m off earnings.

The major problem, however, was an appreciating rand at the height of the European season. Van Niekerk estimates that rand payments to producers suffered by R20m as most Euro-currencies slid. To beat the crisis in the years ahead, the board advocates a strategy of growth.

"In times of inflation and increased competition, industry can survive without growth," says Van Niekerk. This contrasts sharply with the contingency plans implemented by the Fruit Canning Board (FCB September 25) which is urging growers to scale down production and is paying them R600-R900/ha to uproot orchards.

Although the problems of deciduous fruit canners and fresh fruit exporters are by no means comparable, it is difficult to see how exporters can beat the problem of adverse exchange rate movements simply by increasing the volume of fruit shipped.

If the competition of other southern hemisphere producers (like Chile and Argentina) remains constant, increased offerings from SA will not necessarily raise gross proceeds while the unit cost of getting the fruit to the market will increase.

If, at the same time, the rand appreciates against Euro-currencies at the height of the selling season, growers will be up against the same problems that faced them this year.

It is pointless, of course, to take forward exchange cover on a perishable product that is sold by auction and payable in the currency of the country where the sale takes place.

The only way to assist growers again

the contingency of an adverse movement in the rate is to guarantee them a fixed rand rate against the currencies where most of the fruit is sold. Cape exporters have been assisted in this way before. Is it about to happen again?

Fm 9/10/81
DECIDUOUS FRUIT

Export post mortems

③ *fruit*
Cape deciduous fruit growers held a series of post mortems in Stellenbosch this week to reflect on a "somewhat disastrous" export season.

Although the export pack declined only marginally, from 20,6m cartons in 1980 to 19,1m in 1981, gross proceeds fell from R245m last year to R200m. Pool expenses on the lower volume shipped rose R3m to R118m. Consequently, payments to producers declined R48m, from last year's record R130m, to R82m.

Allowing for inflated production and packaging costs, net farm income fell 76% on average for the Deciduous Fruit Board's 1 100 registered exporters. According to board chairman Alex van Niekerk, the low-er intake for export resulted in an estimated

Stopping the rot

If the deciduous fruit canning industry in the western Cape were to collapse completely because of its inability to compete

on the export market, up to 300 000 people in the region could be seriously affected. It would also mean a loss of about R140m in foreign exchange earnings to the country.

These are some of the alarming conclusions reached in the report of an SA Fruit and Vegetable Canners Association sub-committee investigating the socio-economic repercussions of a drastic decline in the industry.

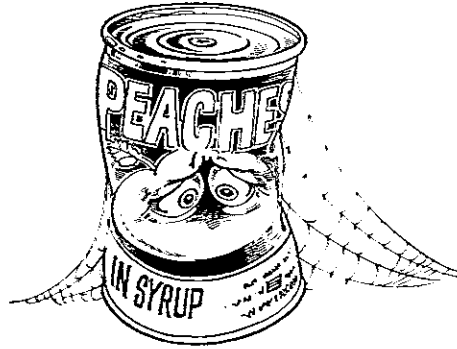
Foreign competition has made serious inroads into an industry up to 90% of whose product is exported. Next year, for instance, only 85 000 t of canned peaches — the backbone of the industry — are expected to be shipped, against 139 000 t in 1980. Nonetheless, a few die-hard optimists believe the malaise is temporary and can be reversed.

Reasons range from changes in demand patterns for fresh fruit to a declining market because of negative population growth; from unfavourable exchange rates to the higher freight charges incurred by SA producers against those paid by Europeans; from adverse weather conditions to high interest rates.

All these conditions are reversible. But what, according to most industry spokesman, seems certain not to change is the growing competition from within the EEC countries which SA exporters are unable to match. It is this critical factor which could sound the eventual death-knell of the local canning industry.

Helped by substantial subsidies paid to EEC canners, European producers are rapidly producing sufficient to meet their local

needs. Already Greece's current production nearly matches that of SA. With Greece, Spain and Portugal due to become full members of the EEC within the next five years, the situation will become still more unfavourable for SA producers. They are



already suffering under the high import duties levied on SA goods going to the EEC.

The growing inability of SA producers to compete profitably on the export market under these conditions has already had severe repercussions. At least one canning factory has closed down permanently, while several others have ceased canning operations for the moment. Given that the export scenario is likely to worsen, that it could be difficult to re-recruit the necessary skilled labour after a period of closure and that the cost of trying to recapture lost markets could be beyond the means of already ailing canners, the chances of these

factories resuming production are by no means guaranteed.

Between 3 000 and 4 000 employees in the industry have been directly affected by closures and rationalisation, according to a Food and Canning Workers Union estimate. The total reaches between 15 000 and 20 000 people if their dependants are included.

If the situation continues to deteriorate, up to 15 000 canning employees could eventually lose their jobs. The spin-off would be enormous. It would affect not only farmers, but also the tin, label and carton producers and those sugar manufacturers directly dependent on the fruit canning industry. In such a situation, the social and economic consequences for the western Cape could be severe.

Fruit processors are now looking to diversify to stave off the worst effects. The pulping and dried fruit industries — the only available areas of direct diversification — will be able to accommodate only a limited amount of extra fruit if they are not to suffer the same problems as the fresh fruit canners. Some farmers, assisted by a government price-support scheme and a R9m tree removal allocation from the Treasury, are already uprooting orchards and looking to alternative plantings.

But it seems inevitable that if the industry is going to survive, it is going to have to become smaller and more efficient. This will necessarily mean that some producers still functioning will follow the path of those who have already given up the fight to stay in the market.

'Enough fruit' for local market — and for export

Argus 10/11/81

3Fruit

Consumer Reporter

ALTHOUGH the Deciduous Fruit Board expects to export far more apples, pears, peaches and grapes this summer than last there should still be enough to satisfy the home market, Mr L. B. Kriel, general manager of

the board, has assured The Argus.

He said there were signs of a good crop. But demand for fruit in South Africa had been increasing at the rate of 30 percent a year over the past five years, and prices were determined by supply and demand.

Unlike other control boards, the Deciduous Fruit Board does not control prices in this country.

This year it became the first agricultural control board to win the coveted State Award for Export Achievement — the second time it has gone to a Western Cape exporter.

The award was made because of the volume, consistency and growth rate of the board's exports, which have averaged about 60 percent of fresh fruit production for the past 10 years.

However, the award was given on the basis of 1980's record fruit export figures, and last summer the bubble burst. Producer income from fruit exports plunged from R60m to R8m.

'It was a tremendous shock,' Mr Kriel said in an interview. But the causes were three factors which would not recur this year and he was confident that 1982 would again be a good year for fruit growers.

The main factor was that the strength of the rand against the dollar and other currencies made South African exports highly priced against competitors in European and UK markets.

FROSTS

Another was that European fruit growers had a bumper crop and the surplus was sold from cold storage during the European winter to compete against South African exports. Fruit from South America was also being 'dumped' at low prices on the European market.

The third factor was that weather conditions here spoilt many fruit crops, making them unsuitable for export.

This year the rand had fallen against other currencies, making South African fruit cheaper for overseas consumers. And frosts in the European spring had reduced the crop by between 25 percent and 30 percent.

AGRICULTURE — FRUIT.

1982 .

Feb. — Nov.

BIGGER BITE FOR APPLE FARMERS

BUS. ARGUMENTS
13/2/87
3 Fruit

APPLE exports start this month from the Western Cape whose 5 300 deciduous fruit farmers are looking for soaring earnings to offset last season's disastrous crop.

Conditions are just about perfect, according to the Deciduous Fruit Board.

Apple farmers lost R30-million alone from an adverse swing in exchange rates when the value of the rand rose sharply early in 1981.

However, the rand exchange rate has dropped to favour exporters and farmers can expect to

get a bonanza from sales overseas.

Crops will also be bigger than last year, said a Deciduous Fruit Board spokesman. Last year less fruit was exported because crops were damaged by bad weather, resulting in the worst harvest for over 30 years.

South African farmers could also benefit from a drop of at least 25 per cent in European fruit crops through late frosts.

A year ago fruit was already plentiful in Europe after a bumper harvest which left a large surplus in storage to compete against South African exports. Gross export proceeds dropped by R45 million to R200-million.

Net income of deciduous fruit farmers plunged to R8-million last year from R60-million in 1980 and hit the local economy.

SOLUTION TO: GL5

**British
find
Cape
fruit
is best**

ARGUS
26/2/82
3 Fruit

NTING A

(1) Premiums Trea

01, Jan 1: Ir

Consumer Reporter

se

300

300

Dec 31:

THE quality of Cape fruit is far above that exported by other countries, British retailers told The Argus at a symposium in Stellenbosch yesterday.

im

300

HEALTHIER

300

Years 02 and 3

They were among the more than 100 members of the Retail Fruit Trade Federation of Great Britain who have come to this country with their wives to see the fruit-growing areas.

1
t

Mr Sheppard said his federation was trying to make the British public realise that fruit was both healthier and cheaper than cakes and confectionery.

04, Jan 1: I

Yesterday the Deciduous Fruit Board took them to Stellenbosch Farmers' Winery to see wine being made and to lunch at the Oude Libertas Centre.

any)
cy
ds

He and his members had been particularly impressed to see the care with which grapes were handled and packed for export.

300

Jan 2:

DEMAND

At a symposium afterwards some of the retailers complained that they could not get enough Cape apricots, peaches and nectarines to meet the demand.

10

In a speech at the start of the symposium Mr Sheppard said although apples were the backbone of the fruit trade between the Cape and Britain he thought grapes would shortly be among the top-selling fruit.

24 000

Jan 2:

Mr L B Kriel, general manager of the Deciduous Fruit Board, told them that exports of these fruits were increasing.

10

Mr Less Cannell, whose family have traded from a fruit stall in the historic British city of Salisbury for more than 100 years, told The Argus: 'I could not manage without Cape fruit.'

24 000

Jan 2:

He said farmers were planting more nectarines and 'it will not be long before we are exporting one million cartons.'

Compan
ceeds

QUALITY

'I can always rely on its quality. It is far above that of the French apples, for instance, although they are cheaper.'

300

Jan 31:

Mr Peter Sheppard, president of the federation, told The Argus that the quality of Cape fruit was so good that it sold well even though prices were higher than that of fruit from European countries.

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Mr Ray Kennard, publicity manager for the Deciduous Fruit Board in London, said there was a demand for more fruit than South Africa could export.

24 000

(2) Premiums T

01, Jan 1: d

He said political considerations did not stop British housewives from buying.

10

But it was vital that the board continued to exercise strict control over the standard of fruit exported, because its reputation depended on its high quality.

300

Dec 31:

Life Policy

10

300

(Surrender value of policy is zero - therefore no amount can be capitalised)

FRUIT EXPORTS

Well pruned

FM 2/1/82



A radically "rationalised" SA fruit canning industry hopes to do well in Europe this year.

The number of working export canneries has been cut from 23 to six and the intake of raw peaches (about 90% of the export canning pack) has fallen from about 140 000 t in 1980 to about 80 000 t this year. Deliveries of pears were limited to 30 000 t and apricots to 20 000 t.

Rationalisation of production is backed by a government price support scheme and a voluntary tree reduction programme for

which farmers are compensated R600-R900/ha. On the marketing side, canners have introduced a pool system and a financial equalisation scheme in terms of which participants in the export programme share expenses and returns *pro rata* to the extent of their participation.

Contracts with foreign buyers are currently being finalised for deliveries until the end of May. This will be followed by another round of price negotiations for the period to September and yet another round to determine the price of goods delivered in the final quarter. The new system of contract pricing is welcomed by large European buyers who, on many previous occasions, saw prices fall after committing themselves to a fixed price on a 12-month supply contract.

The new scheme explains why shipments of canned fruit came to a virtual standstill in February and March.

Canners welcome the new method of export marketing because it eliminates inter-canner price competition without inhibiting competition on service and quality. The new dispensation is backed by a government financial stand-by of R9m, the second tranche of which will be paid out this year.

The new deal confirms a worldwide trend in which no canning industry has been able to survive the past two difficult years without government support. In the United States and Australia, fruit canneries taken over by conglomerates, were ditched because they soon discovered that, without state aid, no fruit canning operation was viable.

In SA, Anglo-American Farms has dropped its Rhodes Fruit Farm Cannery, Vestey International has ditched Deep-

Freezing and Preserving at Somerset West. Jan Pickard sold off H Jones of Paarl and Langeberg has closed plants at Montagu and Daljosafat, to mention only a few.

Although the SA canning industry looks leaner and tougher after radical surgery, it is still too early in the season to say whether it will do better. Prices seem set to rise in the UK, but the German market seems to have fallen away.

External barriers against Third World country imports into the EEC are nearly 30%, while massive plantings of yellow cling peaches in Greece and Italy are coming into production. Whereas in the halcyon days of a mere three or four years ago, EEC growers could supply no more than 25% of requirements, new developments have pushed Europe much closer to self-sufficiency. This makes trade barriers tougher to beat.

Quality and service are of scant comfort to households with breadwinners on the dole. And with little prospect of the recession easing, cheap Greek canned fruit cannot fail to outsell quality offerings from SA, the US and Australia.

First ^{3 Fruit}
apples
picked
320 ^{w/le 1766.5}
years ago ^{17/4/82}

ON April 17 1662, 320 years ago today Jan van Riebeeck made an entry in his diary: 'Today, the first two ripe Dutch apples were picked in the company's orchard.'

'They came from a little tree not more than five feet high,' he said, adding that they seemed 'the most perfect fruit' as there was not a grain of difference between the two.

Today's anniversary of the first apple-picking is not considered the birth of the deciduous fruit industry.

Almost 10 years earlier on August 24 1652 the first fruit was planted.

If Van Riebeeck were here today he would probably find little of the fruit he planted at the Cape, save perhaps the hedge of wild almonds at Kirstenbosch.

THRIVING

What he would find is a thriving fruit industry which exports about 25 million cartons a year and directly or indirectly involves about 180 000 people.

The history of the industry is contained in a book by Siegfried Stander, 'The Tree of Life', to be published in September.

It is being co-ordinated by Mr Fred Meintjies, public relations manager of the Deciduous Fruit Board.

Bumper year for Cape grape farmers

ARG 42
2/14/82
3 Fruit

CAPE grape farmers are having a bumper year, with exports expected to total seven million boxes, one million more than last year, says Mr Alex van Niekerk, chairman of the Deciduous Fruit Board.

Last year grape farmers showed a loss.

Mr van Niekerk says the quality of grapes this year is the best for the past few years.

Farmers' profits on the higher level of exports are being eroded, however, by the depreciation in the rand. While this would normally benefit exporters by making their products cheaper overseas, grape producers have to pay their shipping costs in dollars.

COLD STORAGE

To preserve the quality of export grapes, the Hex River farmers have formed a co-operative to finance and build a cold storage unit. Now grapes are cooled within six hours of picking, against 24 to 36 hours in the past, when the nearest cooling units were at the harbour.

Pre-cooling of grapes so soon after picking results in excellent preservation of the grapes' quality. Other grape producing areas are now building cooling units. A unit near Paarl will be working by the end of May and one at Piketberg has begun operating.

The aim is to have all grapes pre-cooled by 1983.

FRUIT EXPORTS FM 30.4.82

Thanks, Argentina

The EEC ^{(2) fruit} boycott of Argentinian exports is expected to reduce the availability of fresh apples in Euromarkets by at least 1m cartons in the next month.

As a result, two things could happen. Cape growers could divert 1m cartons from the domestic market to fill the gap left by Argentina, or there will be heavily increased price competition for the 6,5m cartons of Granny Smith apples earmarked for export anyway. Either way, growers could boost their gross earnings by more than R10m.

The EEC boycott was imposed on April 17 and was scheduled to run for a month pending the outcome of negotiations to settle the Falkland Islands dispute. EEC Ministers reserved the right to extend the lock-out for a further period if the matter was

But their main crop of Granny Smith will be badly affected. SA had hoped to sell 6,5m cartons of Granny Smith, which makes up the lion's share of the apple crop. This portion of the crop is now assured of a substantially improved price.

But even without the Falklands "wind-fall," Cape fresh fruit exporters were heading for their best year ever in terms of gross foreign earnings. Although the export season has another 60-odd days to run, growers are confident that gross sales will exceed R300m for the first time. Last year's figure was R200m and in 1980 it was R245m.

But net payments to producers may not improve by anything like that margin. Pool expenses are going through the roof.

The deterioration of the rand/dollar exchange rate has hoisted shipping costs 28%, or R18m on a R60m negotiated contract with SA/Europe conference lines and other shipping conferences which denominate their rates of freight in US dollars.

Against this, however, the rand has deteriorated only 8% against the Euro-currencies, in which 85% of the export crop is sold. This year's crop is expected to exceed 23m cartons, compared with 19,1m last year and 20,6m cartons in 1980.

Hendrik Schoeman's railway budget, which contained average increases of 15% in various portside charges, will have taken about R16m out of growers' pockets by the end of the season.

In addition, Industries and Commerce Minister Dawie de Villiers has withdrawn the 40% rail rebate export assistance to growers. To deciduous fruit growers this is a blow of R2m, but citrus farmers, who favour Cape Town as export harbour because it is closer to Europe, will have at least R11m shaved off their earnings.

Growers' packaging costs (R40m this year) are also set to rise following an application by Sappi for additional tariff protection. In the past season Sappi refused to grant growers' request for a special price. In retaliation, growers negotiated a major supply contract with a Chicago converter who, despite a 10% import tariff, as well as the 10% imports surcharge, could nevertheless land his cartons in Cape Town at a price lower than Sappi's quote for shipping cartons from Natal to the Cape. Needless to say, growers intend to oppose Sappi's application.

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BLOEMFONTEIN MUNISIPALE WERKNEMERSVERENIGING

GRAPEFRUIT ^③ Fruit Soweto's segment

FM 28/5/82

A religious organisation's scheme to distribute part of the current 17 000 t grapefruit surplus in Soweto could prove a godsend for the Citrus Board (CB).

For the first time on any significant scale, many blacks will be able to sample a fruit they have not tried before. The CB gets this service, free of charge, from World Vision of SA (WVSA), the local arm of an international Christian humanitarian organisation.

The project, which aims to distribute around 500 t of the small-grapefruit surplus, will cost WVSA about R40 000. The impact will be similar to a market sampling campaign, claims CB's marketing manager Hennie Liebenberg.

"If only one in every 100 blacks who samples a grapefruit becomes a consumer, we will have been done a great service," he says.

If consumption in the black market can be increased, it will go a fair way to easing the oversupply of grapefruit in the local market.

SA will produce around 130 000 t of grapefruit this season of which 77 000 t will

e exported and 36 000 t consumed locally. The CB now discourages planting.

According to Liebenberg, per capita consumption of grapefruit in SA is low. The US figure is four times greater in spite of substantially higher prices. However, local consumption has doubled in the past year from its very small base.

Liebenberg says the board previously tried to sell grapefruit in the more affluent parts of Soweto but had difficulty in getting retailers to stock this relatively untried product.

"We are also constrained by our advertising budget. All we can afford is R100 000."

Another CB strategy is to increase export sales, which should rise by 10% this year. However, SA faces intense competition from advantaged countries like Israel as well as falling demand in recession-hit Europe.

Transport costs have also hit exports. Sales overseas are viable only if at least R9 can be obtained for a 15 kg carton. Until April, exports, including citrus, received a 50% rail rebate. This has been withdrawn and the board is now negotiating for a R5m subsidy.

Liebenberg maintains that farmers who are coming under fire for dumping their surpluses, have little choice.

"It cost at least R30 ton to transport the fruit from the packing houses to Johannesburg. Unless the farmer can get 47c 5 kg bag — which is the marginal cost — it is not worth his while to take it to market."

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Falklands war gives boost to South African export trade

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By GEORGE YOUNG

THE ill winds afflicting the Falklands are sending helpful zephyrs to the South African export trade, which is securing business formerly enjoyed by Argentina

Apple farmers in this country, who had been warned of a poor export year because of the intense competition in the market place from Argentine, French and other deliveries, have suddenly found a formidable demand for their products.

Instead of the R7 a case which they expected, farmers are said to be obtaining R11.50, and it is all because of the EEC's shutting down on Argentine imports.

The sell-out of South African apples this year has been so intense that the local market may demand

imports from France in the next few months, because there are few apples left in cold storage in this country.

Apart from the effects of the sanctions against Argentine products, ship-owners have been less disposed to allowing their ships to sail down the coast from Brazil, and it is really only the grain cargoes to Russia which keep the ports busy now.

About 2.7 million tons of grain sailed out of Argentina to the Soviet Union last month, and it is widely believed this traffic will continue because of the acute shortage of cereals in the USSR.

Because of the British blockade of Argentine ports, freight rates have increased markedly in recent weeks and it is consequently proving more advanta-

geous for both the Russians and other purchasers to ship their cereal cargoes out of the US Gulf.

The blockade, while referring only to Argentine ships, has upset insurers in case the vessels of other nations also become involved, and rates for covering are affected.

The Americans are actually wooing the Russian grain buyers, and stand to benefit from almost interminable industrial disputes in Australia, where big export cargoes have come to a halt and the Russians, among other purchasers, have preferred to buy in countries where delivery is assured.

South Africa could see bigger than expected citrus shipments too, this year.

These are just beginning through Port Elizabeth and

it is likely that specially chartered fruit carriers will supplement the weekly container liners which fill their insulated spaces aft with fruit.

One authority suggests that by October there will be a surplus of about 40% space to demand on the weekly Conference lines operations, and some ships could be pulled off the route.

Although the Republic has never been a keen competitor in Argentina's meat exports, there is likelihood of inquiries for South African cargoes in the foreseeable future.

Cessation of perishable exports by Argentina must inevitably materially affect the already unhappy economic situation of the country, and reduce imports

Mine Surface Officials Association of South Africa

Mine Workers Union

S.A. Boilermakers, Iron and Steel Workers Shipbuilders and Welders Society

S.A. Electrical Workers Association

S.A. Engine Drivers, Firemen and Operators Association

S.A. Technical Officials Association

Underground Officials Association of S.A.

MANUFACTURING

Food & Beverages

African Food and Canning Workers Union

Amalgamated Engineering Union of South Africa

Bakery Employees Industrial Union

Black Allied Workers Union

Boland Inmaakwerkersvereniging (Paarl)

Brewery Employees Union (Cape Peninsula)

Cadbury In-Company Union

East London Meat Trade Union

Food and Canning Workers Union

Food, Beverage & Allied Workers Union

General Workers Union

General Workers Union of South Africa

Natal Baking Industry Employees Union

Natal Sugar Industry Employees Union

National Milling Workers Industrial Union

National Union of Dairy Employees

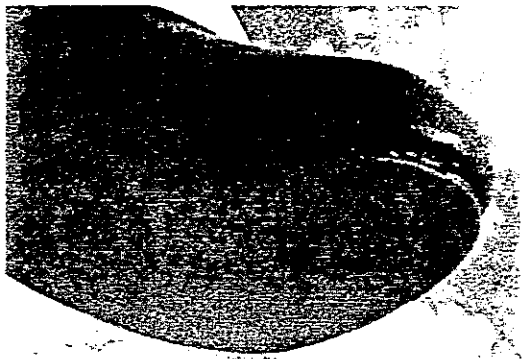
National Union of Operative Biscuit Makers & Packers

National Union of Sugar Manufacturing and Refining Employees

National Union of Wine, Spirits and Allied Workers

Operative Bakers, Confectioners & Conductors Union (Cape)

Pretoriase Baknywerheidsvereniging



Good year for apple farmers

Cape Times 2/6/82 3 Fruit

Staff Reporters

THE 1982 Cape apple crop is shattering all export records in a multi-million rand fillip for the region expected to be hard hit by the national economic downturn.

And other deciduous fruits are also chalking up big gains on previous years.

The general manager of the Deciduous Fruit Board, Mr Louis Kriel, told farmers at a meeting in the City yesterday that he hoped gross deciduous export turnover for the nearly completed season could reach over R350-million.

But he said in his address to the Cape Pomological Association that despite record returns the industry faced severe problems in controlling the external costs of packaging, transport and handling.

"Looking at costs we are not winning this war; had we had the volume and marketing conditions of last season this industry would be in trouble."

Only the record crop volume and soaring prices brought on by the huge competitive advantage gained from the slide in the foreign exchange value of the rand had made the season such a success.

It was clear yesterday that the big grievances of the farmers still existed. Recent cancellation of government export incentives is a major new complaint and dissatisfaction with services provided by near-monopolies in the packaging and transport sectors is rife. This year's

railways budget increases caught the export crop from April 1.

The figures on the crop, however, overshadowed the problems.

Gross payments to apple farmers in terms of DFB indexes are up by almost three times last year's disaster season and 48 percent ahead of the good crop in 1980.

Even the less popular apple cultivars were being snapped up in Europe due to the cheap rand, a good quality reputation and, to some extent, a choke on supplies from Argentina.

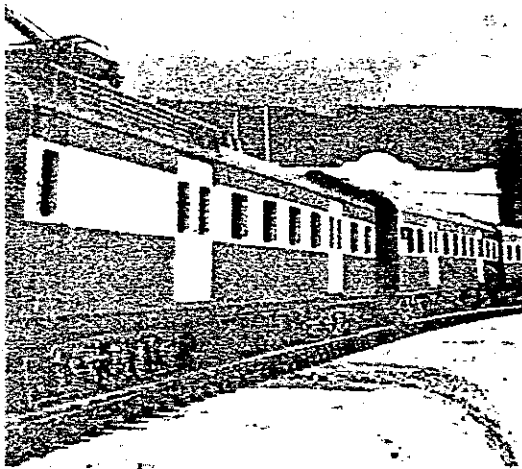
Taking advantage of the reputation for good quality, a greater proportion of the crop than ever before has fallen under the Cape brand marketing umbrella.

"Grapes also had a fantastic harvest and the barlinka were seen as the best in Europe," Mr Kriel said, although the tail 15 percent of the harvest was badly hit by mildew.

Pears were up in price as well, but volume was slightly down on the previous year and apricots showed a steady volume and price rise.

Mr Kriel maintained that a decision taken a few years ago to expand export volume and improve quality had been "the right decision at the right time".

A cloud on the horizon, he noted, was the likelihood of an excellent season in Europe this year which could leave heavy stocks overhanging the market when the next crop from the Cape is due on the shelves.



Photograph from Gulliver's Travels — it's a real suburban line train which, with lots of people, will be at the Good Hope Centre. The train will arrive on Saturday.

Mr Wavecrest is defeated

Cape Times 2/6/82



Mr Herbert Hirsch



the streets prepared for the township that there was actually a bush growing through the tar.

Mr Hurlly added that it appeared that a large piece of ground which could have been used for agricultural purposes had been excised for the township and now lay unused.

Earlier in the debate, Mr H J Kriel, MEC for local government, replied that not a single fact had so far been laid before the council to warrant the institution of a commission of inquiry.

The official opposition, he said, was trying to make political capital out of the issue and was trying to have the matter debated in the press.

He added that the PFP could take any queries to the Attorney-General.

Notice of a motion calling for Harfield Village to be opened to all races was given in the Provincial Council yesterday.

Judge refuses to recuse himself

Staff Reporter

A SUPREME COURT judge yesterday refused to recuse himself. He was then asked by a second accused to instigate a commission of inquiry into South African prisons.

Mr John Newman, 28, of David Street, Valhalla Park, yesterday asked for the recusal of Mr Justice Rose-Innes because he felt remarks made by the judge were prejudicial to his case.

Mr Newman was appearing with Mr Kevin de Allende, 20, of Joan Street, Valhalla Park, who both

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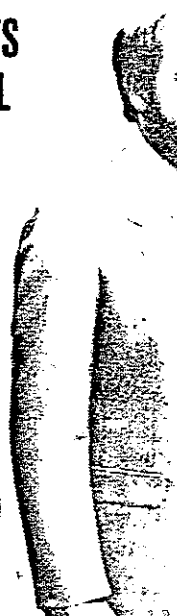
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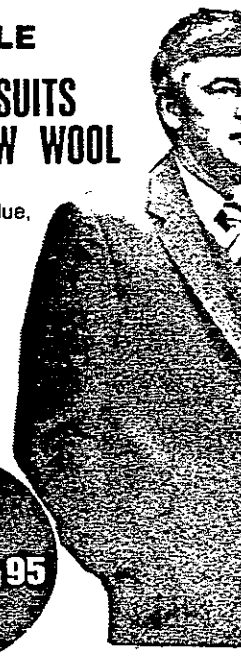


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~~10/11~~ (3) (int)

Just pining away — a consolidation warning

With the Ciskei's consolidation programme not yet completed a number of farmers are going through a worrying period.

This applies especially to farmers whose pineapple farms fall within the consolidation programme — Kayser's Beach area — and those farms in the Chalumna area, which is still a "proposed" take-over area.

"Once these pineapple and grassland areas are proclaimed Ciskei land, Kayser's Beach village and Chalumna Estates will un-

doubtedly experience a downward trend in their economy," the chairman of the Langeberg Co-op pineapple study group, Mr Neville Hewson, said. "In my opinion the food production level will also drop in spite of the Government's

endeavour to maintain the existing production levels.

"We feel that once a farmer has agreed to a takeover by the South African Government this should be finalised within weeks and not over long periods with farmers waiting for a year

and longer before the transaction is concluded.

"Through these long waits farms devalue, while farms for sale in other areas increase in value.

"For every R500 paid out to a farmer he has to spend

R1 000 for a similar piece of land elsewhere.

There are, of course, different aspects to consider in a takeover transaction: the farmer will have the option to lease his farm back for seven years. But will it pay him to lease the ground, rather than move to his new farm and start developments there?"

If most of the farmers decide to leave the farms, how will it effect pineapple production and the economy in the area, bearing in mind that a lot of labour is involved?"

He was happy to say that the department had at all times worked through a number of alternatives and it was determined to maintain existing production levels.

Mr Hewson emphasised that the takeover of a pineapple farm was not as simple as it sounded.

Pineapple growing had become a highly scientific undertaking and no inexperienced person could walk in and expect to become a successful grower. It took years of study and experience.

Despite guidelines and the assistance of qualified men in different fields, each grower had to be an expert in the chemicals used, fertilisation, weed control, management — in which he also had to play the role of lawyer-accountant-book-keeper — and very important, his role in employer-employee relationships. Layout procedures were also most important.

The method adopted by the Langeberg Co-op study group should be adopted by farmers in other branches of farming.

"We are only ten co-op members and cannot extend membership to farmers who are not members of the co-op," he said.

Members met once a month to discuss problems and successes. There were no secrets from each other. At times there was criticism but no one had taken exception.

These farmers, in sharing knowledge, stood out among other farmers. He encouraged the formation of similar groups.

This year Mr Hewson has planted 15 000 clones (the plant bearing the "perfect" fruit) which have been developed over a number of years and is expensive.

The pioneer researchers were Dr George Marr and Mr Ross Dalldorf. Mr Dalldorf is still attached to the research station but Dr Marr has left.

From the 15 000 clones new plants will be developed for distribution among other growers with the next year or two.



Mr and Mrs Hewson ... expedite take-over transactions.

Big problems seen for Cape fruit industry

ARGUS 8/6/82

3 fruit

THE R360-million fruit and viticultural industry in the Western Cape, which produced 35 percent of South Africa's deciduous fruit, was facing serious problems, the Minister of Agriculture and Fisheries, Mr P T C du Plessis, said in Cape Town last night.

He was speaking at the annual dinner of the Western Cape branch of the Agricultural Writers' Association.

One of the most serious problems was the effect of an inflation rate which, over the past seven or eight years, had been higher than that of the country's main trading partners.

This adversely affected the industry's competitive position, he said.

OIL PRICE

"The deciduous fruit industry, which exports about 80 percent of the orchard value of its crop, is particularly affected by inflation as well as foreign exchange rates."

The industry had also suffered through high freight rates caused by oil price increases since the early '70s.

With export costs amounting to roughly two-thirds of the total cost of South African deciduous fruit marketed in Europe, the industry was especially vulnerable to any changes in the external factors which affected it.



Mr P T C du Plessis

"Although the deciduous fruit industry now faces a period of adjustment, I am nevertheless convinced that the agricultural industry in the Western Cape is dynamic and flexible enough to accommodate this adjustment."

DEVELOPMENT

Mr du Plessis said that in many respects the agricultural industry still formed the nucleus of economic development in the Western Cape.

For this reason it had to be maintained on a sound basis and producers must try to counteract cost increases through better management, planting new varieties and using new techniques to increase productivity.

Pineapple growers ~~to~~ aid Ciskei

D. Rispitch

13/8/82

(3) Print

EAST LONDON — The Pineapple Growers Association (PGA) here has come to an arrangement with the Ciskei Government whereby they will co-operate with the government on all matters relating to the production of pineapples.

In a meeting held in Zwelitsha recently and attended by the chairman of the PGA, Mr B. Yendall, and the vice chairman, Mr Corder Tilney, at the office of President L. L. Sebe, it was agreed that pineap-

ple producers in the region would remain partners as they had been in the past.

A statement by the government said it was important that a smooth transition with maintained production be ensured when white farms were being handed over to Ciskeians.

The PGA offered to assist the Ciskei pineapple industry to become self-sufficient and to assist in training Ciskeian farmers.

This co-operation would also mean that

tanneries, which would depend on pineapples produced in Ciskei, would be kept fully supplied.

Mr Tilney was appointed advisor to the Ciskei Government on all aspects of pineapple production, processing and marketing.

In an interview yesterday he said it was difficult at this stage to quantify their involvement in the work to be done but he was confident this would be worked out as they went along — DDR.

AGRICULTURE (3) fruit
Common ground

Fm 13/8/82
Fruit and vegetable growers are expecting better times now that they have devised a new system of representation within the SA

8

171

Agricultural Union (SAAU).

Until now producers of items as diverse as bananas, tomatoes and dehydrated products were represented at national level through the six separate provincial unions by the Fresh Marketing Committee (FMC). This arrangement tended to favour regional rather than product interests.

The new body will directly represent national commodity committees, such as the Citrus Exchange, the Avocado Growers' Association and the SA Vegetable Committee.

Says chairman Bertie van Zyl: "The FMC now accommodates specialisation. Previously, individual interests were not catered for and some producers were not having their specific problems dealt with. Now each producer is strongly represented."

The non-statutory FMC, which may be renamed the Horticulture Committee, plays an important part in influencing government decisions on products and their marketing.

Says SAAU Commodity Officer Johan Bothma: "Producers will still decide separately on issues in their own markets but at the FMC, they will discuss mutual interests, such as legislation, packing materials, research, rail tariffs and trade arrangements with other countries. The issues will affect both vegetables and fruit."

The FMC consists of 13 members, including representatives of the Avocado Growers Association, the Citrus Exchange and the Apple Producers Association.

S

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18
28

~~Control board~~
AGRICULTURE (3) fruit

Fruit punch-up

Fm 13/8/82

Some avocado exporters are beginning to view the Citrus Board (CB) as a threat to their livelihood. The reason, they say, is that an export company of the CB's marketing arm, the SA Co-operative Citrus Exchange (SACCE), is moving into their

territory.

The company, Prodex, was created in 1978 to export uncontrolled non-citrus perishables. Its turnover is now about R7m/year, most of which comes from its 30% share of the annual R21m avocado export market. It also handles other non-controlled agricultural items such as litchis, mangoes, cherries and asparagus.

Says Tom Snoek, deputy MD of export company F R Waring, which has about 45% of the avocado exports: "The control boards seem to be extending their empires at a time when the Prime Minister is calling for greater free enterprise. The CB was created by statute to serve certain farmers and not to encroach on other areas."

"We have worked for many years to create our market abroad and it is unfair that a body such as Prodex, which relies on the backing of the CB, can take it away. If the citrus people want to move into other markets, they must let us into theirs. It is an eye-for-an-eye situation."

Some smaller exporters who have already started feeling the pinch met last week to discuss the problem. But so far they see no solutions.

Says Arend Venter, initiator of Prodex and assistant GM of SACCE: "Numerous producers have asked SACCE over the years to start Prodex. It was a good way to let farmers make use of our existing operations. And it enabled us to make further use of the facilities and infrastructure of SACCE, which were underutilised at certain times of the year."

As Prodex uses the same administration and selling agents as CB marketer SACCE, some exporters believe the control board influence will start creeping in.

But Venter emphasises that, although there is a link with the CB, there is no possibility of the subsidiary ever working as a board.

"Although Prodex was started with SACCE money, it is now financed entirely by commercial banks and not the Land Bank," he says. "We do not use citrus growers' money. Producers remain free to choose their own exporters and we appreciate that competition. Farmers will go to us one year and somewhere else the next year. But if our services and results are good, why shouldn't they come to us?"

Bad business in the State forests

③ Forestry
Star
25/8/82

Serious anomalies in the administration of South Africa's State forests have come to light in a month-long investigation by The Star.

● The State forests represent one of the largest State enterprises but they have never been run along business lines. Instead of providing competent professional management the Minister of Finance has generally kept purely business decisions to himself through the mechanism of the State budget.

● Obsolete costing and inadequate profitability information have led to a State policy of cheap timber. New plantings have thereby been discouraged and an early shortage is expected.

As soon as timber becomes an import commodity again, consumers will have to pay steeply increased prices without any guarantee of continued future supplies.

● The State is holding back timber production by individual growers through unprofitable prices and restricted access to suitable credit facilities, while the growth of a monopoly of large integrated forest processors is being encouraged.

The Directorate of Forestry in the Department of the Environment owns 28 percent of South Africa's 1.1 million hectares of forest plantations — all in all 317 000 hectares. This chunk of real estate is worth about R900 million, half of which is in standing trees.

Annual sales are about R60 million, mostly pine sawlogs.

But a trading account? A profit and loss account? A balance sheet? Standard costing, budgetary control? No ways.

So this is a very special sort of enterprise. No commercial



Harvesting a pine forest at Sabie, Transvaal.

management, no set of accounts of its own. A corporate non-body. It has 160 directors — Parliament is its board.

Yet the directors have no control over their chief executive, who is appointed by the Cabinet on the recommendation of the Commission for Administration.

How much is to be spent on salaries and wages, diesel fuel, chainsaw spares, insecticides, truck tyres, new skidders — and sundry operating expenses — is decided by the Minister of Finance, Mr Owen Horwood.

How much to charge the private sawmills for a cubic metre of pine sawblock, what the Post Office is to pay for poles or SAPPI for each ton of thinnings for pulp, is likewise decreed and budgeted for by Parliament in its tree-high wisdom.

In the State forests, ends do not have to meet. This company's receiving right hand does not need to know what its left hand is spending. If it must urgently invest in new plantings it cannot use reserves, increase its

prices or arrange an overdraft — it has to wait until next year's State budget.

It is not a State corporation — it is the State itself. It cannot even go bankrupt.

The dedicated foresters who run the Forestry Directorate do what they can to work the unworkable and account for the unaccountable. No wonder if organisation charts remain frozen, costing is merely a statistical exercise, or variances from performance standards aren't measured — they have no such standards.

No wonder that the value of land is not taken into cost figures. If it were, prices would have to increase by at least 10 percent for this reason alone.

Even so, the State forests are the price leaders in the sawlog market. With almost half of the area planted to pine forests in State hands and some 40 percent of sawlog supplies produced by the State, the prices the State charges the sawmills have been the

The Government's system of forestry management has discouraged new plantings and an early timber shortage is likely, says Farming Correspondent Hannes Ferguson.

norm for the price level of pine sawlogs.

Private sawmills were only too happy to follow the lead of the State, for State selling prices have consistently been below real cost level.

From 1951 the price basis of 15 to 20 year selling contracts has been the difference between the sales price of sawn timber and the costs incurred by the sawmills — including a generous profit. Roundwood prices have been a "residual" value.

Timber growers say that while the value of a raw material may be theoretically derived from the value of its end products, this applies only in conditions of true competition in both markets.

For more than 20 years the residual values were the basis of State sawlog pricing. Not until 1972 did it dawn upon the officials in charge that the State also had production costs to cover — proper accounts or no proper accounts. The residual value formula introduced in 1951 was then scrapped.

State selling prices are now determined by negotiation with sawmills and private growers on the basis of State cost statistics and market factors. But the irrelevant residual price formula continues to be used unofficially.

Inadequate State costing — omission of land costs, for instance — and inability to get rid completely of the "residual value" approach has kept the sawlog price level far below what it would have been either in a free market or under Agricultural Marketing Act provisions.

The implications of the State forests' "thumb-nail" accounting are wide ranging.

For one thing, the State has lost revenue. If timber prices had kept pace with the consumer price index the R60 million received last year could have been around R90 million — a loss of R30 million in one year, or about R100 million for the last four years.

Second, the situation means that the State and the private timber growers have heavily

subsidised the sawmills, mines and pulp mills.

Third — and most serious — the unattractive timber prices have discouraged planting.

In 1984 there may be a slight timber shortage, increasing as processors expand without adequate new timber plantings.

Mr Bruce Ferguson, director of the South

African Timber Growers' Association, said buyers should serve their own best interests and pay better timber prices. Otherwise the trees would not be there when they needed them.

In 1980-81 new afforestation totalled only 10 166 hectares, a decrease of 25 percent compared with 1979-80.

The 39 000 new

plantings target of the Directorate of Forestry is unlikely ever to be reached — even approached — without more attractive timber prices and realistic financing arrangements.

The alternative is importing timber. This will probably happen soon. But it will raise timber prices, sacrifice many job opportunities and jeopardise national strategic interests.

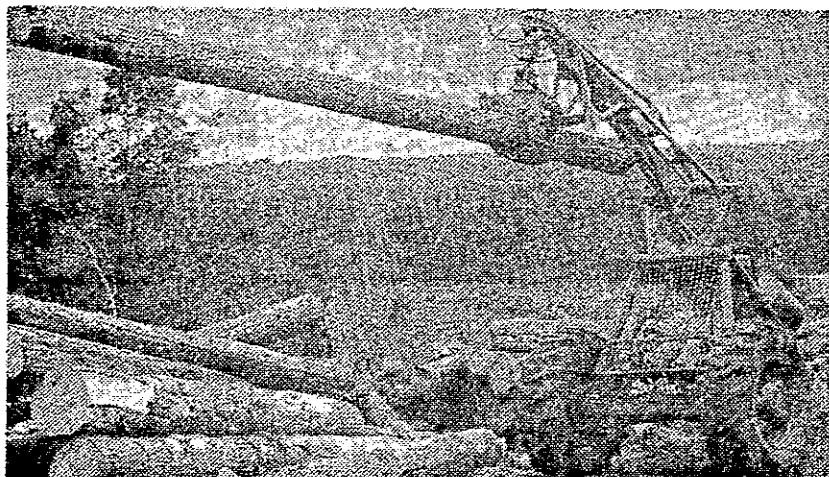
Many timber growers said the price leadership exercised by the State had not proved itself. If the policy goal of national self-sufficiency, in this strategic material was to be preserved, a wholly new departure was needed.

(to be copied from the heading o

NOTE CAREFULLY

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

Any dishonesty will render the ca



A Bell loader handles a five metre sawlog in a Zululand plantation. This type of loader, developed by an Empangeni firm, is being exported to the United States.

SHIPPING

R10-m facelift for the cooling sheds

CAPE TOWN harbour's pre-cooling sheds — a giant complex through which the bulk of export shipments of fruit move before being loaded into ships — are nearing the end of a R10-million facelift and are expected to be ready for use again early next month.

The 32 chambers of the plant, which covers quay space alongside three berths in the Duncan Dock and is claimed to be the largest single-roof building of its kind in the world, have been demolished and replaced by 20 which provide 32 000 cubic metres of pre-cooling space.

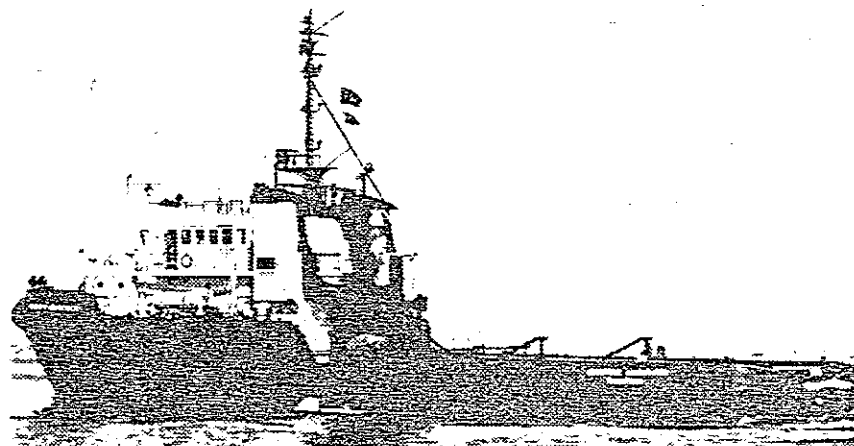
Modifications have also included replacing the old fan-operated pressure cooling system with a more modern and efficient forced-air cooling installation.

SAVING

Harbour records show that pre-cooling facilities were first provided at C Berth in 1937.

The complex was expanded until it eventually served ships at A, B, C, D and E berths, but was extensively damaged by fire in 1958.

Officials of the Deciduous Fruit Board, which controls the pre-cooling complex, said the rationalisation of the plant would in the long run save the country's fruit exporters millions of rands.



LAND and Marine salvage tug Causeway Adventurer has been whiling away its time in Cape Town harbour since playing a major role in the Antonios G-Toril Knudsen operation in False Bay last month. The 290 588-ton Liberian tanker Antonios G transhipped its cargo to the Toril Knudsen after having a gaping hole smashed in its bow while coming down the east coast. The 20 m by 6 m hole is believed to have been caused by a freak wave. Owners of the tug say things are rather quiet at the moment.

Big drop in orange trade for city harbour

LESS than 10 percent of South Africa's annual export orange shipments, which earn the country more than R300-million in foreign exchange, will be snipped through Cape Town harbour from the end of the current season.

This was announced today by the assistant general manager of the Citrus Exchange, Mr Arend Venter, who said that export tonnages for shipment through Cape Town were to be drastically reduced because of the cost of getting the fruit to the coast.

"The bulk of export-grade fruit is grown in the Transvaal and the high rail costs have forced us to concentrate our shipping operations

through Durban and Maputo," he said.

Mr Venter said that from next year the only export shipments to be moved through Cape Town would be fruit grown in the Citrusdal area.

"You can bank on about 2.5-million cartons of fruit being moved through Cape Town as from next season," he said.

According to official figures, the Citrus Exchange has been cutting down on Cape Town shipments for the past few years.

STATISTICS

Port statistics show that just over 11-million cartons of citrus were shipped through the harbour in 1975, 7.4-million

in 1980 and just on 2.5-million this year.

Mr Venter said Eastern Cape fruit would continue to be shipped through Port Elizabeth and East London.

Citrus Exchange figures show that South Africa's total exports for the current season will be about 28-million cartons.

This quantity of fruit nets R300-million on overseas markets, but is worth only about R180-million to South African farmers. Transport costs account for the remaining R120-million.

The last of the current export shipments are expected to be loaded aboard ships in Cape Town harbour in three to four weeks' time.

Shipping Editor
Bill Gaddara

Maiden voyage

THE latest addition to the fleet of vessels operating the Safari Se between South Africa and the Far East Nedlloyd's 32 000-ton tainer ship Nedlloyd Lombro — is due to Japan on its maiden voyage in three to weeks' time.

Nedlloyd officials the sleek carrier scheduled to arrive Cape Town on its visit on November

The Nedlloyd Col which was only relaunched at the buoy yard in Japan, is the of a series of four v designed for the Africa-Far East tra

The ship, which service speed of j 20 knots and can 1 700 TEU's, is a identical to Safm: SA Vaal and the nese-owned Osaka and Hayakawa Ma

The four contain seis will provide a lar fortnightly sail either direction, will be supported eral conventional bulk freighters.

Hemingway brother di

MIAMI. — Ernest ingway's younger : Leicester, 67, also thor and avid de fisherman, com: suicide by shootir self in the head at ami Beach home.

Ernest was 62 v killed himself shotgun in 1961. T ther Clarence als mitted suicide. — Reuter.



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CAME Times 16/9/82

Dried fruit export drive

(3 Fruit) (18)

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

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THE present rand-dollar exchange rate could play a positive role in making South Africa's dried fruit exports even more competitive in overseas markets, the general manager of the South African Dried Fruit Co-operative, Mr Steve Rautenbach, said this week.

He said that in order to gain maximum advantage of the rate, two senior executives of the Wellington-based group were exploring market possibilities in the United States, Japan, Taiwan, Hong Kong, Australia and New Zealand.

A new product which will be marketed in the United States is a dehydrated peeled peach of the yellow clingstone variety normally used in canning.

Mr Rautenbach, who described it as "an exceptionally good market product," said the initial reaction of the United States market would be assessed when Mr Leroy Tolmay, SAD's assistant general manager in charge of marketing, returned from the United States at the end of the month.

While in the United States, Mr Tolmay will also be looking at the sales of dried Bulida apricots. SAD initially tested the United States market for dried Bulida's last year, and although California is one of the world's largest producers of dried fruit, the South African product has impressed the market both in its quality and packaging, and service.

From the United States, Mr Tolmay will go to Tokyo to meet Ken Watson, who is visiting Australia and New Zealand, to which SAD exports a number of dried fruit products, including gift packs.

While Australian dried fruit production tonnage far exceeds that of South

Africa, it is mainly concentrated in sultanates, so that the various South African products could have an unexpectedly warm welcome "Down Under".

This would be a new market for South African dried fruit.

Mr Watson will also be visiting buyers in Korea, Taiwan and Hong Kong, as well as Tokyo.

Mr Rautenbach said that while the current exchange rate situation could favour South Africa, this would be in terms of sales volumes, and not rand returns per unit sale, since sales were negotiated in rand terms.

Credit Suisse sees solid spread of risk

ZURICH. — Foreign loan exposure of international banks, particularly Swiss banks, shows a broad and solid spread of risk, Credit Suisse said in its latest economic survey.

Monetary authorities, such as central banks, the IMF and the World Bank, have powers to prevent economic and financial collapse of the order of the 1930s, it added.

"The international financial system is healthier and more adaptable than the prophets of doom would have us believe," it said.

While fears of a threatened financial collapse and economic crisis recalling the 1930s should not be taken lightly, panic should be avoided, Credit Suisse said.

Banks are cautious about giving new loans and debtor countries have shown recently they are prepared to make necessary efforts to meet liabilities, it said.

Gradual relief is also being provided by falling interest rates, it added.

Reuter

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Examiners' Initials		

NOTE CAREFULLY

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- Names must be written in block letters (e.g. graph).
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- Do not write in the left hand margin.

books, notes, pieces of paper or other materials may be brought into the examination room. Candidates are so instructed. Candidates are not to communicate with other candidates or with any person except the invigilator. No part of an answer book is to be torn out. 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

PRODUCE EXPORTS

Sweet success

FF 15/10/82
(3) full
Exporters are cashing in on the small but fast-growing market for speciality fruit and vegetables in Europe.

The SA Citrus Exchange should earn R7m-R8m this year from the sale of produce such as avocados, mangoes, litchis and asparagus. The figure is small compared to the R250m to R300m citrus exports, but speciality produce shipments are increasing in volume by 100% a year.

Says Arend Venter of the Citrus Exchange, which markets the produce under

the brand-name Caprice: "There is long-term potential in Europe and if we can get properly established and sustain the kind of growth achieved in the past two years, speciality produce could become a very important earner of foreign exchange."

"The European market is growing at a phenomenal rate. The demand for mangoes and litchis, for example, has grown by between 30% and 50% a year in the past four or five years."

He adds that countries that had never heard of mangoes a few years ago are now clamouring for the fruit.

"We are trying to develop a broad base for all our produce and we've noticed that in the past two years new markets have been opening up," says Venter.

Markets are volatile and vary from country to country. Avocados are very popular in Britain and France, while asparagus is in demand in Germany. Demand can change rapidly depending on costs and the availability of other produce. Competition is also stiff and sophisticated European consumers will not buy inferior produce.

Venter says it is still too early to tell how good citrus exports will be this season. "Up to the end of July, sales were at a record

level, but they dropped during August and September because of the traditional holiday season in Europe and because of heavy supplies of European deciduous fruit and South American citrus," he says.

"The next four weeks will determine what kind of season we have. At best we could have a very good year and at worst a fairly average year. The SA crop was slightly down this season but the percentage of export quality fruit was good and we shipped about the same level overseas as last year."

The biggest threat facing local citrus growers, he adds, is escalating costs. This could put them out of the market, as SA inflation is higher than in many European countries.

"Inflation here is a serious problem," says Venter. "In many cases we are competing against countries where the growers receive large government subsidies or concessions that we don't get. The drop in the value of the rand gave us less benefit than many local industries. Most of them trade in US dollars but we sell in European currencies where the rand is still fairly strong."

Sias 19.10.82

SA joins deciduous fruit export accord (3) fruit

Own Correspondent
CAPE TOWN — South Africa and three other apple and pear-producing countries in the southern hemisphere have agreed to co-operate in the "orderly marketing" of fruit in Europe in the coming season.

This was decided at a conference in Cape Town.

A spokesman for the Deciduous Fruit Board

said the agreement meant that the four countries would export only fruit of a high quality to protect standards. It did not mean that the countries would not compete over prices.

Although South Africa exported only fruit of the best quality, dumping of sub-standard fruit by some countries in previous years has harmed the

European market.

The conference was of members of Sanza, an organisation set up 20 years ago by South Africa, New Zealand and Australia, which Chile joined recently. Argentina, another major producer, is not a member.

South Africa was the seventh largest apple producer in the world last year, according to figures of the Decidu-

ous Fruit Board.

Although the country had a record apple and pear crop, world production for 1981-82 was down by about three million tons compared with the previous year.

West Germany, which normally produces 1.9 million tons, produced only 780 000 tons, and about one-third of Argentina's productions was suitable only for processing.

FARM FINANCE

Foreign fruits

3
An ingenious foreign financing package for deciduous fruit exporters has been devised by the Deciduous Fruit Board (DFB) in collaboration with the Reserve Bank and commercial banks.

The Reserve Bank has approved a scheme whereby about 1 200 growers would obtain foreign loans to an upper limit of about R100m through the agency of their commercial banks. The loans would be repayable between February and July next year with DFB's foreign exchange receipts from the sale of fresh fruit in overseas markets.

The rand is now probably at a floor and domestic interest rates are likely to remain a good deal higher than those in western Europe and the US. So growers could score exchange rate gains when the time comes for them to repay their loans from export pool receipts after their fruit is sold next year. That, at least, seems to be the consensus of SA foreign exchange dealers.

In effect, the scheme provides growers with relatively cheap foreign overdraft finance for 4-6 months to replace expensive domestic facilities in the crucial pre-export period. The domestic overdraft rate is 20% — compared with the 6-month Libor rates of 12,4% for Euro-dollars, 11,2% for pound sterling and 8,1% for the Deutschemark. The three currencies which will be used to finance the scheme.

Fruit exporters registered with the DFB, including co-ops, will be permitted to borrow abroad 50% of their average annual export pool payment from the DFB over the past three seasons (excluding 1981/82). The limit provides for possible crop failure and was insisted upon by the Reserve Bank. The dollar component of each loan will not exceed 50%. While limits on Deutschemarks and sterling loans will be determined by average receipts of these currencies for stone fruits, pears, apples and grapes over the past three seasons. For example, for grape growers, loans will consist of 23% pound sterling, 32% Deutschemarks and the rest in dollars.

The scheme, because it carries marginal downside risks, is voluntary but DFB offi-

cially favourable response from most growers and co-ops.
It works as follows: An approved borrower (an exporter registered with DFB) armed with a certificate reflecting net payments to him from DFB export pools over the past three years, would obtain from a commercial bank the rand equivalent of a foreign loan basket comprising sterling, Deutschemarks and US dollars.
Components of the loan will mature at different times, from stone fruits in February to apples in July, depending what type of fruit is sold abroad and in which market. Redemption is managed for the farmer by DFB, the agency which conducts foreign sales. From its pool of foreign exchange receipts the DFB will repay the commercial banks the loan portions relating to one of the three currencies.

The balance of pool receipts will then be converted to rands and growers paid at the exchange rate ruling in the week their fruit was sold. At no time is the pool prejudiced by the foreign loan commitment because the banks are repaid in foreign exchange plus interest and the growers agree to rands at the rate then ruling.

The bank enters into a written agreement with DFB subject to certain requirements (the extent of the loans granted to producers, as well as the maximum

amount in each of the three currencies). On the repayment date, the DFB makes the foreign exchange available to the banks to enable them to redeem their foreign loan commitment plus interest and other charges, provided the bank pays DFB the rand equivalent of the total redemption sum.

Lower rate
Of key importance is that the producer who uses the facility receives in advance, at a lower rate of interest, part of his expected foreign earnings in rands converted at the rate ruling on the start-up date of the loan. If the DFB's aggregate pool income is to be left undisturbed it is necessary that the rand commitment for repayment of the loan be calculated on the basis of DFB pool exchange rates during the weeks when foreign receipts are allocated for the repayment of loans. This means there are more revenue pools (of which there are more than 500) will continue to be conducted as if the new financing facility from nor are prejudiced by the new scheme.

Following a remarkable 1982 export performance by the DFB, in which foreign receipts rose 80% to R364m (R201m), the board initially tried to persuade the authorities to sanction a foreign financing scheme to an upper limit of R320m. It is understood that the National Mar-

keting Council gave the proposal a lot of thought before turning DFB's suggestion down, stating that "it is not the function of the board to be a foreign exchange dealer". Nevertheless, the Reserve Bank and the Ministry of Agriculture will be watching the scheme with great interest in the months ahead. It is understood that if it works favourably, the facility may be extended to other parts of the farm sector whose main complaint in recent months has centred on the punitive cost of financing (domestically) production inputs. According to expert advice obtained by the DFB, conditions are highly favourable for growers to derive opportunity of foreign currencies in the months ahead — the argument being that the rand can hardly go lower against the three currencies that are to be used in the scheme.

permit the sale of all categories — one, two three and "other."

But the Deciduous Fruit Board, acting for the National Deciduous Fruit Committee (NDFC) of the SA Agricultural Union, wants "other" struck off the list of marketable fruit. It also wants marked peaches (now low-grade) to be included in category 3 and peaches smaller than 44 mm and nectarines of less than 40 mm to be taken off the market.

The ban would cover 14 controlled areas, including the main urban complexes.

NDFC chairman George Strachan claims the idea is to provide consumers with better quality fruit. But he admits that the plan is also designed to create more profits for producers.

Strachan reckons the removal of low-quality peaches will give farmers a better average price/ton and increase the crop's market value by 20%-30%. He says it will not push up the price of graded fresh peaches.

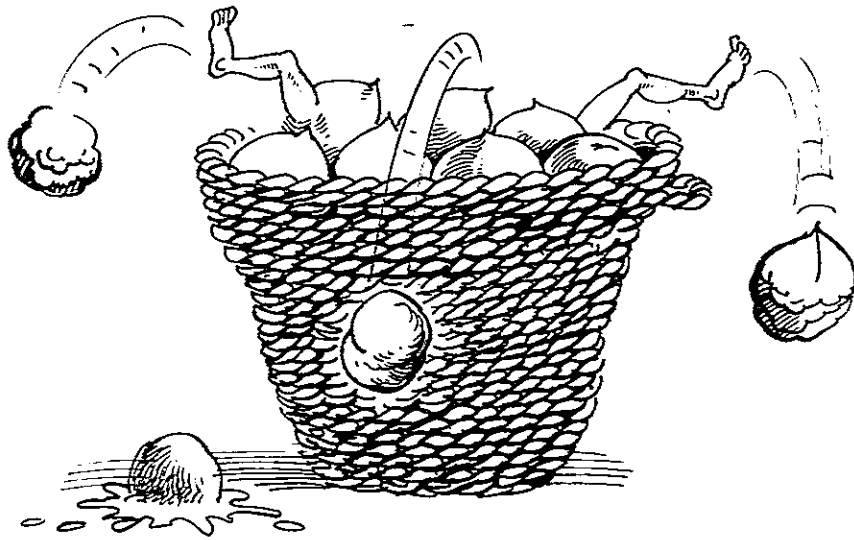
The problems in the canning industry, he explains, will push larger tonnages of peaches onto fresh fruit markets, and if the low grades are not removed, an oversupply will be created.

The SAAU's Bothma says Western Cape and Transvaal farmers grow about 90% of the low-grade crop for the fresh produce markets. The rest comes mainly from the Free State.

Dr Johan Mouton, GM of Langeberg Co-operative, which cans about 50% of the industry's deciduous fruit, claims that the problem stems from the decline in canned fruit exports to Europe. Peach farmers have consequently sold increasing quantities on the local fresh fruit market in the last two years. Exporters of canned deciduous fruit have taken a knock from their European competitors who are protected by the EEC.

He says the oversupply of peaches in world markets is forcing canners in SA, US and Australia to cut export volumes and improve quality to get better prices.

Mouton adds that, in the Western Cape, the total peach crop is usually about 130 000 t. Most are used for export canning with a few used for juicing and dried and fresh fruit. Last season, however, only about 95 000 t was canned because of export problems. Farmers thus had to sell about 15 000 t of canning peaches to the local fresh fruit market. Strachan expects



FRESH FRUIT ^③ Fruit Problem peaches

FM 5/11/82

Government is being pressed to ban the sale of low-grade peaches. Department of Agriculture marketing regulations now

farmers to sell about 25 000 t of canning peaches next season.

During the 1980 season about 33 000 t of peaches (value R8m) was sold on the fresh fruit market, but in 1981 this increased to 50 000 t worth R11.6m.

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exaggerated.

Asked if he were prepared to accommodate the players again next year, Mr McCann said: 'I believe it was only an isolated element within the teams.'

Mr Peter Hedley, captain of the Midlands Country District team which stayed at the Capital Towers Hotel, was reported to be 'very upset' at the remarks made by hotel spokesmen concerning the teams 'supposed vandalism'.

His wife Mrs Robyn Hedley said last night that Peter had told her there had only been one incident.

'On the first night one of the cricketers accidentally put his foot through a glass door while scrumming in the corridors, she said.

Excess bananas 'offloaded' says board manager

Mercury Reporter

THE general manager of the Banana Board, Mr P du Plessis, hinted yesterday that banana producers were off-loading excess bananas on to the board, in spite of requests for them to cut back on their supply.

In the past four weeks the board had asked producers to cut back on their supply to the board by 29, 23, 10 and 10 percent respectively.

Mr du Plessis said in a survey at the board's Hammarsdale ripening centre yesterday, 11 percent of the stock there was under-developed and could have been left on the trees for at least two more weeks.

'Each week the farmers tell us how many bananas they estimate they can supply. And from these estimates we have been working out the percent-

age by which they should cut back.

'It seems as if the farmers are now including in their estimates how much we are going to ask them to cut back on so their supply remains constant.

'Although we have never sold as many bananas, there is the annual October-November glut which is intensified by increased production in Natal,' he said.

Mr N Kelly, chairman of the Natal Banana Association, said there were farmers who were over-estimating.

'But I think the majority are being co-operative.

He said the Natal Banana Association wished to assist the board in every way to enable them to increase the marketing capabilities of the industry: 'So when the glut comes next year, we'll be prepared.'

Machel jets into Harare on surprise visit

Mercury Correspondent

HARARE—President Samora Machel of Mozambique flew into Harare yesterday morning for a day or talks with the Zimbabwean Prime Minister, Mr Robert Mugabe.

Government sources who were taken by surprise by the visit which had not been officially announced were unable to explain its significance yesterday afternoon, but political observers believed the visit was linked to the troubled security situation in Mozambique.

The composition of the delegation with President Machel supports the view that the talks were centered on intensified anti-government activity of the Mozambique Resistance Movement in parts of Mozambique, including re-

cent attacks on the oil pipeline to Zimbabwe and transport links.

The other members of the delegation were the Foreign Minister, Mr Joaquim Chisano, the Minister of Industry and Energy, Mr Antonio Branco and the deputy Minister of Defence and Chief of the General Staff of the Army, General Sebastiao Mabote.

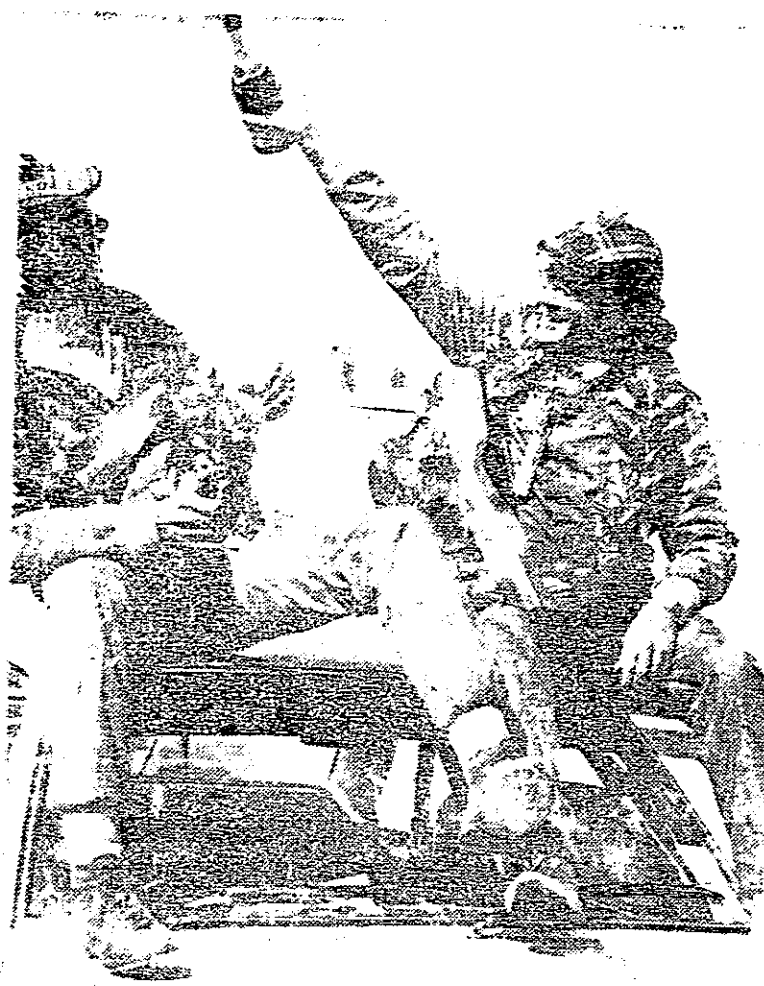
In the past Mozambique has requested military aid from Zimbabwe to combat the allegedly South African-backed MRM, but Zimbabwe apparently has been reluctant to assist.

Diplomats here learned about President Machel's visit only a few hours before he arrived at the airport in his private jet. He was met at the airport by Mr Mugabe.



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van der Merwe and Franz Boshoff celebrate their win in the Datsun Rally at the weekend.

Snr 15/11/82

R80-m fruit scheme for Northern Transvaal

(2) fruit

Farming Correspondent

An R80 million irrigation scheme and fruit growing and processing industry to rival the Vaalharts complex, will be launched in Northern Transvaal next year.

More than a million fruit trees will be planted in a giant orchard of 2200 ha in the first phase of the project.

These include about 30 000 maroela trees which will be grown commercially here for the first time, as well as guavas, pawpaws and mangoes.

A computerised micro-irrigation system will make the scheme a leader in irrigation farming technology.

The fruit will be processed into a new type of fruit juice, 70 percent of which will be exported to Europe.

Maroela juice, which is five times as rich in Vitamin C as guava juice, is expected to become popular also as blends with orange, grape and apple juice.

Water for 6 800 ha eventually to be irrigated will come from the Mid-Letaba Dam.

15/11/82
Minister has
talks (250)

Tvl brothers saved from sea

Our Reporter
Minister of Transport
Mr Hendrik
an has held
1 Pretoria with
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Aff Association
ages for the next

CAPE TOWN — Two brothers, who could not swim, clung desperately to floating petrol cans after their ski-boat overturned in heavy surf at the mouth of the Breede River, Cape at the weekend.

commander, Mr Ivan Clerck.

The three men left the river mouth in dangerous conditions and a huge wave overturned their boat as they headed for the open sea.

Mr Clerck braved heavy surf in his six-metre boat to rescue the men, who had been clinging to their upturned petrol cans for more than an hour.

Mr Clerck circled the men and threw them lifejackets before moving in to rescue them.

None of the men was hurt. — Sapa.

Mr Sakkie Nel and Mr Andre Nel, of Heidelberg, and a third crewman, Mr Albert Geldenhuys, were exhausted when they were pulled from the water by former Bakoven National Sea Rescue Institute station

Schoeman has
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Mr B L Currie,
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Second Judge President of SWA-Namibia

The Star's Africa News Service

WINDHOEK — Mr Justice Hans Berker is to become Judge President of the Supreme Court of South West Africa on March 1.

The present incumbent, Mr Justice Frans Badenhorst, who became the first Judge President when the Supreme Court was instituted at the beginning of the year, will retire on February 28.

Mr Justice Berker became an advocate of the Windhoek Bar in 1954. In 1979 he was appointed a senior advocate, and later became an acting judge.

The dam, in Gzan-kulu north of the capital of Gyanu, is one of Southern Africa's largest. It is nearing completion and filling will start next year when building will also begin on a large fruit juice factory.

Using the latest high-viscosity technology, the plant will process 45 000 tons of fruit a year into 15 000 tons of fruit juice, packed to have a shelf-life of 14 months.

The project will create an industry integrating irrigation, fruit growing and processing.

Finance for the project will come from an international consortium involving the Corporation of Economic Development as a major partner.

The second phase of the project will involve as many Shangaan-Tsonga farmers as possible.

Hundreds welcome (1/2)

Mabuza

home 1/7

FRUIT - 1984

JANUARY - NOV.

(Monthly)

R173,84

③ Fruit picking study

Cape Business News 1/84

THE R364 million apple and pear picking industry has come under the scrutiny of the National Productivity Institute. The NPI's recently concluded survey showed that the best pickers were five times more efficient than the worst. Better picking teams were 100% more pro-

ductive than the worst. In the packhouses the packing rate also varied as much as 100% from best to worst. Productivity varied even more and was often related to the size of the packhouse.

Technological developments have had little impact on the fruit pick-

ing and packing industry the world over. It still comes down to how fast, how many and how efficiently labour can get it off the tree and into the box.

A seminar on the NPI study has been arranged at Stellenbosch on January 26.

Frost Cape Town as their architectural representative.

farmer for the most economical production, BKB launched a survey

BKB to formulate a sheep and wool service to eliminate production

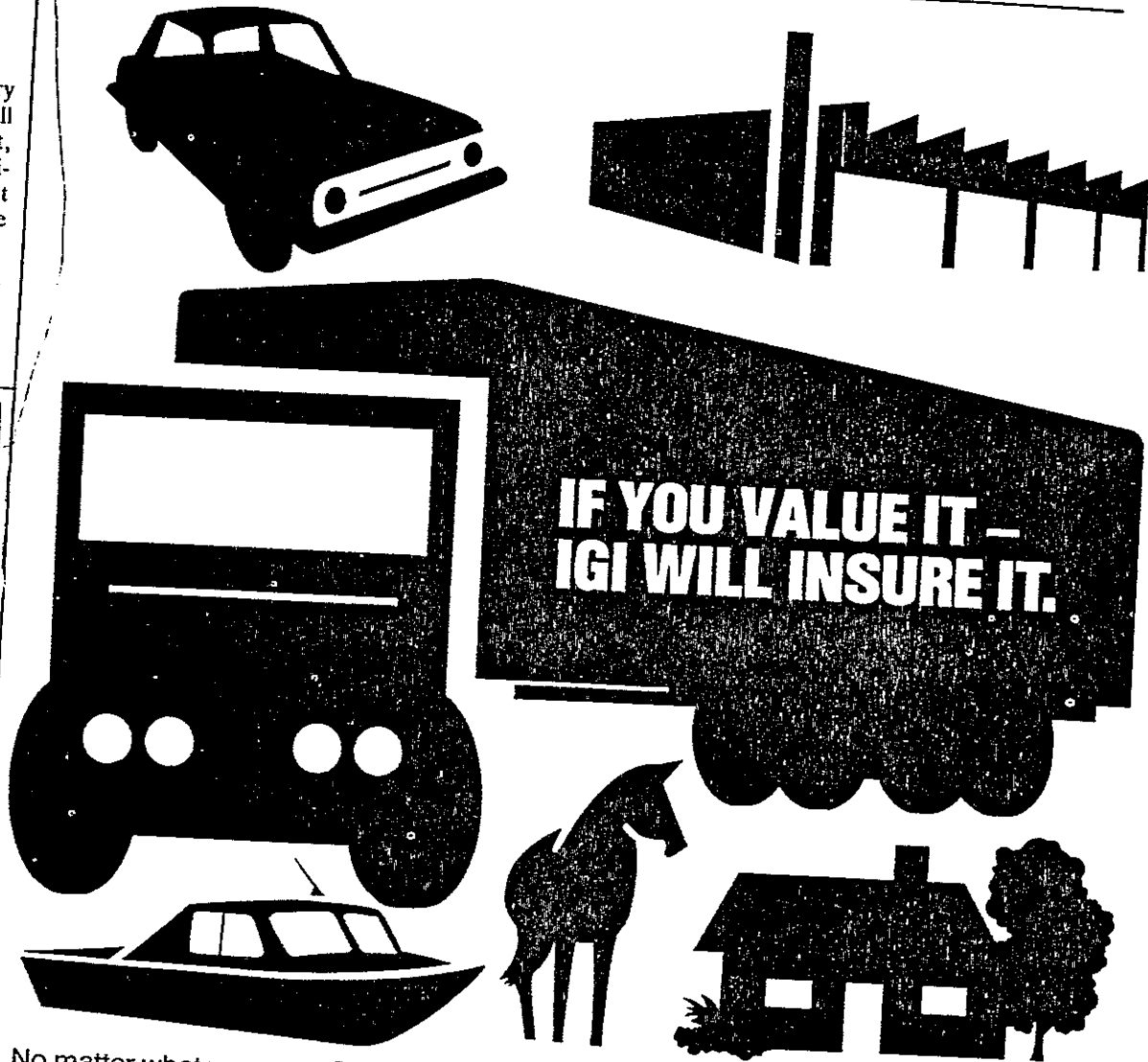
marketing of livestock is unsatisfactory and BKB is striving for an improvement.

ELECTRICAL INSTRUMENTS PORTABLE

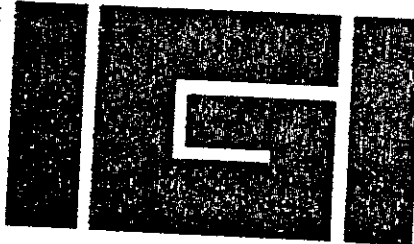
- CLIP-ON VOLT, OHM, AMMETERS
- POWER FACTOR INDICATORS
- PHASE SEQUENCE INDICATORS
- KVAR (REACTANCE) METERS
- TRANSISTORISED INSULATION TESTERS
- MULTITESTERS
- CABLE FAULT LOCATORS

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Lorry-load
of fruit rots
after arrest

Mercury 4/11/84
Mercury Reporter

BRIGHTON Beach residents are angered over a lorry-load of fermenting fruit that has been lying in the sun on a grass verge in Grey's Park Road since an Indian man, who appeared to be the owner, was seen being taken away by the City Police.

Mr Jacobus van Schalkwyk, who lives in the road, said: 'Whatever the reason was for his arrest, it is a disgrace that what were about 70 beautiful, fresh watermelons and about 70 cartons of litchis, Kakamas peaches, grapes and plums have had to lie rotting in the sun for a day and a half.'

Another resident complained of the smell: 'A whiff of the rotting fruit comes into our house and I expect it can only get worse.'

'This health hazard is really worth complaining about and it must go,' she said.

Last night City Police were unable to comment.

Inferior fruit sold as Grade I — says board

Staff Reporter

SOME fruit farmers are misleading Cape Town consumers by marketing inferior fruit in Grade One cartons, says a spokesman for the Deciduous Fruit Board.

"The Cape Town public often is offered fruit which would never make the grade for shipping overseas or to other provinces," said spokesman Mr Fred Meintjies.

Lower-grade fruits were found "far too often" at Epping market.

Mr Meintjies said the board — the statutory government agency which manages overseas marketing of perishable fruit — was also concerned about an illegal "back door" market which sold about four million cases of "the poorest quality of apples one can imagine" to black customers.

Image problem

He said some farmers packed fruit in cartons marked Grade One, "which carry the Deciduous Fruit Board label, but Grade Three fruit is often found inside instead of the top quality one wants for export or shipping to the north.

"Locally, this creates an image problem for the board."

Mr Meintjies said it might be one reason, besides the economic recession, why Cape Town people were not buying much fruit this year.

An estimated four million "lost" cases of apples annually sold by farmers "through the backdoor" and usually to blacks were "the type of product which is rejected by the board for either export or shipping to other provinces.

Lowest grade

"It would never make even the lowest grade at the Epping fresh-produce market," he said.

"Where all fresh fruit is concerned, the better it looks, the better it sells — because it is an impulsively bought item.

Lower-grade fruits were usually sold to fruit juice companies.

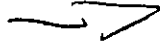
Fresh fruit was often rejected for retail sale by the board for cosmetic reasons — it was not ripe enough, not attractive or big enough for retail sale or export.

"The fresh fruit often arrives at the Epping market in shocking condition, especially in the hot weather of the past month. It ripens too quickly, or is completely undersized, especially plums," said Mr Meintjies.

② ~~Importation of Fruit~~
Sweet melons/watermelons
Q. 61. 645 16/3/84
*3. MR LANGLEY asked the Minister of Industries, Commerce and Tourism:†

- (1) Whether any permits for the importation of (a) sweet melons and (b) watermelons were issued by him during the period 1 July to 31 December 1983; if so.
- (2) (a) why in each case and (b)(i) from what country or countries, (ii) at what average price and (iii) by whom were the (aa) sweet melons and (bb) watermelons imported?

†The MINISTER OF MINERAL AND ENERGY AFFAIRS (for the Minister of Industries, Commerce and Tourism):



5 MARCH 1984

646

- (1) (a) Yes
- (b) Yes.
- (2) (a) Shortages as a result of drought conditions, in both cases
- (b) (i) Spain;
Zimbabwe;
Zambia
- (ii) Not available
- (iii) (aa) and (bb) The information cannot be divulged. Import permits for primary agricultural products are issued by the Department of Industries and Commerce only on the recommendation of the Department of Agriculture and as far as this question is concerned, the preservation of security provision in terms of section 12 of the Agricultural Pests Act, No 36 of 1953, is applicable.

CAPE TIMES 14/4/84

Cape-apple gift to Mozambique

Political Staff

CAPE farmers have donated 5 000 000 apples to the children of Mozambique and the first half of the consignment arrived in Maputo yesterday.

The original offer of the donation took place behind the scenes at the signing of the Nkomati Accord and was conveyed personally by the Prime Minister, Mr P W Botha, to President Samora Machel, who is reported to have gratefully accepted.

This was revealed yesterday by the Deciduous Fruit Board which said the apples were valued at about R250 000.

"The deciduous fruit industry, which has been blessed with good crops this year and has not been hit by drought, decided shortly before the signing of the accord between Mozambique

and South Africa to donate the fruit to the famished children of Mozambique," a statement by the board said yesterday.

Mr Louis Kriel, general manager of the board, said the Conference Lines had shipped the fruit free of charge, Nampak donated the packaging and the South African Transport Services had not charged railage and harbour dues.

He saw the combined operation as an "affirmation of general support for the government's efforts towards establishing peace and prosperity in Southern Africa".

"Mozambique has traditionally been a good outlet for Cape fruit and the board regards the Frontline states as obvious markets in future," said Mr Kriel.

ARGUS 12/1/84
3 Fruit Political Staff
20
Dumping of citrus fruit is 'a crime against the poor and needy' — MP

THE dumping of tons of citrus fruit in Durban has been strongly condemned and the matter is to be raised in Parliament.

The dumping of the contents of two 8 sq m hoppers every day for the past two weeks by the Citrus Board follows on the controversy earlier this year when the Dairy Board poured 250 000 litres of skimmed milk down the drains in Pietermaritzburg.

Mr Errol Moorcroft, Progressive Federal Party agricultural spokesman, said yesterday: "We condemn this action, unreservedly.

"The wanton destruction of food of any kind is a crime against humanity because it is a crime against the poor and needy."

Mr Ralph Hardingham, New Re-

public Party agricultural spokesman, said: "The dumping of foods in a country like South Africa is an absolute disgrace.

"We have the consumer demand which would readily absorb most, if not all of our surplus agricultural products".

Mr Moorcroft said he would put questions to the Minister of Agriculture, Mr Greyling Wentzel, on the order paper in Parliament, and would raise the issue with him.

The Minister was not available for comment today.

Mr Hardingham hopes consumer organisers "will take immediate steps to liaise with the marketing boards to ensure no further dumping of any produce takes place, and that a method will be found to distribute surplus foods".

that this information will be available; if so, what were the findings;

(6) whether the survey to establish the feasibility of a salvage operation has been completed; if not, why not; if so, what were the findings;

(7) what is the estimated (a) cost of replacing the caisson and (b) length of time for which the Princess Elizabeth Drydock will be out of action?

The MINISTER OF TRANSPORT AFFAIRS: (Reply laid upon the Table with leave of House):

Two captains were used for the towing of the caisson—one on each leg of the tow.

East London to Cape Town

(1) Yes.

(a) Falls away.

(b) (i) During 1982 and 1984 he undertook the tow of the grab anchor barge, Ubejane, and the hopper, Inyala, between Richards Bay and Durban and also during 1982 the disabled bulk carrier, Torvanger, from its anchorage off Richards Bay into the harbour.

(ii) Master Mariner (Foreign Going).

Cape Town to East London

(1) Yes.

(a) Falls away.

(b) (i) During 1982 he undertook the tow of the grab anchor barge, Ubejane, and the hopper, Inyala, from Durban to Richards Bay as well as the disabled bulk carrier, Torvanger, from the vicinity of Durnford Point off the

Natal coast to an anchorage off Richards Bay.

(ii) Master Mariner (Foreign Going).

(2) No. It was not considered necessary.

(3) Yes.

(a) The caisson had an emergency towline attached to a recovery pennant conveniently positioned for recovery by the tug in a case of emergency. This pennant broke during the recovery attempt and the emergency towline was lost.

(b) On the second recovery attempt the workboat was used together with a local fishing boat which offered assistance to place personnel on the caisson and to transfer a towing bridle and towlines to the caisson.

(4) (a) and (b) No. 21 May 1984.

(5) (a) (b) and (6) No. Although a preliminary investigation was undertaken on 14 May 1984, a comprehensive investigation will only be possible when weather permits whereafter it will be determined whether the caisson can be salvaged and repaired.

(7) (a) R1,25 million.

(b) Unknown as it depends on the feasibility of a salvage operation or the need to replace the caisson.

3 Fruit Dumping of fruit
Q. Col. 1256 16/5/84
*15. Mr E K MOORCROFT asked the Minister of Agriculture:

(1) Whether any fruit was dumped by any control Board recently; if so, (a) what fruit, (b) by which control board or boards, (c) where and (d) what quantity or quantities:

(2) whether steps were taken to distribute this fruit to the underprivileged; if not, why not; if so, what steps?

†The MINISTER OF AGRICULTURE:

(1) Yes.

(a) Small and extra small grape fruit.

(b) Citrus Board.

(c) Durban harbour.

(d) Approximately 2 000 pockets.

(2) Yes. Before the fruit was dumped, it was offered to welfare organizations. Various organizations made use of the offer.

*16. Mr E K MOORCROFT—Environment Affairs and Fisheries—Reply standing over.

12/5/84 Hansard Q. Col. 1257
Cape Town: Coloured housing

*17. Mr K M ANDREW asked the Minister of Community Development:

(1) Whether his Department has acquired a copy of the report of the Urban Problems Research Unit of the University of Cape Town to the Carnegie Commission on the affordability of the new housing policy in relation to the Coloured population of Cape Town; if not, why not; if so, (a) when and (b) from what person or body;

(2) whether his Department has studied the report; if so, on what dates;

(3) whether his Department issued a statement in April 1984 on the said Unit's findings concerning his department's housing policy; if so, (a) what was the purport of this statement and (b) on what was it based;

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

†The MINISTER OF COMMUNITY DEVELOPMENT:

(1), (2), (3) and (4) The Department has not acquired or studied the relevant report of the Urban Problems Research Unit of the University of Cape Town.

The Department did not react on the contents of the full report but on the published remarks in connection with the Government's new housing policy. Particularly an extract from the report which was quoted as follows in the press:

"... the introduction of ownership would allow the State to withdraw from its politically-exposed role as sole landlord to the low-income groups, and on the other hand, split communities into owners and tenants, a factor which will make community-based organization and resistance a far more difficult task."

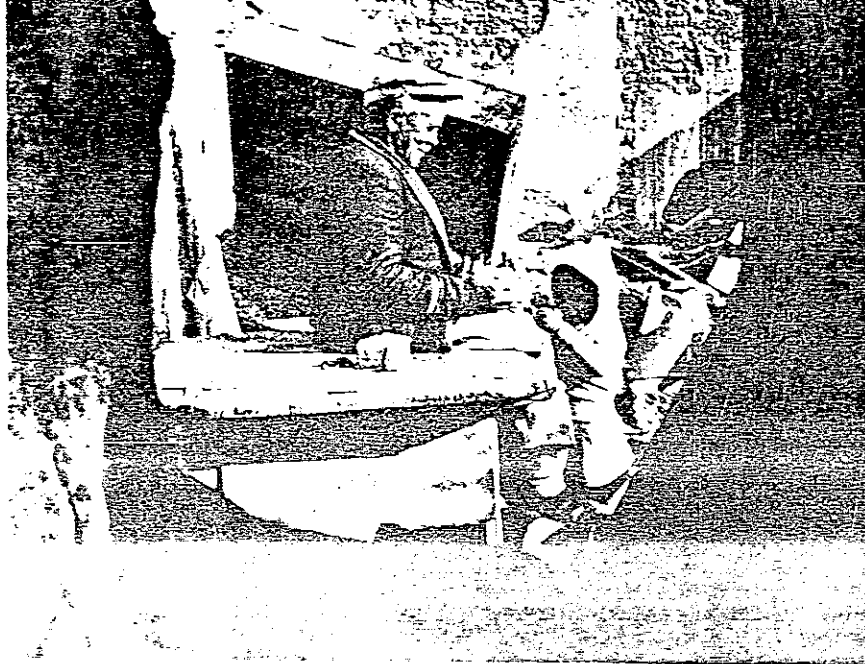
As a result of this extract as well as the other findings mentioned in the Press, I can come to no other conclusion than that this report of the Urban Problems Research Unit was politically inspired and to a great extent biased.

The findings of this report as quoted in the press are contradictory to previous studies and reports of the research unit on the same subject which were made available and studied by the Department.

I therefore do not regard the latest report of the relevant research unit as of such importance that it justifies further study by my Department.

Mr K M ANDREW: Mr Speaker, arising out of the reply of the hon the Minister, does he not think it is advisable, before his department comments on the work of research units, that it actually studies the work itself and not only extracts therefrom or reports published in the Press?

†The MINISTER: Mr Speaker, we have a great deal of experience of this sort of quasi-research. At the request of the Housing Matters Advisory Board the National Building Research Institute made an evaluation between the years 1970 and 1980 of about 300 so-called research projects on housing



Mr Jacobus Philander, 72, and his niece, Sarah, 5, inside the remains of her parents' demolished home in the historic village of Suurbraak, near Swellendam.



An uprooted tree in Newlands gave Mrs Ge Renée Street, who will be seven today, studi-

CAPE TIMES 18/5/84

Boland towns assess damage after the storm

Staff Reporters

WHILE workers in the Peninsula cut up and disposed of trees devastated by Tuesday night's storm, Boland towns yesterday were trying to establish the full extent of the damage in country areas.

In Citrusdal, council workers attempted to reconnect water supplies to the town. Access to the town from the south was cut off when the national road was washed away.

For a brief period, the Cape Times was able to establish telephone contact with the town and was told: "There is no disaster here."

Only access

Later attempts to confirm reports of washaways in nearby farmlands were unsuccessful.

A Boland police spokesman said that as far as he was aware, the only access to Citrusdal was through Ceres and the Kouebokkeveld.

The Clanwilliam Dam, meanwhile, has been reopened to boating after good rains in the catchment area.

The dam is now 75 percent full, according to a statement issued by

the Cape Department of Nature and Environmental Conservation.

In Paarl, the municipality was still trying to find out how many trees had been uprooted in the storm.

A spokesman for the municipality said: "We lost quite a few trees. In a small street in a residential area alone, we lost four or five old oak trees."

In Strand, a municipal spokesman said the worst-hit areas had been near the beach. The sea wall had been breached in four places.

A beach rest house had been toppled by high seas and a wooden jetty had "taken a bad knock".

"The sea is rough and we have not been able to assess the full extent of the damage to the jetty."

● An Escom spokesman said yesterday that four massive power lines had been broken by fallen trees and six others blown over by the wind in the mountains south of Worcester. This kind of damage had been unheard-of before, he said.

Additional men had been brought in to relieve them but some

technicians had carried on, despite being soaking wet, for more than three days.

Power had been re-established in virtually all the main towns in the Western Cape, the spokesman said.

However, Swellendam and Ladismith were still having distribution problems even though power had been reconnected.

More isolated towns and farms were still without power and reconnections could only be expected within the next two days and in some cases next week.

Having problems

The areas particularly badly hit were Grabouw, Vyeboom, Botrivier, Gansbaai, Bredasdorp, Stanford, Riviersonderend, the Buffelsjag area of Swellendam, Ceres, Kouebokkeveld and Gyboom.

Napier and Vyeboom were still without power and Riviersonderend was still having problems, he said.

There were also farmers in the Malmesbury area, including Philadelphia, Klipheuveld and Fisantekraal, still without power late yesterday.

3 Fruit & C. Tunes
26/7/84

Cape Fruit exports running for record

By ALEX PETERSEN
Deputy Financial Editor

EARNINGS from Cape deciduous fruit exports could be close to an all-time record the general manager of the Deciduous Fruit Board, Mr Louis Kriel said in an interview yesterday.

But while the lower rand is likely to benefit producers, particularly

for sales for the latter part of the season, the advantage is not a clear one-way run, because shipping costs — a major expense — are quoted and paid in dollars.

Mr Kriel cautioned that because of increases in costs, payments to farmers may not be in the same bracket as the record year in 1982 when

the industry earned R350m.

A record 25m cartons of export fruit has been shipped this year, of which 12m cartons were apples.

Estimates of returns are still in the preliminary stage as there are still about 2m cartons of apples in European and North American cold stores waiting to be sold onto the market.

The high quality of the Cape fruit has enabled it to obtain a dominant position in the European market.

"Our market share has been higher than ever before. In Britain we achieved our biggest ever market share on apples, with 60 percent of the total market," Mr Kriel said.

North America has also been an important market. Dollar income from exports to North America should bring in about \$35m.

Against these welcome dollar earnings however, are dollar expenditures — chiefly shipping costs — which are roughly \$65m, Mr Kriel said.

"Fortunately our shipping bills were paid earlier in the season before the dollar reached its current high levels."

"Ideally we would like to have seen stronger sterling," he added. Britain is the largest single market for the South African crop.

Mr Kriel said that European sales had been buoyant, and returns would be aided by the lower rand.

"We feel that returns will be much better than last year, but on payments to farmers it is still far too early to say."

Calculations of returns to producers are complex, taking into account when in the season the fruit was shipped, the proportion of cold store and distribution costs incurred, and the exchange rates prevailing at the time.

Price boom passes by E Cape citrus men

③ Fruit
4/8/04 @ E. Post

THE last of the Eastern Cape's citrus crops are currently being harvested — but, together with their fellow farmers around the country, growers will not be benefitting from the boom in world prices for processed citrus concentrate.

Like the rest of the SA industry, Eastern Cape growers produce principally for the fresh fruit export market — and the vagaries of the concentrate market have little direct bearing on their fortunes.

As a result, South African citrus processors and growers — including those served by the three major East Cape pack houses — the Sunday's River Citrus Co-operative, the Patensie Citrus Co-operative (in the Gamtoos River valley), and the Kat River Citrus Co-operative — have taken no more than a wistful side-long glance at currently booming prices of citrus concentrate on world export markets.

The dictates of maintaining growth in a carefully-nurtured domestic market, it seems, overrules the short-term profits to be made as a result of a devastating crop failure in the United States.

Add these factors to this long-term security sought by domestic processors:

- The limitations imposed on speculative international marketing strategies by low volumes;

- Problems of a higher acid level in the locally-grown fruit;



By Louis
Beckerling
Business Editor

- and the ironically counter-productive impact of a pricing system intended to promote exports.

The argument is developed that with selected exceptions the international market appears best ignored during times of world shortages.

This is the view of both the largest producer in the industry — Letaba Citrus Processors (responsible for processing, at Mataffin in the NE Transvaal, around half of the 140 000 tons of citrus consumed by the industry annually), and the smallest of the country's "Big-3" processor — Port Elizabeth-based Valor Central Co-operative Ltd (16%).

Most of the balance is produced in Nelspruit by Dickon Hall and total output for the industry is between 10 000 and 12 000 tons of concentrate annually.

By contrast output of the world's largest producer, Brazil, varies around 500 000 tons of concentrate, which translates into half the world's total demand.

Brazilian producers suffer none of the agonies experienced by their South African counterparts, and are reputedly selling their produce on most world markets for around double last year's prices.

The seller's market has developed as a result of a mid-winter frost in North America which wiped out almost half the citrus crop, explained Valor's managing director Mr John Milne this week.

Brazil immediately cut back on supplies to the rest of the world, in order to quote on remedying the US shortages.

The result was that quotes for processed citrus concentrates leapt from around \$1 150/ton (fob) at Santos, to between \$2 000 and \$2 300/ton.

German buyers balked at paying such prices on grounds that a precedent had been created for keeping the price of a litre of orange juice at below one deutschmark at the retail level (by contrast UK importers were predicting a 55% increase in the retail price of orange juice).

"I could sell three or four times my annual product at very nice prices," observed a rueful Mr Milne.

However, there were three major reasons for avoiding the temptation.

Low volumes limited

marketing opportunities, this already severely limited output has been badly affected by the drought, and a well-developed and demanding domestic market, said Mr Milne, was in a strong growth phase which would be jeopardised by shortages arising from increasing export orders.

Letaba's managing director, Mr Johan Burger, agreed. Whereas Brazilian producers were getting around R4,30 per litre for their concentrate, he said, the domestic price earned by SA producers was R2,90.

But the domestic market was now in a strong growth phase and it would be foolish to imperil this growth by cutting back on supplies in order to make a quick short-term profit internationally, argued Mr Burger.

Compounding processors' aversion to making a quick buck on export markets is the three-tier pricing structure employed by the Citrus Exchange.

Highest price earned this season by growers (after a levy to the exchange), is R85/ton paid in the event concentrate producers propose supplying local re-processors.

The price drops to R69/ton in the event that the concentrate is destined to end up in a pure juice — a subsidy intended to promote this market — and to R43/ton if concentrate processors propose exporting.

Thus a major drive by processors into export markets, says Mr Milne, would be disastrous for the growers upon whom processors must depend to remain in business.

Fruit exports up 15% earnings slashed

By ROBERT GREIG

EARNINGS from "impressive" fruit export performance were badly eroded by inflation and increased domestic costs in 1983, says the chairman of the Deciduous Fruit Board, Mr L M Fine, in his annual report released yesterday.

Exports rose by 15 percent but net product income dropped by 55 percent.

He urges more action and fewer "undertakings" about inflation from the government and State organizations.

The outlook for 1985 is mixed.

Volumes for apricots, peaches and plums are expected to drop by between 10 percent and 20 percent in 1984's figures, a normal apple crop, a record table grape crop and increased pear crop.

Quality crops

Mr Fine says that record quality crops and longer cultivation and handling periods boosted exports to a record 25,1m packages in 1984 (1983: 21,8m, 1982: 24,2m).

Gross income was R355m (1983: R257m; 1982: R363m) and payments to producers, at R175m, only six percent less than 1982's R186,2m.

Net farm income, which varies from producer to producer, is R36,7 (1983: R16,5m, 1982: R80,7m).

"It is important to note that while our 1984 net

returns are not all that satisfactory, due to cost factors, our overall market performance has been impressive," says Mr Fine.

"Cape fruits obtained higher premiums above our competitors than ever before and our market-share in most major export markets reached new levels."

This, Mr Fine believes, is the result of better quality.

Prospects

Though he sees the market as strong, the organization sound, and the products and prospects good, he says problems are serious and continuing.

They are chiefly inflation and volatile exchange rates.

"As an export-orientated industry, the effects of the imbalance between our local cost increases and the average inflation rate of our major trading partners continues to erode net returns to such an extent that only the highly efficient farmer can afford to re-invest."

In addition, "vast increases in local produc-

tion and packaging costs" halved net farm income — from R81m in 1982 to R37m in 1984.

(These figures do not include interest on capital employed.)

"This is a matter of great concern," Mr Fine says, urging support for anti-inflationary moves.

"It is hoped that government and public corporations such as SA Transport Services will lead the way with more action and fewer 'undertakings'."

Dollar earnings

Though the lower value of the rand could increase overseas income in rand terms, the board's dollar earnings are low — only 10 percent of overall export proceeds, he says.

"Our major single cost item, shipping, which is a dollar contract of \$65m, will erode much of these increases."

"It remains a source of great frustration that the volatile exchange rate situation, completely beyond our control, can have such a profound effect on our bottom-line results."

"To counter these effects a new drive of increased productivity has been launched by the industry. The board therefore views the future for fresh fruit exports with confidence and optimism."

● Apples largely accounted for the 15 percent increase in export volumes (12,3m cartons in 1984, compared to 1983's 8m). Of these "a record" 1,6m cartons went to North America — "substantial premiums were earned in this market which has further great potential".

Exports were up 56 percent, proceeds 70 percent and payments 74 percent.

The board donated 5m apples to Mozambique's children on the signing on the Nkomati Accord.

● Pear exports dropped 22 percent because of a light crop, though gross proceeds were down by only three percent and payments up 13 percent.

● Table grapes, second in volume and value of exports after apples, had a record year, in spite of lower overall quality.

By CLIFF FOSTER

MORE than 200 000 tons of fruit grown in the Eastern Cape and exported through Port Elizabeth could be switched to other ports unless agreement can be reached next week on cutting pre-cooling costs at Port Elizabeth harbour.

The Deciduous Fruit Board and the Citrus Exchange, who share the expense, are concerned about the high cost of running the facility, and the DFB is considering withdrawing and shipping through its own cooling facility in Cape Town.

If this happens the Citrus Exchange might not be able to carry the costs alone, and the pre-cooling facility in Port Elizabeth could close.

Such a closure would call

PE may lose huge fruit export trade

20/10/84
E. Post
3 fruit

into question the future of the famed Apple Express running on the narrow gauge line into the Langkloof.

It would also affect the jobs of 300 black and 40 white workers (in addition to maintenance personnel), Weekend Post learned, and represent a loss in quay fees, shipping charges, port dues and chandling ser-

vices.

The DFB and the Citrus Exchange will meet SATS officials in Johannesburg on Thursday when they will stress the need for economies to stay competitive on world markets.

The only real alternative to switching exports is to scrap the present Port Elizabeth facility and build afresh from scratch. Trying

to update it would jeopardise efficiency, and be costly.

At the DFB offices in Cape Town, Mr Johan Kruger, the man with responsibility for shipping, told Weekend Post: "I think in two weeks' time we will know what we are going to do. By that time we will have reviewed our options."

He said that if the DFB did withdraw from Port Elizabeth the fruit could be transported to Cape Town.

Mr A J Venter, Assistant General Manager of the Citrus Exchange in Pretoria, said: "We are looking at our shipping arrangements."

"We withdrew from East London and concentrated our activity on Port Eliza-

● Turn to Page 2

PE may lose fruit export trade

20/10/84
E. Post
3 fruit

● 1 From Page 1

beth. We have withdrawn from Cape Town — where we use the DFB facilities when necessary — and concentrated on Durban and Maputo. We have spent R7 million on pre-cooling at Maputo.

"We are looking at Port Elizabeth because the current facilities are expensive. Port Elizabeth is caught in an old-fashioned design."

Mr Neil Oosthuizen, Assistant Regional Manager with SATS in Port Elizabeth, said: "We are a bit in the dark as to their plans. There are all kinds of rumours."

"If the DFB opts for Cape Town the fruit will be transported by road from the Langkloof. There is no other option."

And the future of Apple Express?

"Obviously if the fruit is sent to Cape Town the trains currently transporting it to Port Elizabeth would stop running. The fruit trade is the lifeblood of the Langkloof line and the main reason for its existence."



Langkloof apples being loaded for export in Port Elizabeth's harbour.

3 Fruit

27/10/84

Record fruit export, but costs are up

3 Fruit

E. Post 27/10/84

A RECORD quantity of fruit — 25.1 million cartons — was exported by the Deciduous Fruit Board during the 1984 season.

This was announced by the chairman of the board, Mr Leo Fine, to growers at the annual general meeting held in Cape Town this week.

Mr Fine said gross export earnings of R355 million, nearly R100 million more than in 1983, were 2% below the record earnings of 1982. Payments to producers totalled R175 million — an increase of R52 million on 1983, but 6% below the record 1982 payments.

However, due to the tremendous increases in local production and packaging costs it was calculated that net farm income of producers would be only half that of 1982 (R36,7 million compared to R80,7 million in 1982).

Net farm income is calculated before financial charges and interest on capital are taken into account.

It is against this background of an alarming escalation in costs (70% of which are related to shipping charges), that the DFB met this week with SA Transport Services to discuss the question of shipping Langkloof apples via Port Elizabeth's harbour.

While the board preferred to use Port Elizabeth, unless steps could be taken to modernise handling facilities it may be

Mr Fine said that unlike many of the agricultural industries, the deciduous fruit industry had not been significantly affected by the severe climatic conditions during the past growing season.

The industry achieved all-time record crops of exceptional quality in 1984, for which there is an increasing consumer demand world-wide.

But there are serious and ongoing problems.

"The effects of the imbalance between local cost increases and the average inflation rate of major trading partners continue to erode net returns to such an extent that only the highly efficient farmer can afford to re-invest.

"This, a matter of great concern to the board, emphasises the need for everybody to actively support moves to reduce the rate of inflation."

Mr Fine pointed out that the board had contained those costs over which it

did have control to 12% below the 1982 figure.

The recent awarding of the National Productivity Institute's prestigious award to the board recently, bore testimony of its achievements.

In reviewing the outlook for the future, the general manager of the Deciduous Fruit Board, Mr Louis Kriel, underlined the need for the industry to continue its basic policy of quality orientation, controlled growth and cost curtail-

provided the only means of survival in a "highly competitive international market".

"The Deciduous Fruit Board is the major supplier of deciduous fruit to the EEC and it is imperative that it retain the dominating market share with increased supplies of top quality fruit," said Mr Kriel.

At this stage the crop expectations for 1985 present a mixed picture, said Mr Kriel.

- Apricots, peaches and plums have been affected by unnaturally late rain and hail, which caused extensive damage in certain regions. It is anticipated that volumes will be down on 1984 by between 10% and 20%.

- The table grape crop looks promising and a new all-time record is quite possible. Pears should be well up on last season and a normal apple crop is expected.

With regard to market prospects for 1985, Mr Kriel said the current exchange rate situation should benefit the export returns, although the industry's foreign currency expenses such as freight, overseas duties, warehousing and promotions would increase proportionately and were likely to erode much of the increased rand returns to the producer.

"To counter these effects, a new drive of increased productivity has been launched by the industry. The board, therefore, views the future for fresh fruit ex-

Decision on fate of the Apple Express being awaited

By BESSIE BOUWER

PORT ELIZABETH'S Director of Publicity, Miss Cynthia van der Mescht, said yesterday she had done nothing to try to save the world-famous Apple Express because she was waiting for the SA Transport Services to make a decision.

The little passenger train could well be axed now that fruit from the Langkloof is to be brought to Port Elizabeth harbour by road, beginning next month.

Mr George Engelbrecht, the railways systems manager in the region, said this week no one had entered a plea to save the Apple Express.

Its future would be decided on the basis of cost involved in maintaining a line no longer needed for the Langkloof fruit — the bulk of the traffic.

The popular tourist train carries more than 7 000 trippers a season — an average of 177 a time, leaving only 15 seats empty each journey.

It makes the trip three times a week in the holiday season.

Asked if daily excursions would make it profitable, he said he did not think it would be viable to run trips every day.

Passengers are able to make use of a canteen on the train and braai facilities at Loerie.

Miss Van der Mescht said yesterday: "We are waiting for the railways to make a decision and nothing will be done before that."

"Only when they have taken a definite decision will we approach them."

She doubted whether the whole line would be closed — "because of the other products, in addition to the fruit".

She said the train was a very big tourist attraction and was in fact world-famous and if the service was discontinued "we will be very sorry about it".

Asked if the train was not popular enough to provide daily excursions, Miss Van der Mescht said that the number of tourists to Port Elizabeth did not warrant this service.

She said she did not know how many tourists used the train. The railways kept the figures.

Although extra excursions were made available during December and January, the service would not be viable on a daily basis.

The public relations officer for the Deciduous Fruit Board, Mr Fred Meintjies, said the decision to use road transport was taken because of the many advantages concerning cooling costs and ensuring the high quality of the products.

Road transport was expected to start next month for apricot and plum crops and was hoped to be well under way by the time the apple crops in March were being harvested, he added.

Magic macadamia: there's gold in them thar nut shells

STAR (3-Fruit)
29/11/84

By Clyde Johnson,
Lowveld Bureau

KOMATIPOORT — "There's gold in them thar nut shells," said Mr John Loudon, chairman of Lowveld Macadamia Industries Limited, as he pointed to rows of thriving trees.

And unlike the declining gold price the company's 2 750 shareholders, he says, can look forward to a healthy return on their investment within the next few years.

The capital outlay made 10 years ago will, says Mr Loudon, provide investors with an ever-increasing income.

"Demand will never exceed supply," he said. "In Hawaii — the world's largest producer — 95 percent of their macadamia nuts are consumed locally leaving only 5 percent for export."

Despite adverse publicity given to macadamia nut production in South Africa, Mr Loudon considers it the "magic nut".

We have ideal climatic

conditions, plenty of water and with proper management macadamias cannot do otherwise but prosper," he said.

Lowveld Macadamia Industries consists of three farms — the 1 700 ha Seekooigat and Squaman farms near Komatipoort and the 100 ha Perl farm at Barberton.

Much credit for the venture has been given to farm manager Mr Martin Nel, who has been with the company since its inception.

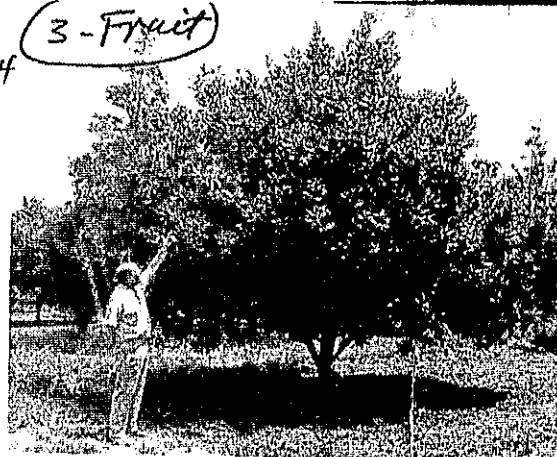
"Like every farmer in South Africa we had our problems during the drought but Domoina arrived just in time to fill our dam and give us the breathing space we needed," Mr Nel said.

Ideally macadamia trees require 36 mm of rain every seven days.

To ensure an optimum water supply every tree has micro-jet irrigation.

More than 1 900 km of piping has been laid to provide every tree with water.

Trees are kept free of



Mr John Loudon shows a macadamia in full bloom.

all undergrowth to reduce the risk of diseases and promote growth.

Macadamia farming, though capital intensive, is probably one of the best long-term investments any grower can make, says Mr Loudon. But few farmers can afford to wait 13 years for a return.

All moneys paid by shareholders in Macadamia Industries Limited is kept in a trust fund and accounts are only paid to suppliers once the work has been completed.

"This way the shareholders know exactly how much money is being spent and on what," Mr



Mr Martin Nel uses water from the Komati River to irrigate the Macadamia trees.

Loudon explained. Trees planted nine years ago are producing six to eight kilograms of kernel valued at about R6.

A tree reaches maturity at 15 years when it produces a minimum of 25 kg of kernel. From then production increases annually and 40-year-old trees in Hawaii are known to produce up to 40 kg of shelled nuts.

Macadamia trees have a lifespan of 200 years. But inflation, rising costs and the drought has set the Lowveld Macadamia Industries back three seasons.

"But we have great faith in the future and within the next 10 years investors could be earning as much as R150 a share," Mr Loudon said.

All nuts produced are exported to Hawaii where their quality has been described as among the best in the world.

Short-term goals include a drier capable of reducing the nut's moisture content to one percent, a cracker and a grading and packing machine.

Once the required production level is reached, Lowveld Macadamia Industries intend building a confectionery which will cater mainly for the export market.

3 - FRUIT

~~JAN 1977 - NOV 77~~

1977 + 1978

No check on fruit sold *2/11/77* locally *JK*

Tony van der Watt
Farming Editor

South Africa has a monitoring system to prevent the export of fruit containing pesticide residues above internationally acceptable levels, but there is nothing at present to stop the local sale of chemically contaminated fruit and vegetables.

This was highlighted by delegates to the National symposium on pesticide residues, held by the Institute of Chromatography at the University of Pretoria this week.

South Africa has strict laws and regulations on the import and registration of pesticides, but regulations alone are insufficient, speakers said.

To be safe, these chemicals must be used in strict accordance with manufacturers' instructions, and it is accepted that there will always be the occasional farmer or farmworker who does not adhere to approved practice.

ONLY WAY

Following this, the only way of forcing all farmers to follow manufacturers' instructions is to hit them in the pocket for failure to comply — that is, to prohibit the sale of contaminated products.

For this reason, the Department of Health has monitoring abilities at export outlets to check samples of fruit for toxicity. The object of the system, run for the Department of Agriculture, is to maintain the good name and hence sales of products on overseas markets.

In 1973-74 the percentage failure rate was 5.99 percent, said Dr J E C Mullen of the Department of Health's chemistry laboratory in Cape Town.

The following year, despite an improved automated system which can detect some 50 pesticides, the failure rate dropped to 3.96 percent, and the year thereafter it was down to 1.93 percent, showing that producers can comply with the regulations.

The Secretary for Agricultural Technical Services, Dr W A Verbeek, was asked from the floor if there was any mechanism to check fruit and vegetables sold on local markets for chemical contamination — and he admitted candidly that there was a big shortcoming.

His department was working on legislation to meet this problem but was encountering difficulties. One of these concerned the philosophy of the farmers' right to sell his products where he wished, including privately.

3 - Fruit

SIZE GROUP (HECTARE)	ECONOMIC REGION														
	56			57			58			59			60		
	No.	Area		No.	Area		No.	Area		No.	Area		No.	Area	
10	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
1,9	7	25	-	-	-	-	-	-	-	-	-	-	4	36	
2 -	4	25	-	-	-	-	-	-	-	-	-	-	5	32	
5 -	1	14	-	-	-	-	-	-	-	-	-	-	5	98	
10 -	4	118	1	34	-	-	-	-	-	-	-	-	11	189	
20 -	4	611	5	371	1	1 808	85	2 817	51	3 685	7	7	7	3	103
50 -	9	1 737	11	1 808	6	6 192	47	7 587	47	7 587	17	17	17	7	525
100 -	19	4 634	24	6 192	20	20 768	76	18 950	76	18 950	17	17	17	7	2 495
200 -	56	23 485	53	20 768	100	73 114	186	73 396	186	73 396	17	17	17	7	4 239
300 -	176	134 427	98	137 796	100	73 114	415	303 004	415	303 004	19	19	19	7	7 383
500 -	263	382 319	27	68 078	98	137 796	443	624 192	443	624 192	21	21	21	14	926
1 000-1 999	206	603 268	6	37 520	27	68 078	252	768 965	252	768 965	12	12	12	15	783
2 000-4 999	35	214 851	1	18 635	6	37 520	39	252 258	39	252 258	7	7	7	20	516
5 000-9 999	5	69 449	1	18 635	1	18 635	6	105 551	6	105 551	-	-	-	-	-
10 000- OVER	5	69 449	1	18 635	1	18 635	6	105 551	6	105 551	-	-	-	-	-
TOTAL	796	1 434 963	326	364 316	2 802	1 579 683	1 622	2 160 641	1 622	2 160 641	123	123	123	66	136

3 deciduous fruit

Mansard 4
col 359 15/2/77

Export of deciduous fruit

375. Mr. T. ARONSON asked the Minister of Agriculture:

(a) What was the gross proceeds from South African exports of deciduous fruit during 1976 and (b) what was the highest figure for any previous year.

The MINISTER OF AGRICULTURE:

(a) R136 million;

(b) R119.7 million.

SOURCE: Department of Statistics.
Report on Agricultural and Pastoral Production 1972 - 73.
Agricultural Census No. 46 Report No. 06-01-10.

Fruit failure hits thousands of dock workers

The Argus Shipping Reporter

BECAUSE of a marked drop in fruit exports this season Cape Town port authorities are not exercising their right to bring in several thousand contract labourers from the Transkei.

The System Manager of Railways and Harbours, Mr J. C. J. Joubert said fruit export shipments were down about 40 percent which means we will not need the temporary labour force which we usually make use of.

Mr Joubert explained that up to 2,000 temporary labourers were taken on at the height of the fruit exporting season, but the contract was not a binding one.

The contract allows us to import temporary workers from the Transkei as and when necessary, he said.

Mr Joubert emphasised that the drop in fruit exports and general slackness in shipping would

not however, affect permanent employees in the harbour.

An official of the Deciduous Fruit Board confirmed that the figures for export shipments of fruit would be considerably lower this year.

He said bad weather had played an important role in reducing the quantity of fruit for export.

Last season deciduous fruit exports earned nearly R140-million and citrus fruit more than R115-million in foreign exchange.

BERTHS CLOSED

Referring to the general drop off in shipping Mr Joubert said it had been decided that four berths were to be closed down from June 1.

Mr Joubert said that machinery such as fork-lift trucks would be utilised at other berths in the harbour, and staff would be trained for work in the new Ben Schoeman Dock — the port's containerisation section.

③ fruit

~~2/14~~

③ 3/7

CONTROL BOARDS ^{FIN MAIL} 8/7/77
Answering the farmers

It's not often ^{3-Citrus} control boards come under fire for neglecting producers' interests. The Citrus Board recently drew up a reply to those who allege the control system results in unacceptably low returns.

Basic problem is the chronic glut on the local market. Reason for this, according to the Citrus Board, is that farmers look to exports for their profits and plant as many trees as possible to take advantage of what they always hope will be a bumper export season.

Financial Mail July 8 1977

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to be looking at changes in value implications of changing value expect in the next 20 to 30 years develop scenarios for the next manpower resources in a war economy remote possibility for South Africa)?

For this reason says the Board "it is doubtful whether even a few years of chaos on the local market would result in any significant reduction in the number of trees planted".

In the early sixties consultants suggested the local citrus market could be buoyed up by restricting output, destroying excess fruit, marketing more top quality fruit in SA and expanding foreign sales.

But, observes the Board, "attempts to restrict plantings have met with ministerial opposition. We dare not destroy fruit because of consumer reaction. As overseas sales expand, so do the second and third grade which are not wanted abroad. Top grade fruit is available to anybody willing to pay overseas prices but the demand is insignificant."

Why not allow individual growers and processing plants to market their own produce? The Board answers that question with a series of its own.

"Would factories be supplied on a continuous basis to enable them to operate economically? Would farmers be prepared to rail long distances, in small quantities, to more isolated markets? Would individuals be prepared to advertise, to promote, to push the consumption of citrus? The answers are surely obvious and must be a powerful incentive to full co-operation."

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Another aspect of our discussion was a general feeling that the person working in the discipline is not necessarily the person to take a clear view of the future of the discipline. Miss Dostal gave an example: she said that a doctor might see his place in medicine being taken by a computer, but a non-medical person might see the future of medicine in an entirely different form - he might see a return to home treatment or the disappearance of mental hospitals or other complete changes to the existing structure.

Our group also thought that insufficient attention was being paid to the dissemination of the results of our research to the people who could learn from it and use it, and by that we did not mean other researchers and other academics. Not enough people were being made aware of what was taking place at the University or being encouraged to apply what was being discovered. Our three key recommendations, then, were that we should look more closely at projections of the future, that we should emphasise the interdisciplinary approach to a study of the future, and that we should disseminate results of research

CITRUS CROP FM 15/7/77
Unsoured (3) citrus

With the last Transvaal navel oranges just picked, preliminary forecasts for the 1977 citrus season are encouraging. But it may not quite equal 1976 which was a record year for exports, both in quantity (25,3m cases) and earnings (R115,8m).

The export season got off to a good start in April. Though the fruit may be slightly smaller, quality is good. Citrus Exchange commercial manager Ray Hauptfleisch reports that prices throughout Europe were firm because the overlap with fruit from other producers (particularly Israel) was lower than usual. The market in Iran is particularly strong, taking about 15% of all oranges.

Costs, on the other hand, are higher so farmers may not earn much more than last year. But because of good exports there may be a smaller quantity of fruit available for the local market which would tend towards higher domestic prices.

The export season runs through till October, so there could still be snags if Europe has a bumper soft fruit crop. Competition from Sunkist (US) citrus — which comes onto the market at the same time as SA fruit — is strengthening, and could present a problem later in the year.

Sun. Express 17/7/77

Su. Exp. 17/7/77
**Sweet on
grapefruit**

3 - Fruit

BY NELSON ROGALY

TWO thousand times sweeter than sugar and you don't put on weight. It's a new substance obtained from grapefruit peel.

Florian Brann, chief overseas executive of the Outspan organisation in Europe, agreed that anything that helps sell citrus on a world-wide basis must be of benefit to the growers, and that canners of fruit juice in the Republic are sure to be interested in the new sweetener.

He said: "The orange market is extremely strong at the moment and demand throughout Europe exceeds supply."

Meanwhile, South Africa's canners might note that the new sweetener is expected to be produced from a pilot plant at Rehovot which can process some of the peel from the fruit canned in Israel each year.

The Weizmann Institute of Science, which pioneered production of the new sweetener, says that it will be marketed and exported after approval by the US Food and Drug Administration.

Makadamia se neute begin kraak

Deur VIC DE KLERK

DIT lyk of die makadamia-neut gekraak is. Beleggers wat sowat vier jaar gelede vir hulle 'n plaas binne 'n plaas gekoop het, kan rustig asemhaal. Daar bo langs die Komatirivier (op twee plase) en sowat dertig kilometer van Barberton loop dinge volgens plan.

Lowveld Macadamia Industries het die eerste deel van sy kontrak nagekom. Meer as 73 000 bome is reeds geplant en die bome lyk besonder gesond en sterk. Die nodige besproeiingsgeriewe is geskep en die maatskappy berei hom nou voor vir die volgende fase van die ontwikkeling, naamlik die oes en bemarking van Makadamianeute.

Mnr. John Loudon en sy mededirekteure het met hierdie projek begin en op 'n unieke manier die publiek die geleentheid gegee om te deel in hierdie langtermyn-landbou-ontwikkeling. Daar is eers begin deur skuldbriewe uit te reik maar ná vele probleme met die prospektus is daar besluit op die verkoop van regte tot die winste op die oes van 'n sekere getal bome.

Daar is reeds regte in eenhede van twaalf bome vir meer as 83 000 bome verkoop. Die prys per boom wissel tussen R46 in die

begin terwyl die jongste regte verkoop is teen 'n prys van R95 per boom. Die gemiddelde prys is tussen R65 en R70 per boom.

Regte is verkoop op die bome op die plase Seekogegat en Squamans, wat Lowveld Macadamia Industries uitmaak, asook 'n afsonderlike plaas, Pêrl. Die plase lê almal tussen Komatipoort en Barberton.

S.A. Farm Investments is in albei die gevalle die bestuurders van die plase namens die regte en aandeelhouders, en in die ontwikkeling van die plase het hulle besonder deeglik en konserwatief te werk gegaan.

Volgens mnr. Loudon was hul eerste belangrike besluit wat nou al blyk die regte een was, om die hoeveelheid bome wat per hektaar geplant word, vas te stel. Hulle het besluit op 100 per hektaar en volgens die gehalte van die bome lyk dit beslis 'n beter besluit te wees as die 285 per hektaar op die plase van 'n ander groep langsaan.

Voorlopig gebruik hulle

nog vloedbesproeiing en dit lyk ook na die regte besluit. Water is op die oomblik nog taamlik volop en hierdie metode van besproeiing verseker dat die bome in dié jong stadium genoeg water kry.

Die werk wat reeds aan die besproeiingsaanleg gedoen is, maak egter nou reeds daarvoor voorsiening dat die volwasse bome baie meer water nodig sal hê. 'n Baie uitgebreide en duurzame netwerk besproeiingslyne en pompstasies is reeds voltooi.

Op die plaas Seekogegat is ook 'n baie groot gronddam voltooi. Die dam bevat genoeg water om die hele plaas vir elf maande lank te voorsien al kan niks verder uit die Komatirivier gepomp word nie.

Daar gaan in elk geval binnekort 'n klein stutdam in die Komatirivier gebou word. Dit sal die kans dat die plase in die toekoms dalk sonder hierdie bron van water gevang sal word, baie minder maak.

'n Groot deel van die makadamiabome wat sowat

drie jaar gelede uitgeplant is, het vanjaar die tweede keer geblom. Maar net soos verlede jaar, is besluit om die blomme af te pluk sodat die groeikrag alles vir die boom behou word.

Met hierdie beleid sal waarskynlik vir nog twee seisoene voortgegaan word sodat die bome, waarvan sommige al reeds meer as twee meter hoog is, nóg sterker kan word. Dit sal beteken dat enige lopende inkomste uit die plaas verder uitgestel word. Maar in die leeftyd van meer as 100 jaar van 'n makadamia-boom maak dit nie veel saak nie.

Enkele van die neute wat wel aan die bome gelos is vir kontroledoelindes, dui daarop dat dié soort neut goed aard in die omgewing en dat bevredigende opbrengste verkry sal word. Van die neute wat gepluk is, was 60 persent eerste graad, dit is met 'n olie-inhoud van meer as 70 persent. Maar die verhouding van kos tot dop was slegs 28 persent, wat nog aan die lae kant is aange-

sien die gemiddelde verhouding 38 persent beloop. Die rede hiervoor is dat die doppe van neute afkomstig van jong bome nog baie dik is.

Oor die volgende vyf jaar sal daar in Suid-Afrika minstens 400 000 nuwe makadamiabome in produksie kom. Beleggers in hierdie projekte kan met reg wonder waar die neute verkoop gaan word. Die mark vir hierdie neute lê natuurlik nie net in die direkte eet daarvan nie, maar seker veral in hul olieproduksie.

Volgens mnr. Coen Wuim, een van die direkteure van Lowveld Macadamia Industries, is hulle reeds aan die onderhandel met verskeie buitelandse instansies vir die verkoop van neute. Volgens 'n ondersoek wat mnr. Casper du Preez, 'n prokureur en trustee van die projek, onlangs gedoen het, is daar 'n groot wêreldwye tekort aan hierdie neute.

In Amerika is pryse van tussen R5 en R6 per kilogram blykbaar reeds 'n hele paar jaar gelede ontvang, terwyl daar in Suid-Afrika

by Nelspruit gelewer kan word teen R4,50 per kilogram. Te oordeel aan die kleinhandelsprys van hierdie neute, behoort heelwat beter pryse egter moontlik te wees.

Die verwagting is dat 'n volwasse boom in die Komatipoort-omgewing sowat 20 kg neute per jaar sal produseer. Al word

slegs 'n prys van R4,50 per kilogram ontvang, beteken dit 'n opbrengs van R90 per boom.

Omdat die maatskappy geen buiteskuld sal hê behalwe aan die regtehouers nie, behoort 'n groot deel van hierdie opbrengs netto wins te wees. Al is dit slegs 15 persent of R13,50 per boom, is dit nogtans 'n

goeie opbrengs — selfs vir die beleggers wat laaste ingekom het en byna R100 vir 'n boom moes betaal.

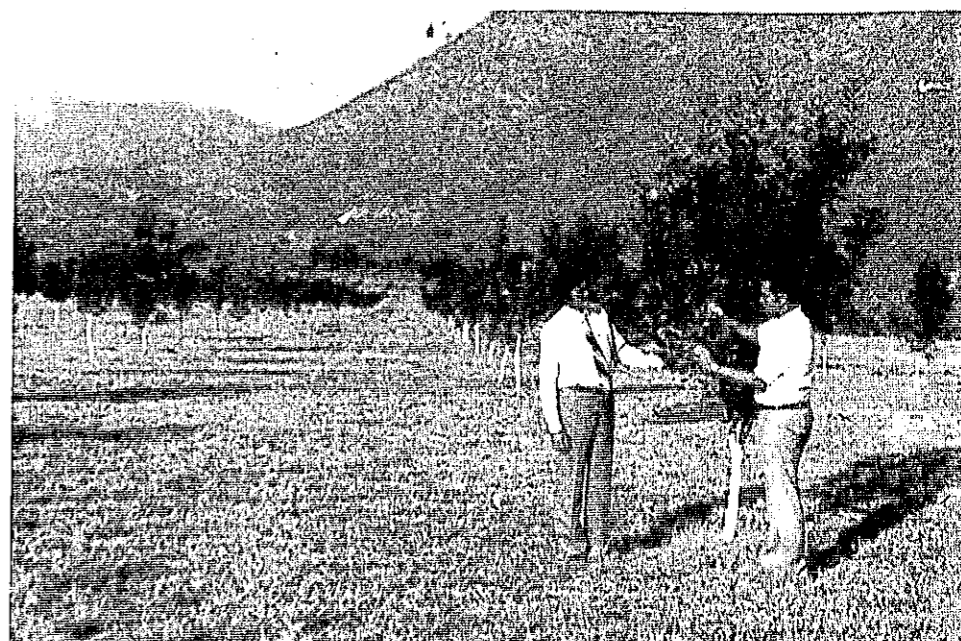
Met die geldsake van die maatskappy gaan dit op die oomblik taamlik gemaklik, hoewel die kontantvloei nou stadiger is as wat aanvanklik met die uitreiking van die skuldbriewe beplan is. Mnr. Du Preez,

die trustee, hou baie deeglik toesig oor alle inkomste en uitgawes. Daar is dus weinig kans dat enigiemand met beleggers se geld kan wegloop.

Volgens die jongste begrotings dek die huidige maandelikse inkomste die lopende uitgawes van die plase, asook verdere koste vir vestigingswerk wat gedoen moet word.



MNR. JOHN LOUDEN (regs), grootbaas van Lowveld Macadamia Industries, en die bestuurder van die twee neutplase in Komatipoort se distrik, mnr. Martin Nel, by een van die bome op die Komatipoort-plase.



MNRE. CASPER DU PREEZ (links), prokureur en trustee van Lowveld Macadamia, en Coen Wuim, hoofbestuurder van S.A. Farm Investments, by een van die bome op die Barbertonse plaas.

ginally short of last year's R136m, while net payments to growers could reach R63,2m (R61,2m) due to the containment of pool costs, of which ocean freight now constitutes about 50% of gross proceeds.

The tonnage shipped was 182 310 t (258 982 t), but it entered a market badly undersupplied due to the failure of the 1976 European fruit crop. Demand was so strong that not even increased offerings from Argentina and Chile could check soaring prices (up to R16/carton for apples).

Rosy apples

Apple-growers did best. According to preliminary export calculations they will net R36m (R31m) on a 38% smaller crop. Receipts will be boosted further by phenomenal sales on the home market, where disposals are now running at an annual rate of 1m cartons, compared with about 100 000 a few years ago, at prices which almost match export realisations on an fob basis.

Pear-growers will get about R10,8m (R10,1m); table grape producers about R13,8m (R17,2m); plum-growers R2m (R2,1m); and peach growers R0,3m (R0,4m).

Even at this stage export prospects for 1978 look quite promising. Reports from Europe indicate that the apple crop is going to be short yet again, possibly by 20%, while in SA prospects for a good crop this summer are excellent, according to horticulturalists. It all depends on the weather.

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FRUIT EXPORTS

Success story

FM 5/8/77
③ fruit

Undoubtedly the export success story of the year is that of SA's deciduous fruit growers.

On a 40% short crop which caused export shipments to fall 29,6% gross foreign sales are expected to be only mar-

Veld



Apples . . . a bumper export crop to Europe

Sun.
Exp.
Business

No juice now

27/5/77

ONE of the companies which was selected as amongst South Africa's top ten export achievers has closed down its operation.

The Louterwater-based company, Apple Cider and Fruit Juices had a spectacular export track record for the period 1973 to 1975.

Its export sales of apple juice concentrate for the three year period were so great the judges for the State Award decided they should be in the first ten. Subsequently however, it was decided to shut up shop.

When asked for more information about the company's export achievements, a spokesman said: "The apple concentrate industry as a whole was subsidised by the Government as the ruling world prices at the time were below the

actual costs and other freight charges.

"We are of the opinion that it does not really serve any purpose in publishing anything about this company now that the plant has closed down."

It is a pity that Apple Cider and Fruit Juice management decided in September 1976 to enter the competition for the State Awards, knowing full well that the plant had been closed in December of 1975 and that one of the criteria important to the success of SA's export achievement is a consistent export effort.

3-Fruit

• More export finalists appear on Page 26

EXPORT SUCCESS

Sun. Trib. 18/9/77

Tribune Finance is still looking for entrants for the Tribune / Safto Exporter of the Year competition. All exporters, large or small are eligible to enter. If you have an export achievement phone Durban 324324, Ext 372.

3-fruit

JUICY OUTLOOK

APPLETISER, the Cape-based pure fruit juice processors are pushing this year for an export target of 5 million dollars (R4,3 million) worth of apple juice concentrate and other brand products.

The proportion of total production this represents is expected to be considerably up on the 30 percent recorded in 1976.

And prospects for 1978, says Appletiser chairman Esmond Lombardi, are even better. A very poor European apple crop is expected to make the South African product extremely attractive to buyers.

Key markets for exports, which are composed mainly of concentrate, are USA (the largest by far), Las Palmas, Tenerife, Israel, Hong Kong, Japan, and some neighbouring African states and Mauritius.

Appletiser has been faced with a number of problems in its export markets, but, says Lombardi, these are being adapted to and no losses of exports have resulted.

Various countries' individual food and drug laws require attention,

regulations on packaging often have to be complied with, and some freight problems have been overcome during Appletiser's export programme.

The company also has a problem unique to agricultural industries, that of continuity of supply.

"Bad apple seasons, of course are a hazard we face," says Lombardi. "But judicious stockpiling is one method of maintaining raw material supply in times of shortage."

Lombardi points to the season immediately past as an example of the effect of this problem.

"If the apple season had been better, our export expectations would have been higher."

A sound domestic sales base is an advantage which has allowed Appletiser to process in long production runs, and approach exporting on a marginal cost basis.

This price competitiveness, and the quality of the product has, says Lombardi, contributed greatly to the continued success of his company's products in their overseas market places.

could reach as much as R1.40 a kg and if cheaper imports are not allowed in, the UK traders say, "the apple eating habit could receive a sharp knock".

SA fresh fruit exporters are hoping for a bumper crop which, at the blossoming stage, gives no indication that it will be shorter than last year's. In the season just ended SA sold 120 000 t of apples and 40 000 t of pears to Europe out of total fresh fruit exports of 182 310 t for a gross R136m.

Local growers are cautious on two points, however:

● The promise of high apple prices after Christmas may tempt Euro growers to hold back part of the crop in cold storage; and

● Both Argentina and Chile have the makings of splendid apple crops, which could depress prices.

- I Missouri Pacific
- J Atlantic and Pacific (A.F. and S.F.)
- K Atchison, Topeka and Santa Fe
- L Texas and Pacific

FIN MAIL 30/9/77

FRUIT EXPORTS (3-Fruit)

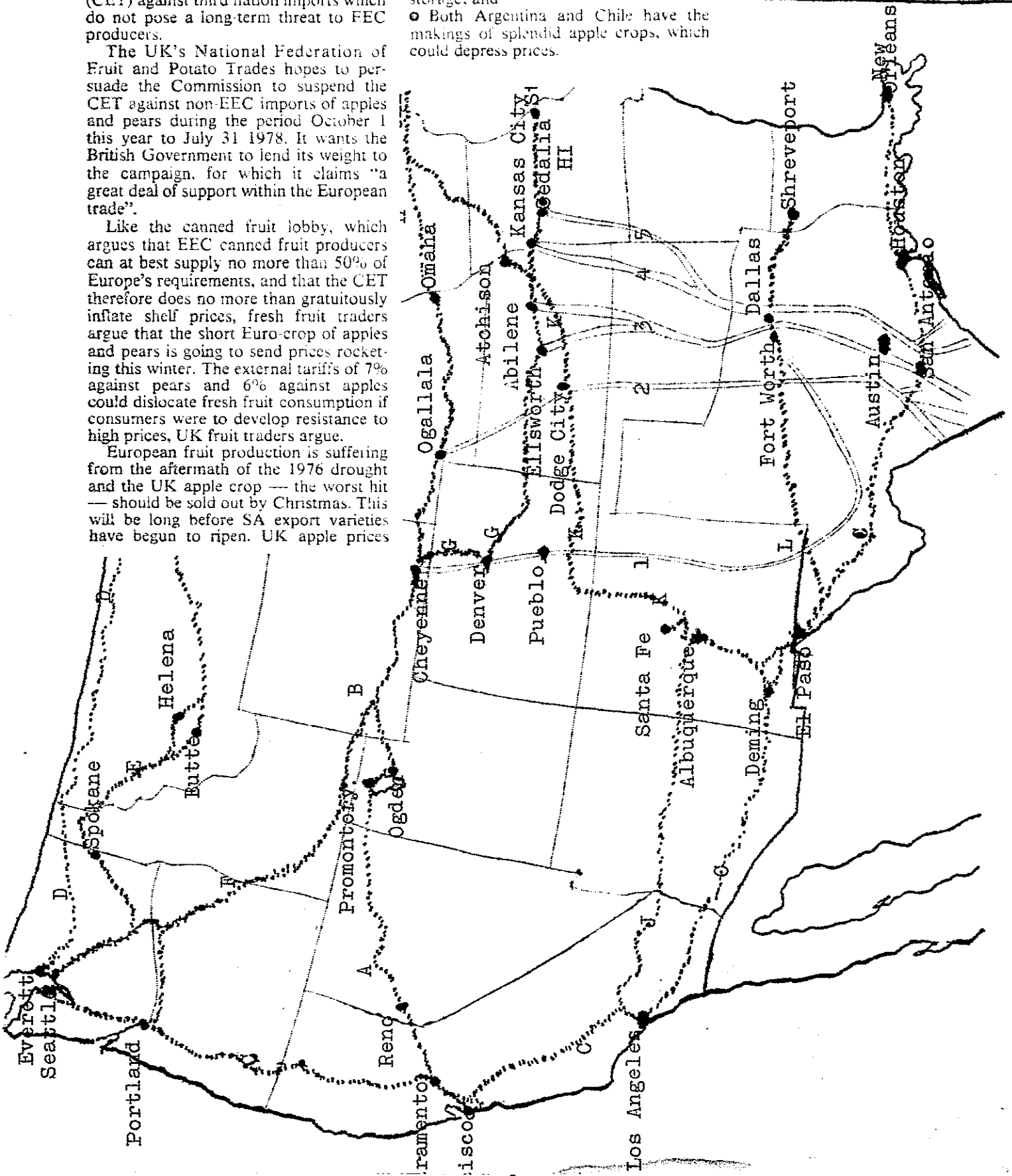
Apples for England?

SA fresh fruit exporters are keeping their fingers crossed that they will benefit from current efforts in Europe to persuade the EEC Commission to adopt a more realistic attitude to Common External Tariffs (CET) against third nation imports which do not pose a long-term threat to FEC producers.

The UK's National Federation of Fruit and Potato Trades hopes to persuade the Commission to suspend the CET against non-EEC imports of apples and pears during the period October 1 this year to July 31 1978. It wants the British Government to lend its weight to the campaign, for which it claims "a great deal of support within the European trade".

Like the canned fruit lobby, which argues that EEC canned fruit producers can at best supply no more than 50% of Europe's requirements, and that the CET therefore does no more than gratuitously inflate shelf prices, fresh fruit traders argue that the short Euro-crop of apples and pears is going to send prices rocketing this winter. The external tariffs of 7% against pears and 6% against apples could dislocate fresh fruit consumption if consumers were to develop resistance to high prices, UK fruit traders argue.

European fruit production is suffering from the aftermath of the 1976 drought and the UK apple crop — the worst hit — should be sold out by Christmas. This will be long before SA export varieties have begun to ripen. UK apple prices



3 frank

FRUIT INDUSTRY NO WRITE-OFF, SAYS STEYN

MR G. J. J. F. STEYN, retiring Secretary for Commerce, has taken to task the 'so-called knowledgeable observers' who say the Western Cape's fruit industry has no future.

He told senior officials of the fruit industry in Cape Town last night that some people, particularly in the private sector, talked about the fruit industry as one which could easily be ignored in the formulation of the country's economic strategy.

They maintained that because the industry was heavily reliant on export markets which were becoming increasingly competitive — and were also being exposed to a variety of import regulations and restrictions — it had no future.

They said the fruit farmers of the Western Cape might just as well dig up their fruit trees and turn their farmlands into grazing areas for meat production.

FACING PROBLEMS

Mr Steyn said the industry was facing problems in its main export markets in Europe. But he unreservedly rejected these pessimistic predictions about the industry's bleak future.

The industry had an enviable reputation for the production of deciduous fruit of high quality.

The progressive raising of the living standards of the people of the developed countries and also of some of the more rapidly developing countries would lead to a continuing demand for all types of high quality consumer goods.

DOMESTIC SALES

Moreover, South Africans would also become quality conscious and the industry could therefore look to a progressive expansion of domestic sales.

More than R500-million had been invested in the deciduous fruit industry, which provided work opportunities for 83 000 permanent and 32 000 seasonal workers.

The industry's gross income reached R135-million in the 1976-77 season, when it earned R80-million from exports.

Building price index up 8,8 pc

The Argus Bureau PRETORIA. — The price index for building and construction materials (April 1970 equals 100) was 234,7 in September, against 215,8 in September last year, the Department of Statistics reports.

This is an 8,8 percent rise.

All other commodities increased over the year, with transformer oil at an index of 407,4 showing the biggest rise.

BEELD MAN WINS AWARD

MR Salie de Swardt of Beeld has won the 1977 financial journalist of the year award, made annually by Sanlam.

Mr Pepler Scholtz, managing director, yesterday

Soaring yen threat to Japan's trade

The Argus Correspondent

TOKYO. — Under persistent speculative pressure, the Japanese yen has reached a postwar high, threatening in Japanese eyes, the nation's economic recovery.

The Finance Minister, Mr Hideo Boh, described the new situation as 'extremely grave,' and promised urgent Government action to stop the runaway currency.

The yen at the weekend broke through the psychological barrier of 250 to the dollar, closing on the Tokyo foreign exchange market at 249,50.

The currency has appreciated by 17,2 percent this year, and financial circles believe it still has further to go.

REVALUATION

Japan's major trading partners, who have been applying considerable pressure for a solid revaluation to cut this country's massive balance of payments surpluses, are still not convinced the currency's true value has been achieved.

Export-oriented industries are in near panic over the drastic surge in the yen's value.

He explained the Government would promptly take measures to increase imports in order to reduce Japan's dollar holdings — now over 19 000-million — and create domestic demand to ease export pressure.

PAYMENTS SURPLUS

Mr Toshio Komoto, chairman of the ruling Liberal Democratic Party's policy affairs research committee, said emergency measures to reduce the balance of payments surplus (now running at 1 000-million dollars a month) would be announced this week.

He suggested the Government would try to cut between two and three billion dollars off the surplus rather than the one-billion originally decided on, by importing more farm products and uranium ore, amongst others.

Bankers believe that while Japan continues to run up big trade surpluses while the United States maintains huge monthly deficits, the pressures on the two currencies will remain, leading to world monetary instability.

Japan's trading partners have been trying to get the Tokyo Government to act for years on the trade

problems, but after words failed, they finally decided the only way was a concerted attack on the Japanese currency.

Business leaders here, however, are bitter that the Government of Prime Minister Takeo Fukuda failed to act earlier to defend the yen.

They have warned that many bankruptcies will occur in export-oriented industries.

The yen's continued rise has shattered the Government's hopes for achieving a real fiscal growth of 6,7 percent this year, as well as other official targets.

Industry leaders have warned Mr Fukuda he has only days to produce a major economic reflationary package or face a tremendous recession that could lead to serious social unrest.

Wall St falls back

The Argus Bureau NEW YORK. — Stock prices fell back sharply yesterday after apparent confirmation that the Federal Reserve was permitting short-term interest rates to push higher.

The Dow-Jones industrial average, after last week's rebound of 14 points, almost wiped out this advance. It tumbled 11,44 points to 806,91.

The industrial average now hovers at a level that could soon test its two-year low set on October 25 at 801,54.

Rand today

THE rand, based on closing prices on the New York exchange, was worth today (previous prices in brackets):

U.S. dollars	1.15
British new pence	62.5510 (62.3053)
French francs	5.5156 (5.5448)
Swiss francs	2.5425 (2.5632)
German marks	2.5721 (2.5787)
Italian lire	1 009.66 (1 010.10)
Dutch guilders	2.7677 (2.7825)
Japanese yen	285.181 (286.141)
Norwegian kroner	6.2466 (6.2534)
Belgian francs	40.3084 (40.4875)
Belgian financial francs	40.3158 (40.4573)

RECORD R67-m PAID TO DFB PRODUCERS

A 3 Fruit

Argus. 8/11/77

THE Deciduous Fruit Board this year paid producers a record R67-million, almost 10 percent more than last year, Mr P G van Breda, chairman, told a meeting at Banhoek last night.

This was the first of a series of meetings he will address in the fruit production areas serving the board.

He said the board was able to pay this amount because its costs had been substantially reduced during the year, from R75,7-million to R40,5-million — a saving of 46 percent.

The drop in the volume of exports by close on a third had not affected gross earnings, which dropped by a mere 4 percent.

BIGGEST THREAT

Gross earnings for the year were expected to be about R131-million compared with R136-million the previous season.

The biggest threat to the continued viability of the fruit export industry was the enormous costs of shipping freight. This item constituted 73,8 percent of the board's total costs for the year.

This threat emphasised the responsibility of growers to present only top quality for export and of the board to market fruit which would yield the best returns.

Delays in delivery and therefore lost sales would be overcome when the container service was operating fully.

Net returns from Europe were higher than from the United States but the latter market was more quality conscious.

The envisaged rate of growth of the US market would therefore depend on the board's ability to provide an acceptable quality and obtain a viable price.

Markets in the Far East and Middle East were continuing to be lucrative. The board was considering marketing 40 000 boxes of Cape grade grapes in the Middle East this year.

EEC duty cut may boost SA apple exports

The Argus Correspondent

BRUSSELS. — The European Common Market has temporarily slashed its customs duty on apples in a move that may herald a bonus for South African exporters.

RESERVES DROP R18,4-m

PRETORIA. — Total gold and foreign assets dropped by R18,4-million last month to R682-million on October 31, the Reserve Bank reports.

The gold holding remained practically unchanged at R4 286,3-million. — Sapa.

OIL PRICE TALKS SOON

VIENNA. — Oil-producing countries have begun considering 1978 price levels with most of the 13 Opec governments reported to favour a modest increase.

A final decision will be taken by Opec oil ministers in Caracas, Venezuela, on December 20. — Sapa-Reuters.

Coin planned

CANBERRA. — The Federal Government has agreed in principle to mint an Australian gold coin. — Reuters.

The EEC's nine agriculture Ministers meeting here agreed to reduce the duty until January 31.

Most of the Ministers wanted the duty removed completely, but they bowed to Italian objections. Their action is a response to exceptionally high consumer prices (as much as 50c an apple) in the wake of Europe's worst season for 15 years.

It is intended to attract about 50 000 tons of North American apples to help bring down the present prices.

SHORT-TERM

In itself the short-term cut has no benefit for South African producers, whose supplies start to reach Europe only at the end of March.

But it underlines how grimly the Ministers view the drop in EEC production from 6,5-million tons last year to only 5,2-million tons in 1977.

A Common Market source said: 'The precedent has been set and there is now a real possibility that duties will be cut further for the months when southern hemisphere supplies are due.'

CARRYOVER STOCKS

Yesterday's decision may also persuade merchants to release more carryover stocks now, rather than hang on until next year.

Thus the potential bonus for South African exporters, who are already assured of an eager market for their coming season's produce, is two-fold.

Apart from tariff relaxations they could have negligible European stocks to compete against.

Gold price

GOLD price fixings in London:

Dollars Rands
an ounce a kg

Today
10.30 am . 164,70 4 604,58

Yesterday
3.00 pm . 166,40 4 652,11

Kruger rand

KRUGER RAND today:
Baanks, sell R166,45
(R165,30); Cape Gold Coin
Exchange, sell R180
(R180), buy R170 (R170).

Overseas indices

	FT Indus	D-J Indus	FT Gold
Nov 7	480.4	816.44	155.5
Nov 3	496.2	809.94	156.5
Nov 3	479.8	802.80	144.3
Nov 2	436.0	800.85	144.8
Nov 1	492.1	806.90	143.6

Canned fruit earns more

RDM 26/11/77 (3-Fruit)

CAPE TOWN.—Gross realisations from canned deciduous fruit exports will total about R90-million in 1977 compared with R80-million last year, says the manager of the Canned Fruit Export Board, Mr N J Lawson.

Provisional estimates put this year's export volume at about 8-million cartons, against 9 500 000 cartons in 1976.

Exports to Britain are estimated at about 5-million cartons. It is expected to maintain this over the next few years.

A recent steady decline in off-take by Britain — reflecting a 25% to 30% fall over the past four years — has been countered to some extent by a R1-million advertising and promotion campaign.

Exports to the rest of Europe declined to about 3-million cartons this year, compared with 4 500 000 last year, because of the economic recession and increased competition from United States and European

suppliers.

United States prices for canned fruit were lower in 1977 than they were in 1976, the reduction being assisted by reduced freight rates obtained by United States canners through a self-help system.

The 24% import tariff on canned fruit imports into the European Economic Community has hindered South African competitiveness and allowed Greece to capture about 70% of the German canned peach market with lower quality goods at much lower prices.

If Western Cape production rises and additional quantities become available for export, other markets will have to be found. Negotiations are being undertaken.

Negotiations are also in progress within the General Agreement on Tariffs and Trade concerning a relaxation of the high EEC tariff barriers. There is cooperation between South Africa, the United States and Australia. — Reuter.

be offered in the second half of the year, viz.

International Economics
Welfare and Distribution
Monetary Economics
Labour Economics

out of the four options. Those intending to proceed with the Monetary option.

be required during the year. For d.p. purposes the 5 essays (and attend 75% of the tutorial class).

Test	15%	(7.30 pm Jameson Hall) (2/6/76)
Essays	5%	
Project of Year	80%	

member, in which case this will also count as 15%.

Lecturers responsible for various sub-courses are :

Macro	B. Kantor
Micro	D. Rees
Labour	J. Maroe
International	D. Rees
Monetary	B. Kantor
Welfare and Distribution	S. Archer

Any problems or queries now or during the year may be directed either to your tutor or to me (D. Rees - Room B250).

* * * * *

Juicy profits on citrus crop

THIS SEASON'S foreign exchange earnings from citrus products has jumped a hefty 36 percent over last year's crop to around R100 million.

The latest Citrus Information Bulletin says there was a tremendous demand from European markets, which, coupled with short supply, pushed prices up by as much as 50 percent.

The bulletin adds that normally the volume of fruit available puts pressure on the distributive trade to sell large quantities at low prices.

However, this year the supply of fruit was considerably less than in

previous years, mainly because of the weather with the result that prices, both at home and overseas, went up.

The shortage, says the bulletin, was due mainly to weakness in the Valencia crop and this, together with strong demands from European markets, aggravated the situation.

As a result over the past 10 weeks, sales of oranges have averaged around 200 000 10 kg equivalents per week—50 percent less than the 400 000 per week which existed before the 10 week period. As a result local retail prices have jumped from around R1 a pocket to between R1.50 and R2.

S. Jit. 4/12/77

③ fruit

Mar 9/12/77
R2.5m surplus
③ FRUIT
for Langeberg

The Langeberg Co-operative had a trading surplus of R2 157 356 this year, compared to R521 986 in 1976. Dr J A Mouton, the general manager, said when he announced the preliminary operating results.

"These excellent figures were largely obtained in the local market," Dr Mouton said, "and, in spite of a weakened economy. In the previous financial year we had to rely on exports for about half our income, but the ratio has now swung in favour of the local market."

Part of the surplus — about R500 000 — is being distributed in the form of final payments and dividends to farmer members.

Pine farmers face big loss

DD 14/12/77 3-Frust

LONDON — Eastern Cape pineapple exporters face a disastrous Christmas season here this year because of the slow and erratic arrival of boats from South Africa.

And a Border pineapple farmer, Mr Corder Tilney, who has cornered well over half of the fresh pineapple market in Britain, is the man who stands to lose the most.

On the Christmas delay alone he may lose between R50 000 and R100 000 worth of business, while if the current irregular

delivery of pineapples continues, he may find British buyers switching to other markets which would result in continued and far greater losses.

Mr Tilney exports well over 70 per cent of South Africa's fresh pineapples, and the British market takes 90 per cent of the total South African export.

Between 70 and 80 per cent of the fresh pineapples sold in Britain come from South Africa, mostly from Mr Tilney's farms in the Kidd's Beach area.

"As far as I'm concerned this is an absolute disaster. There were two ships in November, both of which arrived on the same day. Before this there were three weeks when no ships arrived.

"We were used to a weekly service and now we have this. The ships due to arrive on the 18th for the Christmas market have now been delayed and won't get there until the 23rd. This will be too late and all Christmas trade will be lost," Mr Tilney said.

The companies concerned had no right to accept fruit if there could be a delay of this nature. He did not know why the delay had occurred.

The Christmas market fetched the top prices of the year, and the loss on this alone would be tremendous. But what really worried Mr Tilney was that if the situation continued he could lose his British market altogether, as buyers wanted both reliability

and quality.

With the present system there was no reliability and with ships taking longer to reach Britain, the quality was bound to suffer.

"When they saw the container ships being blacked, they should have brought back mailships on a regular basis," he said. "If we get half what we should have this Christmas we will be lucky."

In addition to the problems affecting him personally, he felt South Africa was losing valuable foreign exchange and might even lose an export market altogether, something she could ill afford to do, however small such a market might seem.

"We've always been successful in keeping the

Ivory Coast fruit off the British market as their quality has been inferior, but now the buyers will take what they can get," he said.

"We've spent years building up this market and can't afford this. I've been trying to get some pineapples overseas by air, but in spite of a large advertisement in yesterday's Daily Dispatch, South African Airways can't supply the cargo space they advertised," he said.

Mr Tilney said there was virtually no notification when ships would dock in East London to load pineapples and while the fruit did not go to waste as he could always have it canned, it made planning and supply extremely difficult. — DDR.

Border pineapples to be shipped via PE

DD 17/1/78

3-Fruit

EAST LONDON — A Border pineapple farmer who said erratic shipping has cost him R56 000 worth of business is to send his pines to Port Elizabeth by road and then to the UK by container ship.

Exports to Britain were foiled by the too-early withdrawal of the mailships, the fact that East London is not a container port, and that the refrigerated units to get the pines to Port Elizabeth were not — and are still not — available.

Mr Corder Tilney, who has cornered more than half of the fresh pineapple market in Britain, says: "We have lost out steadily from October last year, and will continue to lose out on the European market because of the erratic shipping."

The big flaw, he says, in exporting pines speedily to the United Kingdom and to keep South African pineapple exporters ahead of the "other countries competing in the highly competitive

market" is that East London is not a container port.

"Originally, when containerisation shipping was introduced to South African ports, the interim plan was that the mailships would continue to operate until containerisation shipping was fully operational," Mr Tilney said.

However, his exporting plans for last December had been drastically upset because "the mailships were taken off their runs too soon — before containerisation was fully underway" and he now is battling to solve the problem of transporting pines by road to Port Elizabeth to sell them on international markets.

"But we pineapple exporters in the Border area are faced with a non-container port and before we can get road transportation to Port Elizabeth efficiently expedited, we merely have to weather the storm and lose thousands of rands business in the process," he said.

"The reefer ships which call in at the East London port are an absolute disaster. There is just no hope of getting pines onto the container vessels in Port Elizabeth for export using this facility.

"Even now it would take at least 26 days to try and get pines to Port Elizabeth on cargo vessels."

How does he plan to transport the fresh pines to Port Elizabeth quickly?

"Once we can get the refrigerated clip-on container units operational the export process will be speeded up.

"The container units will be pre-cooled by refrigeration as we load them with pines. A six-hour drive will ensure the pines get to Port Elizabeth without any deterioration to the fruit, there the pines will again be refrigerated and finally the container units put on board the big container ships," Mr Tilney said.

Mr Tilney said the pineapple industry in the Border area would not collapse because of the

erratic shipping at present.

"Continuity of supply is all important. We've spent years building up this market and can't afford this breakdown. Trying to get pineapples overseas by air is not a solution, there is a limit to what can be exported by the South African Airways," he said.

The president of the Border Chamber of Industries, Mr M. L. Phillips, who also serves on the shipping committee of the Federated Chamber of Industries, commented on the shipping problem Mr Tilney is faced with.

"The pre-refrigeration container units, although not yet operative, will allow fresh pineapples to be taken by road to Port Elizabeth and then slotted onto the container ships ready for export," he said.

"This will not mean that transporting pineapples to Port Elizabeth will cost more. The freight rate is the same for this pre-carrier service and is being borne by the coastal service." — DDR.

Hulle smokkel kwaai met piesangs

③ FRUIT

SAKE-RAPPORT 22/1/78

DIE Piesangraad meld in sy jongste nuusbrieff dat die omvang van smokkelhandel in piesangs waarskynlik groter afmetings aanneem as wat algemeen besef word en dat dit besig is om 'n permanente praktyk te word.

Van 7 tot 16 November verlede jaar is byvoorbeeld 14 mense in die landdros-hof van Middelburg, Transvaal, skuldig bevind omdat hulle meer as 50 kg piesangs in 'n gebied buite die produksiegebied gebring het. Die totale hoeveelheid piesangs betrokke by die sake het op 45 400 kg te staan gekom.

Verspreiders van die

Piesangraad aan die Rand beweer dat hul verkope in die stedelike Bantoegebiede as gevolg van smokkelpiesangs aansienlik ge-

Landbou -

daal het.

Dit word beraam dat die hoeveelheid piesangs wat só onwettig verkoop word, tot 10 000 kiste per week kon beloop en dat dit bepaald 'n nadelige invloed op die raad se verkooppys van eerstegraadpiesangs het.

the end of January. This year, the yield is expected to exceed 180 000 kg — more than half of which will be sold on the local market.

Growers — there are 11 belonging to the SA Litchi Growers Association (Salga) — have always managed to export part of the crop, which grows in the northern and eastern Transvaal, to UK and Western Europe. "Now," says Salga's chairman Peter Hughes, overseas demand is remarkable and has started to include the Scandinavian countries."

Lichees are, in fact, one of the subtropical fruits produced in SA which form part of a "Preliminary techno-economic study of the subtropical fruit industry" by Dr Yvonne Grosser of the National Food Research Institute.

Dr Grosser recommends that since demand for lichees exceeds supply (Carnation cans all it can buy in the short season) the product is worth investigation

both for increasing production and better utilisation.

Dr Grosser points out that during 1974-1975, SA produced 340 000 t of subtropical fruit worth R52m. In 1975 foreign earnings amounted to R24m (2% of our foreign trade in agricultural products) while during the same year the value of subtropical fruit imports (including coffee and tea) exceeded that of the exports by R30m.

Priority crops, according to the report, are pineapples, tea, coffee and cocoa. It urges a greater interest in tea-growing, pointing out that during 1975 SA imported 21 358 t tea worth R19,5m. Present plantations when fully bearing will only fulfil 20%-25% of SA needs.

On the coffee side, SA imported 18 200 t in 1975 and only produced some 200 t during the 1974-1975 season. Clearly there's quite a lot of potential in subtropical fruit production.

FRUIT
Subtropical export

FIN. MAIL
3/2/78

3-Fruit

Lichees (or litchis depending on your literary taste) are more than a pleasant sweet to end a Chinese meal. This year, the estimated return on exported lichees is expected to be in the region of R110 000 to SA growers, compared with previous overseas earnings of around R75 000.

The season is short, from November to

healthy, in spite of a 6% landed value levy, some growers believe that around 1980 they'll get better prices and a more secure market locally. Competition is stiffening as apple-exporting countries,

from R1.04 to 18c. Faced with such a trend seven big deciduous outfits in the Cape (Kromvlei, Bradley, Dennebos, Boesmansrug, J de Wet, P de Wet and Cortina) got together last year to exploit the local market more by reconstituting the nine-year-old Elgin organisation.

South Africans lag badly behind Europeans in apple consumption *per capita* so McGregor has come up with the idea of promoting the locally-neglected fruit the way others market wine glasses and tissues.

Advantages he's pushing include convenience for shoppers with minimum human handling (picker, packer and housewife) and no damage. Retailers get refrigerated loads right to their shelves, easy handling of cartons and packs with no weighing or in-store packaging.



Guaranteed delicious

MARKETING ③ fruit Seeking a rosy future

FM 24/2/78
Deciduous fruitgrowers wary of tighter European markets are pampering local buyers to the point of guaranteeing every apple.

Millions of Elgin Pride specimens going into the shops and supermarkets from next month will each be given a sticker before individual-compartment packing in display boxes of tens and fiftens.

Housewives picking the handy packs will find inside such things as recipes, calendars and hints on the best times to buy which types.

"What's more they'll all be export grade or better — if that's possible," says Elgin Apple Sales GM Rob McGregor.

Reason is that although deciduous fruit sales to the nine-nation EEC are

mainly Argentina, Chile, Australia and New Zealand, look like pulling down market prices as they get more and more of Western Europe's market.

McGregor's EEC feelings are shared by the Deciduous Fruit Board (and no doubt by other apple growers) which expects export's percentage of the annual crop to fall over the next few years.

Last year the board shipped 194 000 t. Annual exports vary widely, but historically they average around 50% of output.

McGregor's calculations over the past decade show that three popular types are losing export appeal for growers (still, however, having good sales overseas) as the margin of profit from foreign sales falls markedly when compared with present local prices on each carton: Golden Delicious from R1,65 to 17c; Granny Smith from R1,05 to 66c; and Starking

Banana control bid sparks major row

23/3/78

3-Fruit

(Mercury Reporter

A MAJOR row is brewing over an application to the Minister of Agriculture for a "banana control board" to be permitted to operate in Natal.

The application by Natal Banana Co-operative Ltd. in Pinetown for permission to control banana marketing in the province has met fierce opposition from the South African Indian Council and spokesmen for leading supermarket chains.

In terms of the proposed scheme no banana grower in Natal will be allowed to sell fruit in Durban, Pietermaritzburg or other towns unless the bananas sold with reasonable quality standards, and then sales must be made through the co-operative.

Mr. Allan Gardiner, head of Pick 'n Pay in Natal, said yesterday he was not in favour of the co-op gaining control of the marketing of bananas.

"I am against monopolies," he said.

Mr. Dave Mitchell, regional general manager for Checkers, said: "Just over a year ago we started buying bananas directly from a farmer. We paid him more than he was receiving from the co-op and we sold them to the public at prices lower than the co-op prices to us."

"The man we bought from is a big and knowledgeable farmer who gave us only top quality bananas. Through competitive buying and selling we forced others to bring down the price on average about 20 percent."

Mr. Mitchell also questioned the fact that bananas were consistently more expensive in the Transvaal — where there was a Banana Control Board — than in Natal.

"And don't believe it when they say that bananas are only grown in Natal. There is a large production area in the eastern Transvaal. Bananas are cheaper in Natal because the spirit of private enterprise still exists," he said.

The co-op's chairman, Mr. Peter Smyth, said yesterday the reason for quality control was to ensure that housewives did not have "sub-quality fruit foisted on her at first grade prices."

He said this was happening every day in Natal metropolitan areas.

Mr. Smyth said the main reason for applying to the minister to have the scheme adopted in Natal was that certain non-members of the co-op were supplying reject quality fruit and passing this off as first grade to the retail trade.

(c) Ander kos

(d) Weinlek toegelaat

Natal van: skape toegelaat

Convinced

He said some retailers mixed this poor quality fruit with first grade and charged consumers the full price.

Mr. Smyth also said some cafes marked up bananas from 26c to 50c a kilo.

(e) Gron
Oppo
Wad
Wat
Kor

Mr. Phillip Heber-Percy, chairman of Spar in Natal, said he was not convinced by Mr. Smyth's argument.

"He does not mention small growers who sell inside Durban. It will be hard on these people if the co-op does control the marketing."

"A visual check is the best way for a housewife to determine quality. Nothing the co-op can do will avoid quality deteriorating with age," he said.

(f) Kl
(g) Bo
(h) Ge

Mr. Y. S. Chinsamy, chairman of the Natal Indian Cane Growers' Association, said his association was totally opposed to the idea as hundreds of members of the association would be affected.

"It will force up the price of fruit, depriving the poor."

(i) Ontspanningsgeriewe verskef:

Koste aan boer (jaarliks):

(j) Gesondheidsdienste:

Jaarlikse koste aan boer van:

(j) Totale mediese koste

(k) Pensioenbydrae deur boer (jaa

(l) Verseringsbydrae

betaal

an geriewe

APPLES

FM 24/3/78

A ripe old age

③ fruit

SA's first commercial-scale controlled atmosphere storage plant (CAS) has been commissioned by Elgin Fruit Packers Co-op near Grabouw.

Built for R350 000 on US specifications the Grabouw plant has a storage capacity of 110 000 cartons of apples which will be released on the SA market from October to January.

Apples will "live" three to five months longer and, more importantly, have a shelf life two to three times longer than apples kept in cold storage.

Only export-grade apples will be stored. Marketing will be through supermarket and hypermarket chains and department stores at prices the co-op hopes will be 33% above the existing

level of about R6/carton F O R Elgin.

The CAS pack of 110 000 cartons is about one-sixth of the total quantity of grade one (export) apples retained for the home market and could gross nearly R1m for the co-op in its first year of operation. If consumer demand is up to expectations, ie it exceeds supply this year, Elgin Fruit Packers will give serious thought to doubling capacity.

At the same time, Elgin Fruit Packers, through a newly created subsidiary called Cold Transport Chain, hopes to convey an increasing percentage of its apples in its own trucks.

It has kicked off with four 20-tonners which will ply long-distance northern markets, returning to the Cape with capacity loads of chilled beef and other perishables.

Complaints flood in after expensive 'cut price' fruit exposé



Mrs Moira Lewthwaite holds up one of the pulpy apples which arrived in one mail-order carton from the Eastern Cape. On the box in front of her are other badly damaged apples from the carton.

WHILE complaints poured in to the Sunday Tribune this week about cut price mail order apples which were expensive and below standard, the company's managing director promised that better quality fruit would be sent in future and the packaging would be improved.

There have been several other developments in the apple controversy since last Sunday's report in which customers complained that the fruit was expensive and disappointing. With average rail costs of about R2,23, they paid a total of R7,23 for 15 kg of apples. Top quality apples were selling at the Durban market at the same time for half the price.

Other developments include:

- An assurance by Mr George du Plessis — who runs a mail-order company, Langkloof Fruit Growers in the Eastern Cape — that an enticing advertisement, which had out-of-date information about the railage costs, would be changed. Many customers paid three times the amount they expected.

- The South African Railways denied Mr du Plessis's claim that the poor quality of the apples when delivered was due to bad handling. But the SAR is investigating one instance where a carton of apples took more than a month to reach Durban.

- The South African Apple Producers' Association has made an investigation, one of the outcomes of which was the assurance by Mr du Plessis that heavier cartons would be used to pack the fruit and that better fruit would be used.

- A complaint has been made by one dissatisfied customer to the South

African Consumer Council.

Mr du Plessis insisted again this week that the SAR was to blame when apples arrived in poor condition. And in reply to complaints that better quality apples could be bought at half the price at Durban market, he said this was because of oversupply and at times the market price was much higher than his.

A Government inspector found that one carton of apples sent to a Durban woman was third grade. As it is not permitted to sell third grade apples in Durban, the Deciduous

THE BIG APPLE UPROAR

By TERRY McELLIGOTT

Fruit Board says it will lay a charge for this alleged offence.

The Railways' assistant public relations officer, Mr Izak de Vries, said this week that an investigation had failed to show that any of the consignments of apples had been damaged en route.

One of the week's complainants, Mrs Julianna Colquhoun of Durban, said she threw away 50 of the £1 apples she received.

"I had arranged to share the apples with a friend, but I gave her the 31 that we managed to 'salvage',

leaving me with none at all. Some of the apples were just a pulpy mess."

Durban pensioner Mrs Edith Cassell had an even sadder tale to tell. She threw away all but 13 in her consignment. And because the Railways kept on trying to deliver the apples to the wrong flat she was charged R4,95 by them. That meant she paid R9,95 for 13 edible apples — "and those 13 were tasteless."

Mr N. A. Joseph of Gillits was so angry about his apples that he wanted to send them back to the suppliers. But the charge to send them was R4,83 — "so I cut my losses and dumped them."

Banana price soars

DURBAN. — The wholesale price of bananas in Natal was increased by 60c to R4,80 a box yesterday, following the devastation of banana plantations off Natal's South Coast by last week's storm. — Sapa.

RDM

25/4/78

3 - Fruit

NM 27/4/78
3-FRUIT

Why farmers oppose banana control

One or two schemes could be applied. One is to either take a part of the farmer's bananas or to reject his consignment. In either case the producer suffers. What is he to do with the left-over bananas? Naturally he must find another source of selling, as soon as possible, because the mature bananas on the tree begin to ripen and if not removed quickly deteriorate rapidly and to waste.

Short life

The ripe banana has a very short shelf-life, at most about two to three days in the hot summer months, and cannot stand refrigeration.

It is this outlet for the producer that is the real threat for the monopoly seekers, and price maintainers.

It is no secret that a couple of months ago the Natal Banana Co-operative was selling a 20 kg. box of bananas for R7 plus. Buyer resistance forced the prices down, because they had an alternative source from where they could buy good bananas cheaply. Imagine what will happen when this alternative source is done away with under the pretence of quality control and producer protection.

Free trade and competition is the only certain method of beating un-

SIR, — I seek your indulgence to reply to Mr. Peter Smyth, chairman of the Natal Banana Co-operative Ltd.

I still maintain that their approaches to the Minister of Agriculture were secretive in nature. No Press announcement or otherwise was made until some ex-members of the Co-operative, much to their chagrin, discovered the moves and made the issue public.

How is the public to know, if the meeting is confined to members only who could be sworn to secrecy. No public meeting was held.

In 1957 when the Banana Control Board was established, it was mainly through representations made on behalf of Indian banana farmers and dealers in Natal, who feared for their livelihood, that Natal was excluded from operations of the Banana Control Board.

Producers in Natal are free to sell to the Banana Control Board, which operates in the Transvaal, Cape and the Orange Free State. However only a small number of producers in Natal sell to the Banana Control Board.

To the rescue

The others, a large number, sell and trade freely and supply dealers, who have always come to their rescue when even their good bananas were rejected for no good reasons at all. This is a statement of fact which can be verified by many White farmers.

To further support this contention, I quote the Co-op's "Annexure A" supporting their representations to the Minister. On pages 2 and 3 it is stated: "The Board will then be able to maintain the same selling prices in Natal as in the other marketing areas of the Republic, by regulating the supply." It will be interesting to know how the supply will be regulated.

desirable elements and getting rid of unscrupulous dealers. This is the only way to get the retail shops in Durban and Pietermaritzburg to sell good and clean bananas.

One Indian

The Co-op has given membership to one Indian. Certainly this one Indian does not make an Indian summer. If this Indian is the member whom we suspect then he is more a banana dealer than a bona fide banana farmer. Though Indians may be eligible for membership, I do not remember an invitation being extended to Indians to join.

At the moment more than 150 White farmers and more than 300 Indian banana farmers have signed a petition calling upon the Minister of Agriculture not to accede to the Co-op's request to have any part of Natal declared a marketing area. They might not produce the quantity of bananas produced by the members of the Co-op, but nevertheless they are bona fide banana farmers.

The Co-op says that it has the support of the Natal Banana Growers' Association, but quoting the "South Coast Herald" dated April 14, it is stated that "the members of the Association have queried the claim that the Association has backed the Co-op to have part of

Natal declared a marketing area." Mr. A. R. Jones, the chairman of the Association, stressed that this was purely a committee decision. He said, "our action still has to be ratified by our members at an extra special general meeting."

No excuse

We fully agree with the Co-op's statement that "in this day and age in our country there is absolutely no excuse for the use of racialism to achieve one's own commercial ends." But erroneously the Indian has always been considered an economic threat against whom the notorious Group Areas Act has been enforced in many cases with disastrous effects.

The German economist, Professor F.A. von Hayek who recently appeared on TV, argued cogently for the abolition of all forms of government controls. He was clearly disappointed that we had made so little progress in regard to the abolition of controls since his last visit here several years ago.

In spite of his explanations, I don't think Mr. Peter Smyth can fool the discerning and thinking producer and consumer that easily.

R. BUDHOO

P. O. Box 280,
Port Shepstone.

• Letter shortened. —
Editor.

SA boere laat die Britte smul

Rapport 21/5/78

Van GIELIE de KOCK in Londen

③ FRUIT

DIE sagtevrugteboere va die Kaap kan maar met geruste harte vakansie op Hermanus hou. Hul produkte verkoop soos soetkoek in Londen se kettingwinkels en selfs by die veel duurder kraampies in die toeristegebiede staan die mense tou om die Kaapse duiwe, apples en pere te koop.

Mense wat al baie jare in Londen woon, sê hulle is verstom om te sien hoeveel vrugte die Britte deesdae koop. Die hoeveelheid en verskeidenheid wat in die winkels aangebied word, is vir hulle ook 'n openbaring.

As jy geld in jou sak het, kan jy alles kry wat by die huis te koop is. Jy moet net 'n bietjie baie meer uithaal om byvoorbeeld 'n korrel Waltham Cross onder jou tande te voel kraak.

"Ons mense het beslis geleer om die lekkerste vrugte van oor die hele wêreld te eet. Hulle is bereid om te betaal, maar hulle is kieskeurig. Hulle koop net die beste," sê die bestuurder van 'n groot kettingwinkel in die High Street vandeeweek aan landbou-Rapport. "Dit is egter veral die immigrante

en besoekers wat die vrugte koop sonder om te mor oor die pryse," voeg hy by.

Landbou-Rapport het vandeeweek by verskillende groot afdelingswinkels en kraampies gaan inloer om te sien hoe ons Suid-Afrikaanse vrugte vaar. Veral in die groot kettingwinkel Safeways in die voorstad Kensington, het 'n gesig ons begroet wat menige Suid-Afrikaanse boer se tone van lekkerte sou laat omkrul het.

Groot aantreklike plakkaat verkondig wyd en syd dat die beste Kaapse vrugte nou beskikbaar is en die rakke kreun behoorlik onder die gewig van ons produkte. Niemand gee om oor die feit dat die vrugte uit die „bose" Suid-Afrika kom nie. Die mense koop omdat dit goed lyk en goed smaak.

Ons het 'n paar pryse

kings en Granny Smith is nou beskikbaar op die appelrakke. Pere (Williams, Bon Chretien) se prys is R1,30 'n Kg.

Avokadopere se pryse wissel kwaai. Verlede week het dit op sommige plekke R2 en meer vir een gekos, maar nou kan 'n mens by Safeways dié vrug teen 79c koop. Dit is van die goedkoopste wat ek nog hier gesien het.

Vir 'n veselperske moet 'n mens egter baie lus wees as jy hom hier koop. Pryse wissel tussen 79c en R1,23 elk, en dan is dit nie vir 'n baie grote nie.

● Maar soos gesê, jy kan eet wat jy wil en soveel jy wil, as jy bereid is om te betaal. Die beste en die mooiste uit die Kaap en Transvaal is nou hier.

FOOD

③ Fruit
Fruit & veg scheme

F.M. 10/78 16/1/78
The SA Agricultural Union's co-operation officer, Ines van Rooyen's, new scheme for improving the marketing and distribution of vegetables and fruit, in an attempt to reduce the price gap between the producers' and consumers' prices, is certainly worth a try.

But at last week's meeting, organised by PFP's Philip Myburgh, between the Minister of Agriculture, representatives from the Boland Agricultural Union, and a group of MPs, some tricky problems came to light which will need sorting out.

If consumers are annoyed at the exorbitant prices they often have to pay, producers are desperate: despite rising production costs, prices for vegetables have not risen for five years, and the price gap between producer and consumer prices for vegetable and fruit (other than "controlled" fruit) is five to eight times, compared with two to three times for controlled products.

Van Rooyen has a three-point plan:

- Existing "primary co-ops" (those that deal directly with farmers) will extend their services to the vegetable and fruit farmers.
- "A central co-op" has been formed and will operate countrywide for transport and distribution. This should not only improve supplies by ironing out the present local gluts and shortages, but will also be more economical
- Market agencies (also co-ops) are being established at all the main municipal markets. Those at Johannesburg, Durban and Cape Town are already operating, and it is hoped to have them at all markets by the end of the year. The intention is that they will market direct to consumers, and do pre-packaging and sell small pre-packaged lots.

Now for the problems. One of the main reasons for the poor producers' prices is that too much produce is bypassing the municipal market. This pushes up unit costs, weakens the farmers' bargaining power and tends to keep prices low. For instance, when the big chain stores buy direct from farmers they negotiate on the basis of the market prices but take the best quality produce from the farmer. Thus, if the best quality produce doesn't reach the market, the price for inferior produce becomes the price norm. This may be very difficult to

to expensive suburbs and cheaper produce to poorer areas.

Schoeman is to have further discussions on all this with the SAAU in Pretoria.

Fruit and veg shop . . . no squash in the middle

stop, unless the farmers themselves, through the co-operative distribution system, send all their produce to the market. But if the co-ops do negotiate with supermarkets they would not accept low prices for high quality produce.

Then what of the consumer, who benefits from good quality, pre-packaged produce at the supermarket? If, by maximum use of municipal markets and better distribution, the price gap can be narrowed, it is argued, the producer would get better prices without the consumer having to pay more.

There could also be difficulties if the co-operatives selling on the market come into conflict with the market agents. The latter have expert knowledge and also provide substantial amounts of bridging finance.

Since the municipal markets have been moved out of the main urban centres they are inaccessible to most housewives, so the idea of co-ops selling direct to housewives at the market is impractical. The Cape farmers called for a plan for "mini-markets" to be established at various points throughout city areas. These would not bypass the municipal markets, but would take pre-packaged produce from the market to the consumer who would thus only pay the market price plus a handling fee. These could be operated by the co-op agents, or by the co-ops in collaboration with the existing agents. An advantage, it is argued, would be that supplies could be regulated: the best quality produce going

Bumper year for citrus

(5) Citrus
MAM 22/6/78

THE value of citrus exports rose to R147 200 000 in 1977 from R115 500 000 in 1976, says the chairman of Cooperative Citrus Exchange, Mr L A D Danckwerts.

Free on rail payouts to growers increased to R78 600 000 from R50 100 000.

He attributes the increase to a world shortage of citrus and other fruits during most of the exchange's selling season "due to a combination of factors which are unlikely to ever again combine in our favour".

Prospects for orange exports in the immediate future are good, with some tailing off likely in late July and August.

Much will depend on the quantities of South American fruit available and on whether it will be possible to keep prices stable.

It is expected that earnings for the second half of the South African season will not be much above minimum economic price levels.

A reasonably normal season at acceptable price levels is likely for grapefruit, although a sizeable melon crop is possible overseas. This could affect

grapefruit sales if it materialises, especially on the Continent.

Although it looked as if there would be a severe overlap with all fruit of Mediterranean origin at the beginning of the export season, the situation has changed in the past few weeks.

The market strengthened considerably in April and May and large volumes of Mediterranean fruit were sold, reducing available stocks.

Export sales of lemons are going well, with weak conditions in Italy, Spain and California and light shipments from Italy and California the main reasons for the strength of demand.

Although heavier competition is likely in July, it is hoped the firm price being established now will contribute to satisfactory levels throughout the main part of the export season.

The market in Europe was depressed until mid-April when a slow improvement began. Prices rose sharply in mid-May, coinciding with the first significant quantities of Outspan lemons going on offer.

—Reuter.



● Mr Schoeman
... investigation

Market racket: Minister promises investigation

2/7/78 Sunday Express 3 (fruit & veg)

EXPRESS EXPOSÉ FINDS IT COSTS YOU MILLIONS

BY JEAN LE MAY

THE fruit and vegetable market racket exposed by the Sunday Express last week is being investigated at Government level.

The expose uncovered the operations of racketeers who run a huge operation at the Johannesburg produce market at the cost of millions of rands, through inflated prices, to the housewife.

This week, as a result of Sunday Express disclosures:

● The Minister of Agriculture, Mr Hendrik Schoeman, said the matter would be investigated. "It will be

discussed at a meeting next week," he told me.

● It is also being investigated by the Produce Markets Commission, according to its chairman, Mr Piet Venter.

But the director of the Johannesburg Produce Market, Mr S S Robinson, still refuses to comment on the

Sunday Express disclosures. Last week he refused to comment when a copy of the report was submitted to him.

Meanwhile, the Sunday Express can this week reveal further disclosures about the market racket.

● Not hundreds of thousands of rands, but millions, are said to be involved and passed on to housewives.

● The racket was still in full swing at the market this week.

● A Johannesburg greengrocer had to pay R2,80 for sweetcorn bought a few minutes earlier by a wholesaler on the floor for R1,50 — a quick profit of 80%.

Meanwhile, a delegation of greengrocers has volunteered — as a result of the Sunday Express disclosures — to discuss allegations of racketeering and illegal selling with Mr Robinson.

These are typical comments, made by greengrocers whose names I have

agreed not to use:
Trader A: Some of them are there at the rail depot at the market when the fruit and vegetables arrive during the night, choosing what they want and arranging to buy.

Trader B: You see representatives of three or four different wholesalers getting together and arranging what each will buy.

Trader C: Some of us drive to Pretoria market to buy rather than go to City Deep. These things don't happen on Pretoria market.

Trader D: Sometimes I must pay R1 or R1,50 more than the wholesaler's man paid, right there in front of me on the floor. This morning I paid him R2,80 for sweetcorn he bought for R1,50. I can show you the slips. But usually, with vegetables like beans or carrots, the difference is 20c or 30c. It all adds up.

This week I was informed that during a discussion at an agricultural union meeting recently it was alleged that wholesalers on the Johannesburg market bought

75% of total produce handled in a stated month — and in that month the turnover was R3,2-million.

It is impossible to estimate the proportion of produce sold illegally on the floor, but one man present at the meeting commented that "the amounts involved run into millions in the course of the year".

The Indian Wholesale Traders' Association said in a statement to the Sunday Express: "Your reporter makes a big play of the fact that sales took place on the sales floor area."

"In point of fact, because of the large scale handling of produce by us, it has been a practice allowed for years . . . to serve our regular customers from the sales floor area."

Mr M Bhoola, the association's secretary, told me: "The market-master gave us permission to re-sell on the floor."

When I telephoned Mr Robinson and repeated the allegation to him, he again refused to comment.

Ban may mean more oranges

would support artist must matter whether both of which about there but the Niger a graduate of look at work for each Indi influence by their

Staff Reporter
ABOUT 36 million export oranges — enough to allow the entire population one and a half oranges each — could become available on the local market in the next few months.

The commercial manager of the Citrus Board, Mr R G Hauptfleisch, said in Pretoria yesterday, Iran closed its doors to all citrus fruit imports earlier this year. The board was still waiting to hear if permits could be obtained for the export of South African oranges to Iran.

If the necessary permits were refused, about half of the 2 400 000 10-kg pockets of oranges earmarked for Iran would be sold on the European market.

The balance of the Valencia oranges — more than

one million 10-kg pockets — would find their way on to the local markets at a slightly higher price.

"Although the crop is up 14% on last year's figures, as far as local fruit goes we are still short and would have no difficulty in getting rid of the export fruit," Mr Hauptfleisch said.

There has been a regular demand for oranges this season. Prices for 10-kg pockets have remained steady at the R1.50 to R1.75 mark, he said.

"If Iran stands firm on its refusal and the export Valentias reach the local market, which would be in about a month's time, there would still be a considerable financial loss to citrus growers as local prices are way down on overseas figures," he said.

Temporary Nigerian Jim. It does not Picasso paintings, artist should not worry if sincere, cannot help "8 Gregory Maloba, "w"...students ought to possible. Freedom whether or not it be thought), this must be

h European and cific European art ine Arts School in Africa to do so), is paints in a style a graduate of the died at the Royal l African & Oceanic rom all these sources. es his style to both Mount has noted the Marquesan Islands South Eastern Nigeria, Vol. commemorative figures akua-ba figures.

Style are of traditional s movements I practices Coabs and bra "Di closedly relat University of College o Ar Art at Cumb The simp at Cit. Elements Lib h of the Souh h. The lower Congo, Dogon figures from Malf and Asante

I think that only a few artists have achieved a true synthesis between old and new, European and African, Ibrahim el Salahi being one of them - it perhaps being essential to be a synthesiser in the Sudan where already two cultures - Arab and Negro - meet. Nevertheless, those artists with eclectic styles and those who are largely Western-oriented, are amongst the most original, imaginative and creative sculptors and painters in Africa.

The influence of European art is obviously not restricted to style traits. Murals, occasionally found in traditional African art, are produced, but pictorial works are pre-dominantly Western-derived easel paintings, while tapestries are produced in Senegal. It is noteworthy that in Pre-colonial Africa, sculpture was by far the most important discipline: today, of the artists of Africa are painters. Sculpture usually employs medium and techniques common to traditional sculpture, but new materials such as cement, fondue and fire glass are also being used. The awareness of new concepts in contemporary African art show the extent to which the African's world vision has expanded, and expresses a desire to identify with and become part of this larger, modern world. The titles of some of the work of Skunder Boghossian, a painting teacher at the Fine Arts School in Addis Ababa, (Ethiopia), exemplify this: his paintings bear such titles as "Yeh and lang", "Explosion of the World Egg" and "Cosmological Exposition". Themes like these, and an immensely varied range of subjects, can be made: the older artists who imitate graduates of (schools based on "Yeh and lang" methods, seem to favour picturesque genre and biblical subjects (Sam Ntiro, Beoa, Piliipii), while the new, young artists, though still concerned with Africa and the African, have generally moved towards abstraction of forms (as in the work of Mafangona, a self-taught artist in Mozambique, who has been aided by American Gueles) is fairly unique in Africa: the latter of his paintings highly emotional and deal with divorce etc. and of life such a sex madness etc. and of life such a sex madness etc.

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SUN. TRIB. 23/7/78

British learn to love the humble guava

3-Fruit

Finance Correspondent

THE GUAVA, probably South Africa's most underrated fruit, is rapidly becoming a major earner of foreign exchange after unprecedented co-operation between a group of Cape farmers and one of the country's largest packaging companies.

The man who identified the guavas' export potential is Garth Glasby, the Kohler Group's development manager in the Cape.

He said this week he had raised the possibility of exporting guavas to Britain with Ted Baker, of Poupart, a leading Covent Garden market agent, in Britain last year.

Although fresh guavas were virtually unknown in Britain, Poupart placed a trial order after sampling three boxes sent by Glasby.

The guavas were airfreighted to London in specially designed corrugated containers.

Glasby, in London when the first consignment arrived, reports the fruit withstood the rigours of the journey well.

Current Covent Garden demand for fresh guavas is two tons a week.

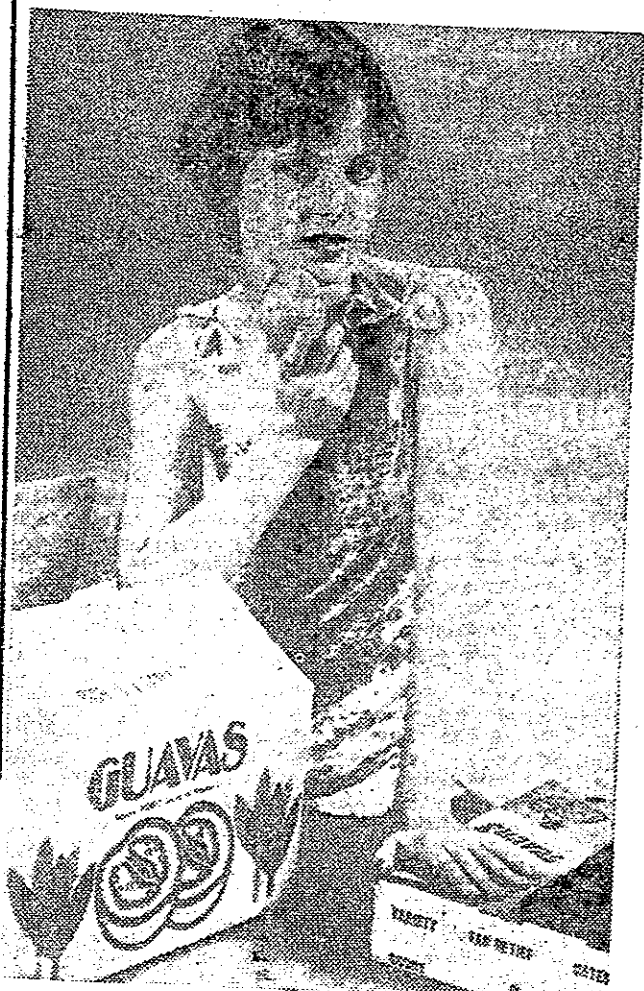
One of the most successful exporters, Hans Grobelaar, of Deldew Estate near Kraaifontein, says the growing British demand for guavas, a rich source of vitamin C, has helped him push up his export quality yield by 15 percent.

"Guavas," says Glasby, "are one of the few forms of agricultural produce in South Africa which do not fall within the ambit of a market or control board."

"And, until last year, there was little inducement for farmers to cultivate really first-class crops."

Many farmers, Glasby adds, are reluctant to become involved in direct exports.

"The considerable inducements that exist are offset in their minds by the fear of becoming involved in elaborate negotiations and reams of paperwork."



Guavas are growing in strength as a new export fruit

... vir die res van die jaar

(e) Hoeveel keer reeds op die plaas gewerk

10. Aan alle werkers

(a) Werkure:

Maan-Vry	Begin	Uitskei	Pouse(s)
Sat.	"	"	"
Son.	"	"	"

(b) Jaarlikse verlov deur boer betaal
onbetaal

11. Kontantloon (weekliks)

12. Ander betaling (weekliks)

(a) Vleis: hoeveelheid
prys (as nie gratis verskaf word nie)
waarde aan boer
waarde aan werker

FM 11th Aug 1978

③ fruit

The EEC gets tough

① 136

SA exporters are heading for hard times in European markets. Although a great deal of secrecy surrounds the Tokyo round of multi-lateral trade talks in Geneva, enough information has emerged to confirm that SA is faring poorly in efforts to negotiate not only lower tariffs in Europe but some form of compensatory treatment for the loss of its favoured position in British markets.

According to the EEC offer lists in respect of canning, SA gains are virtually nil. For example, the EEC offered to cut the common external tariff (CET) on grapefruit segments from 20% to 17%, fruit cocktail from 22% to 20% and canned mandarin oranges by the same measly margin. It originally intended to include peaches, pears and pineapples (the volume sellers) on the list, with a 5% or 6% cut in the CET, but these were deleted on the insistence of the French and the Italians.

European canners can supply on average no more than 25% of the community's demand for canned deciduous fruit but the EEC is committed to the protection of the least efficient of its members, hence the protective barriers.

If this cast of mind prevails across the full spectrum of trade with Europe, prospects seem dim that SA will export much more than primary products and raw materials — on terms which suit the Europeans.

Nor does there seem to be any limit to the scope and range of non-tariff barriers which the people in Brussels can devise. Starting next season is a device called the "production aid system." It amounts to a subsidy on the production of canned peaches and tomatoes to compensate Italian canners for their high production costs. The aid system is an equaliser and will work primarily against the Greeks.

In practice it will mean that Italian canners of average efficiency will get their fresh fruit for nothing; if they are super-efficient it will mean that they will receive more aid than they pay for their fruit.

The worrying thing is that, with the exception of Belgium, quality is a secondary consideration to price with most European consumers. And although the currency factor has helped SA exporters who sell in rands/dollars, there is no way SA can begin to pare prices 50%. On top of that there is mounting competition from Third World exporters, mainly Francophone and Commonwealth states in Africa which enter Europe duty free. Argentina, too, is getting a firm grip in Europe, assisted by a 25% government subsidy, while in the US growers with heavy surplus production subsidise canners to take fruit off their hands and drop it off in Europe, as happened last year.

Underlying all these problems is genuine concern in Europe that incipient trade

action against SA may materialise into a real embargo. Buyers are reluctantly having to negotiate alternative sources of supply, thus adding another dimension to the marketing problems of exporters.

Implications for SA are grim. Canning may be small beer compared with total exports, but it is important for the Cape region. It's a trade of 8m cartons worth R80m to R90m a year, 90% of it from export earnings. It involves 2 500 farmers and maybe 20 000 farm workers producing 185 000 t of raw fruit worth about R20m a year; not to mention 14 major canneries employing 14 000 blacks and 1 500 whites and a wage bill of R14m a year for the blacks alone.

In addition, the canners pay Metal Box Company R26m a year for cans; they pay the sugar industry about R8,5m a year for consuming 40 000 t of sugar; and the shipping companies receive about R8m a year in freight charges.

Farm debt soars by 29 p.c. in 3 years

Despite favourable farming conditions over the past three years, the total indebtedness of South African farmers has increased from R2 058 million to R2 662 million — a substantial 29 per cent.

"Although one would expect a decrease in debt under favourable conditions, we have actually experienced the reverse," says Mr Rob Brink, agricultural adviser to Barclays National Bank.

He adds that between 1975 and 1977 credit advanced to farmers by commercial banks rose R105,8 million to R560,3 million, an increase of 23,2 per cent, while loans from co-operatives rose by R214,5 million to R461,9 million, a whopping 86,7 per cent.

"While the so-called 'operating credit' to farmers from the above sources, has increased overall by 46 per cent during this period, the total value of agricultural production has risen only R721 million, or about 25 per cent, to R3 625 million," Mr Brink points out. "This means that a large amount of 'operating credits' is being

used for the wrong purposes — to finance medium and long-term farming items instead of purchasing short-term requirements."

Mr Brink believes this type of financing will have two serious repercussions:

1. A smaller amount of credit is used as operating capital and thus farmers are only able to generate a smaller total income to meet their increased debt commitments.
2. Although the farmer's asset base should improve as a result of the purchasing of movable and fixed assets, he is unable to meet repayments. In the short run the farmer's liabilities could exceed receipts, leading to liquidity problems, even though in the long run these assets will result in a greater total income and improved liquidity.

"The final outcome is that the farmer's total in-

come continues to decline as operating capital required to generate income decreases, because he has first to meet commitments on the purchased medium and long-term assets and this results in a slow but sure deterioration in his liquidity position, which may eventually lead to bankruptcy," warns Mr Brink.

He believes farmers tend to follow incorrect financing policies both because of a lack of sound

advice on financial planning in farming and an inadequate source of appropriate medium and long-term funds.

To alleviate the first problem Barclays National Bank's agricultural services division supplying farmers with expert advice on financial farm management, is at present conducting a series of farmers' days on financial management throughout the country.



Mr Philip Vogel, left, and Mr Bob Brink.

Inflation hits — expert

Although farmers have experienced favourable climatic seasons during the past two years, their financial position has not improved, because inflation is now really beginning to affect them, said Mr Rob Brink, agricultural adviser of Barclays National Bank.

"When we study the production of field crops we find that producers' prices for these products

have increased by about 13 per cent during the past two years, whereas the prices of fertilisers have increased by 34 per cent machinery and equipment by 20 per cent and fuel by 16 per cent," said Mr Brink.

The price of inputs in the production of field crops was thus increasing considerably faster than the prices farmers were receiving for their output. This problem of

smaller profit margins had been further aggravated by the producer prices for two major field crops — sorghum and sunflowers — being considerably decreased in the past season.

"The impact inflation has had on the livestock farmers is even more severe as the prices these farmers have received for their products has increased by only four per cent

over the past two years, up to the beginning of 1978, whereas the price of stock feed — their major cost input — has increased over the same period by a staggering 36 per cent. What makes the financial position of farmers producing beef slaughter stock even more critical is that the declining per capita consumption of red meats has meant that the amount of stock they can market has also been reduced. They are, therefore, saddled with the dual problem of inflation and reduced turnovers."

Stress on sound managing

New technological developments which have enabled the farmer to attain greater physical performances than ever before have also resulted in agriculture becoming a highly capital — intensive industry with the average investment in a farming unit now totalling approximately R250 000 — and farming should, therefore, be run on sound business principles.

This statement was made by Mr Philip L. Vogel, chief agricultural adviser of Barclays National Bank, when he addressed a farmer's day in Natal.

He added that "despite reasonably good crops over the past few years, the financial position of many farmers leaves a lot to be desired and proves that many of them do not as yet recognise the extreme importance of sound financial management."

The solvency of farmers in general, judged by their balance sheets, was relatively healthy but they felt the liquidity "pinch" — their ability to meet short-term commitments and at the same time finance crops adequately.

"Inflation can, to a large extent, be blamed for this," said Mr Vogel. "Prices received for produce have not kept pace with the increases in production costs and it cannot be ignored that farmers, in real terms, receive less for their produce."

Another reason why some farmers were today finding it difficult to meet short-term commitments was because they tended

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World-beater

If you drive up the fertile Kat River Valley in May, June and July you will soon realise, by seeing the orange peels on and alongside the road, that the citrus season is in full swing. This fertile little valley, this year, in addition to producing a record tobacco crop also produced a record citrus crop. In all it amounted to more than 500 000 cartons of export navel oranges, a seemingly impossible target, in the season which extends from mid-May to mid-July.

The largest producer in the valley is the farm Lorraine of G. White & Sons, where there are 100 ha of orchards, and due to improved husbandry the crop is increasing every year. In 1976, 55 000 export cartons were produced, in 1977 83 000 and this year 100 000.

Casual labour is employed for the picking, and Lorraine employs 140, who pick into 10 kg bags which are emptied into open bins of 380-kg. Each time a picker empties the bag his or her tally card is clipped so that a record can be kept and payment made accordingly. These large wooden bins weigh altogether 500 kg, and they are then loaded by fork lift truck onto lorries for transport to the Citrus Co-op at Fort Beaufort. The local train referred to as the 'Orange Express' runs only three days a week so is of no use to this farm.

Ken Pascoe reports on the Kat River Valley citrus industry

Orange trees begin to bear after three years but Lorraine has 60-year-old trees still producing their full quota.

Baddaford Citrus Farms of Messrs L. and D. Roberts have 40 ha under oranges, and this year produced 65 000 export cartons, but the preparing, grading, and packing is done on the farm at the railway siding of Baddaford. This farm is producing a new grade of orange called 'Navelate' and each orange bears a small sticker with the name. The cartons also bear the Navelate sticker. This is an attempt to improve the fruit image overseas, but results in a slight delay in packing.

The output per day from this small but efficient packing station employing only 20 hands is 1 600 export cartons. In addition to the production of fruit this farm has the only nursery in the valley and constant work is being done to improve the root stocks of the orange trees and make them more disease resistant. The root stocks are probably rough lemon or more recently Wolke Mariana, and on to these are grafted or budded the navel orange

scions.

Strict control is exerted by the Citrus Improvement Board to ensure that no new disease is introduced into the country, as the whole industry in this area could be wiped out in two years by a virus.

The hub of the Citrus Industry in the Valley is the Kat River Co-op Citrus Co. Ltd, situated at Fort Beaufort and established in 1922. Improvements to the value of R50 000 were made in 1972, and further extensions and improvements at a cost of R250 000 followed in 1976-77 to deal with the increased crop.

The manager, Mr R. Burchell, expects to have to spend more money in the future to deal with the increase in the lemon crop. Lemons were only planted five years ago on a commercial scale and at the moment are not in full production. Mr Burchell said this year was another record with 400 000 cartons of export navels, 50 000 of lemons and 5 000 of valencia oranges. It should be remembered that the Eastern Cape Navel Orange is as good as any navel orange in the world, and comprise some 10 per cent of the South African navel export.

Sophisticated

The equipment and the handling of the fruit is more sophisticated to enable the factory to cope with the quantity in the short 10-week season. A staff of 550 are employed at this time, 500 being casual and the remainder permanent, who during the off-season are engaged in maintenance, supplying farmers, requirements and helping with the spraying of the trees.

From each farmer's consignment six sample oranges are removed and

Eastern Cape navel is top of the pips



Inside the Kat River Citrus Co-op.

tested in the laboratory, for acid content, density, temperature, soluble substance, and waste, and only if up to standard does the consignment enter the factory. If satisfactory the oranges are unloaded by electric hoist taking two tons at a time. They then start to move through the factory and only come to rest when they have been packed into the carton. During this time they are untouched by hand, and are brushed, waxed, dried, graded for size by machine, checked by eye, counted electronically in their various sizes and then packed by hand into special tissue into export cartons. These cartons have been assembled in the factory at a rate of 20 000 a day if necessary.

Oranges are also packed into pockets, and some go to the factory for juice production.

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Beef for Africa is sold at a loss

Surplus South African beef is being exported to Greece and some unknown African states at a loss in order to reduce the country's vast beef surplus.

This was revealed by Mr S. T. van Rensburg, general manager of Vleissentraal, the country's biggest livestock co-operative during question time at the annual general meeting of Stock Owners Co-op Limited at Tweedie near Howick.

Mr Van Rensburg also revealed that cheap manufacturing beef from Australia was being imported by the Meat Board which, after processing and canning, was re-exported.

Although the logic of this may not at first make sense, according to Mr Van Rensburg, South Africa does score from this complicated economic juggling.

He said that in 1977 the Meat Board, imported 2 000 tons of low quality manufacturing beef from Australia. "This is the equivalent of 12 000 carcasses" he said. Mr Van Rensburg said after processing in South African canneries the meat was re-exported and

the Meat Board made a profit from the transaction. According to Mr Van Rensburg this enabled the Meat Board to use up stock of high quality South African beef locally.

On the question of beef exports, he said in the last few years South Africa's cattle population had risen from less than 8 million head to 9,6 million head. He said the present surplus was estimated at some 150 000 animals and there were "limits to the amount of meat that could be consumed locally."

Mr Van Rensburg said meat exports were therefore essential but because of high tariffs imposed by the EEC countries alternative markets had to be found. He said frozen beef was being exported to Greece and some countries in Africa. He declined to name these states.

Asked why the price of beef could not be lowered to increase consumption on the home market Mr Van Rensburg said housewives would resist any increase in price when the surplus had been cleared. He said cattle farming was a long term investment and producers had to be protected from wide fluctuations in price. He said as far as possible the price of meat had to be kept stable so that farmers would know that, for example, in five years time when they marketed their stock, a reasonable price existed.

FOOD FOR FARM WORKERS

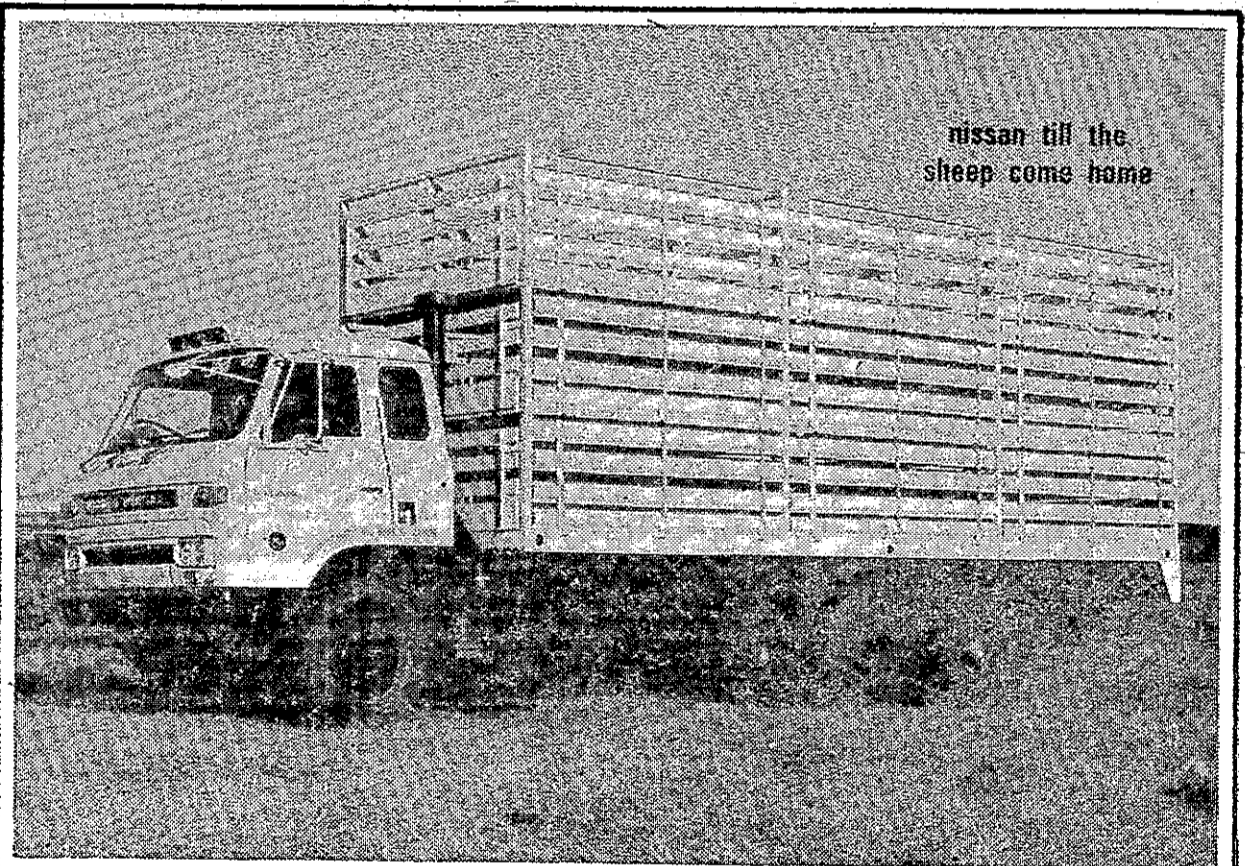
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PM 25/8/78

MARKETING ③ fruit Apples and pears

Realignment of the R300m-a-year apple industry is gathering momentum as companies and co-ops anticipate leaner times ahead. Impetus for the reshuffling comes from fears that exports to Europe next year will be badly hit — by 10% or more — as the EEC crop improves and SA growers face much stiffer competition from other producing countries, mainly Chile and Argentina.

To offset expected fall-off in exports, SA growers wish to increase local consumption. This requires stronger marketing and promotion, and at least one new pure fruit drink to rival the popular Appletiser is imminent.

Ceres Fruit Growers (CFG) GM Ben Lubick says his product, so far called simply CFG Pure Apple Juice, will be launched next Friday along with CFG Pure Pear Juice in 250 ml, 500 ml and one litre containers. "Nothing added and nothing taken away. Just the natural juice," says Lubick.

Another Central co-op member with similar processing plant, Louterwater's Lanko, is already exporting pure fruit juices. With CFG, presently earning R2,75m from juices mainly sent to North America, Lanko is expected to go for more Far East business.

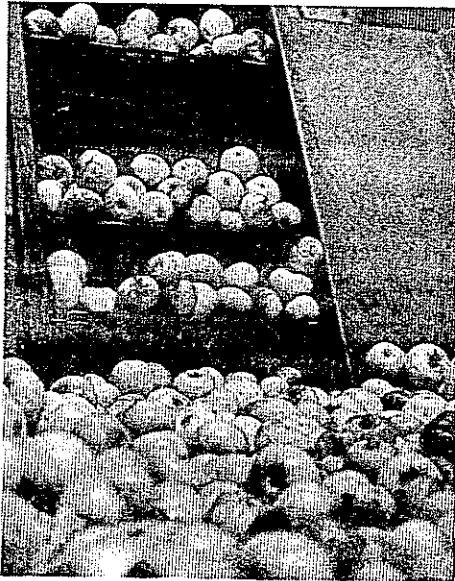
The seven-member, Wadeville-based Central co-op (its Sunripe Fruits turns over R17m annually) wants to win sole local marketing contracts for Kromko apples; these, including exports, are being produced at around 2m 20 kg cartons a year.

Central Co-op GM Chris Muller says: "We (Sunripe) have already agreed to market Kromko's apples in the Transvaal and Free State."

Kromko vice-chairman Ian Huxter won't commit himself further than that.

"We'll supply the Central Co-op with fruit but do our own marketing this season."

A loose form of business arrangement thus far. But Kromko, as the leading producer, is the one to watch. There is already speculation that a shift in alliances could swing control of the apple industry from the Cape to the Reef. The



Apples . . . moving the marketing core

prospect of Kromko handing over all its marketing to Central (perhaps eventually even becoming its eighth member) has already thrown some producers into a spin. With tough times ahead some smaller growers could do with Grebouw muscle on their side.

Kromko was one of the Cape consortium that recently attempted to buy Appletiser to secure a major outlet for their apples. (Anglo American denies, despite widespread speculation, that it is now after Appletiser — owned 51%,

Edmond Lombardi and 49%, Coca Cola.)

Subsequent failure of the Cape growers, marketers and co-ops to form a new umbrella organisation in the area (provisionally named EGV Central co-op) to rival Wadeville's Central seems to have left Kromko in limbo — especially as it is parting from the Alpaco marketing company.

Cape growers and co-ops are still trying to forge a stronger organisation — hopefully with Kromko as a key member — while the Central sings the benefits of the biggest apple producer strengthening links with the biggest co-op of its type.

Meanwhile there's no indication of which way Kromko will fall.

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GEORGE L. MOSSE...
CATHINIS (1957)

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pawpaws, which ripen so quickly that they are usually picked too green. So transport and marketing is made easier.

A feature of gamma rays is their penetrative ability. Wrappings need not be removed, so that recontamination is prevented. Insects which breed inside foodstuffs, such as weevils in mangoes, can be destroyed.

The process also has financial advantages, particularly in developing countries where refrigeration is not available. Although the plant itself costs about R2m, maintenance and running costs are low. It costs no more than 2c to 3c per kg to irradiate a commodity.

Food irradiation is not new. Research began in the US as early as 1945, and climaxed in the formation of an international food irradiation project in 1970. By 1972, there were 55 countries involved in research.

Russia gave clearance to the use of irradiated potatoes in 1958, followed by Canada in 1960. Five foodstuffs have unconditional clearance from the World Health Organisation, and 26 irradiated perishables are available in the world. SA has been involved in research since 1970.

Commercial use is still limited, although Holland and (ironically) Japan have commercial irradiation plants. In SA, Minister of Labour Fanie Botha estimates that SA loses R70m of fresh products a year. Irradiation could help save some of that.

1089

nuclear-sensitive world.

"The process (of irradiating the food with cobalt-60 gamma rays) is no more harmful than other preservative methods," says Dr Hennie van der Linde, chief of the Food Irradiation Programme at the Atomic Energy Board, soothingly. "We are merely using an electromagnetic wave of shorter wavelength."

Unabsorbed gamma rays are not retained in the food. "Do electric waves remain in food cooked in ovens?" queries Van der Linde. Nor, maintains a Department of Health spokesman, are any radioactive isotopes formed at such low dosage.

Going bananas

More reassurance comes from Professor Rex Keddy, deputy director of the Nuclear Physics Research Unit of the University of the Witwatersrand. His unit performs the same process to preserve human bone and tissue before use in grafts. "There is absolutely no residual effect," he tells the *FM*.

In fact, say the scientists, the process is even healthier than other preservative methods. Because no heating is involved, the vitamin content remains intact — and is even heightened in some cases.

Radiation retards enzyme processes in the same way as refrigeration, preventing sprouting, and slowing down ripening. This is particularly useful in the case of

Table 8. Matriculation and Se NTC 1-111 passes, fo	10
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FOOD ^{fruit} **Stopping the rot?**

Irradiated fruit and vegetables are now coming onto the SA market, though not without causing some alarm in a

Financial Mail September 22 1978

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FRUIT EXPORTS (3) fruit
No golden apples

FM 13/10/78

Cape deciduous fruit growers have scored their best export performance to date. Gross sales in the 1978 season hit R200m and net payments to farmers will probably be R100m, says Alec van Niekerk, new chairman of the Deciduous Fruit Board.

The comparative figures for 1977, when the industry suffered heavy crop losses from storm damage, were R136m and R61m.

Main reason for this was the recovery in the volume of apples exported, 10,6m cartons (6,6m), coinciding with yet another short European crop: from 7,5m t in 1975, down to 6,5m t in 1976 and 5,1m t in 1977.

Pear exports declined marginally from 2,7m cartons last year to 2,4m, but cash receipts were higher because of good quality and higher prices. Table grape exports recovered from their disastrous 1977 showing and rose to 4,7m cartons

(3,8m), despite the loss of 500 000 cartons in the Hex River area due to unseasonal hail.

Although Europe continues to take the lion's share of exports, Van Niekerk says significant advances have been made in other markets, notably the US and the Middle East. In Iran the board suffered an unexpected setback as a result of the withholding of permits in respect of virtually all fruit imports. Nevertheless, sales in other Middle East countries continued to expand and this market holds the greatest potential for short-term expansion.

High cost of shipping

Shipping expenses were the biggest single drag on pool revenue — about \$70m on a near record volume of 737 000 m³ (750 000 m³ in 1976). Container shipments amounted to 42 000 m³.

Indications are that the northern hemisphere apple and pear crops will return to normal this year. France expects its apple crop to be 1,75m t, an increase of 41% about two-thirds of which will be Golden Delicious. Belgium has forecast an increase of 118% and Germany 22%. British production is reckoned at 420 000 t, 53% up on last year.

In view of the possibility of a 7m t-8m t European apple crop, Van Niekerk

says there is a danger of EEC import quotas, but since these will have to be based on the average level of imports in previous years, SA can still expect generous quotas.

Price of vegetables to drop

Agricultural
Correspondent

HOUSEWIVES can expect the price of vegetables in Pietermaritzburg and Durban to drop soon following a decision by farmers to market their produce on a co-operative basis.

At the annual general meeting of the Natal Fresh Produce Growers' Association held at Hammarsdale yesterday, vegetable growers agreed to join the Natal Banana Co-operative Ltd. so that they could cut out middlemen and supply produce either direct to housewives or through selected retail outlets.

The chairman of the association, Mr. Jimmy Main, said if vegetable farmers joined the co-

NM 27/10/78

Farmers opt for banana co-operative

3-General

op, prices of vegetables would drop.

He said by cutting out the many middlemen both growers and consumers would benefit.

"The co-op will handle produce on a commission basis only.

"They have huge cold-storage rooms and the vehicles to handle

the produce."

The plan has still to get Government approval and details will have to be worked out as to how vegetable growers can buy shares in the existing banana co-op.

Mr. Main said he did not foresee any problems and said "approval is a mere formality."

APPLES (3) fruit Apec corners Cape

FM 27/10/78

A group of applegrowers in the Cape has now welded itself into a marketing group in an attempt to control the lion's share of a tightening market. The 26 producers in the Grabouw-based Apple Producers of Elgin Co-operative (Apec) are also consolidating their position with the takeover of Elgin Apple Sales as the marketing arm for a crop estimated to be at least 20% of SA's total annual production of 20m 20-kg cartons.

Apec MD Johnny Mudge says this already puts his outfit on a par with the established Kromko and Alpaco apple marketing groups. Other producers are likely to join or align themselves with the Grabouw organisation. "We expect to control 25%-30% of the apple crop — including exports," says Mudge.

A major reshuffle of this sort has been on the cards for months. Even now manoeuvrings in the volatile deciduous fruit industry are far from over. Main reason for the regrouping and consolidation is a fear in the R300m-a-year industry that an apple surplus is looming.

Europe's apple crop is expected to boom this northern hemisphere season after a couple of exceptionally bad years. Other foreign competition, notably from Chile, Argentina, New Zealand and Australia, also looks like cramping SA exports to the vital EEC market (*Business Brief* October 13). Mudge says, however: "We don't see any problems in Europe. My impression is that there will be no EEC quota restrictions."

Possibly, but there will be a lot more apples around locally and internationally to dampen the price with or without EEC import restrictions. At least 50% of SA's apple crop is exported and, of about 9,5m cartons for domestic consumption, 4m of lower grade go to processing.

Seeing the signs of surplus, Elgin Apple Sales embarked several months ago on its own campaign to increase the woefully low local *per capita* apple consumption by better packaging and slicker marketing (even putting a guarantee sticker on every one of its apples).

Apec's production of around 4m cartons, of which 50% is expected to be exported, leaves Elgin with the formidable task of marketing 2m cartons locally. GM Robin McGregor is banking on economies of scale, transport rationalisation,

quality and service to give the 26 members (so far) extra marketing muscle.

Apec's formation also quashes recent fears in the Cape that control of the apple industry was about to shift to the Reef. At that time the Wadeville-based big Central Co-op and Kromko (distributing about 2m cartons of apples annually) looked as though their Transvaal and OFS marketing arrangement might lead to much closer ties. That has not happened yet, while consolidation around Grabouw is a fact.

Something's rotten

FM 27/10/78

For once, consumers may be glad to hear, they were right.

At the SA Agricultural Union's congress last week the Minister conceded that "consumers' complaints (about fruit and vegetable prices) were not without foundation."

A study by the Department of Agricultural Economics and Marketing in the municipal area of Pretoria shows that, whereas in January 1974 53% of the price went to farmers and 47% to the distributors, in June 1978 the positions were exactly reversed, with distributors receiving 53% and the producers only 47%. Greengrocers' average gross profits were 47% and average net profits 24%.

What's to be done is another matter.

On one hand, distribution is in the hands of private enterprise, and not even the most ardent advocate of controlled marketing would suggest that it could be applied successfully to these products (other, of course, than certain fruits, such as citrus, bananas, and deciduous fruits for which control boards already exist). There is certainly no lack of competition among retailers but it doesn't seem to be operating as it should to keep prices down.

The large chain stores, which work on a small profit but high turnover, buy the best quality and sell pre-packaged produce which tends to keep prices to the consumers up, while the small retailers' costs are high because of the very high wastage.

On the other hand, producers' prices have been depressed partly because too much produce was bypassing municipal markets, which pushes up unit costs, weakens the farmers' bargaining power and tends to keep prices low. The SAAU's efforts to improve marketing and distribution have started well (FM June 16). A central transport co-op is

operating which enables regular full loads and return loads to be carried. And there are co-operative marketing agencies at all the main municipal markets. But it is still early to judge results.

Meanwhile a full report is being prepared by the Department's assistant director, Dr J P (John) O'Connell, which will be published in mid-November. The Minister suggested that organised agriculture should look into it again. But surely this is a case which the Marketing Council should take on as well?

CITRUS EXPORTS (3) citrus

Third time lucky

FM 3/11/78

Citrus exports will reach a new record this year — for the third successive season.

With two weeks to go to the end of the 1978 season, the Citrus Exchange estimates that gross earnings will reach R180m, about R33m up on 1977's figure, and more than R60m higher than the 1976 record.

Everything has been in SA's favour. "Prices in Europe were very, very good," says Citrus Exchange commercial manager Ray Hauptfleisch. "We started off in April with virtually no competition from other citrus, and the European soft fruit crop was late." That Europe is now

being swamped by a flood of apples has made little difference, as the citrus men have managed to hold their prices up.

A big export crop also helped. Some 28,1m cartons of oranges will have been exported by the end of November, compared with 24,4m last year. Lemon sales have zoomed up by 35% to 1,3m cartons.

From a marketing point of view, says Hauptfleisch, "it has been a normal run." Britain remains the largest single market, taking about a fifth of the export crop, but the Citrus Exchange has made great strides in penetrating Middle East markets. Japan, however, remains closed to SA oranges, because of Tokyo's tough phyto-sanitary rules. But the Japanese did import 265 000 cartons of SA grapefruit.

Citrus farmers can expect a hefty payout. Their gross income last year totalled R79m. This year it is likely to be more than R90m.

Expert backs prickly pear as commercial fruit crop

3 Fruit
17/11/78

Prickly pear, the spineless species in particular, can be an important domestic and commercial fruit crop in Southern Africa, including the Ciskei and Transkei.

So says Mr M. O. Brutsch, a senior lecturer in Fort Hare University's faculty of agriculture, who for the last three years has done research on prickly pears and hopes to write a thesis for his doctorate on this subject.

The only research in South Africa involving the prickly pear as a fruit crop is being carried out at Grootfontein Agricultural College, Middelburg, and at the University of Fort Hare.

At Fort Hare experiments are being carried out with some 13 varieties, but according to Mr Brutsch only five of those varieties will be suitable for conditions in the Ciskei and Transkei. They are Algerian, Malta, Morado, Gymno Carpa and Blue Motto.

Mr Brutsch is very enthusiastic about the prickly pear as a commercial fruit crop in this area, and looking at yields and prices in different countries one can understand his confidence.

He feels that yields of no less than 10 ton ha (10 000 fruit) is possible here. The sale of the fruit at 1c each will net a farmer R600.

In Italy yields are obtained between 35 and 40 tons ha. At Grootfontein the yield is 50 tons ha.

Mr Brutsch is also confident that the five varieties mentioned could be marketed over long distances.

A few years ago Grootfontein sent a trial consignment of fruits to Covent Garden, London, and obtained the phenomenal price of R4,50 for 20 fruits — more than 22c a fruit. This then is proof that prickly pear has an export potential.

First emphasis, however, is to develop a local market. Many areas in the Ciskei are unsuitable for crops such as maize but would be ideal for prickly pears.

"Possibly more important," Mr Brutsch said, "is the impact it may have on the population as a whole. Growing prickly pears near the homestead is a source of fresh fruit for three to four months of the year; longer if processed into a form that can be stored.

"In times of severe drought and shortage of food for stock, spineless prickly pears could be put to good use — as food for man and beast."

According to Mr Brutsch prickly pear could be treated to produce out of season crops.

He feels that with full research a number of by-products could be produced such as an anti serum from the seeds, wine, red ink, remedies, oils for satellites and petrol.

To encourage production Grootfontein has since 1976 made available 56 000 spineless prickly pear material for fruit production. The plant is not difficult to grow and hardly needs attention. Its danger comes mainly from two diseases — Cochenille and Cactoblastis Cactorum — but with two sprays a year these could be fully controlled.

FRUIT

1974 — 1976

C.T.
30/9/74
New wage
deal for
canning
workers

3

NEW minimum weekly wages from October 1 for employees in the fruit and vegetable canning industry were announced in Cape Town this weekend by Mr John Mentoor, general secretary of the Canning Workers Union.

There will be a R7,15 a week increase for men and R4,75 for women above the highest rates, in terms of the old Conciliation Board agreement which expired on May 31.

Mr Mentoor said the agreement was concluded between the union and board recently. The union pressed for higher wages, ranging from R36 a week upwards, as members found the cost of living too high.

Other benefits were agreed on. These included:

- One wage scale for all areas instead of varying scales for different magisterial districts.

- Better annual wage increases during the period of operation of the new agreement.

- Three weeks annual leave on full pay for employees who have had 12 months' service and a pro rata share for others.

- Overtime payments at time-and-a-half of the basic wage.

- Payments of 20c (previously 10c) for washing overalls.

- A meal allowance during overtime of 50c instead of the previous 25c.

— Sapa

1 Copy

Fruit canners have the pip over exports

By GORDON KLING

SOUTH Africa's fruit canners — bruised by falling export sales — are to hold an emergency meeting with the SA Canned Fruit Export Board in Cape Town on Tuesday.

The country's canners will discuss what should be done to halt the dramatic 50 per cent drop in their overseas sales at a time when overseas dealers are reported to be overstocked.

The first signs of price cutting appeared this week with a 5 per cent reduction in the price of Australian tinned fruits on the British market.

The record deciduous fruit crop last year, the largest in South Africa's history couldn't have come at a worse time. The fruit canners are highly concerned about a drop-off in the export market.

Sources in the industry say the crop was in poor condition, which will mean high processing costs at a time when transport, labour and packaging costs have already risen to new heights.

Johan Mouton, general manager of the giant Langeberg Ko-operasie, says export sales are down by 50 per cent on last year and the lucrative Japanese market has all but vanished.

Dr Mouton says the company has just been hit with an 11 per cent increase in the price of tin cans, which make up a quarter of production costs. He sees no way in which export prices can be lowered.

1 Apple
3 many - food

STAR 8/14/75

3

South Africa faces an export earnings loss of about R12-million because its overseas market for canned deciduous fruit — mainly peaches, pears and apricots — has been slashed.

The cut comes on top of the collapse of its overseas citrus juice market, probably leading to a foreign exchange loss of about R2-million, following the oversupply of Brazilian juice in Europe.

The citrus industry may have to dump fruit. The Star has already investigated reports of grapefruit dumping in the Hectorspruit area of the Eastern Transvaal, but no evidence has been found to support them.

It is reported from Cape Town that overstocking and depressed economic conditions in Europe will result in South Africa's export markets for canned deciduous fruit being slashed by 20 percent this year.

Based on the value of last year's production, this would mean a loss of about R12-million in export earnings.

IMPROVEMENT

But the manager of the Canned Fruit Export Board, Mr N J Lawson, is quoted as forecasting an improvement "from about July onwards."

The chairman of one of South Africa's biggest citrus juice producing companies, Mr Hugh Hall, said today: "This is going to be a difficult year, but we will come through."

He said there would be no question of South Africa losing its overseas markets to Brazil.

Brazil was in a worse position than South Africa because the bulk of its fruit production went into juice. South Africa was more concerned with fresh-fruit exports.

FREE FRUIT

About 15 percent of South Africa's total citrus crop is processed for export juice. Fresh fruit, under the Outspan stamp, will apparently not be affected.

Already South Africa's grapefruit farmers have been told that small fruit will not be accepted by the Citrus Exchange. The exchange has told a number of charities there is the possibility of free fruit becoming available during peak marketing periods in the next five months.

Now the Citrus Exchange is hoping to market a bigger proportion of the bumper crop as fresh fruit. Contracts have been signed for the export of 3-million cartons to the

1. Canned Fruit Export Board
1. Canned Fruit Export Board

3 Fruit
Ch. Times 11/1/89
SAA helps to get fruit over in time

SOUTH African Airways has arranged four extra charter flights to Europe this week to transport tons of Boland fruit which is in danger of rotting.

Yesterday, 60 tons of melons were awaiting a flight at a freight agent at D F Malan Airport, while 180 tons of fruit — mainly grapes — were due to be transported by road from Cape Town to Johannesburg today because freight space could not be obtained.

Two of the extra flights will be from Cape Town — tomorrow and on Friday — and the others from Johannesburg.

Mr Gerd von Mansberg of Perishable Cargo Agents, the largest

freight agent in the country, said he had dumped 12 tons of reject melons on to the market on Friday and another 10 tons yesterday.

"Fruit is coming in to our cold storage rooms all the time," he said.

"When one load in our refrigeration rooms begins to go off, we dump it as 'export reject' on the open market to make room for fresher produce.

"But with 15 to 20 tons coming in every day, the situation is getting worse."

At the harbour yesterday, 180 tons of fruit was being loaded into refrigerated trucks for transport to Johannesburg because space on freighters could not be obtained.

Also in danger of spoiling, the consignment will be treated as priority cargo on the two extra flights from Johannesburg, said SA Transport Services spokesman Mr Leon Els.

He said the freight agents had met the Minister of Transport Services, Mr Eli Louw, late last year.

HANSARD 16

Q. 1052-3

27 May 1975

Agri - Bananas

X Banana Control Board

*15. Mr. C. A. VAN COLLER asked the Minister of Agriculture:

- (1) What was the average banana price paid by the Banana Control Board in 1973-'74 to (a) local producers and (b) producers in Mozambique;
- (2) whether consideration will be given to amending the existing agreement with Mozambique in order to restrict the importation of bananas from that country; if not, why not;
- (3) at whose request has the Board undertaken the marketing of bananas

on the East London municipal market.

†The DEPUTY MINISTER OF AGRICULTURE:

- (1) (a) and (b) R1.59 per 20 kg (weighted average of pool payments).
- (2) It is not contemplated at this stage to amend the existing arrangement.
- (3) The Banana Control Board decided after an investigation of various aspects of its marketing policy to supply bananas to the East London municipal market.

FRUIT CANNERS MAY SUFFER KNOCK IN SALES

3

ARGUS
11/6/75

Financial Staff

FRUIT farmers and the fruit canning industry in the Western Cape can expect to take a hard knock from higher tariffs now that Britain has voted to stay in the European Economic Community.

1 copy.

This is the view of a leading canning company in Cape Town today.

Before 1974 South African exports to Britain, her biggest customer, were sold free of import duty. But tariffs will continue to rise yearly until they reach 24 percent in 1978, a spokesman points out.

'Obviously our European competitors will have a price advantage and be able to supply cheaper goods unless we can curtail our costs.'

A growing number of countries, including Israel and Mediterranean countries, are gaining associate membership of the Common Market, which means their fruit also undercuts the South African product.

Another threat is that Greece, Italy and some other countries are planning to step up fruit production, notably of peaches and apricots.

International canning companies are looking round Europe for new sources of fruit now that Britain is firmly in the Common Market.

To add to the industry's worries, the higher cost of living means less canned fruit is going on the menu of many South African housewives. Sales dropped about a fifth last year.

A healthy balance of payments is a vital base for the next business upswing, expected to get underway early next year. So far the spotlight has fallen on contributions from lower imports, stepped-up capital inflows and a higher gold price.

How about non-gold exports?

Last year, merchandise exports ran to a record R3 345m or about 15% of GNP. Though this year's earnings (to April) are 14.4% up on the corresponding months of 1974 (R1 362m as against R949m), this merely offsets cost inflation at home.

Exporters have certainly felt the icy winds of recession blowing from the major industrial countries. Market prospects, particularly for minerals, depend above all on recovery in the US, Europe and Japan, the first signs of which are

Waiting for the West

F.M. 20/6/75

Agnc - Fruit

Non-gold exports are stagnating. And no sustained revival is in sight until next year — after our major trading partners' economies have picked up

beginning to appear.

The diamond trade, for instance, is looking for stronger demand in September and October, particularly from

the US, which takes about half of total world production. The market is quiet at present ahead of the Antwerp holidays next month.

WHAT'S UP — AND DOWN

	Exports Rm		
	1974	1975 — 1st half (estimate)	1975 — 2nd half (guesstimate)
Diamonds.....	370	175	195
Maize.....	227	135	121
Sugar.....	233	120	90
Copper.....	192	60	70
Platinum.....	150	75	50
Wool.....	130	65	55
Citrus.....	92	35	61
Deciduous fruit.....	84	95	25
Manganese.....	65	45	40
Canned fruit (excl pineapples).....	60	15	35
Asbestos.....	58	30	40
Wheat.....	36	—	—

Chief victim of the slowdown in demand has been high-quality large stones (over two carats), and De Beers will no doubt concentrate on the marketing of these stones in the months ahead. Demand for smaller stones has held up well and stocks are low.

Platinum earnings for the year will be significantly affected by the slump in the producer price which stood at \$190 an ounce for six months of 1974 but is now at only \$155.

Though producers need a substantially higher price to maintain profitability, their ability to up selling prices depends above all else on international demand.

The market has absorbed a large amount of metal in the past two years and the immediate outlook for an improvement in industrial demand is not rosy. The jewellery market is still holding firm though. Demand and prices could, however, improve in the wake of a further weakening in sterling and the dollar and a rise in the gold price.

Manganese earnings are barely affected by changes in the free market price, as ore is sold on annual contracts which ensure a stable income. Though export volumes this year will probably be much the same as 1974, receipts should be up.

Continuing firm demand, despite the steel industry slowdown and high stock levels, can probably be ascribed to importers taking advantage of favourable freight rates. But fatter stockpiles mean that demand is unlikely to rise significantly soon, despite the likelihood of a pick-up in steel production towards the end of the year.

The expected turnaround in Western economies should have a particularly marked effect on copper. For the time being though, the market is still in the doldrums. US brass and copper mills are running at only 40% of capacity and stocks are high.

Compared with an average 1974 London Metal Exchange copper price of £877, the average so far this year has been around £550. Prices have been held up by sustained "long-term investment" buying, but no improvement is likely before September.

SA's copper export receipts depend heavily on LME price levels, as any change in the price is invariably for the purchaser's account.

A morsel of good news is that, despite weak demand, SA is likely to export a greater quantity this year thanks to its reputation as a reliable supplier, in contrast with production cutbacks by Cipeec member countries.

Asbestos exports will be well up on last year's levels. World supplies have been slashed as a result of fire at one Canadian mine and a pit collapse at another, as well as a four-month long strike.

Demand for asbestos has been helped by its use in irrigation, sewage and housing projects in the newly-rich oil-producing nations. In addition, asbestos cement has become more competitive following steep hikes in steel and plastic prices.

Largely as a result of the oil crisis, demand for uranium is also booming. There is a current dearth of supplies following delays in construction of

nuclear power stations and consequent production cutbacks a few years ago.

Prospects for farm exports are generally not too bright. Last year's R36m wheat bonanza, for instance, will not be repeated. The current crop is only just big enough to meet local demand and there is no exportable surplus at all.

On the other hand, it should be remembered that SA is not normally a net wheat exporter. The size of next season's crop will only become clear early next year.

Canned fruit exports have also taken a knock: sales so far this year are only half those for the same period last year.

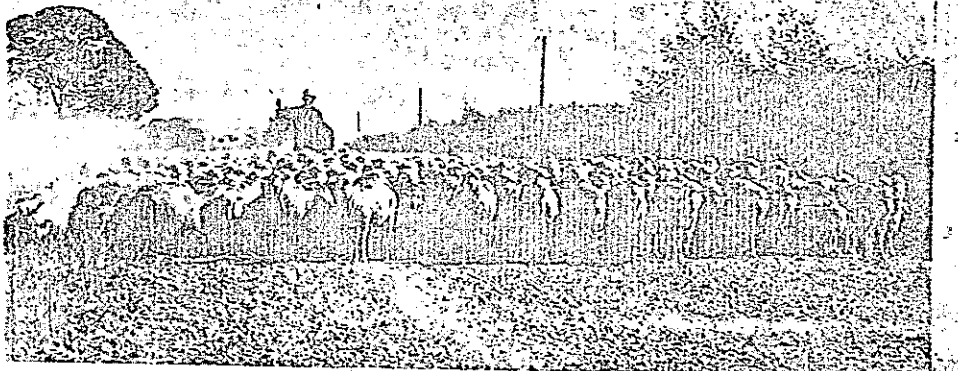
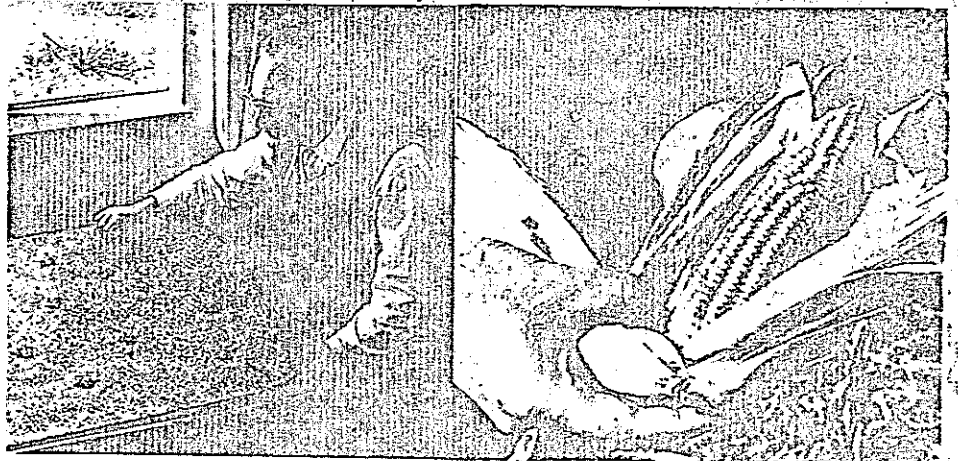
Heavy stockpiling at the beginning of 1974 and a 25% slump in consumer off-take are most to blame. But the Canned Fruit Export Board is hopeful that 1975's total sales will pick up to reach about 75% of 1974 earnings.

Main reasons for the Board's optimism are the advertising campaign being mounted in Europe and the stability of canned fruit prices, other than at distribution points. Prices have not been raised at all this year, thus sharpening the competitiveness of this product.

This year's maize crop of 10.5m tons comes close to last season's record 11m. Moreover, the Maize Board expects to export 3.5m tons in 1975 (2.1m last year). The sharp increase is because very little maize left the country in the first six months of 1974.

Two factors may dent SA's earnings:
 • Rail and port congestion has already compelled the Maize Board to cancel three cargoes this week. More cancellations could follow.
 • The price outlook is bearish. As a

Pulling in the dollars . . . SA's chief export commodities



result of slack demand for feedgrains and signs of a good US crop later this year. Chicago market prices have slipped from over R100 a ton last October-November to around R70.

SA tender prices (and thus export receipts) tend to follow Chicago prices quite closely, though at a premium to the latter since local prices are quoted free alongside elevator (fae), while the Chicago price is an internal one. There is also sometimes a discrepancy in white maize prices, as the Chicago quotation is for yellow maize.

Lower world prices will also hit sugar earnings. At the start of the current season (May 1) estimated foreign earnings were R250m. But with the subsequent drop in the London Daily Price (because of slack demand, large stocks and expected bumper crops) and with a fair amount of the season's export crop still unpriced, earnings are now likely to be considerably lower.

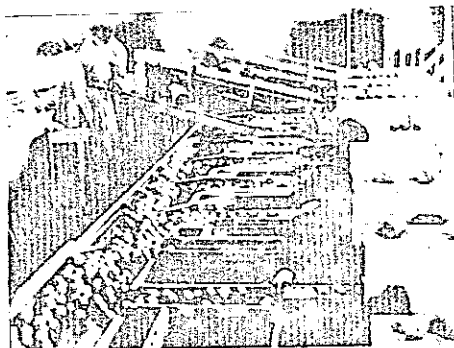
Judging from futures prices on the terminal market (last week about \$130 a ton for March to October next year), another upward spurt to match last year's leap is unlikely.

Deciduous fruit has had a record season. All plums, peaches and almost all grapes have already been sold, though some 40% of the apple crop (which makes up the bulk) still has to be dis-

posed of.

Since most buyers are in the middle and upper income brackets, the drop in real incomes has barely affected the demand for fruit. The German market has been especially buoyant. Bad news for the coming season is that a massive French apple crop is in the offing.

Foreign demand for **wool** has picked up recently, particularly in Germany and



Oranges . . . a roaring start

France. Thus, while the Wool Board had to withhold about 20% of offerings between September last year and mid-April, all wool offered in the past two months has been sold.

While the Board is optimistic that most of the supply will be taken up when

auctions resume in September, prices will probably be close to the reserve level. Significant price rises are unlikely until the end of the year. Hopes are centred on the Japanese who bought only 1m bales this season but could be in the market for up to 1.5m in 1975/76.

The **citrus** season got off to a roaring start in terms of both volume and prices. Mediterranean countries were able to sell almost all their fruit before SA entered the market, so stocks are low.

The Citrus Board is confident demand will remain high for the rest of the season, despite competition of lower-priced fruit from Brazil, Argentina and the US. Partly to meet this competition, the Citrus Board is marketing a slightly lower grade fruit — known as Odda — in selected markets.

On balance, the outlook for the main props of our export trade over the next half-year is much the same as for the first half of 1975 and not much different from 1974. And while the economies of our major trading partners remain in the doldrums, the performance of other, smaller exports is unlikely to be much better.

So, until the much-heralded revival abroad actually becomes reality, our hopes and fears for the current account will continue to be focused on gold. And at the moment that's not particularly reassuring.

Agri - Fruit

FRUIT EXPORTS

Juicy prospects

F.M.
1/8/75
D.F.B.
2 Agri - Fruit

Preliminary estimates of the Deciduous Fruit Board (DFB) indicate that the financial results of the 1974/75 export season will be considerably better than last year (gross proceeds R84,2m) and probably even better than 1972/73's R89,3m.

Whether pay-outs to farmers (R54,8m in 1972/73 and R43,2m last year) will rise much, though, the DFB is loath to say. Sharply increased ocean freight and other pool costs, it points out, are likely substantially to exceed last year's

R41,2m.

The Board says, however, that the volume of fruit shipped this season is likely to be a record, possibly even better than 1971/72 when about 850 000m³ of fruit was exported.

A feature of this season's export performance has been the bumper pear and apple crops, exports of which are expected to be 30% and 20% up in volume, compared with last season's 22 698 t of pears and 145 687 t of apples.

Prices obtained for apricots were 40% higher than 1973/74, but the volume was 17% down on last year's 81 t. Likewise, realisations on peach exports were 50% higher, but exports were 20% off last year's 771 t.

The volume of grapes exported is expected to be about the same as last season's 27 567 t. So far, about 60% of the table grape crop has been sold and the average prices obtained thus far are better than last year.

DFB anticipates that the volume of apples exported will be nearly 20% more than last year's 145 687 t. About 33% of the export crop has been sold at prices higher than 1973/74.

Going for a Banana Board

song

STAR

18/8/75

Staff Reporter

Bananas should be cheaper soon — if the retailer passes on a new reduction in their price to the consumer.

The Banana Board is reducing its selling price to 40c for 20 kg, it was announced in Pretoria today.

However, the reduction will not necessarily reach the consumer. The board does not have the power to fix banana prices in the wholesale and retail trade.

A spokesman for the board, Mr J A Howard, said the price decrease was due to normal circumstances in weather and production.

This increased production should last until December, but prices would depend on supply and demand.

Banana production increased from the middle of August.

Mr Buddy Botha, in charge of banana sales at the Johannesburg produce market, said retail prices at the market would be R3,70 for 20 kg.

The previous price to the consumer had been R4,10.

① 3 bananas

② ~~2/6~~

Sunday Times **extra**

BOYCOTT TO UNRAPE LONDON BOYCOTT

By HOWARD LAWRENCE

CALLS by British trade unions and anti-apartheid groups for a boycott of fresh and canned fruit and wines from South Africa have made the Suid Afrikaanse Landbou Workers Union, based in Beaufort West, decide to send Mr Solly Essop to London to explain that a boycott will do Blacks irreparable harm and increase Black poverty.

In a telephone interview from his Beaufort West home, Mr Essop, who is the independent CRC member for Bokkeveld, confirmed that he will be going to London to "fight against the boycott and so fight for the wellbeing of Black farmworkers".

"I have nothing against people who are opposed to apartheid," Mr Essop said, "because I share the reasons people have all over the world for rejecting apartheid, but I am opposed totally to any activity which purports to be on behalf of Blacks in this country but which increases their suffering and poverty."

He had agreed with the appeal to him to put the farm labourers' case in London "because I know what a boycott will do to them, as I have been committed for many years to their plight".

Mr Essop was one of the people responsible for pressure on the Government which led to the Government abolishing the Master and Servants laws last year.

He has also been the prime mover in negotiations with the Agricul-

tural Unions in the Republic which led to the recent decision of the Boland Agricultural Union to radically change the conditions in which farm workers have worked and lived in the Republic.

"It must be realized," Mr Essop said, "that if a boycott of South African fruit and canned fruit were successful it would cause economic chaos in the agricultural set-up in this country, but the farmers will not be as seriously affected as the Black workers."

"A drop in exports because of a boycott would result in farmers not being able to keep up with changes they have decided on for their workers, especially in the Western Cape."

"It would lead to unemployment among a section of the Black community who cannot afford to be unemployed. It would lead to social chaos and widespread poverty," Mr Essop said.

He felt that anti-apartheid workers in Britain "surely do not want to increase the suffering of the Blacks, and this will be inevitable if they go ahead with their boycott call."

"We have fought for many years for drastic change in the status quo as it affects Black farm workers and in the past year we have made tremendous strides in get-

ting the Government and the farmers not only to acknowledge the evil of the old system insofar as Black farm labourers are concerned, but also to take action in this regard," Mr Essop said. "A boycott would only put us back in square one."

Boland farmers had agreed in principle recently, to pay farm workers a decent wage, to provide housing facilities, training and schools, "and this is more important to us than any boycott on their behalf by people overseas," Mr Essop said.

Mr Essop also slammed the Labour Party of Mr Sonny Leon for having made a call to British Trade Unions last year for a boycott of South African fruit and canned products.

"The Labour Party boycott call was the most irresponsible act any Black group in South Africa could have undertaken," Mr Essop said, "because it showed a callous disregard for the plight of the most oppressed group in South Africa — the farm workers".

On September 3, Mr Essop said, he and his group would be meeting the Agricultural Union for talks based on the union's recent agreement on workers conditions on the farms.

"My organization will also be writing a long

CALL

memorandum to the Labour Party of Britain and the Co-Op organizations who have decided not to handle South African

agricultural products explaining the how boycott will do farm workers

Fruit

Fruit ROM. 26/8/75 exports well up

CAPE TOWN. — Indications are that gross proceeds from South African deciduous fruit exports will total R119-million for 1975, compared with an earlier estimate of R110-million, says the Deciduous Fruit Board chairman, Mr P. G. van Breda.

The previous high for any season was R89 300 000 in 1973, and the 1974 figure was R84 200 000.

Revised assessments indicate payments to producers this year will be about R61-million, against the previously estimated R55-million and last year's payments of R43 200 000. —
Reuter.

Deciduous Fruit
2 724

Banana co-op to hit profiteering

February 25/1975

Agri - Fruit

Agricultural Correspondent

NATAL'S first banana co-operative on the South Coast has been formed and farmers now hope to control the marketing and distribution of their fruit.

Mr. Peter Smythe, chairman of the newly-formed Natal Banana

Co-operative, said yesterday that 68 farmers had formed the venture in an effort to eliminate the middleman in the marketing of bananas throughout Natal.

Mr. Smythe said: "These farmers represent about 90 percent of Natal's banana production and our intention is to stabilise the industry here for the benefit of both producer and consumer."

Farmers on the South Coast led by Mr. Roland Walsh, who master-

minded the scheme, have for years been frustrated by the widening gap between what they receive for their fruit and that which the housewife is eventually forced to pay.

Mr. Walsh said: "We will now be able to contain, if not reduce, the price of bananas in Durban."

The co-operative plans to have depots and distribution points in Durban and other centres so that housewives can buy direct from the farmers.

Wilson 'no' to fruit boycott

① 4
② 16
③ 78A

By **GEORGE MANUEL**

THE BRITISH Prime Minister, Mr Harold Wilson, has informed Mr Solly Essop, Independent CRC member for the Bokkeveld constituency that Britain has no intention of boycotting South African fruit.

Speaking from his home in Beaufort West yester-

day, Mr Essop said that he had received a letter at the weekend from the British Prime Minister's secretary which gives Britain's attitude quite clearly to the calls made by the Labour Party of South Africa and others in

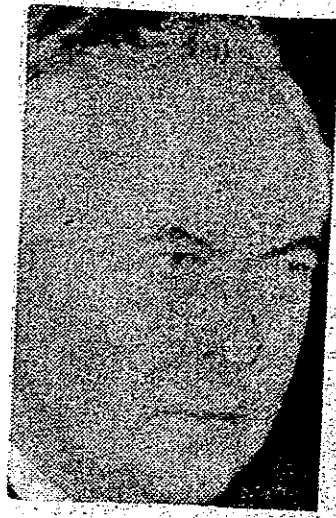
Britain for a boycott of South African fruit.

Mr Wilson was replying to a letter from Mr Essop asking that Britain should not heed calls for a fruit boycott.

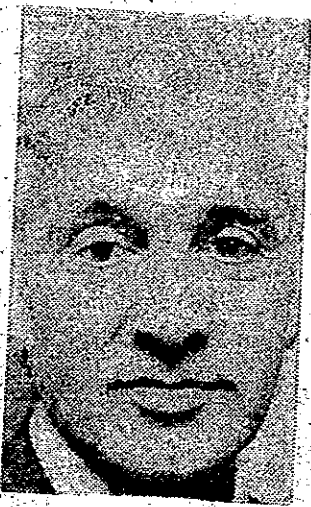
In the reply, Mr Wilson's secretary writes: "I can assure you that it forms no part of Her Majesty's Government policy towards South Africa to impose a boycott on the import of South African fruit."

Mr Essop told Mr Wilson he represented the Bokkeveld constituency where fruit was produced on a large scale. His Coloured Labour Party opponent in the CRC elections earlier this year had appealed to Mr Wilson for the imposition of a boycott.

He (Mr Essop) on the other hand had opposed such a boycott and had been returned to the CRC with a majority of 4 900 votes. He said fruit producers in his constituency made use of Coloured labour. If Britain imposed a boycott the Coloured workers would suffer and lose their jobs.



Mr Wilson



Mr Essop

Agri - Fruit

See also FOREIGN TRADE

Copy time 11/10/75

Costs cloud export trade in

WESTERN CAPE and South West exporters of canned and deciduous fruit, wine and fish products could earn more than R350 million this year as a result of South Africa's devaluation which may add as much as 18 percent to earnings. It would have been more were it not for the fact that a good deal of foreign sales are conducted in rands.

In most cases, however, anticipation of higher earnings in the short term future is clouded by inflationary expectations of worse to come, both at home and in foreign markets. There is general agreement that, unless

something can be done to check cost increases arising from the devaluation the balance of payments outlook will remain bleak.

Cape fruit growers have just completed a magnificent export season, but the devaluation has come too late to boost earnings.

Gross realisations abroad were R113 million compared with R84 million last year. But there appears to have been a terrific rise in costs — some estimates are as high as R59 million. Net pay-outs to farmers will therefore be about R60 million.

Looking ahead to the 1975/76 season, which opens in about two months time, the

Deciduous Fruit Board (DFB) says it would be misleading to speculate since any favourable effect on gross earnings will be influenced by exchange rate adjustments between now and the time the next crop is sold.

"In general we may expect that the advantages from sales when expressed in rands, will be cancelled out by increased cost of shipping freight and anticipated rises in production and packaging costs," said a DFB statement this week.

A "bullish" trend in fruit exports, say the Board, is the rise of German demand which, given a continuation of

1974/75 trends, could soon begin to overtake sales in Britain. On the other hand, the Board anticipates increased competition in Europe next year, due to a much bigger 1975 crop, particularly in French apples.

The possibility of calls for restrictions on third country imports should not be dismissed, it says. Moreover, large devaluations in Argentina could boost competitive apple exports from that country.

To exporters of canned deciduous fruit, whose cash flows have suffered from the cost of holding large, slow-moving stocks, devaluation has doubtless brought great relief. Sal-

ing largely in rands, and mainly in the UK (58 percent), the industry had its back to the wall until the devaluation announcement.

As a result, exporters have readjusted their sales expectations to the original R60 million (after scaling down their hopes to R48 million), and they are further comforted by the expectation that stock carryover into the new season will be minimal.

In addition, there will be financial windfalls from sales in Canada and Japan, which are expressed in dollars.

Total exports of wine last year were worth 87.8 million — an "exceptional" year, com-

prising 120,000 hectolitres of wine and about 20,000 hectolitres of spirits.

About 70 percent of foreign sales are invoiced in rands, but the cancellation of export price increases announced in London last month has been ordered in an attempt to maintain sales volume.

The current export outlook is depressed because of heavy over-production of wine in the EEC. Likewise sales in Canada, which are in dollars, are unlikely to bring gains on last year, because of a sharp drop in consumption.

Fish canners in South Africa and South West Africa hope to earn more

than R70 million this season's pack. Their sales areas are in (in rands) the US (ars), Zaire (in currencies).

Canners who concerned about sales, are hopeful these will now be especially in

where Japanese petition is fierce as the Pacific Sales to new African States Rhodesia, Zambia, Mozambique) quicken with the price attraction.

Fishmeal exports for the current have been constricted there will clearly

① Agric - Fruit

The Argus Correspondent

BRUSSELS. — South African apple growers face the threat of a disastrous export season in Europe as a result of a big apple surplus in the European Economic Community.

Several EEC countries are already considering the introduction of import controls on all southern hemisphere suppliers — but the EEC Commission is likely to reject such drastic measures and instead call for 'voluntary restraint'.

Last year South Africa cashed in on a poor European apple crop and earned more than R70-million from the sale of 8.5-million cartons — which amounted to a total export of 170,000 tons.

But this year the European crop appears set to surpass the 7.7-million tons of apples produced in the record harvest year of 1969/70. Already it is being termed, in Common

Market jargon, an 'apple mountain.'

It is understood that most pressure for restraint in southern hemisphere deliveries has come from the Dutch Government which asked the EEC commission to limit the import of apples from South Africa, Australia, New Zealand and Argentina.

What is puzzling officials in the South African Deciduous Fruit Board is that the appeal for restraint should come so early — before the final crop figure is known and before the southern hemisphere season has had time to get under way.

Apple exporters face a rotten time

At the time of the 1969-70 surplus the appeal for restraint to South African exporters went out in January, when it was realised that the apple mountain would not have been eaten away by the time the southern hemisphere apples came on the market.

Britain and West Germany are the biggest consumers of Cape apples. Last year between them they consumed more than

5-million cartons, with Belgium, Holland and to a lesser extent Denmark consuming the rest.

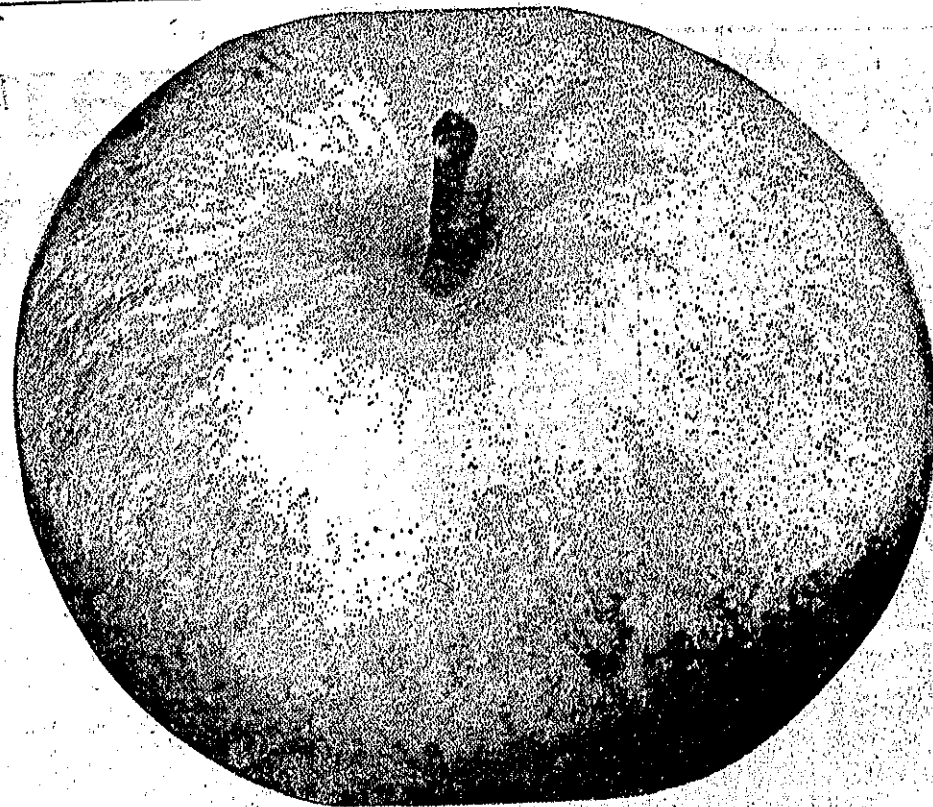
This year the community budget will have to cough up R14-million in compensation to French apple growers so that their 220,000-tons of surplus can be bought and destroyed.

One of the problems facing South African exporters is that the space on refrigerated ships is

booked more than a year in advance, so restraint is not as easy as the EEC commission might want.

It would also be difficult for the Fruit Board to divert the apple shipments to other markets.

The biggest threat — and one which South African marketers do not want to contemplate at this stage — is an EEC-imposed import ban, similar to the current 15-month old ban on beef imports.



ulture



Fruit's boom continuing

THE FRUIT industry boasted a fairly good 1974-75 season, but indications are that it's going to be up against some severe challenges during the coming year.

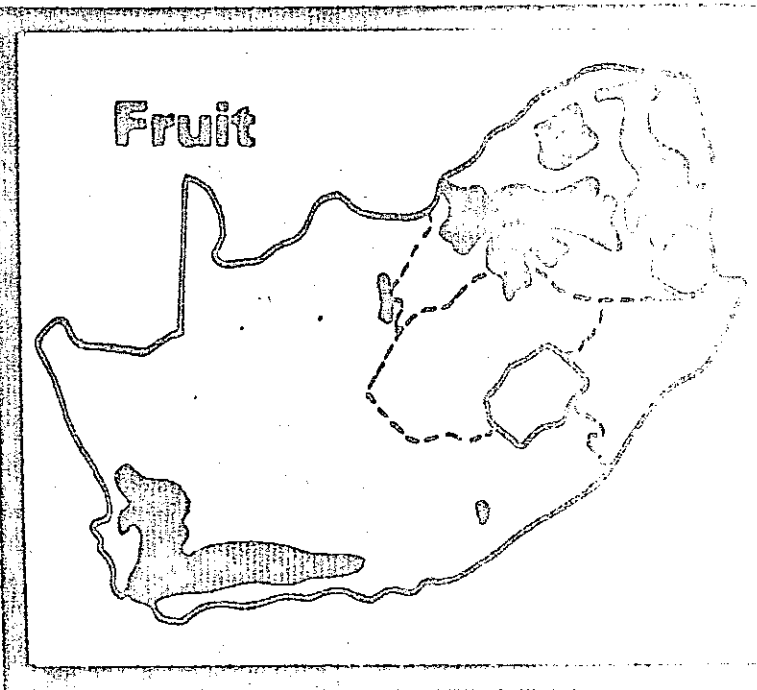
The Chairman of the Deciduous Fruit Board, Mr P. G. van Breda, estimates that deciduous fruit export totalled R119-million last season. This is R9-million up on the official target, and compares with R34-million in 1973-74 and R39-million in 1972-73.

He says revised assessments indicate payments to producers this year of about R61-million, against the previously estimated R55-million and last year's payment of R43-million.

A breakdown of the past season's major deciduous fruit exports shows 9,5-million (8-million) cartons of apples; 6,2-million (6,1-million) boxes of grapes; and 1,9-million (1,5-million) cartons of pears.

Of these quantities, 8,5-million (7,5-million) cartons of apples; 5,7-million (5,2-million) boxes of grapes; and 1,9-million (1,3-million) cartons of pears have been taken up by the UK and have Continental.

Mr Van Breda points out that West Germany is chiefly responsible for the growth in Continental sales. Its share of the total apple market increased to 2,1-million (1,4-



million) cartons; while that of the UK declined to 2,9-million (3,2-million).

West Germany took up 2,3-million (1,8-million) boxes of grapes, compared with 1,4-million (2-million) boxes absorbed by the UK.

Mr Van Breda notes, however, that although both countries took up greater quantities of pears, the UK

retained its major share of the market with 602 000 (578 000) cartons, against West Germany's 245 000 (165 000).

The Commercial Manager of the Citrus Exchange, Mr Ray Hauptfleisch, estimates that total citrus exports this year will be about R71-million, which compares with R56-million last year; R40-

million in 1973; and R41-million in 1972.

Mr Hauptfleisch says a breakdown of this year's citrus exports shows: 21-million (18,2-million) cartons of oranges; 4-million (4,1-million) cartons of grapefruit; 1-million (800 000) cartons of lemons; and a small quantity of mandarins. The total volume is 26-million (23,1-million) cartons.

European prices have also been at record heights, with oranges fetching up to R5 a carton, or about R1 more than last year.

Despite heavy sales of Spanish and Israeli oranges earlier in the year, South Africa was fortunate to enter the market when stocks were very low.

So much for the recent successes. What about the future difficulties?

Devaluation of the rand is in some respects the saving grace of fruit exporters. The pre-devaluation situation was such that South Africa would certainly have been squeezed out of the European market.

However, this danger must not be underestimated in the long term. Devaluation is merely a short-term measure, and if inflation remains at its present level or higher, the local fruit industry will soon be back to square one.

Apart from the hope that (Turn to page 9)

Canada and Japan untouched

(Continued from page 8)

the authorities will take the necessary measures to improve the overall economic situation, the industry itself will seriously have to seek ways of remaining internationally competitive. This means drastically scaling down the unit cost structure, which means higher productivity and better organization.

For example, the entire canning industry's structure will have to be revamped, and the number one priority is some form of rationalization. Simply, there are too many small canning factories, particularly in the Western Cape.

The total output of our canning industry is minute compared with those of overseas competitors. The total quantity of fruit handled by a single major Californian plant exceeds that of the entire SA industry.

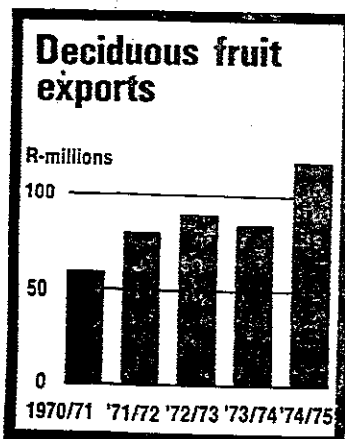
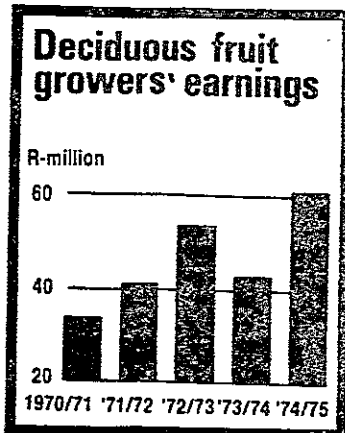
Regretably, spiralling transport costs will continue to dampen any bull factors, and the high cost of new pre-cooling facilities will further erode our competitive advantage. Moreover, seasonal edges in foreign markets are rapidly disappearing: controlled atmosphere storage facilities are increasingly enabling European producers to market high quality fruit out of season.

This of course means that our fruit producers will have to place more emphasis on quality. But, in some respects, even this could be disturbing.

A survey by the Citrus & Sub-tropical Research Institute at Nelspruit for example indicates that 23 per cent of the total navel orange crop comes from areas not capable of producing oranges with consistency and quality.

Investigations show that oranges from Citrusdal, Addo, Rustenburg, Zebediela and White River are of excellent quality and compare favourably with fruit grown in California. But navels grown in Nelspruit, Tzaneen, Malelane, Tshipise and Pongola are "erratic and poor".

Another serious setback for the industry is the agreement signed in June between the EEC and Israel. In terms of the agreement, Israeli fruit



will have tariff-free access to the Common Market countries by 1977, and there will be substantially reduced duties on a wide range of Israeli agricultural produce.

The phased concessions came into effect on July 1, although the tariffs on some products such as fruit juices and tomato extracts will not be lowered until a system of compensation has been worked out for Italian produce by the EEC Ministers.

The agreement is expected to make its biggest impact on our canned peaches and citrus juices, especially in the UK. Israeli prices will be

drastically cut, while South African tariffs will be hiked by between 6 and 24 per cent in the second of the four tariff increases. Of course this will be neutralized by devaluation in the short term.

Trade negotiators nevertheless fear that the South African share of the British market could fall from the present level of 20 per cent to less than 15 per cent if British housewives resist increased prices.

Moreover, a great deal of uncertainty is being created by the increasing weakness of sterling and the effect that the economic slump and unemployment are having on purchasing power in the UK.

Israeli competition is just part of the problem. The EEC hopes to complete deals with Tunisia, Algeria and Morocco to keep the political balance.

However, at this stage, agricultural ministers of the nine member countries are at odds on how they should go towards liberalizing tariff barriers and to what extent they should be held ransom by Algerian and Moroccan demands. These two refuse to guarantee that they will not boycott goods from European companies which deal with Israel.

On the basis of this, there is considerable speculation that the negotiations with Mediterranean countries might be suspended.

Moreover, there are problems with France. France has been fighting to retain its national safeguards (because of the apple surpluses in recent years) and extend them for another five years. However, it is now under-

stood that a compromise is likely to be worked out and the safeguards extended only for another two years.

South African negotiators have nevertheless made it clear that they will protest if this does materialize, as it openly constitutes a breach of the GATT articles. Other exporters are likely to back South Africa on this issue.

Two large markets that have been hardly touched by

local fruit exporters are Japan, with its 100-million population, and Canada. Japan has a vast potential, but import licences and a host of regulations and shipping difficulties keep sales to that country at a low level. The Canadian market is currently dominated by the Californians and Australians, who have a considerable edge on South Africa.

More promising, however, has been the development of the Iranian market during the past two years. It absorbed nearly 1.5-million (440 000) cartons of citrus last year, and is expected to take more than 2-million cartons this year.

Beefing up the fruit industry

Mercury - 13/11/75

(1) Agric - Fruit
2-78 A.

Mercury Correspondent

PRETORIA — The Minister of Agriculture, Mr. Hendrik Schoeman, said in Pretoria yesterday that special legislation was being prepared to step up the efficiency of South Africa's fruit industry — already a multi-million-rand foreign exchange earner.

Addressing the annual congress in Pretoria of the S.A. Nursery Association, he said the new legislation — which he hoped to introduce at the next parliamentary session — would make it possible for super grade plant material to be made available to producers.

In the 1974/75 season, total sales of fresh, canned and dried deciduous fruit in South Africa and overseas earned nearly R193 million.

RAISED

On the foreign markets, fresh deciduous fruit earned more than R84 million, canned fruit R60 million and dried fruit R1,4 million.

Experts believed that the general level of efficiency in the industry could be raised by 25 percent if exclusively health and true to type propagation material could be supplied to producers.

The gross income from vineyard producers was about R75 million a year, while the Government derives an income of about R120 million a year from the wine industry through excise tariffs on wine and brandy.

DRAFT ACT

Citrus farmers marketed fruit worth R52 million abroad last year, while sub-tropical fruit worth more than R21 million was produced in 1973/74.

A draft Act, to be known as the Plant Improvement Act, had been drawn up by officials of the Department of Agricultural Technical Services, and it is hoped that it could be presented to parliament at the next session.

In the Act provision is made for the introduction of plant improvement schemes to make super grade plant material available to producers.

EEC WARNING TO SA APPLE EXPORTERS

Financial Correspondent

BRUSSELS. — The European Economic Community has warned the South African Government that it should not restrict apple exports to Europe in the coming season to equal the record sales achieved last season.

In a letter signed by the EEC commissioner responsible for agricultural policy, Mr Pierre Lardinois, the EEC draws South Africa's attention to the current difficulties it is having in its own apple market.

There is a glut of apples in the community and hundreds of tons of the fruit are having to be destroyed. Countries like South Africa are traditional apple exporters to the EEC during the late winter and spring in Europe.

Mr Lardinois has called on South Africa, Australia,

Argentina and Uruguay to 'manage' the EEC market and also provide the commission with information about the country's production prospects.

For the moment, Mr Lardinois went on, there is no question of the EEC seeking a formal agreement with South Africa — or measures of another type.

His letter is merely intended to caution South African producers that the EEC market this year may not live up to their usual expectations.

EEC apple production this year should exceed 7,000,000 tons — about 600,000 tons above the average yield since 1970. French authorities have already bought in some

80,000 tons of the French crop.

At the same time, Holland's increased import duties to protect its big surplus from production. But Mr Lardinois also invited the South African apple exporters to the idea. One reason for this is that he believes it is too early to set any second-hand apple prices in the market by political means.

The EEC apple production is expected to be the same as the previous year but by the end of the year, imports of apples from New Zealand, Australia and West Germany will be 300,000 tons. This is a record and these countries

are expected to export more than 1,000,000 tons — including those to Japan — were worth about 275 million — a record and 250 million above the figure of the previous season. Apples also accounted for 20% of the country's total exports from exports.

South African exporters are warned that such a large overseas market may be difficult to sustain this year. The EEC is not expected to be able to absorb the surplus and the price of apples is expected to fall. The EEC is expected to be able to absorb the surplus and the price of apples is expected to fall.

① 78A
② Agric - France

Export boom for citrus producers

Monday 19/11/75

Agricultural Correspondent

THE CITRUS EXCHANGE chairman, Mr. Gustav van Veiieren, announced from his farm at Malelane yesterday that the 1975 export season just ended was the best experienced by citrus producers.

"Not only is the quantity the largest ever sold, but the proceeds are a record figure. The total exports will be more than 25 million cartons, some 12 000 000 cartons more than the 1974 record crop. The industry's total gross turnover will exceed R123 million, against just over R100 million last season. The net foreign currency earned by citrus this year will be about R75 million compared to R56 million in 1974."

On the devaluation of the rand, Mr. van Veiieren said its effect on growers' income had not been significant as the bulk of the crop had already been sold.

But it will affect the 1976 season, although its benefits will be eroded by the rise in packing, production and distribution costs as well as the increased costs of ocean freight and overseas distribution charges.

~~1-78A~~

2. Agri - Fruit

DFB to act on farmers' plea

Agric - Fruit

By a Staff Reporter

ARGUS 20/11/75

Officials of the Deciduous Fruit Board said at a meeting at Elgin on Tuesday that they would do everything to hasten the appointment of an area representative on the board to serve apple growers' interests in the Villiersdorp-Vyeboom areas.

The announcement came after three farmers from Vyeboom had pressed for such an appointment. They were Mr C. R. Bradley, Mr G. D. Kilpin and Mr J. E. Mudge.

Mr Bradley said: 'Villiersdorp had attained second highest apple production in the country.'

'He asked whether the board could take the ques-

tion of the appointment direct to the Minister of Agriculture?'

The chairman of the meeting, Mr Douglas Moodie, the Elgin area representative of the DFB replied: That the board would give special attention to the matter.

Mr Mudge said that once a decision had been made on the appointment

there should be no delays.

Dr N. A. B. Bestbier, the director of DFB said the board decided in 1974 that Villiersdorp should become an area in its own right.

An amendment to this effect was made and he appealed to local farmers to 'play it cool' at this stage.

Mr Kilpin said that in

1974 farmers had been told that they were getting an area representative. Something appeared to have gone wrong.

In an interview after the meeting Mr Moodie gave the background to the tussle.

Mr Moodie said that when the board was originally established in 1940 Franschoek was incorporated into the Vyeboom-Villiersdorp area.

'At that time Vyeboom was producing practically no fruit at all.'

'But from 1945 extensive apple planting took place and by 1966 the production from that area became sufficient for an apple advisory member to be appointed by the DFB.'

Mr Moodie said it became apparent in 1974 that the area accounted for about 1,5-million cartons of export apples.

As a result it was felt that this area should have its own DFB area representative, plus two apple advisory members.

Mr Moodie said: 'This proposal was approved by the Minister of Agriculture and it now only awaits promulgation.'

'The delay in giving effect to this decision has caused a certain amount of dismay among local farmers.'

Mr Moodie said the chairman of the DFB, Mr Peter van Breda, had assured the apple growers concerned that every effort would be made to expedite the appointment of an area representative for the Villiersdorp area.

'The Department of Agriculture will be approached in Pretoria as soon as possible,' he said.

Fruit from Southern Hemisphere wanted, Elgin farmers told

ARGUS 20/11/75

1. Agri Fruit
~~2. 78A~~

Staff Reporter

MR JACK FRENCH, European adviser to the Deciduous Fruit Board, who is on a special visit to South Africa, told local farmers at Elgin on Tuesday to 'be of good heart' as Southern Hemisphere fruit was wanted everywhere.

Mr French is an expert on the apple industry.

He is a very successful grower in his own right in Canterbury, England, is chairman of the central horticultural committee of the National Farmers' Union, and is also a member of the advisory committee of the European Economic Community.

He said: 'It is four or five years ago since I was last here, and a look at your orchards around here has impressed me enormously.'

'NEXT DOOR'

Mr French is based in Brussels, and he told members: 'We have in Brussels a sound basic arrangement where you have a voice, and we discuss everything of interest to the grower. As far as I am concerned you are the farmer next door.'

Mr French said 86 per cent of the people in Britain voted for entry into the Common Market.

He said: 'We fight for our markets. It is tough and we also listen to threats from behind the Iron Curtain.'

Mr French gave statistics of the amount of fruit exported from various countries and outlined the general structural organisation.

He concluded by saying that Southern Hemisphere fruit was the finest in the world. The world expected it to be on the market and Cape fruit had found its rightful place in the world community.

Mr French said the orchards at Elgin were superb and told members: 'We will fight like tigers to see that you have your place in the European market.'

SA warned to cut back apple export

STAR 15/11/1976

Agriculture - Apples

Tim Patten

BRUSSELS — South African apple exporters to Europe have been asked to stagger shipments during the peak season between March and June this year, and to apply restraint in export quantities.

The request has been made by the EEC commission which is faced with an embarrassing "apple mountain" of 2.4 million tons, which is clogging up cold storage facilities.

The EEC request was made to all southern hemisphere apple suppliers — of which South Africa is by far the largest.

In a normal export season South Africa exports 145 000 tons of high grade apples to the Common Market countries.

This is out of a total of 332 000 tons from the five southern hemisphere producers including Australia, New Zealand, Argentina and Chile.

MEETING

Exports this year from South Africa are likely to total 117 000 tons, South African trade negotiators here say.

At a meeting with southern hemisphere apple suppliers, EEC officials left no doubt that unless the suppliers were prudent in drawing up their shipping schedules between April and June they may be required to apply "voluntary" import quotas.

This would be a repeat of the unpopular quota system imposed by the EEC two years ago which knocked holes in South African exporters' pockets during an exceptionally good season.

A spokesman for the South African trade team here described the EEC request as responsible under the circumstances and expected the exporters to respond favourably to the request.

LOW QUALITY

At the meeting with the commission the Southern Hemisphere representatives pointed out that the 7.3-million-ton European crop produced this season was generally of low quality. Withdrawals had been high because of the poor quality and the prices had been low.

Banana STAR price 5/1/76 goes up

Farming Editor

Bananas will be 2c/kg dearer from today but hopefully just for this week.

"Next week we will again look at the price," a spokesman for the Banana Control Board said today.

Farmers have had a two-week holiday since Christmas and the board's ripening chambers are bare.

Farmers wade in today to cut the ripening bunches but the ripening process takes a week. Wholesalers have been rationed. Prices are up to meet demand.

PRICE DROP

Next week, supplies should be almost normal. Prices will probably drop again.

But the board says supplies are below normal for this time of the year. Farmers blame the long winter and late rains for both low production and quality.

Only top quality fruit is marketed. A percentage of production goes back to the lands as compost.

Prices will probably not return to the pre-New Year prices and normal seasonal price increases may come earlier than usual this year.

Agriculture - Bananas

Brazil grabs juice market in Europe

By GERALD REILLY *RDM*
Pretoria Bureau *18/4/75*

THE OVERSEAS MARKET for South African citrus juice has collapsed and a crisis threatens in the citrus industry.

The reason is that Brazil, the biggest exporter of fruit juice, has oversupplied the European markets, which have now been lost to South Africa, a spokesman for the Citrus Board said yesterday.

This would lead to a serious glut of fresh citrus in South Africa this year, and lower consumer prices.

The spokesman said the gravity of the loss of the European juice markets came into focus when it was realised that almost one-third of the total South African crop was converted into juice or segments.

The citrus industry was desperately trying to increase exports to all markets, especially to the new and growing markets in the Middle East, where sales exceeded three-million cartons.

Export standards had been lowered on a limited quantity of fruit. This would be sent to isolated markets and would lessen the burden on the local market.

Advertising and promotion campaigns would be intensified to increase the consumption of pure orange juice in South Africa, the spokesman said. The sale of citrus at subsidised prices to the African market would also be intensified.

Dumped

"In spite of the very strenuous efforts being made by the Citrus Exchange there are still difficult times ahead, especially from June onwards.

"These can be alleviated by the public buying increased quantities at the lower prices during times of maximum supply," the spokesman said.

If it became necessary to dump marketable fruit, the Exchange would advise the Press and any citrus dumped would be given free to charity organisations that wished to pick it up at packing houses.

3 Citrus

CITRUS

Water means 17/6/75 (Zululand Show Supplement.)

WORLD EXPORTS FROM ZULULAND

By PETER SUTTON — Agricultural Reporter
CITRUS growing in the Nkwalini Valley in Zululand is having a big impact on the South African export market.



PACK-HOUSE scene on a Zululand citrus estate. Grapefruit for the export market are wrapped and then packed into cartons. The Outspan trade mark is known throughout the world.



GRAPEFRUIT being picked for the export market. This girl can pick at least 100 bags a day. Note the protective clothing worn while climbing into trees.



WORKERS in a Zululand citrus pack-house sort grapefruit for the export market. Fruit is carefully examined to ensure that quality standards are rigorously kept.

Citrus exported by farmers in the area is estimated to be over 2 million boxes annually. The area is estimated to produce 250,000 tons of fruit.

Mr. Peter Sutton, Agricultural Reporter, says that the area is producing a surplus of fruit for the local market. He says that the surplus is being exported to other parts of the world.

Citrus has been a major export for Zululand for many years. It is one of the main sources of income for the area.

Continued

The estate has an annual production of some 210,000 boxes of export fruit and in the past few years has been one of the most important for the local South African market.

Rigorous standards of orchard and pack-house management are applied to ensure the highest quality of fruit.

Trained African women grade and pack fruit in the pack-house according to standards laid down by the Citrus Enhancement Agency. Fruit that is not up to standard is sold locally for domestic consumption.

SUNBURN

Summer temperatures in the valley are very high and the sun causes a burn to even the African workers. As a precaution against this, workers in the orchards (and their faces with red ochre.

Paid on a task basis, each worker must pick at least 100 satchels of fruit a day. Each bag is filled and checked and a good picker can earn high salaries during the six-month picking season.

The Nkwalini Valley, although close to Eshowe, lies within a rainfall shadow and has an average rainfall of only 600 mm — at least half that of Eshowe, which lies on the escarpment.

The area of arable land in the valley is limited to some 600 ha (14,000 acres) all of which is irrigated from the Umthlazi River which flows into Richards Bay.

FATF

The Nkwalini Valley itself is an interesting example of an ancient geological fault known as a rift valley and is typical of the type found in other parts of Africa. The soil and climate are ideal for citrus growing but other crops, particularly sugarcane, are also successfully grown in the area.

In view of the development taking place both at Port Natal and Richards Bay, the valley has tremendous potential for the growing of vegetables to feed the rapidly growing population of these growth points.

Dispatch
Oranges
by the ^{15/}9/75
million

PRETORIA — Sales of South African oranges to Iran will be about three times higher this year than ever before, according to Mr R. G. Hauptfleisch, commercial manager of the Citrus exchange.

A total of 1.5 million 15kg export cartons will be shipped to Iran, and better gross average prices are expected than those of last year. The better prices will, however, only marginally improve the growers' earnings because of increased costs of production and transport.

Excess quality fruit that could not be sold at an economic price overseas would, as usual, be sold in South Africa, and consumers should benefit from the export quality and low price, Mr Hauptfleisch said.

NB. It is to be hoped Mr Hauptfleisch is correct in his final remark. Earlier this year it was announced that because of the vast surplus of citrus fruit, it was anticipated farmers would be forced to plough it into the ground; that charitable organisations would be able to collect the fruit free of charge; and that much would be available at low prices. Those low prices were not particularly noticeable.

— BUSINESS EDITOR —

Citrus breaks records in crop and cash

1. 78A
2. Agric - Citrus

12/11/75

3 Farming Editor

Citrus earned a record R75-million in foreign exchange for the country this year. Production and total earnings were both records, says the chairman of the Citrus Exchange, Mr G van Veijeren.

'd be added to

The past season "was the best ever experienced by the country's citrus producers."

Total earnings were R123-million. Last season's record earnings were R100-million.

Total exports were about 25-million cartons — about two-million more than the previous season. Export earnings were up by about R19-million.

The Middle East came into its own as an important buyer of South African citrus. Iran bought about 3.5-million.

Mr van Veijeren said the increased sales in the Middle East could be attributed to the absence of import restrictions, strong buying power and a desire to improve the lot of the average citizen.

DEVALUATION

He said devaluation in South Africa contributed to an increase of about R4-million in gross turnover. The export season was almost at an end when devaluation was announced.

Next season it is expected to make a bigger contribution but the advantages will be eroded by increased production, distribution and packaging costs.

tutor? Yes/no

4. Are you satisfied with Comment

5. (a) What in your opinion tutorials be

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3 - Fruit

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AN APPLE A DAY

F.M 13/8/76

There is a strong possibility that SA applegrowers will put pressure on the Deciduous Fruit Board and Agriculture Minister Hendrik Schoeman to draw on DFB's general reserve fund, currently standing at more than R8m, to help them overcome a poor export performance.

Although export shipments rose 11% to 10,6m cartons and the quality was excellent, realisations were expected to plunge R10m and export costs to rise about 23%. Earnings will further have been depressed by adverse sterling-rand exchange rates which have wiped out the advantages of the September 1975 devaluation.

The final financial outcome of the 1975/76 season will not be known until about October when *agterskot* payments are usually made. But a good many applegrowers in the Cape have made no secret that they intend to seek financial assistance because even their most opti-

mistic expectations do not measure up to their short-term commitments, financed largely out of bank credit. The fact that apple sales on the home market have increased 25% does not compensate for lower export earnings.

Attempts to draw on DFB's reserve fund will doubtless be resisted since the fund is intended for contingencies rather more cataclysmic than the situation in which apple-growers now find themselves.

It is pointed out that farmers who are worst pinched are those who failed to heed professional advice years ago to diversify out of apple varieties (such as Winter Pearmain) which were falling out of favour with consumers.

No drawings on the reserve fund may be made without the recommendation of the National Marketing Council and the rubber stamp of the Minister of Agriculture.



Winter Pearmain . . . not the apple of the public's eye

Handwritten notes on the right margin, including the word 'consumers' and other illegible scribbles.

ARGUS 18/10/76

Threat to SA fruit exports seen

The Argus Boland Bureau
STELLENBOSCH. — Transport and marketing costs of deciduous fruit have escalated so much since 1973 that several southern hemisphere producers have been phased out of the overseas market and South Africa may be next, an expert has warned farmers here.

Mr D. Hofmeyer, technical and economical adviser to the Associated Elgin Farmers group, was addressing the Cape Pomological Association symposium on fruit quality and profitability.

Other southern hemisphere countries had already been phased out of the European market because they were further from it than South Africa, he said.

South Africa would be next if the cost trend kept moving in the same direction.

CONSUMERS

The symposium had been called to look more carefully at the local market, which was now more important in view of the threat to overseas trade.

Mr O. Paddy, chief buyer for a chain of de-

partment stores, addressed the symposium on what consumers expected from producers.

Sixty percent of first grade apples sold in South Africa were sold through chain stores, he said.

Consumers believed the bigger the fruit the better the quality.

The only way this mistaken attitude could be overcome was to advertise in all the media. A television documentary on the subject would be a good idea.



FIN MAIL 19/11/76

(1) 3 - Fruit
(2) 186

FRUIT CANNERS No sugaring the pill

No sooner had SA fruit and vegetable canners returned from Pretoria where they asked for an increase in their R10m overdraft facility with the Reserve Bank (*FM* last week), than a deputation hot-footed it to Durban this week to negotiate with SA Sugar Association for special treatment against the sugar industry's 47% price hike.

A prominent canner said this week that although sugar makes up only about 5% of production cost, the R60/t hike from R126/t, added to the industry's severe export problems in the UK, can only aggravate the situation. It adds some R3,6m to the normal production bill. The canning industry consumes about 60 000t/year of sugar.

While canners wait for the outcome their problems are not diminishing. Sales of canned deciduous fruit in the UK which normally account for about 66% of the export pack, continue sluggish. UK sales may be 25%-30% down for the second year running and there is a prospect of a substantial carry-over into the 1976/77 season which opens next month with the delivery of early varieties of fruit.

In 1975/76 production was healthy; apricots improved 8% to 18 000t; peaches 5% to 125 000t and pears 10% to 43 000t.

Although most of the export pack of about 8m basic cartons (1 carton = 24 1 kg tins) has been sold forward, export deliveries are made on demand from the buyer while stocks are kept in SA and payment is effected only after sale. If sales are slow canners have cash flow problems since all their outgoings (sugar, fruit, cans, labour, etc) have to be paid cash, which means they have to wait up to 12 months for their money while holding stocks at 12%-14%.

The R40m/year UK market is beset with many problems, quite apart from the fact that the decline of sterling against the rand has raised prices for the British housewife.

Strapped for cash, there are obvious limits to the amount SA exporters can spend on UK sales promotion exercises.

Ocean freight and the CET are other headaches. Steady increases in the former automatically push up the latter because duty is calculated on the CIF value of UK/European imports. SA peaches and apricots are subject to a 24% duty and pears to a 22% duty in Europe, and 19,2% and 20% respectively in the UK. From January 1978 duty goes up to 24% all-round. On December 27, when the new canning season gets into swing, ocean freight rates on SA/Europe conference lines carriers will go up another 15%.

Agri - Citrus

CITRUS EXPORTS F.M. ^{4/6/76} More sweet than sour

Farmers with few grouses this year are the citrus men. The crop is well up on last year's 41m cartons. While exports will probably stay around 1975's 25.3m cartons, sales on the local market are likely to be up 15%.

Big stocks of fruit in Europe left over at the end of the Mediterranean producers' season (which ends just as SA citrus arrives) have been a worry to exporters. Competition is especially tough for grapefruit.

Despite this, prices in Europe for oranges, grapefruit and lemons are slightly higher than a year ago. Citrus Exchange commercial manager Ray Hauptfleisch reckons that, besides consumer acceptance of passed-on cost increases, the higher prices could be the result of a premium for fresh South African fruit.

On the other hand, Outspan fruit has only just started arriving in European shops (the first grapefruit were shipped in mid-March and orange exports began a month later), so prices could come down as bigger quantities become available.

Another headache area is the Middle East, which last year took 3.5m cartons. Though hopes are high that this level can be maintained, sales efforts are now being seriously hampered by political resistance in certain countries and by chronic port congestion in Iran.

The Citrus Exchange also markets Mozambique's crop, about 5% of the size of the SA harvest. As a result of the exodus of Portuguese farmers, there has



For export, they have to make the grade

been a sharp deterioration in the quality of Mozambique oranges.

But the Citrus Exchange has refused to lower its export standards, so Frelimo's foreign earnings from oranges will take a nosedive this year. Signs are that most of the fruit which fails to make export grade will simply rot on the ground.

A brighter note is that citrus exporters are reasonably happy with port conditions at Maputo. In fact, there has been an improvement in recent weeks and no fruit has been diverted to SA ports. How long things will stay that way — particularly on the administrative side after the mass exodus expected next month — is something citrus men prefer not to think about.

Farmers get a slice of Unifruco

B/D am 2/3/90
CAPE TOWN — The first privatisation of an agricultural control board was rounded off yesterday when Unifruco, the international marketing arm of the deciduous fruit industry, allocated 10-million shares to its member fruit growers.

The issue of 50% of 20-million authorised shares to more than 1 000 export fruit growers completed a process of deregulation and privatisation which began in 1987 when Unifruco was established as a special co-op, Universal Fruitrade, to replace the Deciduous Fruit Board.

Directors hinted yesterday that a JSE listing was a future likelihood which would put the final seal on the process by enabling further expansion and spreading the share ownership beyond Unifruco's registered members. With export turnover expected to exceed R1bn this year, Unifruco spokesmen boast that while deciduous

LESLEY LAMBERT

fruit is the largest agricultural industry in the Cape, the company competes with the world's five largest fruit-marketing organisations.

(3) fruit
The allocation of shares was based on the relative contribution of each export farmer to the funding of the fruit board and the co-op over the past three years. The contribution was made by way of a levy per carton of fruit exported and was invested in the expansion of fixed assets and investments to the value of R46.7m.

Leo Fine, who remains chairman, with Louis Kriel as MD and CE, said yesterday the allocation of shares had long been considered the most representative way of giving the industry a say in the way the company was managed.

M.M. 16/3/76

Storm wrecks banana crops

Agricultural Correspondent

A DEVASTATING hailstorm, which caused an estimated R1 million damage to banana crops, hit the South Coast on Sunday night.

Gale-force winds of more than 100km/h ripped roofs off many homes and helped to wreck the entire crop on some farms.

The banana crop on a further 600ha was severely damaged.

Mr. Peter Smythe, a local farmer and chairman of the Natal Banana Co-op Limited, whose farm was badly hit by the storm, said that the hail had dashed farmers' hopes for a good season and he warned that the price of bananas is likely to rise even higher because of the damage to the crop.

Mr. Smythe said: "This is a serious blow to our farmers and the newly-formed co-op. We had hoped to let consumers benefit from our take-over of banana marketing in Natal by keeping prices low."

Mr. Smythe said that the freak storm had upset the co-op's plans and now expensive fruit from the Transvaal will have to be imported into Natal to meet the supply.

He said the co-op would now have to drop their quality standards and market bruised fruit.

Jagged hailstones, as big as hens' eggs, were driven by the wind through the plantations, blowing down ripening bunches and ripping leaves to shreds.

Roofs were blown off many houses in Port Edward, Leisure Bay and Munster and power and telephone lines were down.

Worst hit by the storm were holiday and residential homes at Leisure Bay where scores of houses lost their roofs and were flooded.

Up-country owners, whose houses are locked up and empty, will suffer severe losses unless their homes are repaired before more rain falls.

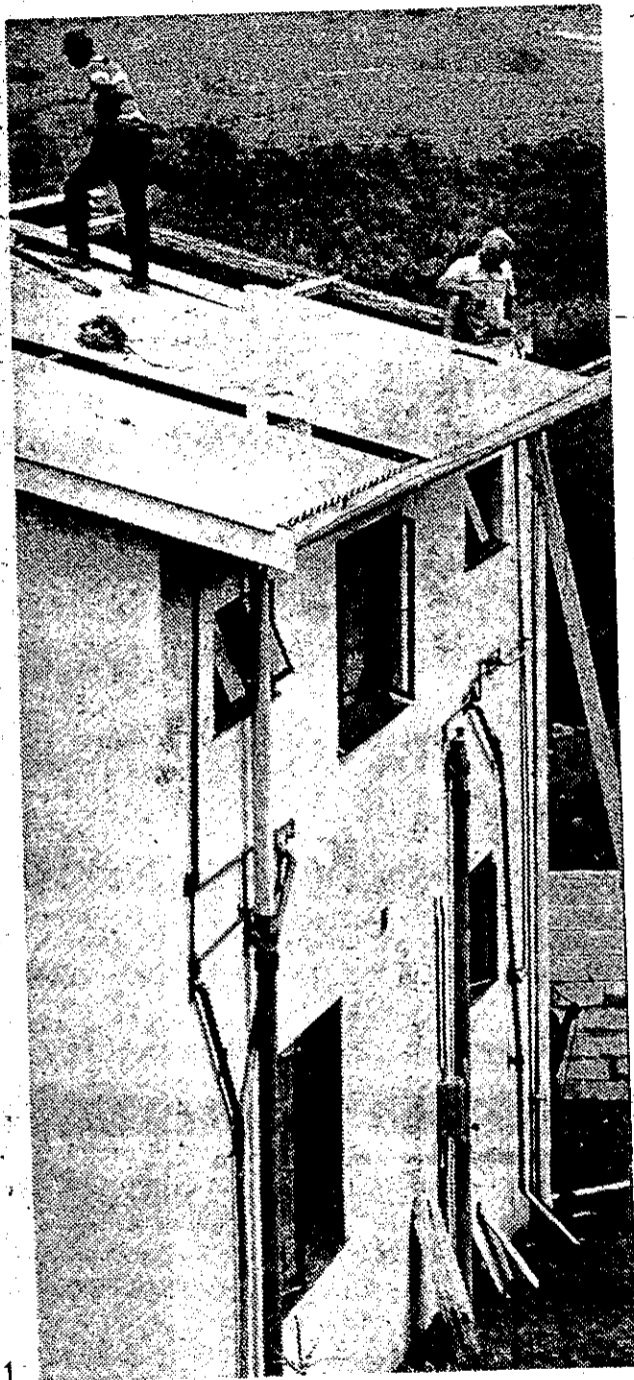
Neighbours are doing what they can to contact these people, but with communications down, their task is difficult.

Passengers on two-railway buses had to move eight large trees from the road between Port Edward and Margate before they could continue on their journey. Gangs were also busy clearing mud off the roads yesterday.

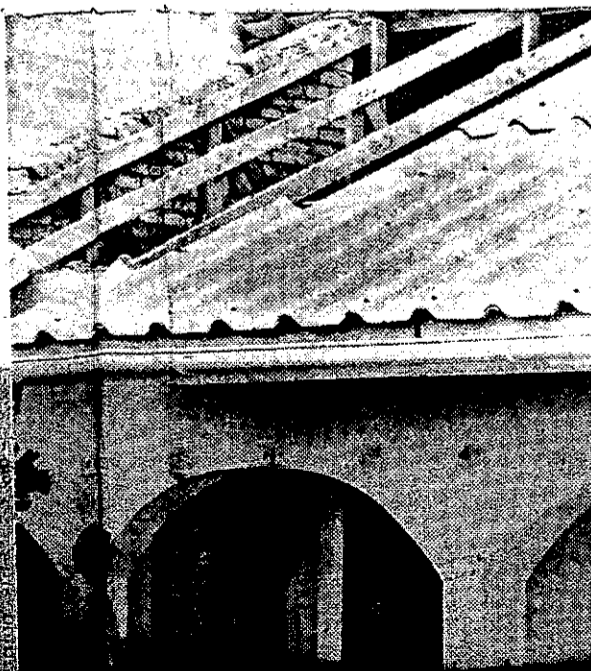
This is the second severe hailstorm to hit the South Coast in the past five years and residents say that it was the worst in living memory.

Lightning struck the farmhouse of Mr. Mervyn Todd, a banana farmer, and tall gum trees on his farm were snapped "like matchsticks."

A flower pack shed belonging to John and June Stannard was badly damaged by the wind and the corrugated asbestos roof was blown into



A LEISURE BAY resident, Mr. C. J. Greyling, repairs his wind-damaged roof before more rain falls.



MR. PETER SMYTHE (above) looks at his banana plantation which was blown down by gale force winds during Sunday night's storm. Gusts of more than 100km/h ripped off the roof (left) of this Pretoria owner's holiday cottage at Leisure Bay and (right) blew rubble into the home of Mr. J. A. Marten which holed his roof. The freak storm is said to be the worst in living memory and is the second to have struck in five years.



Mr. J. A. Marten's home in Leisure Bay was holed by the storm.

AGRICULTURE - FRUIT.

1991

Used car sales tumble by 11%

MARC HASENFUS

USED car sales, a barometer of SA's consumer spending power, dropped 11% to an annualised 262 000 (297 253) units in 1990 on the back of the further weakening of new car sales last year, the National Automobile Dealers' Association (NADA) said yesterday.

Association chairman Errol Richardson said he was confident the market had bottomed out.

Unlike the new car market which is buoyed by corporate buying, the used car market relies almost solely on private buyers.

Richardson said the franchised dealers would ride out the recessionary conditions.

The independent dealers would, however, battle to remain financially viable.

Franchised dealers earned a lion's share of last year's R6bn total revenue. *Blom 3/1/91*

Richardson said the number of black buyers in the used car sector had shown strong growth over the past few years but their full potential was still not fully realised, due to rapid vehicle price increases in the mid-eighties.

The association forecasts a sales increase to 274 000 units this year, reaching 280 000 by 1992.

SA fruit exports head for a record

Blom 3/1/91 *3 fruit*

LESLEY LAMBERT

CAPE TOWN — The deciduous fruit industry, which contributed R1.3bn to SA's foreign earnings last year, is heading for another record export year even though heavy summer rain has damaged almost 20% of the seedless grape crop.

Unifruco, the industry's international marketing company which reaped record foreign earnings during the hostile years of sanctions, has reported "excellent" volumes in the first of this year's export cargoes to increasingly friendly markets.

After an early start, Unifruco is into its third week of apricot, peach, nectarine and grape exports. The big volumes of grapes and plums are being shipped out this week, the first loads of pears are being packaged and SA melons will make their debut on foreign markets this year.

The early successes have been dampened slightly by heavy rain which has spoiled 20% of a vintage crop of seedless grapes in the Orange River region.

But, even though the region's contribution to the total crop is relative-

ly high — about 20% of the total crop and about 90% of seedless grapes — Unifruco CE Louis Kriel is confident the damage will not stop the industry achieving another record crop.

"Accumulatively, the overall volumes are well up on last year. This may be misleading because the season started two weeks early and we are comparing the third week with last year's first week," says Kriel. "But, we have made allowances for the different comparison periods and at this point, it appears the crop is bigger this year."

"We are also benefiting from increased demand from Holland, for example, and supermarket groups in other European countries which we did not feature in last year," says Kriel who returned from a visit to Europe this week.

He explains that while the early start to the season has limited the keeping quality of the early export varieties, it has given the local industry first bite at some foreign markets — ahead of the ever-increasing South American competition.

Big boost for fruit, coal in EC move

CAPE Times
6/2/91



By CHRIS BATEMAN

CAPE fruitgrowers will be able to promote their products more aggressively in Europe and will increase planting following the European Community (EC) undertaking to lift sanctions.

The weekend EC promise, conditional on Parliament scrapping central apartheid legislation, does not affect local fruitgrowers directly, but benefits would nevertheless be "enormous", a Unifruco spokesman said.

Fruit is not among the South African items targeted by the EC for sanctions.

Mr Fred Meintjies, public relations head of Unifruco — the Cape's biggest exporter and private sector employer with 230 000 employees — said Friday's speech by President F W de Klerk would bring fresh impetus to the industry.

Although Cape fruitgrowers had a century-old market in Europe, there had been a recent tendency by European buyers not to stock South African fruit. This began changing after last year's watershed presidential speech.

Mr De Klerk's latest announcements would "benefit the industry enormously", Mr Meintjies said. "Our products will increasingly be traded in

normal commercial conditions — last year alone we earned R1,3 billion in exports."

Unifruco still faced sanctions from the US, Canada and Scandinavian countries, but expected changes on these fronts "soon".

Mr Wim Holtes, chief executive officer of the SA Foreign Trade Organisation (Safto), said the EC announcement, combined with the Gulf war, could also have a positive affect on local harbours with income from refurbishment and shipping repairs.

The greatest impact, however, would be the lifting of EC sanctions on coal, which he expected to boost foreign earnings by up to R400 million a year.

This would also speed up commitment to develop harbours such as Richards Bay and Maputo, while colliers could push output up by over two million tons.

An Iscor spokesman said that Iscor would not increase capacity or exports, but the lifting of EC sanctions would increase "market and pricing flexibility" for "target specific" products.

"The feeling is that there will be extra earnings, but we can't say how much yet," he said.

CMT Teats 16/2/91

BUSI

Cape fruit exports soar by record 39%

By AUDREY D'ANGELO
Business Editor

EXPORTS of fruit from Cape Town harbour soared by 39% last month to 1 012 869 tons compared with 728 663 tons in January last year.

And sales of Cape fruit to Holland have increased five-fold as a result of changing attitudes towards SA.

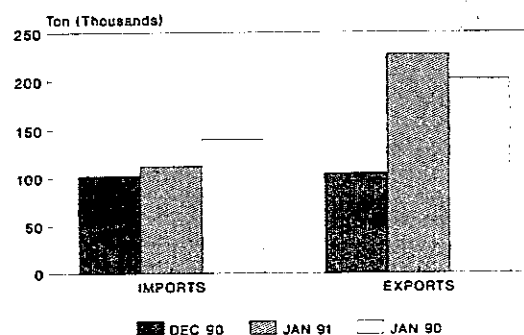
But Louis Kriel, CE of Unifruco — which markets deciduous fruit overseas — warned yesterday that this did not mean Western Cape growers could expect another year of record earnings.

He said the apple and pear crop had been damaged in some areas by hail and rain. And although prejudice against SA was disappearing as a result of political change and new markets were opening up, the Gulf war, economic downturn and unusually severe winter in Europe were all factors militating against higher fruit sales.

"I am telling our growers to expect results somewhere between the excellent ones we enjoyed last year and the average ones in 1989."

Kriel said the higher tonnages of soft fruit now being shipped were due to the early

PORT OF CAPE TOWN
IMPORTS-EXPORTS



Exports from Cape Town Harbour last month rose by 12,6% to 227 125 tons compared with 201 674 tons in January last year. Fruit exports alone rose by 39% to 1 012 869 tons compared with 728 663 tons. Imports fell by 20,2% to 112 009 tons compared with 140 294 tons in January last year.

season. "It started 14 days early."

Even allowing for that, exports of soft fruit are 20% ahead of last year. "But apples and pears are our main crop and it does not look as if it will be as big as we had hoped."

"However good our marketing, we must have the fruit to sell. There has been hail in some parts of apple growing country and rain has spoiled some of the crop."

Kriel has just returned from Britain and Continental Europe where, he said, the airports were deserted, there were clear signs of recessionary tendencies and "the street markets which usually tempt people to buy fresh fruit are deserted because of the weather."

"There is a nervous undercurrent because of the Gulf war. Most major companies have banned their executives from travelling because of the danger from terrorists."

But on the credit side, Kriel said, attitudes towards SA had changed, particularly in Holland where sales of Cape fruit had increased five-fold. "Holland used to be the most politically sensitive market. Now it seems likely that the Benelux countries — Holland, Belgium and Luxembourg — will become our third largest market in Europe."

Although European and US executives have cut down on flying, Kriel said that he and his executives "will not allow Saddam to stop us carrying out our responsibilities."

In addition to travelling themselves, they had invited people in the trade to visit the Cape from Germany, Switzerland, Austria, France and Holland.

"Although some of them cancelled their visits about 200 came. We showed them the fruit industry, including standards of packaging and hygiene and social conditions on the farms."

"They were impressed. Normally people who come on these visits go back as unofficial ambassadors for this country."

Dramatic tax reduction bears fruit

AN EXCELLENT fruit season resulting from favourable export prices and a substantially reduced tax rate resulted in a 25% increase in earnings to 45c (36c) a share for food-listed WB Holdings.

Turnover for Wbhold (formerly Willem Barendz) for the year to December 1990 increased by 34.8% to R11.8m (R7.6m). A 42.7% increase in operating income to R3.5m (R2.4m) and a significant decline in income from investments to R1m (R2.7m) saw income before tax decrease by 13.5% to R4.5m (R5.2m).

However, a dramatic reduction in taxation from R1.8m to R237 000, brought net income up by 24.4% to R4.3m (R3.4m).

Retained income for the period of R2.5m (R513 000) and retained income at January 1990 of R4.7m (R4.2m) brought bottom-line

81 day 26/3/91 (3) fruit
MARCIA KLEIN

earnings up by 53% to R7.1m (R4.7m).

A final dividend of 14c (11c) a share was declared, bringing the full dividend for the year to 21c (36c) a share.

In October 1990, Wbhold disposed of all its interests in Namibia to Peter Clark Kuttel for R8.7m. Included were its total investment in Namibia Fishing Industries (formerly South West Africa Fishing Industries). Funds from this disposal, which were received in cash, would be retained for investment purposes, directors said.

With effect from February 18, the group acquired Boskloof Fruit & Timber Industries from Old Elgin Apple Friends and Elgin Fruit Company for R8.5m. These are

fruit farming properties adjacent to WB's existing farms in Villiersdorp.

Directors said that the current crop of Wbhold's existing farms would be marginally down in financial 1991 because of hail damage and other environmental factors. However, the crop would be increased by the production of Boskloof Farms and the good quality of the fruit.

There was already a relaxation of sanctions against fruit exports. Further concessions were expected during 1991. These should provide the company with additional economic benefits.

On export prices for 1991, directors said it was doubtful that the record realisations of 1990 would be maintained, but they expected good results in financial 1991.

Fruit exports surge

By AUDREY D'ANGELO
Business Editor

EXPORTS from Cape Town harbour rose by 33,3% in February compared with the same month last year. They totalled 258 189 tons compared with 193 753 tons in February last year and 227 125 tons in January.

A spokesman for Portnet said yesterday: "We expect this upward trend to continue."

Deciduous fruit from Western Cape farms accounted for a large part of the increase. Figures issued by Portnet financial and statistical services show fruit exports rose by 44% between April 1990 and the end of February this year, to 1 128 319 tons compared with 782 822 tons the previous year.

A spokesman for United Fruit Co-operative (Unifruco), which markets the fruit overseas, said this was partly due to the fact that the crop had ripened earlier this year.

"We are still in the middle of the season but indications are that it will be a bigger crop than usual."

"All our fruit kinds are moving through the ports now but we have just started picking Granny Smiths, which are our biggest apple export."

The spokesman said it was too early in the year to estimate profits but "so far the exchange rate favours us".

He said the climate for SA exporters had improved dramati-

cally in recent months. "We are trading under normal conditions and our products are fetching their true commercial value — they are no longer being sold at a discount."

KWV also reports "a strong increase in commercial exports" with new markets opening up in Eastern Europe, particularly for bulk white wines.

Cape Town Chamber of Commerce sent its first trade mission for 10 years to Britain and Germany this month, with some members going to Belgium.

It was led by the chamber president, Lionel Hartmann, who said in an interview that it had been a great success and would

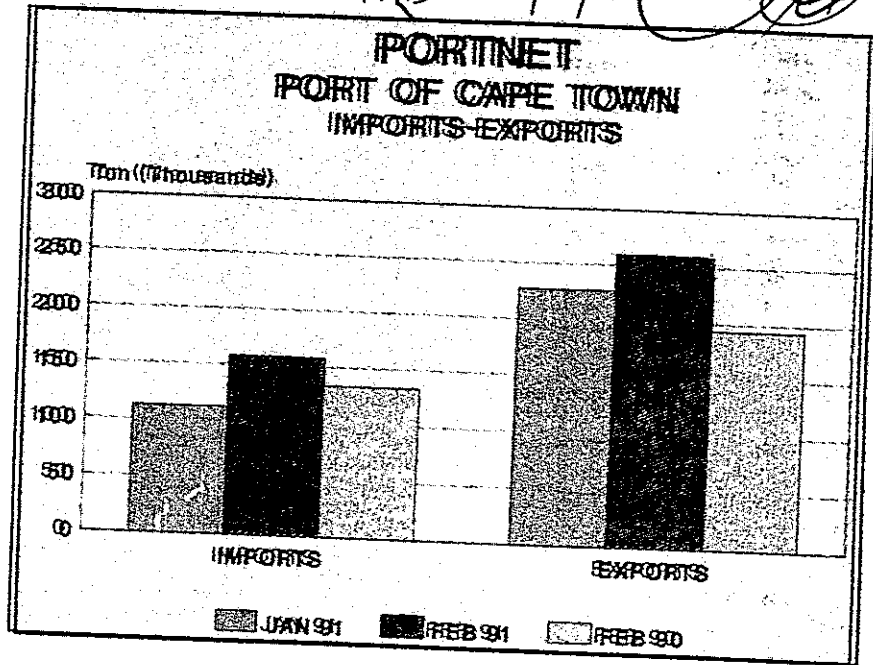
probably be repeated.

Some of the 12 members were already in the export market and had increased their overseas business.

Others had been surprised by the volumes of business — and there was a possibility of joint ventures with overseas partners.

Hartmann is quoted in the chamber's weekly bulletin as saying: "The timing of this mission was most appropriate and it was good to feel part of the world again."

A trade mission from the London Chamber of Commerce and Industry is expected in Cape Town in May.



③ fruit
Fm 5/4/91

FOX

WB HOLDINGS

③ fruit

BEARING FRUIT

Fm 5/4/91

Frost damage to the European fruit crop created a strong demand for Cape fruit last year. This fitted well with the transformation of W B Holdings (WBH) from fishing to fruit farming.

Not only were export prices for deciduous fruit particularly high, but production from the company's farms met expectations. Also, industry selling initiatives helped to create additional opportunities for exporters.

The result was that in the year to end-December turnover rose by just over half, to R11,8m, and operating income — which in 1990 came purely from farming for the first time — was 43% higher, at R3,5m. Tax was minimal, due to write-offs permitted on development expenditure and because of export allowances. A 63% fall in income from investments hit earnings though the 45c EPS was still a creditable 25% increase.

The reduction in investment income related to WBH's previous holdings in the Namibian fishing industry. These holdings were sold for R8,75m from October 1, and profits and dividends were substantially down in the

fishing industry last year, so income from this source fell.

Since year-end, proceeds from the sale of the fishing interests have been committed to buy the Boskloof farming properties, adjacent to the group's farms in Villiersdorp, for R8,5m. From a short-term aspect, this is good news. The current crop on the original farms has suffered some hail damage but produce off the Boskloof lands should more than compensate.

In the longer term, the latest acquisition also bodes well. Though the local deciduous fruit industry has been battling against sanctions, it has still managed to prosper. When sanctions are lifted, farming income should benefit.

But there is a caveat. Farming remains a risky business, even with scientific methods. Perhaps chairman Robert Silverman could think in terms of diversifying to minimise the risk of weather effects.

The group is attractive because it has no long-term debt. Now it needs a successful track record that will enable it to use its paper to make acquisitions without gearing up. Net worth exceeds 300c, compared with the 280c share price.

WBH is the only one of its kind listed on the JSE, so there are no benchmarks against which to measure it. But at a dividend yield of 7,5% and a p/e of 6,2 it seems to present good value in this market. This may even become excellent value with the lifting of sanctions and some good weather.

Gerald Hirschon

Kiwi fruit farm hope

Shareholders of a farm valued at R2-million, the Kiwi fruit farm which went into liquidation last October, may get their property back.

The 5,304 shareholders in Transvaal Kiwi Orchards have 100 days to pickup the money to buy the farm from the liquidators.

Mike Fennel, chairman of the farm's rescue committee, says: "We need to raise another R3-million from shareholders to buy the farm. We have to do it by issuing 300,000 preference shares of R10 each."

The farm near Lydenburg was placed in liquidation by former major shareholder Fritz Emil Burger, who has since left SA.

SAAU image 'a caricature'

CAPE TOWN — The deciduous fruit industry may consider withdrawing from the SA Agricultural Union (SAAU) because of the "poor image" of agriculture projected by "farmers from the north," says Unifruco MD Louis Kriel. (3) fruit bloom 10/19/94

"We don't want to be caricatured by the image of protesting farmers. We will have to reconsider our membership (of the SAAU) if this is the image they project.

"We do not believe the strugglers should be protected artificially by organised agriculture. If they fall by the wayside, we don't feel too much sympathy for them. Good farmers do well. No industry can survive if it is geared to the protection of the weakest."

The deciduous fruit industry contributed about R500 000 annually to organised agriculture, he added. — Sapa.

in the year, well above the average nominal 1990 price.

total, that would cost the... 18 to 24 months' time.

WB Holdings' sale 'timeous'

WB HOLDINGS' sale of its Namibian fishing interests in October 1990 proved to be timeous, says chairman Robert Silverman in his annual review.

The group is now thriving on Cape fruit.

Silverman says the uncertainty of an annual allocation of a viable pelagic fishing quota by Namibian authorities had long been a concern to the company. It therefore sold its entire in-

LIZ ROUSE

vestment in National Fisheries of Namibia (Natfish), a wholly owned subsidiary.

In selling its interest in Natfish the group disposed of its pelagic fishing interests, including its investment in Namibian Fishing Industries (formerly SWA Fishing Industries) and all its assets in Namibia.

The fruit farms thrived during the past year. De-

mand for Cape fruit was strong — thanks to frost damage to European crops — and particularly high prices were realised in export markets.

The easing of sanctions and efficient participation in world markets by the industry's selling organisation also contributed positively towards the handsome returns received for WB's product, says Silverman.

High export prices offset increasing costs for all machinery, materials and labour, resulting in WB's earnings increasing to 45,26c a share in the year to December 1990 from 1989's 36,38c. The dividend total is 21c.

The group has acquired Boskloof Farms with its apple crop for the current season. Boskloof will increase production by 40% and help offset a marginal drop in crops of the other farms.

Silverman says it is too early to assess final export prices for 1991, but doubts that the record realisations achieved in 1990 will be maintained. However, he expects WB will again enjoy good financial results this year.

Changes in scrap process

BRENT VON MELVILLE

MIDDELBURG Steel & Alloys (MS & A) Stainless has appointed Tillmor as its receiving depot, quality auditor and melting batch preparer for stainless steel scrap.

In tandem with its overseas counterparts, MS & A Stainless is making use of a specialist stainless scrap processor, to process the scrap into usable raw material for melting in its electric arc furnace.

Tillmor MD Paul King said in a statement yesterday that in order to provide the service required by MS & A, Tillmor had invested in additional plant and equipment and was now able to process in excess of 1 000 tons per month, representing 75% of Tillmor's total production.

With the use of modern Spectrographic equipment, Tillmor is able to produce "blends" of otherwise non-usable scrap in the production of stainless steel, enabling MS & A Stainless to use almost all grades of nickel bearing alloys as a raw material.

Germany's door ajar for Eskom

ESKOM is on the verge of signing a formal management...

BRENT VON MELVILLE

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CROP OUTLOOK fm 31/5/91

③ fruit ~~GREEN~~

SALAD DAYS, SORRY DAYS

While Cape deciduous fruit growers are pleasantly bullish about the prospects for this year's crop, their northern maize, wheat, cotton and wool producer counterparts have little to smile about.

Fruit exports to Europe are looking up and, except for the Scandinavian countries and Ireland, hardly any boycotts remain.

"While the US also remains closed to SA fruit exports, we are now busy developing the promising East European market," says Unifruco spokesman Fred Meintjies. "And, with our major competitors in Chile suffering from climate-induced quality problems this year, the outlook for European exports look good. We hope to better last year's record R1,3bn in export earnings."

But spare a thought for the effects that unpredictable weather can have on farmers in the north. Sad tales of protracted cold periods hampering planting, late rains, then too much rain or too little, and early frost help explain why Free State wheat producers, for example, will be R563m worse off this year, in real terms, than 1989.

And maize producers bewail the R200m cost of a two-night frost snap early last month that wiped out large tracts of promising, late-planted maize on hundreds of thousands of hectares in the western Transvaal and northern Free State.

With farmers suffering, tractor sales are expected to plummet to a historic low of only 2 800 units this year. Agricultural consultant Jim Rankin says sales should not gross more than R290m this year, compared with last year's R375m.

"This follows sales of 3 900 units last year and 5 650 in 1989. Total farm implement sales may fall to R525m this year, after last year's R680m. But many farmers may also wait until October to make their purchases because value-added tax will not be charged on capital equipment."

The bad wheat and maize crops are forcing government to import large amounts of SA's primary feed grains. For government, this may mean a windfall of R100m-R125m on the 495 000 t of milling wheat that has already been purchased because imported wheat is landed at prices well below SA's inflated prices.

"This year's projected wheat crop of 1,63 Mt is well below last year's 1,9 Mt," says Wheat Board assistant GM Lens van Staden. "But, in the previous two years, annual crops touched 3 Mt. With annual consumption now at between 2,2 Mt and 2,3 Mt a year, SA is forced to import."

He says this year's producer price of R515/t will earn farmers about R840m, which is about R160m below last year's receipts, in real terms. The outlook for the



new crop is fair, though Cape rains arrived late and the Free State needs soaking rain to moisten the earth for winter plantings.

Government is under pressure to pass on the benefits of the cheaper imported wheat to bread consumers. But National Marketing Council chairman André Wium says government picks up the bill for — and takes the profit on — food grain imports.

This year's projected maize crop of 6,5 Mt is well below last year's 8,4 Mt. And farmers stand to earn only R1,7bn, compared with last year's R2,2bn. While SA exported 910 000 t last year, this year's imports will cost taxpayers about R45m.

Cotton farmers also have been hit by bad weather. Cotton Board secretary Abel Stoltz says this year's crop of about 240 000 bales (there are 200 kg in a bale) will be well below last year's 308 000 bales. Consequently, farmers will earn about R190m, compared with last year's R240m.

The Wool Board expects its producer members to earn R690m, about R170m less than last year, following the collapse of the Australian market. But, says board assistant GM Fred van Nickerk, the year's clip will be about 5% up on last year — and the good news is that auction prices have risen by 30% over the past two weeks following Australian undertakings to provide for the "orderly marketing" over the next seven years of its surplus stock of 4,7m bales.

Apart from deciduous fruit growers, citrus producers also anticipate juicier earnings this year, with gross receipts projected at R1,02bn, compared with last year's R890m.

Says Citrus Exchange GM Arend Venter: "Total production should reach 32m cartons (up from 30m last year) and we expect southern African production to grow to 45m cartons over the next eight years."

fm 31/5/91

WINE AND SPIRITS ~~GREEN~~

SFW'S BITTER HARVEST

Tough competition and little growth in SA's wine and spirit industry looks set to claim one of its first victims — the Stellenbosch

fm 31/5/91

Farmers' Winery (SFW) plant at New Germany in Natal.

Although the group, which has more than 50% of the local wine market, is still consulting with employees and trade unions and says officially that a final decision has not been taken, it seems almost certain that the plant will close.

SFW's plants at King William's Town and George are also under scrutiny. Group MD Frans Stroebel says the rationalisation process could affect 150 employees at the three plants and about 300 staff nationally.

News of the threatened shutdown was greeted with dismay when it leaked out early this week. Besides having a negative effect on business confidence in Natal, the news is likely to have a bad psychological effect on the industry. Other wine and spirit companies are having a tough time with little or no growth in the market and fierce pricing competition.

The New Germany plant used to be a major producer of Mainstay cane spirit. But national output has dropped from more than 1m cases in the early Eighties to around 500 000 cases now. SFW's last two annual reports showed a slight drop in earnings.

Stroebel says that with plants across the country — New Germany is believed to be SFW's third biggest, after Wadeville near Johannesburg and the Stellenbosch plant — the group found that changing market conditions meant better plant utilisation. Johannesburg, he says, can serve Natal, and Stellenbosch some of the other centres.

Inept marketing

Stroebel says that while former strong labels such as Mainstay have been affected by cheaper brands and a cyclical market, with the cost trimmings now being implemented, they will regain their strength. The group remains optimistic that new opportunities will open up for it, such as exports.

But competitors say SFW has fallen victim to some bad marketing decisions and lost market to cheaper brands.

While Stroebel says the group is now satisfied with its mark-up on market leaders such as Graca wine, understood to be the second biggest label on the market, competitors feel that SFW operates on margins too small to justify the amounts it spends on promoting products such as Graca.

It's also believed to have over-capitalised on canned wine coolers, which seem to have been a market fad. Stroebel says that since the wine cooler heyday of 1984, sales are down.

While SFW's cutbacks reflect conditions in the industry generally, it must concern heavyweight parents Rembrandt-KWV In-

Hail cuts WB Holdings' output

CAPE TOWN — Fruit farming group WB Holdings has produced a crop about 10% lower than last year's tonnage due to hail damage at one of its farms.

Also, initial prices for exports to Europe have been lower than last year's record high.

Chairman Robert Silverman said at the AGM yesterday it was difficult to forecast results as the market could pick up, but WB Holdings would at least maintain its dividend in the year to end-December.

The company paid a low rate of tax last year due to export and capital development allowances.

Silverman said it was likely that the tax rate would remain stable as the group would be involved in exports, which represented about 60% of total volume of fruit produced, and capital developments.

Last year the tax rate was 5,3% compared with the previous 34%, enabling WB Holdings to turn in a 24% rise in earnings a

LINDA ENSOR

share to 45,26c (36,38c) on a 65% increase in turnover to R11,8m (R7m).

Last October WB Holdings sold its Namibian fishing interests for R8,75m.

All future income would derive from farming.

Silverman said the decision had proved to be correct as Namibia had subsequently withdrawn the

allocation of quotas from the SA government.

The group recently acquired a 1 600ha farm, Boskloof, 96ha of which is under apple trees. The acquisition increased total production by 40%.

The group's adjacent farm of 2 000ha has 160ha under fruit so there was much scope for expansion, Silverman said.

Fruit farmers unable to pluck new markets

CAPE TOWN — Lower volumes this season have limited the advantage fruit farmers can take of new markets opening to SA.

Unifruco MD Louis Kriel said this week that this year's fruit crop was lower than expected due to early season rain which affected the grape crop and the heat-wave over Easter which resulted in damage to apples and pears.

Kriel estimated volumes were 2% to 3% lower than last season and significantly down on the 10% to 15% growth expected. It was expected 35-million boxes would be available for export, but it would not be possible to exceed 30-million boxes.

Despite the lower volumes, higher prices would ensure that the R1,315bn (R946m the previous season) earned from exports

LINDA ENSOR

last season would be matched. ^{② fruit}

"We were disappointed with the size of the crop. The market is very strong — I wish we could have sold more," Kriel said.

The average size of the total fruit crop, including grapes, apples, pears, plums and peaches, is about 2-million tons a year. About 65% of this is exported.

Kriel said a fairly successful entry had been made this season into east Germany, Hungary and Poland. Unifruco had opened offices in Italy and Hungary to supplement those in the UK, Germany and Benelux countries.

SA exports to the Far East concentrate on the relatively small markets in Hong Kong, Singapore and Republic of China.

Fruit demand 'will increase 40%'

CAPE TOWN — The demand for SA fruit, locally and abroad, will be 40% higher than at present by the year 2001, Agricultural Development Deputy Minister A T Meyer said yesterday. ^{Biday 18/7/91} (3) fruit

Speaking at the wine farmers' and fruit producers' exhibition in Goodwood, Cape Town, he said this estimate showed a growth rate of 4% a year, which exceeded population growth.

"This indicates, therefore, an increased per capita consumption. Whether this will become a reality, will depend on the country's economic earning capacity."

It had become increasingly clear that quality products would be more important for economic survival, especially for the export market.

Meyer said SA grape and wine products would also become more accessible to foreign markets as political progress was made in SA.

"These markets are naturally high-

ly competitive and SA will be able to recapture its market share through hard work only."

GERALD REILLY reports from Pretoria that Meyer said the high prices of foodstuffs on shop shelves could persuade consumers, wrongly, that primary producers wanted to pocket all the profits.

He said the producer's share of the consumer's rand was diminishing rapidly. Some agricultural industries found it increasingly difficult to recover production costs.

A point could be reached where the wine farmer was actually selling bottles and corks and where even a wine steward in a restaurant could earn more from tips than the producer from the wine in the bottle.

A situation where the very basis of production was being jeopardised would not benefit the primary producer, the processor, the marketer or the consumer, he said.

Call to privatise fresh produce

8/20/89 2/18/91
GERALD REILLY

PRETORIA — The country's multimillion-rand fresh produce industry should be deregulated and privatised, a new report recommends. ~~(3) (3) (3) (3) (3)~~

The Human Sciences Research Council's investigation into the operation of the fresh produce markets could bring major changes for producers, market agencies and buyers.

Opening a conference on the HSRC's report yesterday, Agriculture Minister Kraai van Niekerk said another significant recommendation was that market management's responsibilities should shift from a relatively big involvement in market activities to one of property management.

The current 5% ad valorem commission on gross turnover ought, therefore, to fall away.

This would mean the commission for fresh produce markets would have to be closely scrutinised and might have to be phased out, Van Niekerk said.

Most problems in the industry centred on the lack of clear division between the tasks and responsibilities of market management and market agencies.

Van Niekerk said in terms of the recommendations, existing market agencies could expand their activities to act as wholesalers, brokers and packers.

PROPERTY

Strand timeshare selling well

5 Dec 4 9 91

Reports by
PETER GALLI

A LARGE number of the timeshare units at the new R30m Strand Pavilion resort have been sold, with the entire development expected to be sold out by April 1992, says Ovland Timesharing marketing director Richard Noyce.

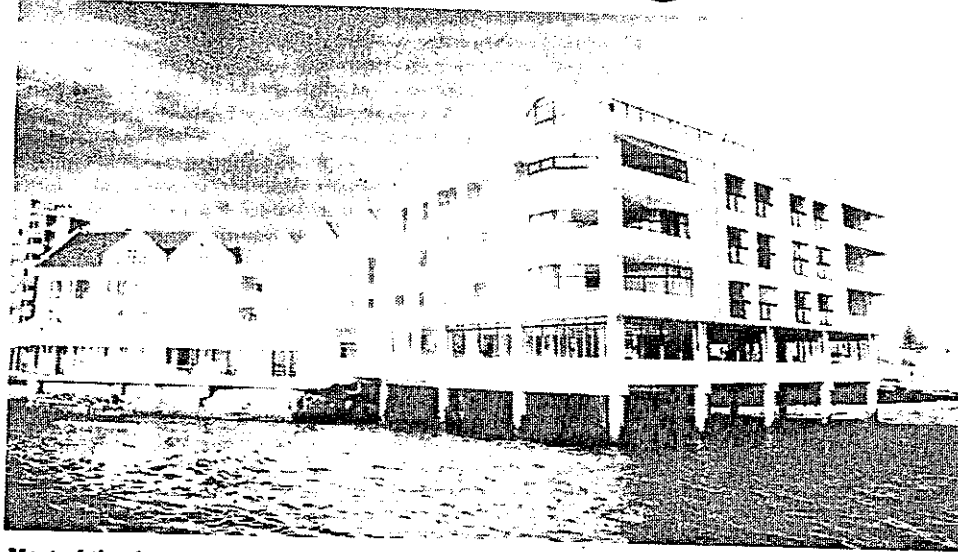
The resort offers both timeshare and hotel units and is built 30m into False Bay, so that all the rooms offer sea views. The timeshare side is being marketed by Ovland Timesharing and the hotel part is being managed by Places.

Prices range from about R6 000 for a one bedroomed suite out of season to about R65 000 for a three-bedroomed penthouse in peak time, with levies varying from R365 a week to R745 a week.

The resort also offers a conference centre which, although geared for about 30 delegates, can accommodate up to 50 at a time. The centre is also managed by Places.

The resort has proved very popular, selling about R1m worth of timeshare a month, with sales of more than R18m to date. People who buy in the out-of-season flexi-period between the end of April and the end of November will be able, subject to availability, to swap their week for any other in that period.

Located in Somerset in the western Cape,



Most of the timeshare units at the Cape's multimillion-rand Strand Pavilion resort have been sold.

Strand Pavilion is about 50km from Cape Town and offers 58 residential suites ranging in size from 35m² for a single unit to 114m² for a three-bedroomed penthouse.

The ground level has a 2 200m² shopping mall with boutiques and speciality stores.

The resort is the brainchild of Strand devel-

oper Dave Venter and took some time to get through municipal, local authority and state negotiations before building could start.

Permission has been given by the local council for the building of an Olympic-size, indoor heated pool next to the resort for residents and the local community.

More local buyers invest in wine and fruit farms

MORE and more local buyers have been investing in wine and fruit farms in the Cape over the past two years, says Pam Golding Properties Boland division manager and company director Glynn Bricknell.

In an interview in Cape Town, she added this was a reversal of the situation previously where foreign buyers were buying many farms.

While many of the farms had "gone to rack and ruin" as offshore investors had bought and upgraded them. The political situation was partly responsible for the reversal of this trend, with more local buyers in the market now than foreign ones, she said.

Pam Golding Properties agricultural agent Lieben van der Merwe said some of the larger corporations were buying wine farms because of their status appeal and long-term potential, but the real investment lay in fruit farms, which offered an excellent yield.

People considering investing in wine farms were often more interested in the location and homestead than in the operation's profitability.

The grape price was often insufficient to give the farmer a good profit. 8 Dec 4 9 91

In contrast, prospective fruit farmers considered how much money could be made per hectare. Van der Merwe added there was a move back to bigger farms as the smaller farm was becoming less arid less viable.

While demand outstrips supply for established, profitable and well run farms, there are a number of wine farms available in the Franschhoek area. One, Dieŭ Donne, with a KWV quota of 245 tons, is for sale at R4,3m.

This includes a four-bedroomed homestead, a two-bedroomed cottage, a three-bedroomed manager's house, labourers' accommodation and a bottling and packing store. Another farm, Mórelig, is on the market at R1,55m.

Battle over

Juicy future for deciduous fruit

LINDA ENSOR ^{(3) fruit}

CAPE TOWN — Confidence had returned to the deciduous fruit industry to such an extent that output was expected to double by 1995, Unifruco MD Louis Kriel said at an Afrikaanse Sakekamer function yesterday.

He said the lack of sufficient product had been a problem this year for Unifruco, the export marketing arm of the deciduous fruit industry which has a turnover of about R1,5bn annually.

Figures for the last season should be finalised by October, Kriel said. *15/10/91 18/9/91*

He said the export allowance which would be abolished next year was not necessary to survive under present circumstances. Although it added greatly to new investments and job opportunities, it was never calculated into the pricing strategy.

He said Europe and the Middle and Near East were priorities for fruit exports. The lifting of sanctions had seen new markets opening up.

Export turnover from countries such as West Germany had doubled this year with supermarkets inviting SA producers back and asking them to advertise.

Kriel said between 25% and 33% of SA fruit markets overseas were lost at the time of sanctions but Unifruco had embarked on aggressive marketing strategies. Lobbying activities had cost about R1,5m annually.

Plant disease could destroy banana industry



Deadly . . . scientist Zaag de Beer with a banana plant infected with the Panama Wilt disease, which is killing off lucrative crops.

By George Nicholas

Star 25/9/91.
A deadly plant disease has hit South Africa's flourishing banana industry and threatens to destroy it.

Banana farmers in the eastern Transvaal and along the Natal south coast are looking on helplessly as the Panama Wilt scourge wipes out their crops. (3) fruit

Spread

The Banana Board and scientists of the Department of Agriculture have been searching for satisfactory control measures to contain the spread of the disease, but so far, without success.

Banana production is one of the most profitable commercial farming lines in South Africa. A farmer with 120 ha in full production can expect a turnover of more than R1 million a year.

One hectare of bananas on average yields about 20 t of fruit, which today sells at a producer price of about R450 a ton, or a return of R9 000 a hectare.

This makes farming land in the eastern Transvaal's banana production region exceptionally expensive, with buyers paying anything from R15 000 a hectare upwards.

Head of the Plant Improvement Unit at the Nelspruit Fruit Research Institute, Zaag de Beer, says Panama Wilt has already caused serious losses in the eastern Transvaal, especially in the Kiepersol area.

Farmers in the other high-production areas such as Malelane, Letaba

and Tzaneen are deeply worried about the threat to their plantations.

Mr de Beer said that at the moment there is no method of controlling the disease and the prospect of finding one is far from promising. The disease is caused by a soil-borne fungus and is fatal once a banana tree becomes infected.

It can spread rapidly through a plantation if the spores were carried in surface run-off water or if they entered an irrigation source. Even a single spore can cause the disease and eventually kill the plant.

"Both the country's main cultivars, Cavendish and Williams, are affected, and new cultivars imported by the Banana Board could also become diseased under the South African conditions," Mr de Beer says.

"Some years ago Panama Wilt nearly ruined the banana export trade of Central America and the West Indies, but those industries were saved only by changing to resistant cultivars.

"Unfortunately cultivars that have been found to be immune in other countries have become diseased under sub-tropical conditions. We have no effective chemical control products and there is no effective means of eradicating the fungus."

Once present in the soil the fungus can persist for many years, ready to infect any new banana crop. It cannot be eradicated, thus forcing farmers to divert to other less lucrative crops.

Exporters cry out for more as marula weaves its magic

Star 24/10/91

③ Fruit
Pretoria Correspondent

South Africa's horticultural success story of the decade may prove to be the rise of the marula as a major export.

Already the wild marula fruit is harvested locally and used in the manufacture of liqueurs and cream liqueurs by a distiller in the western Cape.

These products have captured nearly 10 percent of the liqueur market in the US.

Marula jam manufacturers, who also obtain their fruit from wild trees, are having difficulty in keeping up with the demand for their product in Europe.

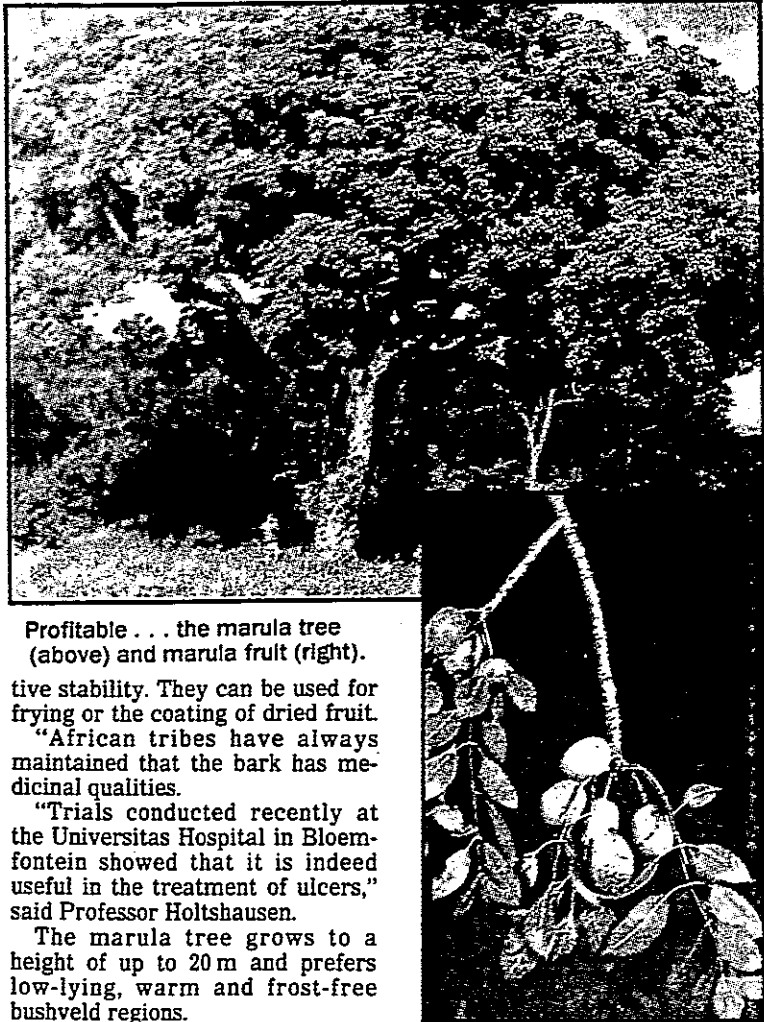
The Department of Horticultural Science at the University of Pretoria embarked on a programme in 1980 to propagate the trees.

The first commercial orchard has been planted and should start bearing fruit next year. Soon the Pharulani, the Swarula and Mhalarula cultivars will be released on world markets.

Professor Kas Holtshausen, the head of the department, said: "In researching the marula we sampled thousands of wild variants in South Africa, Namibia, Malawi and Zimbabwe to find the most promising for cultivation."

He said the juice of the marula was similar to citrus juice but with four times more vitamin C.

Marula nuts are of exceptionally high quality and have high oxida-



Profitable . . . the marula tree (above) and marula fruit (right).

tive stability. They can be used for frying or the coating of dried fruit.

"African tribes have always maintained that the bark has medicinal qualities.

"Trials conducted recently at the Universitas Hospital in Bloemfontein showed that it is indeed useful in the treatment of ulcers," said Professor Holtshausen.

The marula tree grows to a height of up to 20 m and prefers low-lying, warm and frost-free bushveld regions.

P. K. S.

C

Fruit export earnings went up 8,2%

CAPE TOWN — The deciduous fruit industry achieved an 8,2% increase in gross export earnings to R1,415bn in the year ended-September, Unifruco chairman Leo Fine announced in the annual report to producers released yesterday.

A total of 35-million cartons of fruit were exported, 4% more than in the 1990 year.

This modest increase was because big grape and apple crops — the biggest contributors to earnings — failed to materialise.

Grape volumes rose only 2% to 6,3-million cartons, while apples remained the same at 12-million cartons, although there was an 11% and 6% increase, respectively, in their gross earnings.

On the other hand, exports of apricots shot up by 58%, peaches and nectarines by 28% and plums by

8/09/91
LINDA ENSOR

14%. The volume of pears increased by 9%, but pear earnings lagged with a 5% growth.

Unifruco's venture into the export of non-traditional products such as subtropical fruits and vegetables was also successful. A 25% increase in export volumes was achieved.

Fine said the improved political climate opened up opportunities for Unifruco, which acts as the export marketing arm of the industry. The growth in consumer demand saw increased sales in both traditional and developing markets. The Dutch market grew 83%, Greek 57%, Portuguese 27%, Italian 15,5% and German 12%.

The export earnings growth was pedestrian compared with last year's 43% rise, but better than expected. Last year a 12%

increase in the size of the crop, a favourable exchange rate, and better unit prices contributed to an exceptional performance.

Fine said last year's buoyant marketing conditions continued into the present season. The exchange rate had little effect on the net results.

The US, Iceland and Finland had lifted fruit sanctions and, Fine said, there were indications that other countries would do the same shortly.

Inflation

Markets could also be extended into Eastern Europe as a result of the changes there.

Payments to producers increased by 6% to R837m, with local and overseas logistical costs having a detrimental effect.

"This, with the negative effect of the local inflation

rate on input costs, would probably result in lower net farm income for many producers, compared with the previous year," Fine said.

Unifruco's total administration costs came to R42,5m, or 3% of export turnover.

As regards the future, Unifruco MD Louis Kriel said emphasis would have to be given to the growth in production of those fruits preferred by consumers, to extending the season, and to eliminating certain cosmetic defects.

He said export volumes could increase by 50% to 50-million cartons by 1995. To cope with this growth, an extension of harbour facilities was being considered.

Also, Unifruco and other fruit exporters were investigating the sharing of services in order to achieve rationalisations.

TRADE SANCTIONS (3) fruit

Fruit slow to ripen

US sanctions may be on the way out but it will be a while before more cash flows into the coffers of food exporters.

Unifruco CEO Louis Kriel says deciduous fruit exporters developed other markets during the sanctions years. "We will not neglect these and existing customers."

Nevertheless, since the first signs of improvement in the local political climate in 1989, and especially since the release of Nelson Mandela in February 1990, farmers began increasing plantings to meet expected greater demand for Unifruco's "Cape" fruit.

Apart from new plantings, new varieties also hold the possibility of doubling crop returns per hectare. This should boost industry turnover above 1990's R1,3bn.

"By 1995 our annual crop should be about 50% bigger. Meanwhile, we will re-establish our premium name and quality image in the US market with smaller volumes of export fruit. By the mid-Nineties we should have sufficient fruit to go all out for the US market again (it was worth about US\$50m before sanctions)," says Kriel.

When sanctions were imposed in 1986, SA was the largest single apple supplier to the US, with annual sales worth about \$35m.

South American countries filled the gap left by SA. The US and Canada have great potential for SA but "Chile and Argentina are closer to these markets, while we are closer to Europe," says Kriel.

It takes SA fruit about 14 days to reach Europe against 20 days from South America. The opposite applies to North America.

SA Sugar Association international market director David Hardy says new quota conditions for the lucrative US market are being looked at.

KWV marketing executive Piet Momberg says the US market, while holding out great possibilities, is complex, with each of the 51 states having different requirements and conditions. While SA was kept out, wines from California, Australia and South America established themselves.

"It will obviously not be easy to get back in but we are using known marketing channels to find opportunities. Like Unifruco, we developed other markets during the sanctions years and must service existing customers first," says Momberg.

The association is, however, eyeing Canada where it once had a firm foothold.

"We don't have enough surplus capacity to go for new markets, while marketing costs also have to warrant the effort. Our priorities would be Canada, Scandinavia and Japan, where we expect market conditions to favour our products, once all sanctions are lifted," Momberg adds. He expects exports of bottled, high-quality wines (such as Sauvignon blanc, Chardonnay and Cabernet) to quadruple within three to five years.

Citrus Exchange GM Arend Venter says the US was never a market for SA but he

hopes the abolition of US sanctions will help also to open up Scandinavia and Ireland. Meanwhile, eastern Europe offers opportunities, especially with the crop expected to increase from 30m cartons last year to 32m in 1991.

SA Agricultural Union economist Koos du Toit says special farm crops like strawberries, asparagus and subtropical fruit should find new markets in North America. ■

Agriculture is set to earn less from exports

GERALD REILLY (3) fruit

PRETORIA — Drought and other adverse conditions will slash SA's agricultural export earnings by almost R450m, the Agriculture Department predicts.

The department estimates exports will earn R4,85bn this year, compared to R5,295bn last year. The sharp decline is forecast despite good performances by the deciduous and citrus industries.

Fresh deciduous fruit earnings for the year to end-September increased by R100m to R1,42bn, Unifruco public affairs manager Fred Meintjies said.

Last year the whole of the fruit industry — sub-tropical, deciduous and citrus — earned R3bn from exports. This was about 60% of total agricultural forex earnings. This figure is expected to be exceeded this year. *SIDney 8/11/91*

Meintjies said for the past two years Unifruco had traded in a more politically relaxed environment in which political interference was virtually eliminated.

Citrus Exchange operations GM Arend Venter said gross exports this year were worth R1,1bn compared to R900m last year.

Venter said international marketing conditions had been generally favourable, mainly due to reduced supplies.

However, wool was a poor performer. Wool Board figures show foreign earnings fell from R787m in 1989/90 to R697,1m in 1990/91 and predictions were that the current season would see a further decline to R564,4m.

A board spokesman said wool farmers were going through a tough period and the estimates indicated it was not yet at an end.

Foreign earnings from maize exports this calendar year are expected to be about R210m — slightly down on last year's figure.

An SA Sugar Association spokesman said export earnings this year were expected to reach R500m. This is roughly the same as last year.

Export volumes were higher this year and international prices lower, he added.

FRUIT EXPORTS

③ Fruit

Just juicy

FM 6/12/91

Good crops and the lifting of sanctions are expected to boost citrus and deciduous fruit export earnings in the coming year to R2,6bn. Louis Kriel, MD of Unifruco which markets deciduous fruit overseas, says the harvest of early peaches has only just begun but this season's crop will probably be good due to a long and wet Cape winter. "It seems that there's a double-digit percentage increase in crop size in the making."

The market outlook is just as good — Unifruco will return to the US and Irish markets next year. Kriel is reluctant to forecast the increase in earnings but says that if

FM 6/12/91 ③ Fruit

unit prices remain constant and the crop size increases by more than 10%, earnings are expected to rise by a similar percentage.

In this season, Unifruco exported 35m cartons of fruit for gross earnings of R1,4bn, which was 8% up on the R1,3bn earned last year. The most lucrative deciduous fruit crop is apples, which earned R700m on export markets this year.

Kriel says the reopening of overseas markets is unlikely to cause a domestic shortage of fruit or push up local prices. The anticipated increase in the size of the crop will satisfy higher demand. About 60% of the deciduous fruit crop is exported and 40% is sold locally as fresh fruit or for processing.

Doug Stanton, chief executive of the SA Co-operative Citrus Exchange, says that though the next citrus season does not begin until May, he is optimistic it will be as good as this year's. Gross export earnings exceeded R1bn for the first time this season.

He says that though the exchange is looking to open new markets in eastern Europe and the Far East, a domestic shortage is not likely. Last season, the exchange exported 31m 15 kg cartons — the highest figure ever achieved and 1m cartons more than the 1990 figure. The export crop is expected to grow to around 45m cartons over the next few years.

Last month, Unifruco and the exchange announced the rationalisation of their interests in Europe, including the establishment of a joint European head office at Farnham Royal, west of London, and the joint management of financial, data processing, quality control, technical and logistical services. Marketing will remain independent under the trade names Cape and Outspan.

The two organisations say the joint arrangement will result in optimal use of the existing infrastructure and expertise, reduced costs and greater productivity.

Unifruco and the exchange jointly export 68m cartons of fruit a year and the figure is expected to rise to 100m by 1995.

□ In Stellenbosch this week, Unifruco launched a new company, Vinfruco, to handle overseas marketing for six Cape wine co-ops and four independent estates.

The wine will be sold under a new label, Oak Village. Participants in the venture include Overgaauw, Rustenberg, Vriesenhof and Niel Ellis estates and De Helderberg, Bottelary, Eersterivier-Vallei, Koelenhof, Vlottenburg and Welmoed co-ops.

Vinfruco will target the mid-price range market with high-quality wines. Its competitors will include other "new world" wines from Australia and California.

ATLANTIS DIESEL ENGINES

FM 6/12/91

No easy ride

The effort by Atlantis Diesel Engines to get the motor industry to make diesel-powered, 25-seat midibuses, in addition to the 16-seat minibuses used largely as black taxis, is running into roadblocks.

Continued

Deciduous fruit exports up

GERALD REILLY

PRETORIA — SA's deciduous fruit industry had great prospects for expansion with markets opening up and existing ones in Europe expanding, Agriculture Minister Kraai van Niekerk said at the weekend.

Van Niekerk told a Unifruco function in Piketberg that 30% of SA's agricultural production by value was exported last year.

Agricultural exports earned R5,3bn or 8,7% of total export income, while imports totalled R2,1bn.

Deciduous fruit production increased by 32% between 1985 and 1991 and a further increase of 43% was forecast by 1995. This would bring total tonnage to 571 000.

The last harvest was a particular achievement with gross income from deciduous fruit exports increasing by 8% to R1,42bn. Payments to producers also increased, by 6% to R837m.

However, rising local and overseas export costs dampened producer payments. Van Niekerk said international purchasers for big chain groups who bought millions of cartons annually from organisations such as Unifruco were becoming more sophisti-

cated and demanded ever higher standards.

Western Europe remained the most important market for Cape fruit, with Britain, Germany and the Benelux countries being the main buyers.

There were also fast developing fruit markets in France, Switzerland, Italy and Austria. Other European countries had great market potential.

Van Niekerk said market prospects for deciduous fruit were favourable, but, as in other branches of agriculture, the rising costs problem would have to receive greater attention.

It was estimated the local deciduous fruit industry would have to plant an additional 8 500ha to meet projected demand. The market among black South Africans also had great potential.

On the economy generally, Van Niekerk said experience of the last decade showed countries with strong export-oriented economies performed far better than those which depended on import replacement and high protection.

3 fruit
 810 day 4/12/91

Leap in dried fruit price predicted for new year

LINDA ENSOR

CAPE TOWN — The price of dried fruit, which was facing stiff competition, could increase by between 14,5% and 25% next year, SA Dried Fruit Co-operative (SAD) marketing GM Philip Botha said at the weekend. *Blom 17/12/91*

There had been a dire shortage of tree fruits such as peaches, pears, apricots and apples available for drying because of the high prices being offered by fresh fruit buyers, canners and juice manufacturers.

Botha anticipated the prices of these dried products would increase by between 20% and 25% from March next year. In 1991 prices increased by about 22%.

Usually about 1 500 tons each of dried peaches and pears were consumed locally each year but this year only 500 and 400 tons were available respectively.

Prices of dried vine products such as raisins would rise by about 14,5% to 15%, Botha said. To compete with other purchasers of fruit, the price paid by SAD to farmers would increase by between 30% and 40%.

The shortage of fruit for drying meant no dried fruit from trees was exported this year, as priority was given to the local market. Exports of dried vine products remained static.

Botha foresaw shortages lasting for about four years until new land under cultivation came into production.

He said despite the shortages a 4% real growth in dried fruit tonnages was achieved in the financial year to end-November. Tonnages of raisins and other vine products grew by 5,1% while those of tree dried fruits fell by 2%.

Botha said the industry's figures for the year had not been finalised but he expected a turnover increase of about 6% to R250m (R236m), 40% of which was derived from exports of dried vine products.

Market control changes

③ fruit
② ~~the~~ ~~notes~~
likely

STAR 19/12/91
Consumer Reporter

Fresh produce marketing could become more decentralised and guided according to economic forces if Human Sciences Research Council (HSRC) recommendations are implemented.

Agriculture Minister Kraai van Niekerk approved the recommendations after an investigation into the marketing of fresh vegetables and fruit.

The investigation focused on the redivision between market managements and agents of tasks and responsibilities. Market management activities should be reduced and market agencies' tasks extended, according to the recommendations.

Legislation

The Minister said Parliament would consider legislation to implement recommendations that the Commission for Fresh Produce Markets be repealed and that control over market agents be transferred to a statutory board.

"The repeal of the Commission for Fresh Produce Markets Act, together with the implementation of the recommendations of the HSRC report, will result in the moving away from a strong centrally guided fresh produce marketing system to a more decentralised system," Mr van Niekerk said.

Fresh produce markets would have to organise and manage themselves according to the economic forces and needs of their immediate environment. This has advantages for producers and consumers and promotes free market principles, he added.

~~Agri. OTHERS - Fruit~~
1985 — 1989

AGRICULTURE - OTHERS

FRUIT - 1985 - 1986.

CONSUMERISM

**Drive
to boost
SA taste
for fruit**

ARGUS
22/1/85
3 Fruit

Consumer Reporter
SOUTH Africans, it seems, are not particularly fond of fruit — although they live in a major fruit-producing country.

They probably eat less than a tenth of what people in Arabian countries eat and about a third of the fruit eaten by the average Briton.

Mr Fred Meintjes, director of the Deciduous Fruit Board's public relations department, estimates the per capita consumption of fruit in South Africa at less than 10kg a year.

South Africans had "a long way to go" before matching European nations in consumption and awareness of fruit quality, he writes in the latest issue of the Deciduous Fruit Grower.

Television

Mr Meintjes says the average American eats about 80kg of fruit a year, West Germans eat 46kg, and in some Arabian countries people eat more than 100kg of fruit a year.

The Deciduous Fruit Board is anxious to increase South Africans' taste for fruit and make them more fruit conscious.

According to Mr Meintjes, the DFB will launch its most important public awareness project next month — a three-part television documentary about the Cape fruit industry.

"The result promises to be one of the biggest single boosts for our fruit in many years," predicts Mr Meintjes.

CAPE TIMES 12/2/85 (3 Fwd.)

SA pineapple farmers used dieldrin till 1984

Environment Reporter

DIELDRIN was used on pineapple farms in the Border area of the Cape Province until early last year.

The registrar of agricultural and veterinary drugs, Mr Max Orban, said yesterday that a special dispensation on the ban of the deadly chemical was given to members of the Pineapple Growers Association (PGA) in 1982 and renewed in 1983, specifically for the control of the white grub. It was lifted in March 1984 when an alternative insecticide was found.

Mr Roger Hulley, MP for Constantia, read a letter in Parliament last Thursday in which a major agricultural co-operative claimed R2 472,60 for dieldrin sold to one of its members in August 1983.

Mr Orban stressed the PGA conces-

sion was the only exemption to the ban and that, besides SWA/Namibia, the use of dieldrin had not been allowed anywhere else in South Africa.

Conservationist Mr John Greig, of the Wildlife Society said it appeared that if people were sufficiently persuasive they would be exempted from the ban.

Mr Orban said the exemption had only been made after discussion between experts from various departments including the Department of Health and Environment Affairs.

He said it was distributed under strict PGA control and when the concession was lifted the Shell company undertook to remove all stocks and the Department of Agriculture had checked that this had been done.

● Yesterday a spokesman for Shell said the matter would be investigated.

AVOCADO BOUNTY

EDM 25/4/85 Industrial Reporter (3) Fruit

AVOCADO exports to Europe are expected to almost double in value this year.

Producers will export 17 000 tons — 4,3-million cartons — to Europe. According to Mr Nino Burelli, the managing director of the SA Avocado Growers' Association (SAAGA), the value of these exports will be about R15m, compared to R9m last year.

The first 450 tons of this year's export crop were loaded recently.

The major markets for South African avocados are France, which takes 70% of the export crop, and Britain, with 20%. Other markets include Belgium, Germany, Sweden, Norway, Switzerland and the Netherlands.

SAAGA has launched an aggressive marketing and production campaign after three years of setbacks from drought and root rot.

Mr Burelli said: "The 1984 export crop was originally expected to be 26 000 tons, but we eventually shipped only 8 000 tons. Despite the cut, we still earned R9m because exchange rates worked in our favour.

"This year appears to be more favourable because of better climatic conditions, the introduction of highly effective chemical controls for root rot, new high-potential orchards coming into production, the introduction of irrigation systems and the development of new production areas."

South Africa's main avocado-growing area is around Tzaneen, in the Northern Transvaal, which produces 58% of the total export crop. Other areas include Levubu-Louis Trichardt and Hazyview/White River/Nelspruit, which provide about 20% each.

Mr Burelli said that although the avocado industry was still in its infancy, it had grown dramatically and had maintained a mean export growth of 20% a year over the last decade.

"We first started exporting avocados in 1967. Exports have increased from 1 480 tons in 1971 to 17 000 tons this year," he said.

"South African avocados are popular in Europe because of their good quality and also because the fruit is ready for export between March and October when other producers are out of the market.

"Israel exports large amounts of avocados to Europe between October and March and, if they have a large crop, it stimulates demand for the fruit during our exporting season."

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Apples donated to the needy

Cape Times 23/5/85 Staff Reporter *(3 Fruit)*

THE first consignment of a gift of almost 3 1/2 million apples was handed over to Operation Hunger by the Deciduous Fruit Board in Cape Town last night.

Mr Mohammed Dangor, assistant director of Operation Hunger, said the 20 000 cartons of apples would be distributed among the hungry people of South Africa.

Mr Leo Fine, chairman of the Deciduous Fruit Board, who presented the donation to Mr Dangor, said: "The deciduous fruit industry is blessed with a good export season this year, but we are very much aware of the distress inflicted on many of our fellow-citizens by unemployment and drought."

Mr Dangor said about 7 000 cartons were to be sent to the Transvaal, Venda, Bophuthatswana, the Free State and Lesotho; 3 000 to Natal; 5 000 to the Eastern Cape, Transkei and Ciskei, and 5 000 to the Western Cape and Namaqualand.

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Cape 7/10/85

12/10/85

Wind wrecks wheat crop

WHEAT crops along the West Coast and in the Southern Cape have been damaged by gale-force winds which ripped through the fields this week and left the ripe kernels scattered on the ground.

The wind also tore through orchards and vineyards in the Little Karoo and farmers have lost a large part of a once promising grape and deciduous fruit harvest.

A spokesman for the Western Province Co-op at Vredenburg yesterday said it was a long time since a wind as strong had blown through the area at this time of the year.

The area was blanketed by a grey cloud of dust on Thursday.

Ripe wheat fields at Gouda were also damaged. No reports of damage have been received from the Swartland.

A spokesman for the co-op in the Overberg said most of the farmers believed their wheat had been damaged but said it was still too early to estimate the extent of the damage.

At Riversdale grain was flattened by the wind and blown away.

Ladismith and Calitzdorp fruit farmers reported that they had lost up to half of their harvest and that many vines and fruit trees were stripped of their fruit and leaves.

Record R470m export earnings for W Cape fruit

By AUDREY D'ANGELO

THE 2 000 farmers who export grapes, stone fruits, apples and pears through the Deciduous Fruit Board shared an estimated net profit of R84m — more than double the 1984 figure — this year.

The chairman of the Deciduous Fruit Board, Mr Leo Fine, announced yesterday that payments to producers increased by 35 percent to R237m

in the season just ended.

The favourable rate of exchange helped boost export earnings to a record R470m. But the rise was also due to the fact that more fruit had been sold in spite of boycotts and anti-South African propaganda.

"People still buy our fruit because of its quality," he said in an interview.

"We exported nearly 26m cartons."

Exports of table grapes exceeded 10m cartons for the first time and earned R120m.

Popular fruit

Apples were still the most popular fruit and 10.9m cartons were exported, earning R262.4m, compared with 3.2m cartons of pears earning R67.9m and 1.8m cartons of stone fruit earning R19m.

Pointing out that fruit growing was a major industry in the Western

Cape, Mr Fine said organizers of boycotts should realize that they were endangering many jobs.

The general manager, Mr Louis Kriel, warned producers that, although the exchange rate would still favour exporters in the coming season, charges paid in foreign currency would be higher.

Boycott

And he feared that some Scandinavian countries would boycott all agricultural produce from South Africa.

"The irony is that the fruit growing industry employs more than 200 000 black people and is known for its favourable working conditions.

"No problems are expected in the main export countries, however, and the quality of our produce and our service are expected to overcome all opposition."



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spokesman said he was

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CAPE Times 18/12/83
SA fruit banned

STOCKHOLM. — Sweden has decided to ban the importation of South African agricultural products and fruits from January 1 to protest against apartheid, it was announced yesterday.

“Sweden’s Riksdag (parliament) has never been as united as now against apartheid,” said the Foreign Trade Minister, Mr Mats Hellstrom.

The ban also included the South African Krugrand, and local authorities were allowed to independently boycott any South African products and services.

Total imports from South Africa in 1984 amounted to 403 million kronor (R130 million), including agricultural products amounting to 116 million kronor (R37,3 million). — Sapa-AP

● Norway to cut SA trade, page 4

'Difficult' to comply with steps

③ FRUIT ④

DFB applies for exchange easing

BUS DAY

19/12/85

CHRIS CAIRNCROSS

THE Deciduous Fruit Board (DFB) has urgently applied to the Reserve Bank to exclude its extensive money market and foreign exchange dealings from the tighter exchange control regulations announced a week ago by Finance Minister Barend du Plessis.

This was confirmed to *Business Day* yesterday by the DFB's Tienie von Weits, who said the DFB would have extreme difficulty in complying with the new measures.

Specifically, Von Weits observed that SA's deciduous fruit was exported on consignment, and the DFB had no means of determining in advance what prices would be obtained on the European and United States markets.

In the circumstances, it would be virtually impossible for the DFB to comply with the new regulations stipulating that exporters had to sell their future dollar earnings to the market within seven days of shipment.

"It also means we cannot take out forward cover," said Von Weits.

In terms of special terms granted previously by Pretoria, the DFB until now has been allowed to pay for its shipping and other foreign costs out of

proceeds obtained direct from its export earnings.

But Von Weits said there was now some uncertainty as to whether the Reserve Bank would allow this arrangement to continue.

Next to banking institutions, the DFB probably has one of the most sophisticated money market and forex operations in SA.

With export earnings this year of about R500m, the total value of its forex transactions in this period — in terms of borrowings, purchases and cross-dealings — amounted to R4,43bn, Von Weits said.

Dealings were carried out direct with about 16 local and overseas banks, with transactions covering spot buying and selling of 14 foreign currencies; forward buying and selling of currencies; raising of Euro-dollar loans; and various money market investments.

"We are not a bank, but have to act and think like one in order to successfully handle our international money market transactions," Von Weits said.

"But we never speculate in the forex market," he added.

Cape Times 28/2/85

Weather hits deciduous ^{3 fruit} fruit harvest

GALE-FORCE winds, hail, rain and heatwaves have caused millions of rands damage to the deciduous fruit harvest in the western, southern and south-western Cape this year.

A spokesman for the Fruit and Fruit Technology Research Institute said serious damage had been caused by gale-force winds, heatwaves and rain. In some areas farmers had lost almost all their crops.

Dr Peter van Rooyen, deputy director of the institute, said there had been problems with the size of fruit this year, especially stone-fruit cultivars and most types of grapes.

According to Sapa, the Deciduous Fruit Board's assistant general manager in charge of quality control, Mr Koos Burger, said hail had caused more damage this year than in previous years, especially in the Hex River Valley where 100 000 cartons worth of export grapes had been lost.

He added that although several farmers had lost their entire crop, the loss formed only a small percentage of the harvest used for export by the board.

No scorching yet

The director of the Oenological and Viticultural Research Institute in Stellenbosch, Mr Jakob Deist, yesterday said the recent dry spell might cause grapes to ripen earlier, but no scorching of the fruit has been discovered yet.

He said more than the usual amount of rain had caused mildew in the Breede and Hex river valleys, but none had been reported so far in the coastal regions, probably because of sunnier weather there.

Mr Deist said he expected a harvest similar in size to last year's, but that it was too early to predict accurately.

He said the poor exchange rate would lower the value of export grapes, but that the rand prices would probably be good. — Sapa and Staff Reporter

Sus DAY 30/12/85
Cape deciduous
3 FRUIT
fruit harvest
hit by weather

THIS year's unusual weather has seriously affected the deciduous fruit harvest in most of the Cape.

Gales, heatwaves and heavy rain caused millions of rands in damage and farmers lost most of their harvests in some areas, according to the head of the Horticultural Division of the Fruit and Fruit Technology Research Institute, Dr Olaf Bergh.

He said problems with the size of fruit had been experienced with most of the stone-fruit cultivars this year as well as with most types of grapes.

Assistant director of the Oenological and Viticultural Research Institute, Christo Kock, said it was difficult to establish the size of the grape harvest at this stage. A good estimate would be possible only in about 10 days' time.

He expected most of the grapes to ripen two weeks earlier this season.

The Deciduous Fruit Board's assistant GM in charge of quality control, Koos Burger, said hail had caused more damage to the deciduous fruit harvest this year than in previous years.

Although several farmers had lost their entire crops, this loss formed only a small percentage of the entire harvest used for export by the board.

The most serious damage was caused in the Hex River valley where grapes for export were lost. — Sapa.

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Airfreight plan to get good early-season prices

DFB to export 50% more fruit

(3) FRUIT BUS DAY
22/1/86

THE Deciduous Fruit Board (DFB) is planning an ambitious airfreight export programme this season, expected to see at least 50% more fruit being flown out of SA.

DFB assistant GM, operations, Johan Kruger, says no less than 3 000 tons of fruit will be flown to destinations in Europe during the early part of the Cape season — about to start — compared with 2 000 tons last year.

Substantially increased airfreight consignments, it is hoped, will increase early season benefits before first supplies arrive by sea.

Being on the market early with smaller supplies sets a higher price level, which the DFB believes will have a positive influence on price structure for the remainder of the export season.

Kruger says careful planning is required to ensure increased quantities of fruit will be accommodated on outbound flights. The weak rand had caused an unprecedented level of competition for available cargo space.

The DFB will also make use of charter aircraft. Between 15 and 20 such flights are planned this year, compared with a single charter last season.

CHRIS CAIRNCROSS

Grapes and nectarines will take up the bulk of space.

Last year about 97 000 cartons of nectarines were flown to European markets. This year's expected figure is 225 000 cartons, because of the tremendous growth of the nectarine industry, Kruger says.

The increase in grape exports by air is expected to be as dramatic, with more than 320 000 cartons likely to be flown out, compared with 161 000 during 1985.

This increase is largely accredited to the expansion of sultana exports, although other early cultivars like Bien Donne, Dan-ben-Hannah, Alphonse La-vallee and Waltham Cross will also be flown out.

Major air charter destinations are Paris and London, with regular flights also landing at Frankfurt.

Air exporting has its problems, Kruger says. Insufficient freight space on internal flights to Johannesburg has meant the DFB must road transport fruit to Jan Smuts.

And storage facilities at airports are inadequate, so additional shorter-term storage must be hired.

Value of home plans passed rises 16,2%

GERALD REILLY

PRETORIA — Building plans passed in the first eight months of this year increased by 16,2% compared with the same period last year, according to Central Statistical Service. 3/10/90 9/11/90

The value of plans for houses increased 7,4% to R2,241bn, and for flats and townhouses 35,2% to R505,5m.

Plans for non-residential buildings increased 8,5% in value from R1,901bn to R2,064bn.

Additions and alterations plans were valued at R2,130bn — an increase of 31,7%.

Citrus³ may net SA R600m

PRETORIA — This year's citrus exports will earn the country R600m in foreign exchange — R100m more than last year, says Citrus Exchange GM Arend Venter.

About 30-million cartons had been shipped abroad so far this year — about the same as last year's total, he said. Total gross value at the point of sale abroad would be about R1bn.

Venter said the packing season for the industry in southern Africa had come to an end, and the last portion of the crop was now being marketed.

During the first part of the season export markets had been relatively buoyant.

GERALD REILLY

However, during the second half severe competition from South America had created difficulties.

Venter said overall prices had been higher than during the previous season.

The main reasons for the sharp upturn in production costs were the high costs of inputs, the weak rand, escalating wages, and the high local inflation rate.

Venter said the belief that fruit farmers were in the pound seats was wrong, mainly because of the inflation spiral, which had forced production costs to record levels.

06/11/90
Lm CIB

Ireland ^{SPR} to ban ^{27/3/86} imports of SA fruit ⁽³⁾ FRUIT

The Star's Foreign
News Service

DUBLIN — Ireland will ban imports of South African fruit and vegetables from the beginning of next year — the first European community country to take such a step.

The Irish Government announced yesterday the ban will be phased in gradually from October 1 in an effort to limit damage to Irish companies involved in the trade.

Government spokesmen admitted that the ban had been introduced in large measure in response to a year-long strike by a small group of supermarket workers in Dublin who drew huge public attention and sympathy over their attempts to get South African goods boycotted.

From October 1 Irish importers can apply to the Ministry of Agriculture for licences on a shipment-by-shipment basis to import South African goods if they have been regular importers from South Africa for three years and if they can show they could not secure other supplies.

PRISON LABOUR

From January 1 next year no more licences will be granted unless importers can prove to the Ministry that the system of prison labour in South Africa has been abolished.

It is this provision that Irish officials believe makes the move legitimate under the General Agreement on Tariffs and Trade (GATT) rules.

The government says it has established that prison labour is used in South Africa in the production and harvest of fruit and vegetables.

Officials in Dublin said Norway and Sweden had introduced similar bans and so far South Africa had neither taken reciprocal trade sanctions against them, nor had it moved to sue them for breach of GATT rules.

Irish exports to South Africa, comprised largely of electronic goods, are worth R100-million a year compared with imports of R50-million. Fruit and vegetables make up the biggest import item.

(BUS DAY)

Fruit board boss expects ⁽³⁾ fruit earnings to rise

LINDA ENSOR

THIS season's deciduous fruit harvest — especially grapes — is significantly lower than last year's.

"Overall our crops are disappointing," said Louis Kriel, GM of the Deciduous Fruit Board.

"I don't believe we will reach the same production volumes in any of the fruit types as we did last year."

Grapes were particularly badly affected by an extremely hot November, and Kriel expects the harvest to be about 25% lower than last year. The most serious damage has been experienced in the Hex River Valley which produces grapes for export.

Crop losses of more than R20m due to late rains, hail and wind were experienced in parts of the Western Cape.

Kriel feels export earnings will probably be better than last year's R470m because of a more favourable exchange rate and better prices. He expects they will exceed R500m.

So far the export market has not been significantly affected by the boycott campaign, Kriel said, except that it has become more sensitive to quality and fruit has to be cosmetically perfect.

Manager of the Dried Fruit Cooperative Dirk Viljoen also expects dried fruit exports to reap much more than the R45m obtained in the 1984/85 season.

act, says of labour.

BUS DAY - 2/1/76 (3) FRUIT

Citrus exports set to rise

CITRUS exports this year are likely to show a 5-million-case increase over last year's 29-million cases, says Citrus Board deputy GM Arend Venter.

He said yesterday early crop estimates were that orange production would be up by 15%, grapefruit by 7% and lemons by 25%.

Boycotts would be a factor in the success of the export programme.

GERALD REILLY

Fruit and vegetable boycotts seemed to have been espoused as a major boycott weapon by anti-apartheid campaigners, he said.

Citrus was particularly vulnerable, but it was too early to estimate the probable overall impact.

Last year's gross revenue from exports was about R450m.

Furniture price hike expected

Manufacturers have been forced to up the price of their products.

"Added to all this is a surcharge on imports, a weak rand and extra duty on fabrics."

Solomon says despite manufacturers turning to local fabrics they are still faced with rising costs in the form of wage bills and overheads.

"Of the factories that closed down, many were faced with a tight cash flow situation coupled with forex problems.

"My advice to the consumer is to buy as soon as possible and buy wisely. Purchase from reputable companies and be selective in quality of product. Ask yourself if the company you intend doing business with will still be around next year."

Grafton Everest marketing director

BUS DAY - 2/1/76
Billes says the plight of the industry is pitiful.

"We have had all these closures over the past year and expect many more. I envisage a situation where there won't be enough manufacturers left to service market demands.

"We are looking at ways and means of increasing efficiency, but even that course has a limit. Prices have gone up and will continue to do so."

Billes says prices of raw materials have gone up by between 25% and 120% over the past year.

"Prices of foam, fabric and wood have soared. If manufacturers continue to supply at current prices, then I foresee a lot more casualties."

From Page 1

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23/4/84
SA fruit bombs in UK

3 FRUIT BUS DAY

A BRITISH bomb disposal squad was recently called to Southampton docks to defuse a bomb hidden in a refrigerated container carrying fruit from SA. A multitude of wires radiating were thought to be an indication of booby traps. However, the squad discovered it to be a small data logging device installed by the Deciduous Fruit Board to monitor temperatures during the voyage from Cape Town. The logger was one of several supplied by M C Systems for monitoring temperature in the container every hour for four weeks. The logger had to operate reliably at near zero temperatures with no external power supply and light enough to be air freighted for re-use.

③ Fruit Fin Mail
CITRUS EXPORTS 14/5/86

Bearing fruit

Despite political and economic pressure, the southern African citrus industry is confident that it can retain and expand its exports. Early assessments suggest that 29m cartons will be available for export against last year's 24m cartons.

Citrus Exchange assistant GM Arend Venter, was all confidence when he opened a R16,3m pre-cooling complex in Durban har-

bour recently.

"We have a better crop than last year and the prospects are already good for the 1987 season. We are in a much better position to meet the requirements of our overseas buyers. We know that all the markets where we operate — and we export to 30 different countries — can take more citrus than we have been able to supply."

He says it's important to demonstrate to the overseas trade that SA is still in business and fully capable of supplying them. "We must show that the southern African industry is alive and well and is a reliable supplier — that is what concerns them most."

Venter says export prices this year should equal, or slightly better, last year's.

The exchange has just started packing the 1986 crop, but early estimates show significant increases on last year. Oranges show an increase of about 15%, grapefruit 7% and lemons 25%. Based on these estimates, citrus exports from southern Africa — South Africa, Swaziland, Mozambique and Zimbabwe — are likely to be back to normal levels this year.

Better news for the local markets is that they should be better supplied than they were in 1985. ■

FARM DEBT

Final 18/5/86

Another safety net

Commercial banks — stung by having been left out of the government's farm debt consolidation schemes, although they are the largest contributors to the R11,5 billion farm debt mountain — are tightening the screws on their farmer debtors in the northern summer-grain area.

Farm debt to banks already amounts to R3,5 billion, against R2,34 billion to the Land Bank, R2,74 billion to farming co-ops, about R1 billion to other financial institutions and some R1,88 billion to other creditors.

Although banks are not directly sequestrating their farming clients, the fact that they are beginning to enforce credit limits has forced some smaller creditors to take action.

The reason for the concern was highlighted at a recent forced sale of 10 farms, totalling 14 000 ha, in the Petrusburg district where only five were bought in by other farmers, says Free State Agricultural Union GM Lulu de Jager. "Offers for the other farms did not even reach reserve prices. Farm prices have fallen dramatically."

The fall in farm values, which has also been reported in other areas, has sent tremors through the whole agricultural community and led to a joint initiative by the National Maize Producers' Organisation (Nampo) and the SA Agricultural Union (SAAU) to launch a special assistance scheme for debt-ridden farmers.

"Agriculture plays a central role in the economy as job creator, foreign exchange earner and supplier of food to the population and raw materials to industry," Volkskas agricultural economist Wikus Ligthelm tells the *FM*. "Government will, therefore, support viable schemes for the long-term survival of the industry. Agriculture also has strategic value in its vital socio-economic role as a generator for the platteland economy."

Four years of drought has added to the sector's structural problems. Although agriculture's debt:equity ratio is still a comfortable 26,5%, short-term debt has soared by 30% annually since 1980, against the 24,3% annual growth in total debt. "Short-term debt now amounts to 54,4% of the total — this is an alarming situation," adds Ligthelm.

At the same time some agricultural co-ops are also in deep financial trouble, possibly because they advanced credit too freely in the "good years."

The drought has created major cash-flow problems, and banks, co-ops and the Land Bank have been forced to carry farmers in the hope of eventual recovery. Although it is accepted that many will go under, the new

debt consolidation scheme will help ensure that the process is "orderly," says SAAU economist Dries Davel.

The scheme will complement the six- and 10-year debt consolidation schemes, which largely apply to co-op debts. Farmers who do not qualify for them may seek help under the new advisory scheme.

It will be a tool to help farmers consolidate their position. Local committees will be formed in most areas to arrange meetings between creditors and farmer debtors to try to arrive at an accommodation to forestall sequestration.

A curator can be appointed to sell certain assets, subject to creditors' acceptance of a specific arrangement in settlement of debts. This would give farmers a chance to recover in the next good season.

Forced sales could lead to the economic collapse of farming areas and have to be prevented "at any cost," says Davel. ■

15/8/86

Final
SANCTIONS 1 (3) *FRUIT*
Cape concern

Comprehensive sanctions would clobber the Cape. The region's major industries — fruit, to arrive at an accommodation to forestall tourism and wine — are heavily dependent

tant.

Deciduous Fruit Board (DFB) GM Louis Kriel says two-thirds of the Board's business, worth some R600m a year, would be hit by fullscale sanctions. About 85% of exports go to the EEC, and the rest to some 24 countries in the Far East and North America.

But Kriel estimates that only 2,5% of DFB turnover would be affected by the sanctions package proposed by the six members of the Commonwealth group in London.

The fruit sector is the biggest employer in the Cape, accounting for some 250 000 jobs (95% black and coloured) in farming, canning and the dried fruit industries. Redundancies would be almost directly proportionate to market loss.

Kriel does not believe Cape fruit is a likely candidate for selective sanctions, but proposals could, of course, be expected from countries such as Australia which stand to gain. But if the Cape were shut out even in a small way, the consequences would be serious.

Product loyalty in the main markets is high, thanks to superb quality and the reliability of supplies. Ironically, but perhaps fortunately, Chile is Cape fruit's main competitor. New Zealand also stands to gain a fair piece of the action, but Australia has fallen back considerably in recent years because of an adverse forex position and quality problems which do not lend themselves to

P.T.O.

CUTTING A SWATHE

The *FM* is regarded as "most essential" or "quite important" reading by 81% of its readership — or 78 000 people — according to the South African Business Research Evaluation (Sabre) report unveiled this week.

The Sabre research, commissioned by South African Associated Newspapers (Saan) at a cost of R120 000, is based on a sample of 2 000 white businessmen and women, all over 25 and working in top or middle management, the professions or technical occupations. They have a household income of over R2 000 a month and live in the PWV, Durban, Cape Town, Port Elizabeth and East London areas.

This sample, four times larger than that used by the All Media Products Survey (AMPS), represents 230 000 decision makers in business, or 7% of SA's white population. Included in the survey of their reading habits were 13 mass-circulation and 33 specialised trade publi-

cations. Saan MD Stephen Mulholland says the research shows the company's business publications remain a dominant and growing force in the field of business advertising. *Business Times* was read by 56% of the 230 000 target individuals, the *FM* was read by 42% and 13% read *Business Day*. Advertising placed in all three publications would reach 72% of the target.

The Sabre report also provides information on frequency of reading and the attitude of readers to the publications. The *FM*, for instance, is considered essential reading by 81% of the readership and 63% read every issue. *Business Times*, is read every week by 73% of buyers — or more than 94 000 people — and 77% regard it as essential reading. *Business Day* shows a 71% every-issue readership, and 82% say it is essential reading. These figures are based on "average issue readers" of each publication.

CAM- Tmp's
20/5/86
3 Fruit

Bonus for dried fruit farmers

A R12,3m surplus and a bonus payment of 20% of "Voorskot" values for dried fruit farmers was announced by the chairman of the SA Dried Fruit Co-Op, Dr A J Burger, in Wellington yesterday.

Dr Burger made the announcement at the first of a series of annual meetings during which the co-operative's financial results for the 1985/86 were released.

The record turnover of R128m for 1985, announced recently, had led to favourable payments to producers.

"In spite of the smaller 1985 crop — a decrease of 5 150 tons compared to the previous year — sales were generally maintained due to the provision of transfer supplies."

Marketing activity

Effective sustained marketing activity, the advantage of the relatively low rand value and the maintenance of high quality products,

contributed towards the record turnover.

"At the same time, the SAD has stuck to the principle that the local market should be kept stable and enjoy priority. Price increases will thus be kept strictly within the limits of the consumer price index.

Outstanding progress

"The SAD has made outstanding progress in the past 10 years," Dr Burger said.

Total assets grew from R11m in 1976 to R87,5m in 1985, turnover increased from R16,7m to R128m, net surplus from R2,5m to R37,7m and gross surplus from R2,9m to R39,2m.

Members' shareholding in the same period increased from R4,7m to R32,6m.

The intake of dried fruit had also shown a considerable increase — from 13,3 thousand tons in 1976 to 35,5 thousand tons in 1985. — Sapa

Dried fruit farmers get 20% bonus payment

(3) Fruit

SAD's turnover R128m in 1985

DESPITE a smaller crop, dried fruit farmers gained a net surplus of R12,3m for 1985, says SA Dried Fruit Co-op (SAD) chairman Andries Burger.

Speaking at SAD's annual meeting in Wellington, Burger also announced a bonus payment of 20% of *voorskot* values.

He said effective marketing activity, the advantage of the relatively

MICK COLLINS

low rand and the maintenance of high quality products contributed towards the record turnover.

"At the same time, SAD has stuck to the principle that the local market should be kept stable and enjoy priority. Price increases will be kept strictly within the limits of the consumer price index.

"Despite the smaller 1985 crop — a

decrease of 5 150 tons compared to the previous year — sales were generally maintained due to the provision of transfer supplies."

Reviewing the past 10 years, Burger said total assets grew from R11m in 1976 to R87,5m in 1985. Turnover increased from R16,7m to R128m. Net surplus grew from R2,5m to R37,7m and gross surplus from R2,9m to R39,2m.

Record for dried fruit industry

SRAL 27/5/86 (3) FRUIT

By Frank Jeans

It was a record 1985 for South Africa's dried fruit industry with a R128 million turnover, resulting in a surplus of R12,3 million and a bonus payment of 20 percent to the producers.

Announcing the payment, Dr AJ Burger of the SA Dried Fruit Co-operative in Wellington in the Cape, says: "Despite the smaller 1985 crop — a decrease of 5 515 tons compared to the previous year — sales were generally maintained due to the provision of transfer supplies."

Sustained marketing, the advantage of the relatively low rand value and the main-

tenance of high quality products all contributed to the turnover boost.

Mr Burger emphasises, however, that the co-operative has stuck to the principle that the local market should be kept stable and enjoy priority.

"Price increases will, thus, be kept strictly within the limits of the consumer price index," he says.

The co-operative has made outstanding progress during the past decade, with total assets rising from R11 million in 1976 to R87,5 million last year.

This year's turnover compares with R16,7 million 10 years ago.

FIN MAIL 30/5/86
CITRUS EXPORTS (3) FRULL
245

A golden haul

A combination of the low rand and high prices in foreign markets pushed gross receipts for SA's 1985 citrus exports to a record R490m — 40% above 1984 earnings of R350m.

The record was achieved in spite of the fact that SA shipped only 24,3m cartons compared with a more normal volume of 28m-29m.

External factors did work in local producers' favour. Citrus Exchange (CE) assistant GM Arend Venter tells the *FM* that severe

frost in Spain in January last year led to a serious citrus shortfall in northern hemisphere markets already suffering from a weak European deciduous fruit crop.

And the rand's fall boosted the prices received by growers to far above 1984 levels.

With just 1 100 farmers producing for export, average gross receipts were high — net payment to farmers jumped from R175m in 1984 to R250m.

Citrus export earnings have, in fact, been riding the roller-coaster since 1983 when 25,9m cartons were exported for R264m. In 1984, 23,6m cartons fetched R350m and then came last year's record.

SA normally exports about 60% of its average annual production of 50m cartons, but these sales to 32 different markets yield about 90% of the industry's total income. Altogether the CE has 3 000-odd southern African producer members — it exports for members in SA, Mozambique, Swaziland and Zimbabwe. About 1 100 growers provide the total export crop.

To maintain the export impetus, the exchange has spent R32m since 1983 on improved and modernised citrus export terminals at the harbours of Maputo (R7m), Port Elizabeth (R8,5m) and Durban (16,3m). "The investments will save us between R6m and R7m this year on freight charges, so we will recoup the total within a few years," says Venter.

More efficiency

Apart from the direct savings, modernised handling at the terminals leads to better quality control and grading, improved sorting, higher productivity and more effective competition on foreign markets, he adds.

Durban leads in export tonnage, loading some 15m cartons a year. Maputo ships about 5m cartons a year and Port Elizabeth and Cape Town handle 4m each.

Venter says the CE, a co-operative body and not a control board, is also in a position to negotiate the most favourable freight charges for members.

"If members exported individually, sea-freight would have cost them about R2 a carton more. Economies of scale and collective bargaining enable us to control quality, focus our marketing thrust and win premium prices on export markets for all members," he adds.

Neighbouring states and Lebowa and Ciskei provide some 15% of the southern African crop. Their co-operation with SA ensures economic returns in extremely competitive markets, says Venter.

Regional co-operation and marketing co-ordination also underwrites job security for the industry's 52 200 workers, of whom 50 000 are black. And the benefits filter down to the 180 000 people directly dependent on the industry for their livelihood.

Although the local market takes some 40% of production and yields only about 10% (R50m) of total revenue, Venter expects this to increase as the quality end of the home market is developed. ■

DESPITE boycotts and general anti-SA feelings, the citrus industry sees overseas markets ripe for the picking and is sustaining its export drive.

Citrus Exchange assistant GM Arend Venter said yesterday the 1986 season was in full swing and quantities packed so far indicated export volumes were likely to

go back to normal levels.

Venter said: "By normal levels, I mean a total volume of 28-million cartons. Last year the

total volume was 24-million cartons resulting in income of R490m.

"It is still too early to make a prediction on prices but our first fruit was offered on European

markets last week and fetched a good rate."

A high proportion of the SA crop is sold in 30 countries on the open market.

Venter said: "Making predictions for the entire season is difficult. Information on shortages and surpluses travels fast, so we have to be alert."

Ripe pickings for citrus

MICK COLLINS

③ FRUIT ②

LONDON — An immediate European Community ban on imports of fresh fruit and vegetables from SA would disrupt long-established trade and push up prices of citrus fruits in Europe this northern summer, trade sources said yesterday.

Such a ban could sharply drive up the prices of oranges, lemons and grapefruit because other exporting countries could not completely fill the gap until late last year, the sources added.

The possibility of the 12-nation EC banning imports of SA fresh fruit and vegetables might be considered at the EC summit in The Hague today.

Government sources say Britain, an opponent of sanctions, would reluctantly accept an EC boycott of uranium and fruit and vegetable imports from SA if this were the price of agreement at The Hague.

BUDDAY.
③ FRUIT
26/6/86.
Fruit ban would hit EC

Marketing of the SA citrus crop, which is now beginning its sales season, would be disrupted at a time when alternative supplies from nations like Brazil would not be readily available until October or November, the sources said.

SA fruit and vegetable exports make up only about 4% of total trade between SA and the EC. But SA supplies some 80% to 90% of citrus fruit in many West European countries between July and September, the sources said.

If a ban remained in effect until the start of 1987, when SA deciduous fruit such as apples, grapes, pears, plums and nectarines normally begin entering the European mar-

ket, the effect could be much more apparent to consumers.

According to the SA Deciduous Fruit Board, the West European market for grapes during the Southern Hemisphere season is about 11-million 5kg cartons, and SA provides about eight to nine million cartons from late December until the end of June.

Plums from the Cape make up about 95% of the European market from January until the end of March.

Britain, the largest EC importer of SA deciduous and citrus fruit, would be particularly hard hit by a ban, as would European firms depending on SA supplies. — Sapa-Reuter.

BLOODSPAN

This product has been defiled
by Human blood
PLEASE DO NOT BUY IT
TASS

The sale of S. African goods is morally unacceptable.

29/6/86
WEEKLY M

(3) FRUIT

Spilling blood on fruit

THE British anti-apartheid group calling itself Trolleys Against South African Savagery (Tass) has launched a campaign in London to spray human blood on South African fruit displayed for sale in supermarkets in the United Kingdom.

The campaign is called "Bloodspan".

Tass says its members will be leaving a card informing shoppers and supermarket staff that "This product has been defiled by human blood. Please do not buy it. The sale of South African goods is morally unacceptable."

The blood, says the group, has in fact been diluted with disinfectant and distilled water. The first donation was collected from 14 Tass volunteers and samples are sent on blotting paper to journalists covering the story.

Tass says all the volunteers were tested for Aids, hepatitis and other blood-transmitted diseases prior to the blood being taken.

"The project depends on the symbolic power of blood," a Tass representative said. "To spill blood accidentally is a grave misfortune. To spill blood wilfully, as the regime in South Africa has been doing, is an appalling crime."

By WISEMAN KHUZWAYO,
London

"All produce from South Africa is defiled by the blood that has been spilled there as a consequence of apartheid. It is this that we wish to remind people of when they consider buying Outspan oranges. Imported blood-stained products should not be on sale here."

The Tass message concludes: "After the initial spraying with fresh human blood, the Bloodspan Project will mainly continue through the use of dried blood which is obtainable from most garden shops (sample also enclosed for journalists). However, Tass activists have also been circulated with information about how to use animal blood, how to make a fluid, and how they can take blood samples from themselves for use in the protest."

In November last year, Tass targeted several British supermarkets where they blocked cashier checkout points at busy periods by refusing to pay for South African goods in their trolleys. Supermarkets admitted to losing both customers and sales in the campaign.

(3) FRUIT
FIN MAIL
11/7/86
CITRUS EXPORTS

Full ahead

It is not all bad news on the export front. Boycott threats appear to be having little effect on SA's R540m a year citrus industry.

After last year's gross export earnings of R490m and local sales of R50m, the industry reports good sales and prices on foreign markets in the first month of the new export season.

"Our biggest problem has been a shortage of quality fruit to meet demand on traditional markets," says Citrus Exchange (CE) deputy GM Arend Venter. "Sales to Europe and Japan are going well. We've won a bonus by negotiating even lower freight rates than in 1985. This will help us remain competitive." The CE also hopes to extend the orange shipping season to Taiwan.

The CE has created a R15m contingency reserve fund to help beat boycott threats. This will complement normal reserves of R12m, and producers are being encouraged

to increase product quality and switch to better varieties.

The major competitors will again be South American countries, Israel and Spain, but there are indications that Israeli grapefruit will experience end-of-season condition problems — opening the way for SA sales. Venter says the outlook is good, apart from "political problems" in some markets.

Chairman Lance Danckwerts warns, however, that there is little likelihood of a repeat of 1985's exceptional earnings. Last year's below-average size crop yielded record returns because of a combination of severe frosts in Spain, poor weather affecting deciduous fruit production in other parts of Europe, and the highly favourable exchange rate.

Net payments to producers from last year's record R490m export receipts amounted to R250m. Venter says, however, that CE administration costs only took up some 3% of export sales value — less than R15m. The balance went on marketing and transport costs.

Completion earlier this year of the CE's ambitious R32m port rationalisation and modernisation programme has given the industry the biggest and most modern harbour handling and pre-cooling facilities in the Southern Hemisphere.

Maputo, Durban and Port Elizabeth are now equipped to handle all southern African

citrus exports. More savings will accrue in 1987, when through palletisation comes into operation.

"If the industry had not introduced the new facilities, port costs alone this year would have been R33m, compared with our current estimate of R23m," says Danckwerts. "We reckon the industry will also save some R6m-R7m on railage costs."

The CE has diversified to include citrus marketing for some Northern Hemisphere producers, and is also more involved in selling non-citrus products such as avocado pears, mangoes and grapes. ■

30/7/80 21 > DAY. (S) (S) (3) (S)

Emergency halts citrus fruit imports by safety-minded Japanese

MICK COLLINS

CITRUS exports to Japan — said to be worth R80m annually — have been halted because of the state of emergency.

The exports can only be effected if Japanese-appointed inspectors pass cargoes before shipment. But the Japanese government is refusing to allow inspectors to work in South Africa because it fears for their safety.

A spokesman for the Japanese Consul for Economic Affairs in Pretoria yesterday confirmed the decision and said his government was worried about the se-

curity situation.
"It is the state of emergency they are anxious about."

Asked if he thought there was personal danger in SA, he said: "My government obviously reached its own decision."

The inspectors, whose presence was vital because of strict Japanese phyto sanitary regulations, may return once the government was satisfied their safety could be guaranteed.

General manager of the Citrus Exchange Cameron McOnie confirmed that the embargo was costing millions of dollars in lost earnings.

He refused to be specific on the value of last year's export volumes, but industry sources estimated the trade to be worth R80m.

"Our sales to Japan at the moment are zero. One of the requirements before any fruit is exported there is that food fly sterilisation takes place — a task supervised by Japanese inspectors.

"The process entails putting the fruit in cold storage for longer periods than is normal for exports to other countries."

Last year, citrus growers predicted a 16% increase in exports to Japan.

Safari Services shipping, which then operated three sailings a month, has since added another vessel to its schedule to cope with expected demand.

Japan buys mainly marsh grapefruit and lemons from SA.

In response to a question on whether Far East markets would take up any

surplus in the event of US and European sanctions, McOnie said: "The East would be a much better market for us."

"Plans are being made, but it would be incautious of me to reveal them."

He said the Citrus Exchange had not received any complaints on the quality of fruit exported.

Other Far East countries, where import regulations are not as strict as those in Japan, are understood to be interested in taking up any surplus brought about by sanctions.

Fruit sanctions and the future

Staff Reporter

MORE than one million people in the Western Cape would be affected if South African fruit became the target of international sanctions, the Deciduous Fruit Board (DFB), said yesterday.

The DFB general manager, Mr Louis Kriel, announced that 2,5 percent of the board's business would be affected by the sanctions package proposed by six members of the Commonwealth group in London. The countries which favoured sanctions included frontline states and both Canada and Australia.

Estimate

Mr Fred Meintjies, the DFB's public relations manager, pointed out that the Western Cape fruit industry employed nearly 250 000 people in farming, canning and the dried fruits industries.

A conservative estimate of five persons in a family brought the total number of dependants on this labour force to about 1,25 million people, he said.

About 95 percent of this work force were blacks and coloureds.

The fruit industry was primarily export-oriented and had been so for almost a century.

"At this stage about 70 percent of our fruit is exported to some 34 countries in the Far East and North America. This season alone could generate a gross turnover of R600 million. European Economic Community (EEC) countries receive 85 percent of all Western Cape fruit exports."

'Disappointed'

Advances in social development for workers on farms, such as schools, housing and recreational facilities which were unparalleled in the world, relied heavily on the profits generated from imports, Mr Meintjies added.

Mr Kriel said that he was not surprised that Britain was opposed to sanctions as the DFB was the largest employer of semi-skilled and unskilled labour and "possibly the most enlightened in the agricultural world".

He said that Australia's aim in supporting sanctions were "transparent" as it would only gain in the deciduous

fruit world market while the poorer frontline states will have to pay the price for sanctions.

"We are disappointed in Canada's action as they are well aware of the real situation in our industry as well as the wishes as the vast majority of workers in the export fruit industry."

● The SA Dried Fruit Co-operative is preparing for sanctions by speeding up shipments originally intended for later in the year and by looking for alternative markets.

But its assistant general manager (marketing), Mr L C Tolmay, said he hoped dried fruit exports would not be affected by sanctions "since we are less visible than the Deciduous Fruit Board, which handles immense volumes".

Mr Tolmay said that dried fruit was exported throughout the year "but we have asked the packers to speed things up so that shipments originally intended for later in the year can be dispatched in September".

"We are trying to send off as much as we can before any crunch comes."

3 Fruit

Cape Times 6/8/86

5112
28/11/86
Citrus exports FRUIT
③
doubled

Lowveld Bureau

NELSPRUIT — Citrus exports through Maputo harbour have more than doubled during the past 12 months according to figures released by the Lowveld Liaison Committee.

Formed two years ago, the object of the Lowveld Liaison Committee is to promote tourism, civil aviation and business between the Lowveld and Mozambique.

Mrs Trudie Schwarts, public relations officer for the liaison committee, said last year's exports from the Lowveld were two million cartons.

"This season is still in progress and already we have exported more than five million cartons of citrus via Maputo," she said.

A Liverpool shipping company is assisting with harbour improvements.

Mrs Schwarts said the liaison committee had planned a seminar during October to advise Lowveld exporters of the benefits of using Maputo harbour.

Tough times before, but sanctions threaten worse

By Lyn Smerczak

THE South African Citrus Exchange (CE) has experienced easier times than the present.

Revenue is up, largely thanks to the low rand, but marketing abroad has never been tougher and boycotts and sanctions pressures are increasing.

CE deputy general manager Arend Venter says: "Nobody is able to forecast how extensive sanctions will be and how strictly they will be enforced."

"Any company which depends on exports and which is able to state right now that it is adequately geared for sanctions has either got a product which the world cannot do without, or is living in cuckoo land."

"We do not fall into either category. The citrus industry of Southern Africa exports on a regular basis to about 32 countries. The industry tries not to become overdependent on a single market."

"The CE normally tries to distribute the available volumes to these markets in a way which maximises total income for the industry."

Lower prices

He says the exchange is aware that some of these markets could handle bigger volumes — but possibly at lower prices.

"Any new marketing opportunities are eagerly pursued," says Mr Venter.

Sales to African nations are stable, demand being determined more by the ability to pay than interest in the product's origin.

He denies that the effective loss of the Japanese market will affect the exchange.

"Because of good demand this year, the withdrawal of the Japanese plant quarantine inspector has not reduced exports."

However, he admits that the CE incurred some unnecessary expenditure in hiring sterilisation facilities.

Sanctions and boycott threats are causing concern, but the CE has weathered many other storms. For instance, recounts Mr Venter, things were tough during the Second World War.

Disastrous

"Apart from the war, the citrus industry's most traumatic time was undoubtedly from 1960 to 1962. In reaction to the extraordinary high prices realised for export citrus in the years immediately after the Second World War, large numbers of trees were planted in Southern Africa in the 1950s.

"The first of these trees started to come into production in 1960. The result was that the export volume increased from 6,3-million cartons in 1959 to 12-million in 1960 — a virtual doubling from one year to the next."

Marketing arrangements could not cope with the huge increase in the crop and there were disastrous financial results for growers. In 1960 many exporters had to pay in as proceeds from the crop did not even cover marketing costs.

Crop projections at that stage indicated that 1960 was only the start of huge increases in production. The projections were proved correct. By 1965 the exportable volume had increased to 16-million cartons. By 1972 the citrus industry had to dispose of an exportable 34-million cartons.

The industry realised that it had to make changes to market the increased volumes at economic returns for citrus growers. It appointed a firm of international marketing and management consultants to assist it.

organisation is treated as a separate company, it remains the foreign wing of the CE.

Mr Venter says: "For the past five years the industry has been unable to fully meet the demand in all of our 32 customer countries."

So much for past performance. But what of the future, given the constraints on marketing caused by anti-South African sentiment?

Mr Venter says sanctions are merely one of the problems to be dealt with in the international market.

"Unless the industry's marketing actions are entirely obstructed by political sanctions, there is scope for expansion. However, it is important to note that besides political problems all export markets have become much more selective and competitive than in the past."

"Ten years ago South American citrus had virtually no effect on international markets. The small quantities which were available in a few of our markets were of inferior quality."

"Today South America is a force to be reckoned with."

"To complicate matters, better communication worldwide enables information on potential shortages and surpluses to travel fast. Improved shipping facilities — container services especially — enable people to react relatively quickly to such information."

For these reasons it is becoming increasingly difficult to assess the prospects for a season several months in advance. Reports of potential shortages almost invariably lead to market gluts. Under these circumstances daily monitoring of market circumstances is essential for survival for any fruit exporter.

Challenge

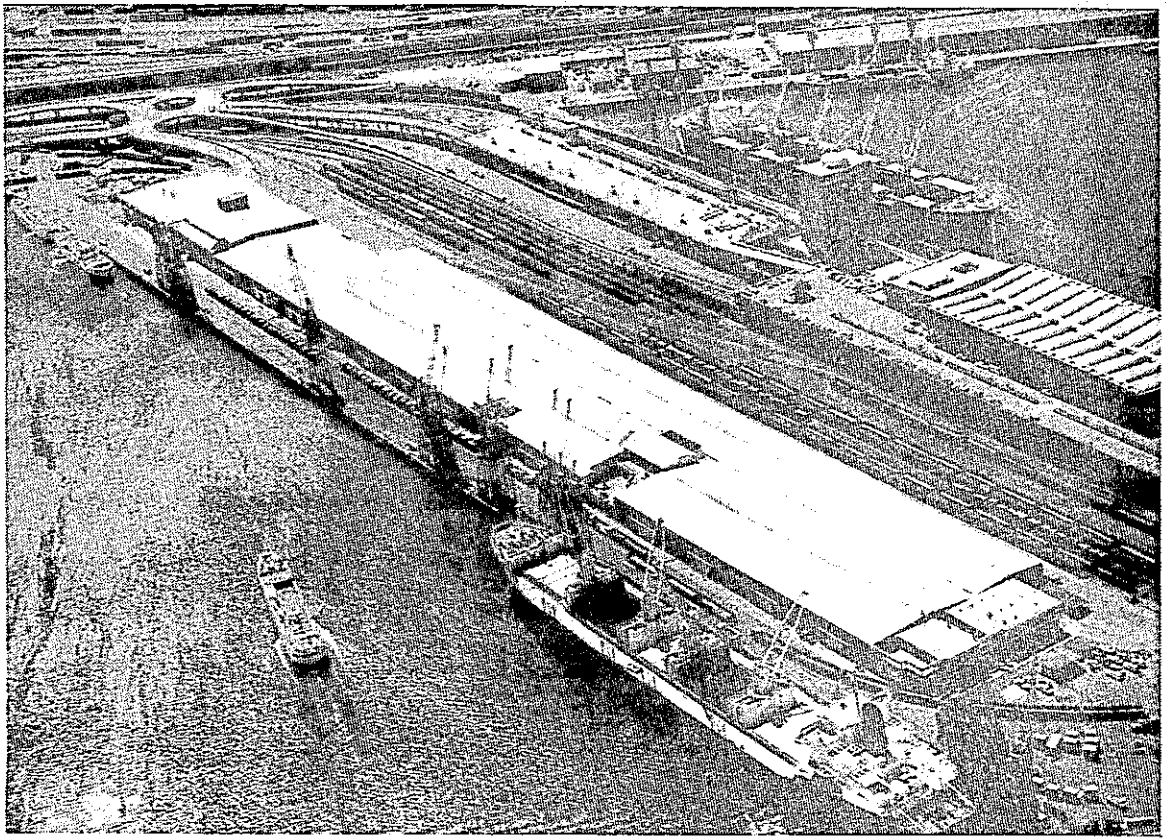
"Continuously increasing competition makes it essential for our industry to adhere to its high-quality standards. Our ultimate market share will depend on our ability to react timeously to the changing needs of our customers."

"It is the citrus industry's prime objective to continuously adapt to the changing needs of its customers. This means supplying them with the varieties and quality which they require at competitive prices."

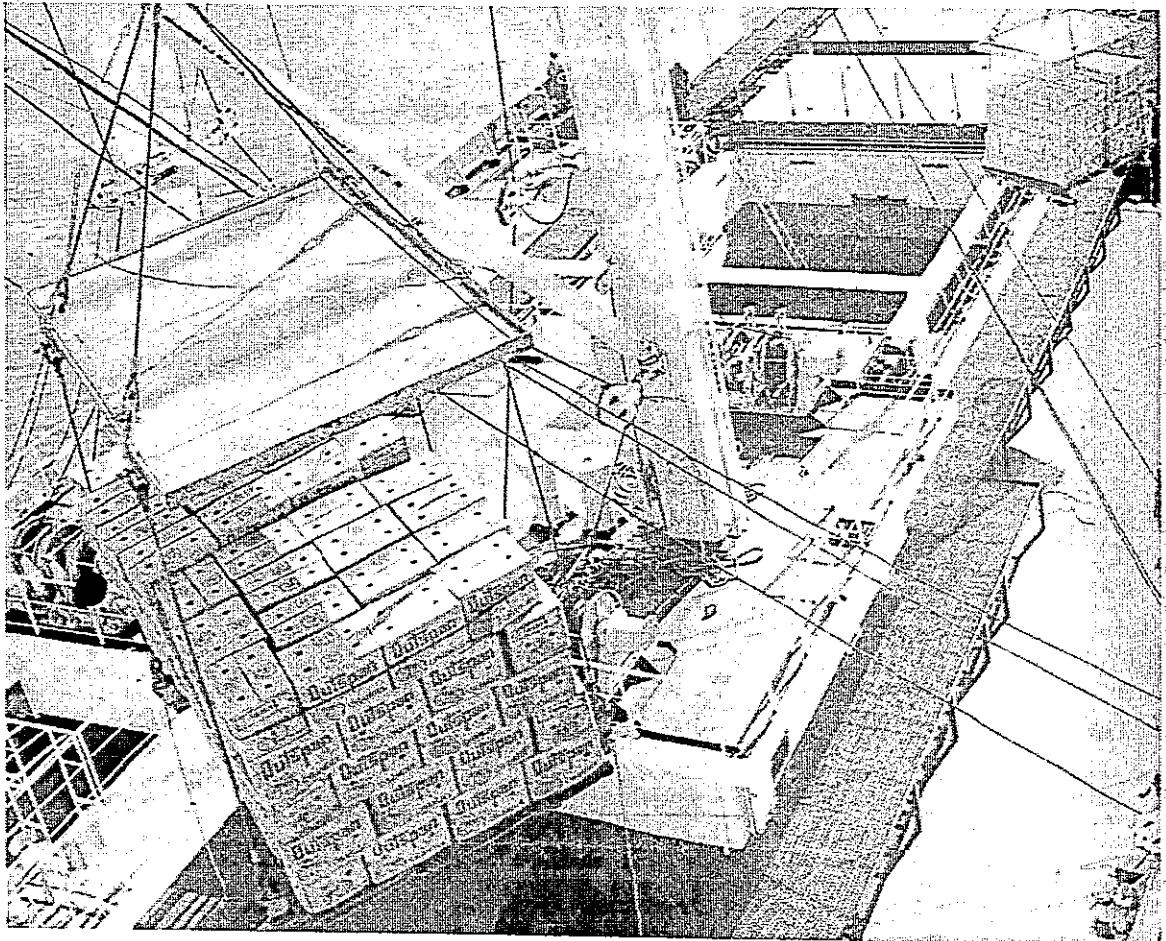
"This could be the industry's biggest challenge."

"There is no room for complacency."

"All our export markets are open and traders will not accept whatever we send them. They will seek out alternatives and once these sources of supply are established it will be difficult to ease them out."



Hundreds of thousands of cartons of citrus pass through the new pre-cooling sheds in Durban harbour



A refrigerated ship takes on a cargo of export citrus



Picture a world without Mondi.

In this the 60th successful year of the South African Citrus Exchange, Mondi is proud of its association with the Exchange for which it has been providing kraftliner and fluting for the construction of its packaging needs for many years.


Mondi

"Apart from the war, the citrus industry's most traumatic time was undoubtedly from 1960 to 1962. In reaction to the extraordinary high prices realised for export citrus in the years immediately after the Second World War, large numbers of trees were planted in Southern Africa in the 1950s.

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Marketing arrangements could not cope with the huge increase in the crop and there were disastrous financial results for growers. In 1960 many exporters had to pay in as proceeds from the crop did not even cover marketing costs.

Crop projections at that stage indicated that 1960 was only the start of huge increases in production. The projections were proved correct. By 1965 the exportable volume had increased to 16-million cartons. By 1972 the citrus industry had to dispose of an exportable 34-million cartons.

The industry realised that it had to make changes to market the increased volumes at economic returns for citrus growers. It appointed a firm of international marketing and management consultants to assist it.

It was decided to change the CE from a distribution organisation to an active marketer. The international marketing organisation, Outspan, was born. While the or-

"This could be the industry's biggest challenge.

"There is no room for complacency.

"All our export markets are open and traders will not accept whatever we send them. They will seek out alternatives and once these sources of supply are established it will be difficult to ease them out."

A refrigerated ship takes on a cargo of export citrus

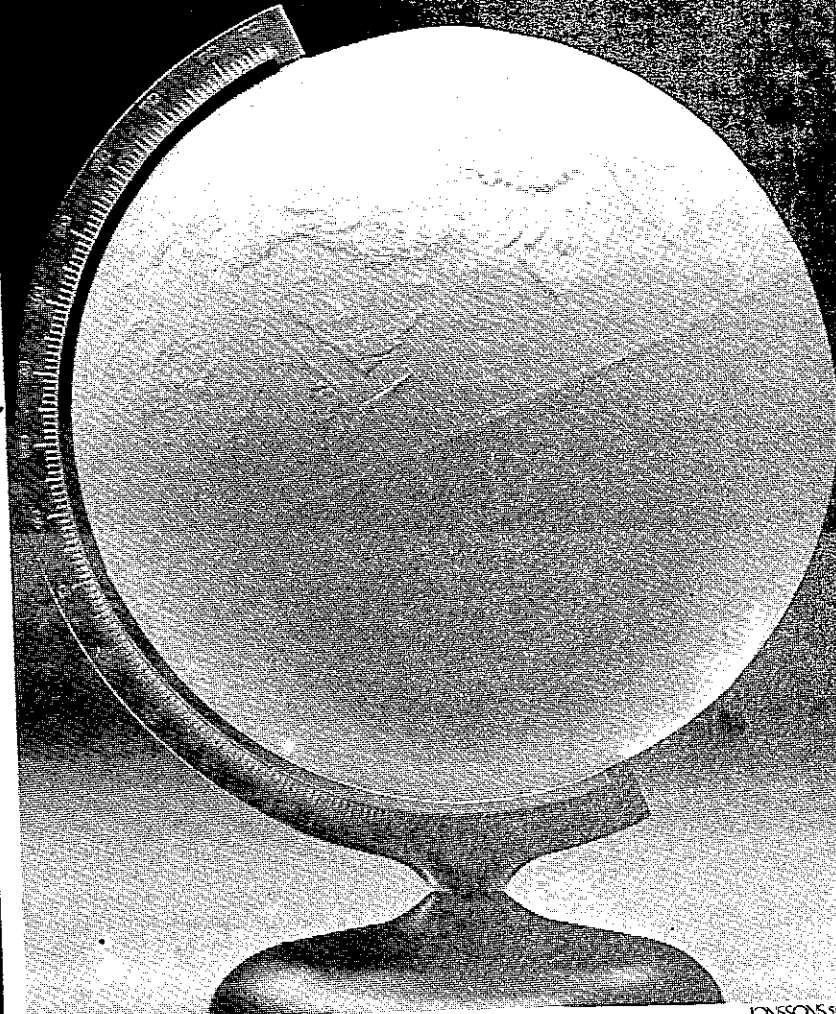


The long haul to the markets begins after picking. The fruit is graded on conveyor belts before being packed

Picture a world without Mondi.

In this the 60th successful year of the South African Citrus Exchange, Mondi is proud of its association with the Exchange for which it has been providing kraftliner and fluting for the construction of its packaging needs for many years.


Mondi
Paper Company
Limited



BUSINESS TIMES looks at the SA Citrus Exchange after 60 years

Long, stormy trek to a world market leader

THE SA Citrus Exchange is 60 years old. It began life as the Fruit Growers Exchange in the early 1900s.

The history of the citrus industry is long and stormy as A P Cartwright points out in his book "Outspan, Golden

Harvest". He says the first citrus was picked in South Africa 315 years ago when 1 200 trees were growing at the Cape.

This means SA was growing citrus at least 100 years before the industry leader California.

The Californian industry grew quickly — as did those

of Spain and Portugal, and these nations soon left SA behind. The development of SA's citrus industry has been slow, says Cartwright.

The development of refrigerated railway cars in California at the end of the 19th century spelt the beginning of growth for the international industry.

SA growers began looking at exports and in 1907, 3 000 cases were shipped abroad. But it took SA 20 years before it embraced the ideal technology — refrigeration — to solve its main problem: distance from the markets of Europe.

500 a season

In the past, the longest distance fruit could be "exported" was from Rustenburg to the diamond diggings at Kimberley.

Eventually, after strenuous lobbying by growers, the Government awarded extremely low railway and shipping tariffs: 15 shillings (R1,50) a ton from any railway station to any port in SA, and 25 shillings (R2,50) a cubic ton for sea transport. These low rates — even for the time — were the foundation stones of the industry.

Growers had at last realised that citrus trees are so prolific under cultivation that they are ideally suited to export. Indeed, the experts say one tree can produce more than 500 oranges in a season.

Exports increased and several co-operatives were formed. By 1920, however, the industry was still in chaos. Shipping space was limited and competition for it was fierce, the big estates pushing out the smaller growers. Cooling in the ships was suspect and marketing in Britain was sporadic because no SA representative was stationed there.

Variety

Identity also proved a problem. Under the label Sunkist, Californian fruit was sweeping the market. SA's fruit appeared under a variety of names — not all of them required for high quality.

Port delays and uncertainty about delivery times compounded growers' problems. The production of fruit, meanwhile, continued. Exporting became not only a good idea, but essential.

It became clear that a single co-ordinated marketing body for the citrus industry was needed to solve its problems.

The Government thought otherwise. Without explaining why, it told angry growers that a separate exchange for citrus was impossible and the Fruit Growers' Exchange (FGE) was set up.

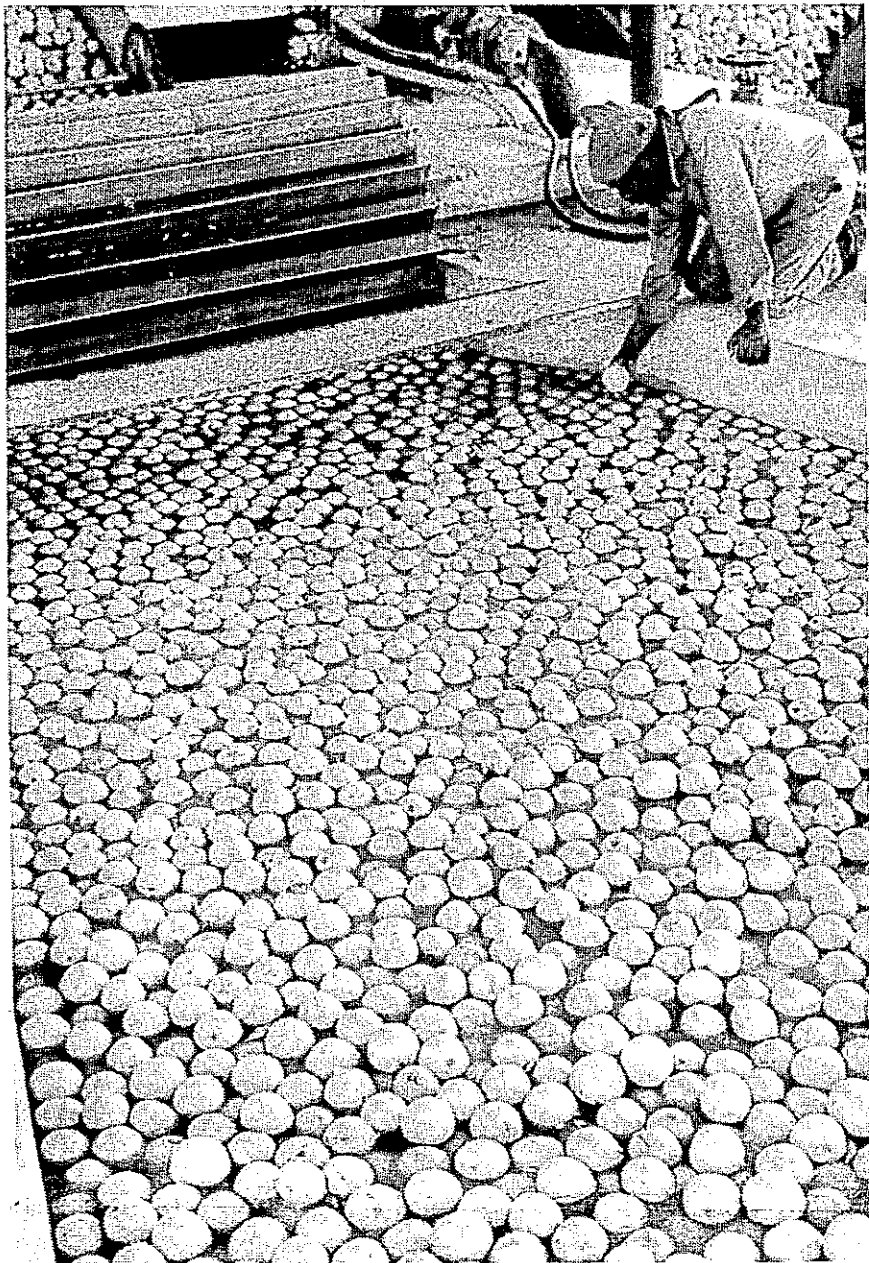
Frustration

Cartwright writes: "The layman today will find it hard to believe that debates on agricultural procedures could ever have generated as much heat and such prolonged arguments as... how export fruit should be handled."

As expected, the FGE did nothing to help citrus growers. Arguments between the growers, the Government, and the FGE continued. Five years after the FGE was formed, all the pent-up frustration and irritation that had accumulated came to head.

A committee was formed to investigate these complaints and on taking a vote a majority decision was reached to establish a separate Citrus Exchange. The year was 1926.

Since then the CE says it has more than proved its worth.



Oranges by the thousands are washed before being packed



Oranges by the thousands are washed before being packed

good idea, but essential. It became clear that a single co-ordinated marketing body for the citrus industry was needed to solve its problems.

The Government thought otherwise. Without explaining why, it told angry growers that a separate exchange for citrus was impossible and the Fruit Growers' Exchange (FGE) was set up.

Frustration

Cartwright writes: "The layman today will find it hard to believe that debates on agricultural procedures could ever have generated as much heat and such prolonged arguments as ... how export fruit should be handled."

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A committee was formed to investigate these complaints and on taking a vote, a majority decision was reached to establish a separate Citrus Exchange. The year was 1926.

Since then the CE says it has more than proved its worth.

Today, however, marketing Southern Africa's citrus calls for new approaches. The exchange's chiefs say they are getting ready for yet another tough fight.

60
CITRUS EXCHANGE



sappi kraft congratulates the

CITRUS EXCHANGE

on their 60th anniversary

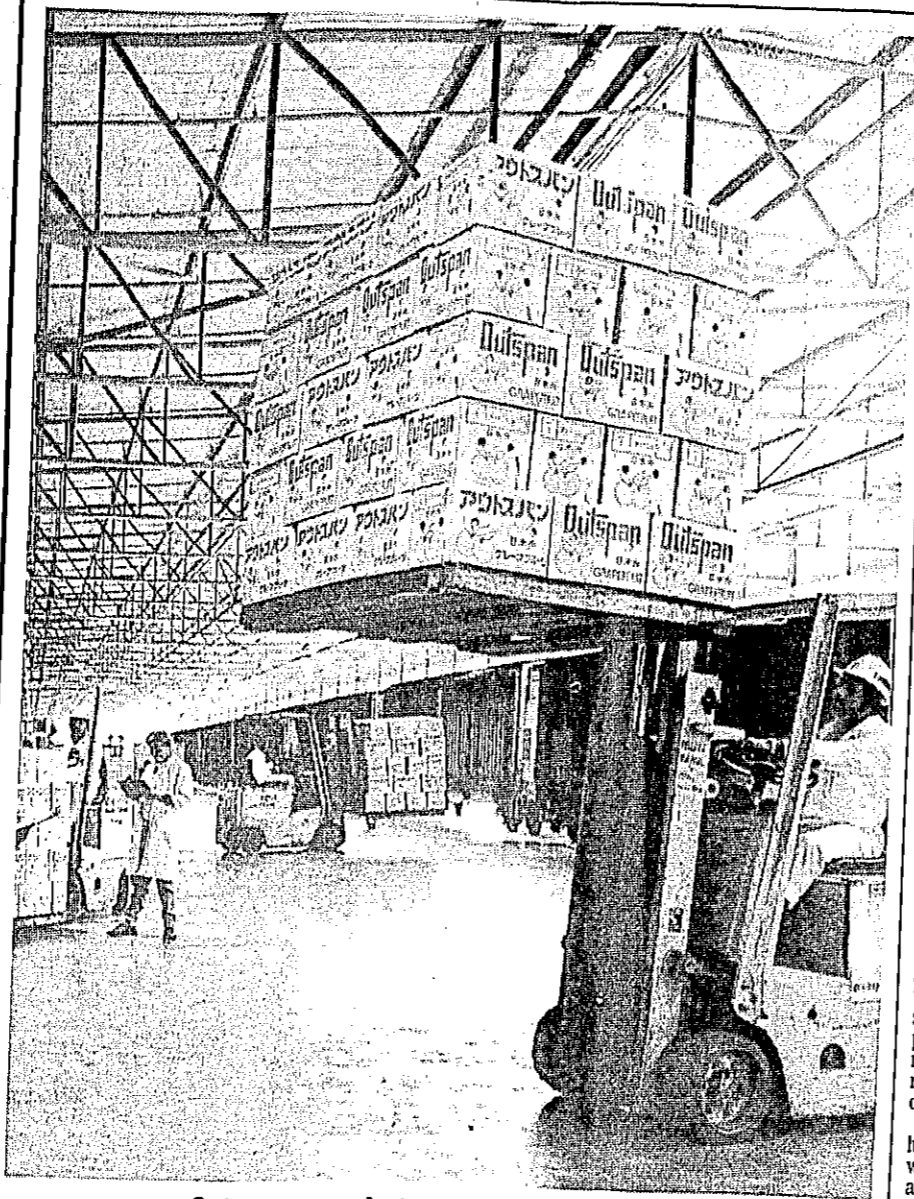
and looks forward to another

60 years of friendly association

BUSINESS TIMES surveys 60 years of the the SA Citrus Exchange

Growers riding high on the stricken rand

SUMMER FRUIT 7/9/86



Outspan grapefruit on the way to the Far East

IN 1985, for the second year running, the rand returns from Citrus Exchange sales in Europe and Canada reached a record high.

The overall sound average price for oranges exceeded R20 a carton for the first time at Rand Lond Equivalent (RLE) R20.28 — an increase of 30% on the equivalent price for 1984.

The exchange says grapefruit's sound average price was 55% up and the rand price of lemons doubled.

The high prices were achieved for larger volumes than in the previous year, and in spite of considerably increased competition in the second half of the season.

Severe frost

Outspan's success in Europe and Canada last year can largely be ascribed to:

- Spain experienced severe frosts in January, greatly reducing the availability of lemons and late oranges.
- Other northern hemisphere producers were unable to make up the deficit and prices rose to record levels for the winter season. This significantly assisted the start of Southern Africa's season.

- As in 1984, European fruit experienced a difficult season in 1985 because of poor weather through most of the spring and summer. Competition from this source, normally Southern Africa's most serious, was much reduced.

The major cause of the high rand returns, however, was undoubtedly the favourable exchange rate. The rand's low value in all Out-

span's markets continued almost uninterrupted throughout the season, boosting prices to an even greater extent than in 1984.

The favourable rand also made it easier for the Citrus Exchange to sell second-grade and smaller fruit.

Other markets

Largely for the same reasons, the exchange had a good season in what it terms "markets outside Europe".

The phrase seems to refer mainly to Japan, which has effectively banned imports of fruit from Southern Africa by withdrawing its health inspectors from South Africa.

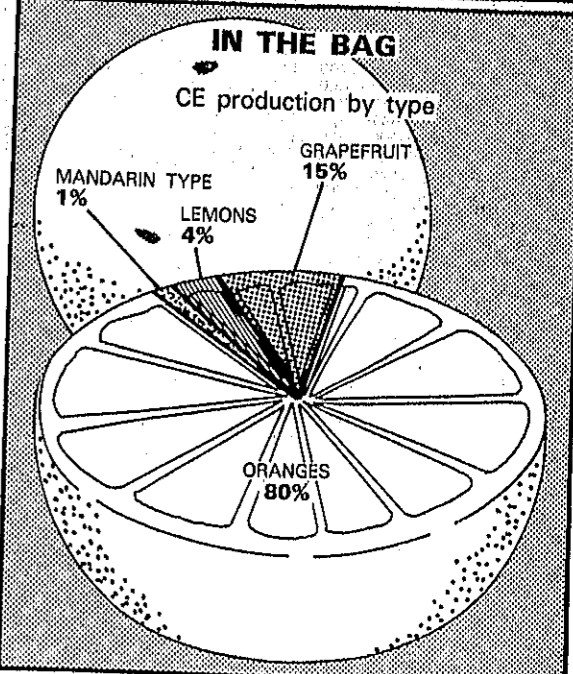
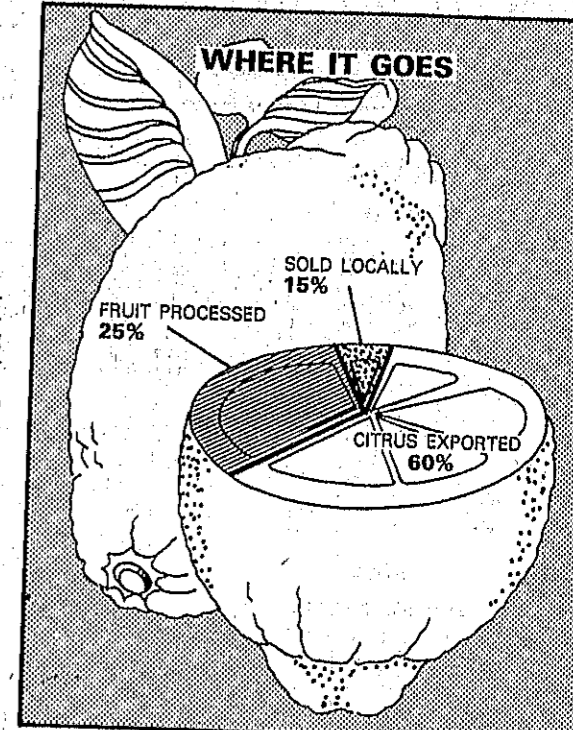
The loss will almost certainly be felt because the exchange only recently re-entered the Japanese market — at considerable cost — after withdrawing in 1983 and 1984. The withdrawal was caused by the scrapping of the Cape Town pre-cooling facilities.

The stringent sterilisation requirements of the Japanese are costly, but the favourable rand meant that the "1985 exports to Japan were financially satisfactory", says the exchange.

Moderate

The prospect of sanctions is being approached warily. Citrus Exchange chairman Lance Danckwertz says: "We should not permit our success in 1985 to obscure certain real problems facing us. The most immediate are the political attitudes in some of our markets towards South Africa.

"It is well known that South Africa and its problems have been highlighted in the media, particularly in



Europe and North America. Some Scandinavian countries have already imposed restrictions and there is much talk of sanctions and boycotts from others."

Of Outspan Girls and squeezin' ribaldry ...

B. J. Johnson & Co.
(Pty) Ltd.

Suppliers of Paper and Chemicals

PERHAPS more than any other agricultural body, the Citrus Exchange has good reason to indulge in some self-congratulation.

In its heyday, the CE's Outspan Girls in London were feted and appeared in the news throughout Britain.

Then there was that corny catch-phrase: "It's orange season — start your squeezing!" It occasioned a host of ribald remarks from gentlemen with more on their minds than fresh orange juice.

Over the years these tactics, though criticised by some marketers (and possibly by feminists) have had their effect. The exchange says its product is respected and in demand, sanctions and boycotts notwithstanding.

The sanctions issue does cloud the picture, but the weak rand has given sales a boost.

Research

The exchange's achievements are impressive.

Figures presented at the 60th annual meeting show that in spite of 1985 being a "bad year" in terms of total crop, it turned out to be a record year in terms of income.

Gross export earnings came to about R490-million. SA sales boosted the figure to R540-million, the first time in the exchange's history that R500-million had been reached.

The net amount paid to Southern Africa's growers for exports increased by 43% over the 1984 figure. Growers received R250-million in 1985 compared with R175-million the previous year.

In 1927 — the year after the exchange opened its office and employed its original staff of three — it handled a total export volume of 806 000 "boxes" (roughly the equivalent of 1,6-million 15kg cartons), all sent to the United Kingdom.

Today, under normal circumstances, the exchange exports about 28-million 15kg cartons to 32 different nations.

Research has always been a priority. The exchange says it has a high-quality research team with nothing but the best equipment at its disposal.

Ports

Large amounts of money have been lavished on the exchange's port handling facilities. It claims that its facilities at Maputo (modernised at a cost of R7-million), Port Elizabeth (R8,5-million) and Durban (R16,3m) are the most modern of their kind in the world.

Diversification is another cornerstone of the Exchange's success. It handles the majority of exports from most of Southern Africa, including Swaziland, Mozambique and Zimbabwe.

Not generally known is that its expertise in marketing citrus has been welcomed by northern hemisphere producers as well. The exchange markets the fruit of some of these producers.

Other products have been brought into the exchange's operations — avocados, mangoes and even northern hemisphere grapes.

Chairman Lance Dankwertz says: "In today's competitive marketing environment, survival, and more especially progress, depend on the ability to adapt quickly to changing circumstances."

"The exchange has shown that it has this capability."

1980
3 Fruit 1980

Union and fruit industry bosses differ on sanctions

Labour Reporter

WORRIED employers in the fruit industry have had talks with the Food and Allied Workers' Union about the effects of sanctions and how to minimise them.

But the discussions exposed a basic difference between employers and the union.

Spokesmen for the co-operatives — Ceres Fruit Growers, Kromrivier Apple and Elgin Fruit Packers — said the talks were "very positive".

Mr Jan Engelbrecht, general manager of Kromco, said up to 80 percent of the co-ops' income was derived from exports. He estimated that up to a million people in the region could be dependent on the fruit industry.

"We came to an understanding with the union about sanctions, but they were very hesitant to take a definite stand until they had been able to discuss the issue with their membership," he said.

The Fawu spokesman said if employees were laid off, workers would not hold responsible the people overseas who had pushed for sanctions as a pressure for change.

"They are going to hold employers and the Government responsible. If employers are concerned they should try to influence the Government to remove the basic reason for sanctions.

"Immediate measures must be to lift the state of emergency, release detainees and address South Africa's real problems," he said.

BLVD DAY

11/10/86

CHRIS CAIRNCROSS

THE Western Cape's 2 000 farmers, who channel their products through the Deciduous Fruit Board (DFB), are expecting a record payments figure this year.

Although the DFB is not prepared to release any statistics until it meets with members in two weeks time, preliminary estimates indicate that deciduous fruit sales, most of which are to export markets, have topped R600m for the first time. This is a significant earnings growth on last year's turnover of R474m.

Farmers can, consequently, again look forward to a substantial improvement in profits for the second year running. Last year payments to them jumped 35% to R237m.

The continued weakness of the rand

③ FRUIT

Western Cape farmers expect bumper profits

against the dollar was the main contributor to the boost in turnover. But there has also been a high demand for SA fruit on European markets.

The volume of exports during the 1985 season approached 26-million cartons. And, although this year's season is not over, similar volumes are expected to be reached.

REPUBLIC
OF
SOUTH AFRICA



REPUBLIEK
VAN
SUID-AFRIKA

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Vol. 256

PRETORIA, 17 OCTOBER 1986
OKTOBER 1986

No. 10488

GOVERNMENT NOTICES

DEPARTMENT OF AGRICULTURAL ECONOMICS AND MARKETING

No. R. 2155 17 October 1986

MARKETING ACT, 1968 (ACT 59 OF 1968)

CITRUS SCHEME—PROHIBITION OF THE SALE OF LEMONS—REVOCAATION

I, Jacob Johannes Greyling Wentzel, Minister of Agricultural Economics, hereby make known in terms of section 79 (b) of the Marketing Act, 1968 (Act 59 of 1968), that—

- (a) the Citrus Board referred to in section 6 of the Citrus Scheme published by Proclamation R. 2 of 1979, as amended, has under section 33 of the said Scheme revoked the prohibition published by Government Notice R. 329 of 21 February 1986;
- (b) the said revocation was approved by me and shall come into operation on 20 October 1986; and
- (c) Government Notice R. 329 of 21 February 1986 is repealed with effect from the said date of commencement.

J. J. G. WENTZEL,
Minister of Agricultural Economics and Marketing.

No. R. 2156 17 October 1986

MARKETING ACT, 1968 (ACT 59 OF 1968)

CITRUS SCHEME.—PROHIBITION OF THE SALE OF ORANGES—REVOCAATION

I, Jacob Johannes Greyling Wentzel, Minister of Agricultural Economics, hereby make known in terms of section 79 (b) of the Marketing Act, 1968 (Act 59 of 1968), that—

- (a) the Citrus Board referred to in section 6 of the Citrus Scheme published by Proclamation R. 2 of 1979, as amended, has under section 33 of the said Scheme revoked the prohibition published by Government Notice R. 664 of 11 April 1986;

100—A

GOEWERMENSKENNISGEWINGS

DEPARTEMENT VAN LANDBOU- EKONOMIE EN -BEMARKING

No. R. 2155 17 Oktober 1986

BEMARKINGSWET, 1968 (WET 59 VAN 1968)

SITRUSSKEMA—VERBOD OP DIE VERKOOP VAN SUURLEMOENE—OPHEFFING

Ek, Jacob Johannes Greyling Wentzel, Minister van Landbou-ekonomie, maak hiermee ingevolge artikel 79 (b) van die Bemarkingswet, 1968 (Wet 59 van 1968), bekend dat—

- (a) die Sitrusraad bedoel in artikel 6 van die Sitruskema gepubliseer by Proklamasie R. 2 van 1979, soos gewysig, kragtens artikel 33 van genoemde Skema die verbod gepubliseer by Goewermentskennisgewing R. 329 van 21 Februarie 1986; opgehef het;
- (b) bedoelde opheffing deur my goedgekeur is en op 20 Oktober 1986 in werking tree; en
- (c) Goewermentskennisgewing R. 329 van 21 Februarie 1986 met ingang van genoemde datum van inwerkingtreding herroep word.

J. J. G. WENTZEL,
Minister van Landbou-ekonomie en -bemaking.

No. R. 2156 17 Oktober 1986

BEMARKINGSWET, 1968 (WET 59 VAN 1968)

SITRUSSKEMA.—VERBOD OP VERKOOP VAN LEMOENE—OPHEFFING

Ek, Jacob Johannes Greyling Wentzel, Minister van Landbou-ekonomie, maak hiermee ingevolge artikel 79 (b) van die Bemarkingswet, 1968 (Wet 59 van 1968) bekend dat—

- (a) die Sitrusraad bedoel in artikel 6 van die Sitruskema gepubliseer by Proklamasie R. 2 van 1979, soos gewysig, kragtens artikel 33 van genoemde Skema die verbod gepubliseer by Goewermentskennisgewing R. 664 van 11 April 1986 opgehef het;

10488—1

Bumper fruit crop from Langkloof

By JENNY CULLUM

HOPES are high in the Langkloof for good apple, pear and peach crops this summer.

Last season's exports brought in R25 million from a production of 26 401 tons.

Recent good rains — the best for many years — have filled irrigation dams and soaked the orchards after a dry winter.

Apple trees are in blossom and the pear crop looks satisfactory.

Farmers, agricultural officers and technical research staff are all optimistic that the crop will be good, both in quantity and quality.

It may not exceed last year's crop in quantity, but special attention is being given this year to producing

● Turn to Page 3

(3) Fruit
W/F
18/10/86

High hopes for Langkloof fruit crop this summer

W/F
18/10/86

● From Page 1

(3) Fruit

larger fruit.

The biggest crop in the past three years was in 1983-84, when 37 450 tons brought in R16 million. This was followed by a drought year when production dropped to 24 483 tons, earning R14 million, according to the Deciduous Fruit Board.

Last year's increased earnings were boosted by the exchange rate.

Dr Olaff Bergh, assistant director of the Horticultural Division of the Fruit and Fruit Farmers' Technology Research Institute (FFTRI) at Stellenbosch, said that this year there were enough blossoms and sufficient irrigation water — the major variable — for a good crop.

Possible snags were insufficient pollination because of rainy weather and an increase in fungal diseases, but so far indications were good.

Tonnages might be lower than last year, but this could be a blessing in disguise, as fruit size had been below average recently.

Dr W A G Kotze, assistant director, soil science, of FFTRI, said that from the soil and irrigation angle, prospects were very good.

Mr Sam van der Merwe, extension officer for the Department of Agriculture at Joubertina, was also optimistic. There had been 60mm of rain in Joubertina so far this month and some areas had up to 100mm.

Mr Philip van Rensburg, chairman of the Langkloof Farmers' Union, said the rain had come at the best possible time.

● See Page 6

SCHEDULE

Definitions

1. In this Schedule "the Regulations" means the regulations published by Government Notice R. 602 of 30 March 1984 (as corrected by Government Notice R. 1578 of 27 July 1984), as amended by Government Notices R. 1244 of 7 June 1985, R. 598 of 27 March 1986 and R. 2110 of 3 October 1986.

Substitution of Table 2

2. The following Table is hereby substituted for Table 2 of the Regulations:

"TABLE 2
FEES FOR INSPECTIONS

Kind of product	Inspection fee
1	2
1. Frozen fruit and vegetables	18c per 100 kg or part thereof, in a consignment, with a minimum of 18c per inspection.
2. Dried fruit	45c per 100 kg or part thereof, in a consignment, with a minimum of 45c per inspection
3. Canned vegetables	15c per 100 kg of part thereof, in a consignment, with a minimum of 15c per inspection
4. Canned foodstuffs	15c per 100 kg or part thereof, in a consignment, with a minimum of 15c per inspection
5. Canned fruit	15c per 100 kg or part thereof, in a consignment, with a minimum of 15c per inspection
6. Canned mushrooms	15c per 100 kg of part thereof, in a consignment, with a minimum of 15c per inspection.
7. Cotton	R1,20 per bale or part thereof, in a consignment.

(3) FRUIT

No. R. 2217

24 October 1986

MARKETING ACT, 1968 (ACT 59 OF 1968)

DECIDUOUS FRUIT SCHEME.—NOTICES OF DELIVERIES—AMENDMENT

I, Jacob Johannes Greyling Wentzel, Minister of Agricultural Economics, hereby make known in terms of section 79 (c) of the Marketing Act, 1968 (Act 59 of 1968), that—

- the Deciduous Fruit Board referred to in section 6 of the Deciduous Fruit Scheme published by Proclamation R. 220 of 1979, as amended, has under section 46 of the said Scheme amended the Schedule to Government Notice R. 2533 of 8 November 1985 to the extent set out in the Schedule hereto; and
- the said amendment has been approved by me and shall come into operation on the date of publication hereof.

J. J. G. WENTZEL,

Minister of Agricultural Economics.

BYLAE

Woordomskrifings

1. In hierdie Bylae beteken "die Regulasies" die regulasies gepubliseer by Goewermentskennisgewing R. 602 van 30 Maart 1984 (soos verbeter by Goewermentskennisgewing R. 1578 van 27 Julie 1984), soos gewysig deur Goewermentskennisgewings R. 1244 van 7 Junie 1985, R. 598 van 27 Maart 1986 en R. 2110 van 3 Oktober 1986.

Vervanging van Tabel 2

2. Tabel 2 by die Regulasies word hierby deur die volgende Tabel vervang:

"TABEL 2
GELDE VIR INSPEKSIE

Soort produk	Inspeksiegeld
1	2
1. Bevrore vrugte en groente	18c per 100 kg of gedeelte daarvan, in 'n besending, met 'n minimum van 18c per inspeksie
2. Droëvrugte	45c per 100 kg of gedeelte daarvan, in 'n besending, met 'n minimum van 45c per inspeksie
3. Ingemaakte groente	15c per 100 kg of gedeelte daarvan, in 'n besending, met 'n minimum van 15c per inspeksie
4. Ingemaakte voedsel	15c per 100 kg of gedeelte daarvan, in 'n besending, met 'n minimum van 15c per inspeksie
5. Ingemaakte vrugte	15c per 100 kg of gedeelte daarvan, in 'n besending, met 'n minimum van 15c per inspeksie
6. Ingemaakte sampioene	15c per 100 kg of gedeelte daarvan, in 'n besending, met 'n minimum van 15c per inspeksie.
7. Katoen	R1,20 per baal of gedeelte daarvan, in 'n besending".

No. R. 2217

24 Oktober 1986

BEMARKINGSWET, 1968 (WET 59 VAN 1968)

SAGTEVRUGTESKEMA.—KENNISGEWINGS VAN LEWERINGS—WYSIGING

Ek, Jacob Johannes Greyling Wentzel, Minister van Landbou-ekonomie, maak hiermee ingevolge artikel 79 (c) van die Bemarkingswet, 1968 (Wet 59 van 1968), bekend dat—

- die Sagtevrugteraad bedoel in artikel 6 van die Sagtevrugteskema gepubliseer by Proklamasie R. 220 van 1979, soos gewysig, kragtens artikel 46 van genoemde Skema die Bylae by Goewermentskennisgewing R. 2533 van 8 November 1985 gewysig het in die mate in die Bylae hierby uiteengesit; en
- genoemde wysiging deur my goedgekeur is en op die datum van publikasie hiervan in werking tree.

J. J. G. WENTZEL,

Minister van Landbou-ekonomie.

SCHEDULE

The Schedule to Government Notice R. 2533 of 8 November 1985 is hereby amended by the substitution for the table therein of the following table:

BYLAE

Die Bylae by Goewermentskennisgewing R. 2533 van 8 November 1985 word hierby gewysig deur die tabel daarin deur die volgende tabel te vervang:

"TABLE/TABEL

**CLOSING DATES FOR NOTICES OF INTENDED DELIVERIES
SLUITINGSDATUMS VIR KENNISGEWINGS VAN VOORGENOME LEWERINGS**

Kind of deciduous fruit Soort sagtevrugte	Period during which deliveries are intended Tydperk waartydens lewerings beoog word	Closing dated for notices Sluitingsdatums vir kennisgewings
1	2	3
1. Apricots/Appelkose.....	21/10/1986—31/8/1987	17/10/1986
2. Apples/Appels.....	19/10/1986—31/8/1987	5/12/1986
3. Grapes/Druive.....	19/10/1986—31/8/1987	14/11/1986
4. Nectarines/Nektariens.....	19/10/1986—31/8/1987	17/10/1986
5. Pears/Pere.....	19/10/1986—31/8/1987	5/12/1986
6. Peaches/Perskes.....	19/10/1986—31/8/1987	17/10/1986
7. Plums/Pruime.....	19/10/1986—31/8/1987	17/10/1986."

No. R. 2231**24 October 1986**

WINE AND SPIRIT CONTROL ACT, 1970 (ACT 47 OF 1970)

PRICE AND PAYMENT ARRANGEMENTS WITH REGARD TO WINE: 1986/87.—PROPOSED AMENDMENT

I, Gert Jeremias Kotzé, Deputy Minister of Agricultural Economics, acting on behalf of the Minister of Agricultural Economics, under section 18 (1) (e) of the Wine and Spirit Control Act, 1970 (Act 47 of 1970), hereby make known that—

- (a) the Ko-operatiewe Wijnbouwers Vereniging van Zuid-Afrika, Beperkt has in terms of the said section submitted a statement to me in respect of the proposed amendment of clause 9 of the Schedule to Government Notice R. 1194 of 20 June 1986, in which the substitution for the said clause of the following clause is proposed:

"9. The interest which shall be added to any arrear payment of an amount (including interest) which is due in respect of wine—

- (a) purchased before or on 31 January 1986 shall be 18,0 per cent per annum, calculated on the total amount owing (including interest) from 1 October 1986 until the date of payment; and
- (b) of which payment should be made in the period referred to in clause 8, shall be 16,0 per cent per annum, calculated on the total amount owing (including interest) from the day following the date on which payment becomes due or 1 October 1986, whichever date shall be the latest, until the date of payment or until 31 January 1987, whichever date shall be the earlier."; and

- (b) all interested persons may lodge with the Director-general of Agricultural Economics and Marketing, Private Bag X250, Pretoria, 0001, in writing any objections which they may have to the percentage in the proposed amendment referred to in paragraph (a), within a period of 14 days from the date of the publication of this notice.

G. J. KOTZÉ,

Deputy Minister of Agricultural Economics.

No. R. 2231**24 Oktober 1986**

WET OP BEHEER OOR WYN EN SPIRITUS, 1970 (WET 47 VAN 1970)

PRYS- EN BETALINGSREËLINGS MET BETREKKING TOT WYN: 1986/87.—VOORGESTELDE WYSIGING

Ek, Gert Jeremias Kotzé, Adjunk-minister van Landbou-ekonomie, handelende namens die Minister van Landbou-ekonomie kragtens artikel 18 (1) (e) van die Wet op Beheer oor Wyn en Spiritus, 1970 (Wet 47 van 1970), maak hierby bekend dat—

- (a) die Ko-operatiewe Wijnbouwers Vereniging van Zuid-Afrika, Beperkt ingevolge genoemde artikel 'n staat aan my voorgelê het ten opsigte van die voorgenome wysiging van klousule 9 van die Bylae by Goewermentskennisgewing R. 1194 van 20 Junie 1986, waarin die vervanging van genoemde klousule deur die volgende klousule voorgestel word:

"9. Die rente wat gevoeg moet word by enige agterstallige betalings van 'n bedrag (insluitende rente) wat verskuldig is ten opsigte van wyn—

- (a) aangekoop voor of op 31 Januarie 1986 is 18,0 persent per jaar, bereken op die totale bedrag verskuldig (insluitende rente) vanaf 1 Oktober 1986 tot die datum waarop betaling geskied; en
- (b) waarvan die betaling binne die tydperk in klousule 8 bedoel, gemaak moet word, is 16,0 persent per jaar, bereken op die totale bedrag verskuldig (insluitende rente) vanaf die dag wat volg op die datum waarop die betaling aldus opeisbaar word of 1 Oktober 1986, welke datum ook die laaste is, tot die datum waarop die betaling geskied of tot 31 Januarie 1987, watter datum ook die vroegste is."; en

- (b) alle belanghebbendes wat besware teen die rentekoers in die voorgenome wysiging in paragraaf (a) vermeld het, kan hul besware binne 'n tydperk van 14 dae vanaf die datum van die publikasie hiervan skriftelik by die Direkteur Generaal van Landbou-ekonomie en -bemarking, Privaatsak X250, Pretoria, 0001, inlewer.

G. J. KOTZÉ,

Adjunk-minister van Landbou-ekonomie.

(3) Fruit W/E Post 28/11/86

Citrus crop expected to earn R500m

By JENNY CULLUM
SOUTH AFRICA'S 1986 citrus crop is expected to earn well over R500 million — and 1987 crop prospects are favourable so far.

Among developments planned for next year are:

- Increased emphasis on the "easy peelers" — exotic soft citrus fruits.
- More attention to the local market.
- Investigation of local packaging alternatives to the familiar "pockets" of oranges.

Sales of valencia oranges are still in full swing on overseas markets, with total export volume up 5% on the previous season, although the crop dropped by 3%.

Early season varieties of navels, lemons and grapefruit brought record export prices, with favourable exchange rates for the first half of 1986 and a buoyant overseas market.

However, overseas markets are heavily supplied with competitive citrus fruit from South America,

which has caused a price drop in valencias.

Export sales normally carry on till the end of November, when the market is taken over by Northern Hemisphere citrus.

The total crop topped R500 million for the first time last year and the Citrus Exchange is "cautiously optimistic" that the overall 1986 results will be satisfactory, in spite of the strong competition, says assistant general manager Mr Arend Venter.

The Eastern Cape's citrus areas — Sundays River, Gamtoos and Fort Beaufort — produce 15% of SA's crop.

Citrus is the third-biggest agricultural revenue earner for the Eastern Cape and is expected to double production in the next five years.

The packing season, which began with the opening of Port Elizabeth harbour's new R8,8-million pre-cooling facilities, has just ended.

By next year a new R2,8-million packhouse will re-

place the Sundays River Co-operative's old building.

Prospects for the coming season are encouraging, with good irrigation water supplies, heavy recent rains and blossom setting on the trees.

Special attention will be given to boosting the production of "easy peelers" — exotic soft citrus varieties of clementines, ellendales, satsumas and minneolas — which are very popular overseas.

These were first exported in 1980 and the volume has increased relatively slowly. Total production is about 500 000 cartons.

Mr Venter said that growth would be more rapid from now on.

The industry has decided to pay more attention to the local market and is investigating upgrading the image of citrus fruit.

Local packaging is being probed and tests are being carried on a variety of containers, including cartons and bulk bins.

Citrus seals good export year

THE citrus industry had a satisfactory year despite fierce competition from overseas markets during the second half of the season, Citrus Board assistant GM Arend Venter told *Business Day* yesterday.

The total crop was about 2% less than the 1985 crop, but the total volume exported was 5% up on last year.

Venter said during the first half of the overseas selling season, virtually all markets were extremely buoyant with resultant high prices.

200 1/2
③ Fruit 2/12/86
GERALD REILLY

The low value of the rand helped "However, as usual the buoyant market attracted increased supplies from South America. By the end of August we were facing severe competition in virtually all our markets. We were forced to reduce price levels very significantly to keep sales going."

Income levels were further strained by the relatively stronger rand from end August.

SAA in row over rotting fruit mountain

By ANN PALMER

A ROW has erupted between South African Airways and private freight hauliers over a huge stockpile of food destined for European markets.

It is in danger of rotting because of a lack of transport.

Private carriers have offered what they claim is a cost-cutting transport route.

But, they say, have been thwarted by the SAA monopoly which will not let them fly return from foreign destinations with full loads.

SAA insists, however, the problem is in hand: a crisis meeting this week with the Deciduous Fruit Board has resulted in extra flights being arranged.

One aircraft operator said farmers were not even delivering the perishable goods to Jan Smuts Airport because the fridges there were already filled to capacity with perishables, including mangoes and litchis.

At one stage 800 tons of fruit was stockpiled.

The irate charter operator, Mr Mervyn Sher, said he had been approached by farmers who had enjoyed a bumper fruit crop to help move their goods which had been in storage for as long as 10 days.

Markets

"The markets in Europe are crying out for our fruit," he said. "It's the time of year when they really need it."

"The farmers have their hands tied and are losing money with the fruit being held in storage."

"Trucks carrying the fruit have been turned away from the perishable cargo delivery centre at the airport."

He said that as an individual operator it was not viable to conduct north-bound charters to Europe without a full return load as well.

This would also help SAA as it had a three-month backlog of goods coming into the country.

However, he said he had been refused permission by the airline to land full aeroplanes at the airport.

"I have even offered them a percentage of the profits which I make on the inbound flights."

But an SAA spokesman said yesterday they had made a contingency plan themselves and all goods that were presently at the airport would be moved out shortly.

"We held a meeting with the Deciduous Fruit Board, agents and major exporters on Friday in which we agreed to charter two flights and put on nine specials to help ease the situation."

1964's 22/12/86

Farmers lose R1-m in freight dispute

Staff Reporter

WESTERN Cape and Namaqualand farmers have lost almost R1-million in gross income through a dispute with South African Airways leading to a huge stockpile of fruit scheduled for European markets, the Deciduous Fruit Board said today.

The board's chief executive, Mr Louis Kriel, said he feared a further R500 000 could be lost in the last three weeks of January unless a solution could be found.

About 40 percent of 300 tons of fruit scheduled for export in the two weeks before Christmas had not been lifted, he said.

SAA had indicated that five charter flights a week would be provided in the last two weeks, but only two materialised each week.

A South African Airways spokesman, Mr Francois Louw, said from Johannesburg, however, that there was "no backlog" after two extra charter flights were laid on at the weekend. Nine special flights would be laid on until the end of January.

He said SAA would release a statement on the dispute later today.

Mr Kriel said fruit issued by the board had been saved from rotting only by effective alternative marketing arrangements — some of the consignment SAA could not convey had been shipped or redistributed locally at reduced prices.

"The period from Christmas to New Year is one in which there is a complete market breakdown — nobody can get into the distributing channel from tomorrow."

He said that if the last three weeks of January, when export demand regained momentum, were a repetition of last year, similar losses would be incurred in that period.

Mr Kriel appealed to SAA to allow "greater flexibility" to private freight hauliers, who say they are thwarted by an SAA monopoly which refuses them the right to return from foreign destinations with full loads.

"Charter operators are not willing to carry in one direction only and demand double rates to make up the shortfall. The cost is prohibitive to us."

Off to the 24/12/86

Minister denies fruit pile-up

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3 fruit

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JOHANNESBURG. — The Minister of Transport, Mr Eli Louw, yesterday denied reports in the Sunday press that deciduous fruit exports were piling up at Jan Smuts Airport.

“As a result of inquiries and articles in the press concerning the accumulation and transportation of perishable products overseas, I visited the cooling facilities at Jan Smuts Airport,” Mr Louw said in a statement.

“At present there are no deciduous fruits under storage that cannot be transported immediately. The storage facilities offer much more capacity than is currently used and some of the stores are empty. Ten days ago, however, there was an accumulation.

“The reports of a ban on charter flights are not correct. SAA does not decide on such flights, and the Division of Civil Aviation, which does so, had not rejected any applications since 1 October 1986.”

Mr Louw said he had requested the Division of Civil Aviation and SAA to do everything in their power to prevent the accumulation of products. — Sapa

FIN MAIL
24/12/86 (3) FRUIT

BANANA SPLIT

The Banana Board (BB) has provided a fascinating glimpse of just how far official thinking in SA is still removed from the genuine spirit of free enterprise.

The board has issued a sombre warning to farmers not to sell poorer quality bananas to "smugglers," who exploit the "substantial market for single bananas" and sell them cheaply to black township dwellers. This practice is not "in the interests of the industry," says the BB.

Even police efforts to trap smugglers at roadblocks on the main routes from the eastern Transvaal have been circumvented. They're now taking to the back roads, and the BB spokesman grudgingly admits that the informal trade has compelled the board to reduce the official price of single bananas.

With a burgeoning black population as

the natural growth market for the industry, one would expect some praise for the enterprise of "illegal" black entrepreneurs who exploit the township demand for cheaper bananas. They are, after all, finding a market for farmers' produce that is more often than not left in the lands to rot. They are also providing an income for themselves and supporting families.

And surely cheaper bananas would mean an expanding market.

But the BB does not see it in this light.

"The Board is aware of the substantial market that can be developed for single bananas," says the board spokesman. "However, distributors cannot be expected to exploit and promote this market if they have to compete against low prices. The distributor loses money and falls into

debt with the board, and then he also loses interest in bananas and turns to other more profitable crops."

It is particularly surprising that the BB is more concerned about the financial plight of its distributors than to encourage enterprising blacks to expand and formalise the township market for low-quality bananas, thereby widening the marketing channel for their farmer-members' produce.

Where's the great spirit of free enterprise and the encouragement of inward industrialisation-related job creation in SA's Third World economic sector? Or do some officials still see SA as a wholly First World economy with some "illegal" and unacceptable Third World characteristics that must be eradicated at all costs?

AGRICULTURE - FRUIT

1987

FEB - ~~NOVEMBER~~ DECEMBER

D. Donpatel 25/2/83 (3 fruit) (204)

By
ROBIN LARSEN

EL harbour loses citrus exports

EAST LONDON — The Perishable Products Export Control Board (PPECB) announced yesterday that citrus shipped through East London had been re-routed through Durban and Port Elizabeth.

The chief executive of the board, Mr C. C. Meeker, said from Cape Town yesterday the volume of citrus exported through East London was too small to be an economic proposition.

"It's far cheaper and more beneficial to the

fruit-growing industry to utilise facilities at Durban and Port Elizabeth," he added.

Last year 3 157 tons of citrus was shipped from East London compared to 478 613 through Durban, and 52 616 through Port Elizabeth.

South African Transport Services system manager here, Mr A. J. Jonker, said he was sad that citrus would not be handled at the port, but added he felt the PPECB

had made the right decision.

"It's a loss to us, but it's beneficial to the fruit industry in the long run. The maintaining of pre-cooling facilities here is not justified by the amount of citrus exported through the port.

"There is also no possibility of fruit being re-routed from Durban and Port Elizabeth to East London — we're too far away from the production areas to be a cost-advantageous proposi-

tion," he added.

"When farmers in the Kat River Valley were still major citrus producers, East London provided a much-needed export outlet, but production in the valley has dropped substantially over the past few years and no longer warrants the maintenance of pre-cooling facilities in East London," Mr Jonker said.

During the mailship era, East London had fitted into the fruit export

network, but since the demise of the mailships and with the advent of the container it no longer had a role to play as far as citrus exports were concerned, he added.

East London handled Transvaal fruit during peak periods, but this had gradually been transferred to Durban since the inception of the container service four years ago.

"It's more cost-effective to load fruit

into containers in Johannesburg, put them on a fast train to Durban and export it there than to send it to East London," Mr Jonker added.

"I'm all in favour of bringing more traffic to the harbour here, but it must be beneficial in the national context and not an artificially created route. Therefore, I believe the PPECB has done the right thing," he added.

The chairman of the harbour advisory board,

Mr G. Orsmond, said he was "very sad about the move", but added there was little the harbour authorities could do.

"One can understand the PPECB's motive though. In the past during the mailship era it was a worthwhile proposition to export through East London, but that's not the case now and it's far cheaper to utilise Durban for citrus exports," Mr Orsmond said.

The pre-cooling shed here, by far the biggest

shed in the harbour will be converted into a warehouse.

"Hopefully, we'll attract other traffic which needs warehousing," Mr Orsmond added.

Citrus fruit exports have also been withdrawn from Cape Town which will now only handle deciduous fruit. Last year Cape Town shipped 732 976 tons of deciduous fruit compared to the 575 tons at Durban and 36 375 at Port Elizabeth.

Dam extension plans for fruit farms

Political Correspondent

IN a major boost to the Western Cape deciduous fruit industry, the government yesterday proposed R6,38 million in extensions to the waterworks for irrigation in the Groenland Irrigation District near Grabouw.

The scheme, which is expected to create 800 new job opportunities on farms as well as a "considerable number" of seasonal job opportunities, has an estimated construction time of 12 months.

The proposed extensions, outlined in a Department of Agriculture and Water Supply report tabled in Parliament yesterday, will entail increasing the capacity of Eikenhof Dam by 3,0 million cubic metres, raising the output of the pump system and upgrading and extending pipelines.

The report describes the extensions as "technically acceptable and economically justifiable" and recommends that they be improved in spite of "the doubts that may exist about South Africa's export market".

3 Fruit (circled) (circled)

ENTERPRISE

Everything peachy as DFB becomes top forex dealer

Finance Staff

THE Deciduous Fruit Board (DFB) has become one of the largest currency dealers in the country.

Using a computer terminal and satellite link, the DFB now has immediate and direct access to a whole network of terminals in the dealing rooms of major banks worldwide.

This enables it to earn better profits for farmers and the operation could possibly prevent a repeat of large currency losses which occurred in the past.

The board, which markets fruit worldwide, became involved in a direct electronic dealing operation, linking 98 countries last year.

It quickly concluded 449 deals to a total value of R2 900-million, says DFB currency controller, Mr Tinie von Weidts.

This figure is all the more remarkable because it exceeds the record gross earnings of R624-million the DFB achieved through the marketing of fruit in South Africa and overseas last year.

Analysts believe the organisation's primary role as fruit marketer and distributor has been overshadowed, with more attention being focussed towards managing exchange rates.

The DFB reports it has been notably successful in its efforts, with considerable benefits accruing to the country's deciduous fruit farmers.

Favourable exchange rates and the skillful handling of overseas earnings across currency borders gave producers a 37 percent boost in earnings to R347-million last year.

DIRECT SERVICE

This compensated for crop intakes being some 18 percent down on 1985.

The DFB has generally managed its currency deals, although it has to rely heavily on the banks to provide it with up-to-the-minute information on expected exchange rate movements.

This changed last year when the DFB became the first non-banking organisation in the country to link into Reuter's international direct dealing service.

196 43

24/12/87
Biday

Fruitful currency deals for DFB

CHRIS CAIRNCROSS

APART from marketing fruit worldwide, the Deciduous Fruit Board (DFB) has become one of the country's biggest international currency dealers — after the banks.

Last year, the first in which it became involved in a direct electronic dealing operation linking 98 countries, the DFB concluded 449 deals to a total value of R2,9bn, says DFB: currency controller Tinie von Weidts.

This figure is all the more remarkable in that it considerably exceeds the record

gross earnings of R624m the DFB achieved through the marketing of fruit here and on overseas markets during 1986.

It suggests the organisation's primary role as fruit marketer and distributor has switched emphasis, with more focus being directed towards manipulating ex-

(3) Fruit • To Page 2 →

DFB becomes currency dealer

change rates.

The DFB appears to have been particularly successful its efforts, with considerable benefits accruing to the country's deciduous fruit farmers.

Favourable exchange rates and the good handling of overseas earnings across currency "borders" gave producers a 37% boost in earnings to R347m last year.

This was despite crop intakes being some 18% lower than in 1985.

The DFB has generally always managed its currency deals, although having to rely heavily on the banks to provide it up-to-the-minute information on expect-

ed exchange rate movements.

This changed last year when the DFB became the first non-banking institution in the country to link into Reuters' international direct dealing service.

Via a computer terminal and satellite link, the DFB has direct and immediate access to a whole network of terminals in the dealing rooms of all major banks worldwide — a facility which it obviously has used most effectively over the past year.

← • From Page 1

Thorny problem set to be nourishing, popular delicacy

Humble prickly pear on its way as export crop



No longer just a thorny problem, the Eastern Cape's prickly pear is being looked at in light as a cultivated commercial crop with unlimited potential. Prickly pears (*Opuntia indica*) are a familiar sight for sale along the roadside, but new spineless cultivars are marketed at prices comparable to peaches and pears.

By JENNY CULLUM

THE Eastern Cape's humble — but hardy — prickly pear could become a multi-million-rand export earner as an exotic fruit as well as a source of low-cost nutrition at home.

Widespread research is concentrating on finding new varieties of prickly pears with high market potential, so dramatically reversing the image of the fruit, which has been regarded as a threat to the ecology to be eradicated by farmers.

Prickly pears are drought-tolerant and produce fruit crops after only two years.

Researchers believe that the results of their work open up possibilities for using arid areas where no other crops would grow.

Experimental spineless varieties, ranging in colour from light gold to orange, are finding favour with consumers and the price paid — about R512 a ton — puts the crop in the same class as mangoes and litchis.

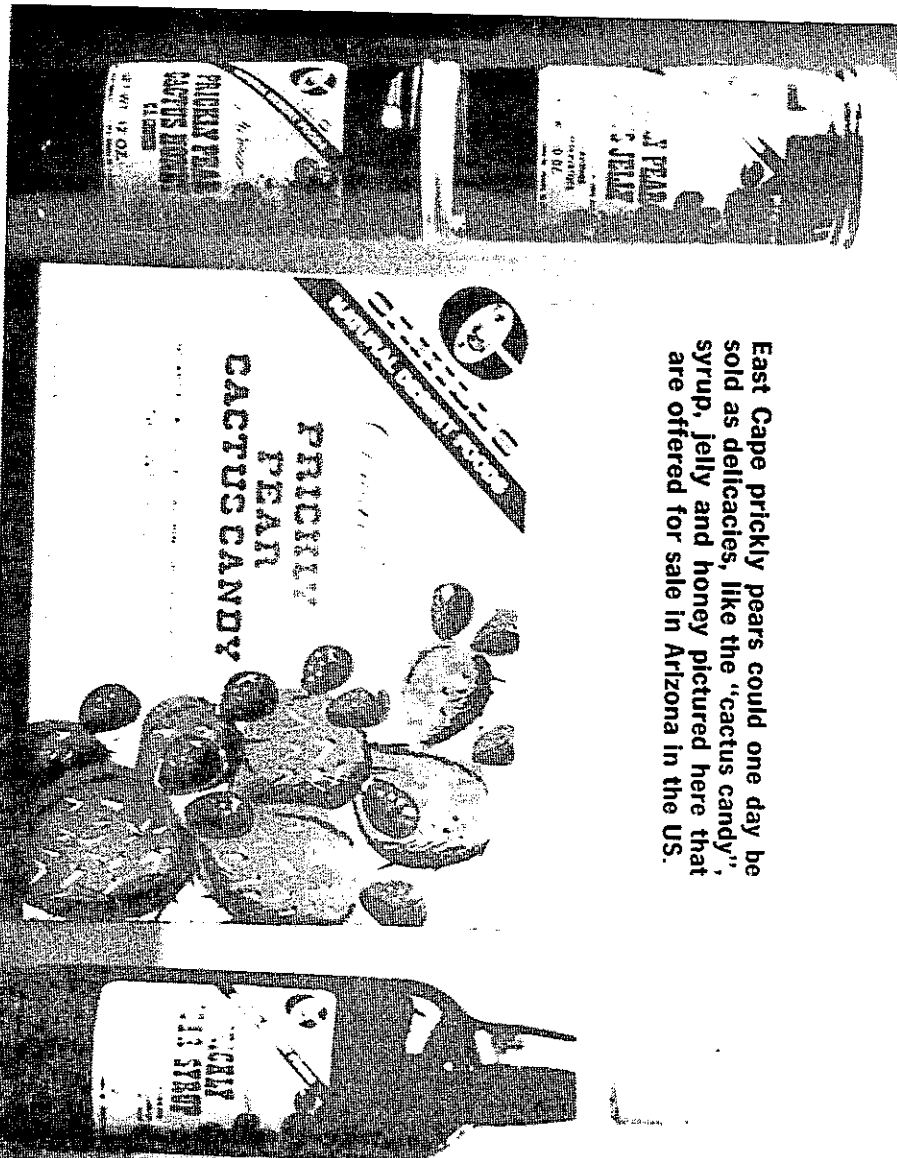
Prickly pears grow wild throughout the Eastern Cape, Karoo and Ciskei, but research is concentrated mainly on the spineless variety.

Spineless prickly pear leaves are already used for stock fodder and the wild fruit is traditionally a valuable addition to the diet of rural communities.

Now research is being intensified on new ways of exploiting the spineless prickly pear as a commercial crop fruit on a par with apples, pears and peaches, with the young "leaves" or pads becoming a tasty and nutritious vegetable rich in proteins and vitamins.

Juices, jams, and syrups are among other uses being investigated. One Karoo farmer has

East Cape prickly pears could one day be sold as delicacies, like the "cactus candy", syrup, jelly and honey pictured here that are offered for sale in Arizona in the US.



An experimental batch of newer cultivars, including the red Algerian, from Fort Hare, sold well at an East London supermarket in December.

The fruit sold at R2,80 for 25 boxed fruits or R1,40 a kilogram for loose fruit.

Prickly pears have been sold on 12 municipal markets throughout South Africa — but not in Port Elizabeth or Uitenhage, where the fruit is a common sight for sale along the roadside during the main three-month season in summer.

The prickly pear is being looked at in two main ways — as a source of cheap food for lower income groups and as a top-class cultivated fruit and vegetable

crop, worthy of gourmet dishes in restaurants.

The prickly pear (*Opuntia ficus-indica*) originated in Mexico.

Both jointed cactus and prickly pear, which belong to the same family, spread to such an extent that they were considered a dangerous infestation, particularly in the Karoo and the Eastern Cape, where 900 000 hectares were invaded.

Dr H G Zimmerman, of the PPRI in Uitenhage, said that two insect enemies, introduced in 1982 to control the spread, had reduced infestation by 75% and a natural equilibrium had been achieved. The prickly pear would not again become a menace.

Mr Brutsch said the position has been reversed so that today, experimental spineless prickly pear crops have to be sprayed to protect them against the insects introduced for control.

The prickly pear has a production potential of an average 20 to 30 tons per hectare under intensive cultivation and the low establishing costs of about R200 per hectare compare favourably with costs for example of table grapes and kiwi fruit of between R20 000 and R30 000 per hectare, according to the University of Pretoria.

In California, a special recipe book for the fruit and leaves has been published.

Four new fruit types developed at Stellenbosch

Staff Reporter

FOUR new fruit cultivars developed in South Africa and a fifth imported from the United States have been made available by the Fruit and Fruit Technology Research Institute at Stellenbosch.

The four, two peach cultivars, a nectarine cultivar and an apricot cultivar, have been developed at the FFTRI over 10 to 15 years to fill specific gaps in the market and eliminate some shortcomings in present cultivars.

The first plant material was handed over to Mr J L du Toit, chairman of the South African Pomological Organisation, by the Deputy Minister of Agriculture, Dr A I van Niekerk, at a function this week.

Canning, drying

According to Dr van Niekerk, all branches of the country's fruit industry would benefit from the new releases, suitable for canning, drying and fresh consumption.

The peaches are known as Don Elite and Desert Pearl, the nectarine as Donnarine and the apricot as Soldonné.

A new canning peach cultivar imported from the United States is called Catharina.

Dr van Niekerk said the main feature of the Soldonné apricot was its good drying characteristics which equalled those of the present favourite, Royal, but showed better production and was better equipped to handle lower temperatures.

It also provided a better fresh or canned product than the present cultivar Bulida which it was expected to replace.

The Donnarine was the first yellow flesh nectarine released from the local cultivation programme.

It was an improvement on most existing cultivars as far as cold storage, production, fruit size, ripening time and appearance was concerned.

Its only rival in cold storage, the Armking, was more susceptible to disease.

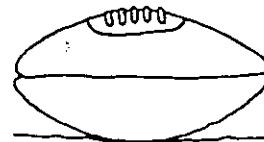
Without woolliness

Dr Van Niekerk said the Don Elite and the Desert Pearl were dessert peaches aimed at developing export cultivars with the required cold storage qualities of four weeks for export by sea without developing woolliness.

The Catharine was imported because of its good canning qualities, taste and texture.

It also flowered the latest of all local canning peaches and had great potential for areas with late frost.

According to Mr J F Kirsten, vice-chairman of the Deciduous Fruit Board, the new releases should be on the market in five to ten years.



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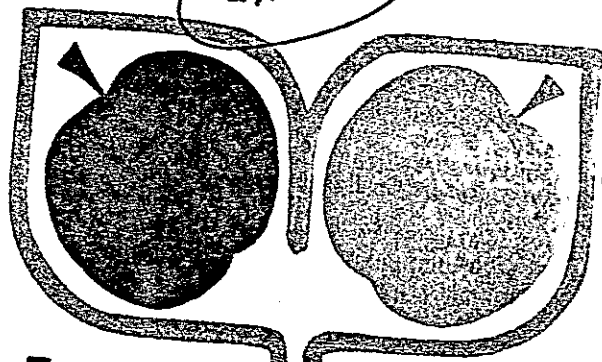
18-DAY BUS



Millions of apples for OK Bazaars

W/E 17/6/45
22/8/87

3 Fruit



two a day

Anthony Rawbone-Viljoen . . . pioneering spirit.



BUSINESSMAN OF THE WEEK

By ARNOLD KIRKBY

THIRD generation apple farmer from Elgin, Mr Anthony Rawbone-Viljoen, is putting the Two a Day (apple) Group's marketing strategy into a "floating basket".

The group, made up of 26 apple and pear growers from the Elgin-Grabouw-Vyeboom districts, is sponsoring John Martin and his newly named yacht Two a Day Voortrekker II in the Beachcomber Crossing between Mauritius and Durban next month.

The venture is new for the group and reminiscent of the pioneering spirit which dates back to 1899 when Mr Rawbone-Viljoen's great-grandfather planted the first apple orchard on the family farm Oak Valley in the Elgin district.

SPONSOR

When he heard that John Martin would not be able to compete in the Beachcomber after his previous sponsor pulled out, Mr Rawbone-Viljoen put it to his board that it was the ideal time to start a marketing drive both locally and over border operations.

Mr Rawbone-Viljoen matriculated at St Andrew's College in Grahamstown, majored in economics and business administration at Stellenbosch University and got his honours degree in economics at the University of Cape Town before joining a bank.

He joined the family farming venture in 1973 and three years later took over as managing director of the 1 820 hectare estate.

Subsequently he has been appointed vice chairman of the Two a Day group and chairman of Elpaco, one of two wholly owned subsidiaries belonging to the group.

The Two a Day group comprises the Elgin Fruit Packers Co-operative and subsidiaries, Elpaco — the local apple and pear marketing operation — and Elgin

Fruit Juices which makes apple juice concentrate.

The Two a Day brand was first marketed more than 25 years ago and brought export quality apples and pears to the local consumer, Mr Rawbone-Viljoen said while driving through the magnificent orchards at Oak Valley.

"We have invested close to R20-million to service our commitment to the local market including highly sophisticated controlled atmosphere storage in 1977.

"Its primary aim was to ensure continuity of supply for premier quality apples and pears on a year round basis.

"Our commitment, to the local consumer, which we embarked on more than a quarter of century ago is very significant.

"The basic motivation be-

hind the Two a Day Group is free enterprise. We believe in minimum control over our own affairs.

"In most of the years since introducing Two a Day to the local consumer, we could have exported that fruit on the overseas market for a far higher return.

PIONEERS

"It costs money to develop markets and Two a Day as pioneers in the local field was prepared to make that commitment for the long-term benefit of the consumer.

"The costs on new investments are extraordinarily high, but we have storage capacity for two million cartons a year.

"We have been supplying the OK Bazaars with export quality fruit for 16 years and this season we will sell our

five millionth carton to them. This equals half the annual export for South Africa."

On the home front, Oak Valley is a multi-faceted farming operation, with 220 hectares of land dedicated to apples, more than 80 hectares to pears, while 4 000 lambing ewes produce about 6 000 lambs for the meat market.

"Wool sales make up about 20 percent of our income from sheep and meat the rest," he said.

FLOWER

Today it costs between R35 000 and R40 000 to establish a new apple orchard. It is a seven year operation, said Mr Rawbone-Viljoen.

An ultra-sophisticated cut flower operation, under more than two hectares of glass house and another under shade cover, is the largest of its kind outside the Transvaal.

A wholesale section on the farm supplies flowers directly to outlets in Cape Town.

"Our main line is chrysanthemums, though we do grow carnations and a few other types of flowers," said Mr Rawbone-Viljoen.

The glass houses are multi-span structures and the first two were imported from Holland. The rest were constructed of mainly South African made material.

The farm is also a major shareholder in a Cape Town-based leather goods manufacturing concern, South African Reptile Trading Company.

Article 19/11/82 3/1/82

Thousands could lose their jobs

● From Page 13

farmer/investor, allowing for his control, is the continued growth-potential of the export market, as well as its profitability.

"If the he sees his investment threatened by sanctions and boycotts he will curtail expansion of his operation and divert resources into something else.

"The implications are simply that, with SA beginning to lose market-share overseas, this share will be happily snapped up by other southern hemisphere countries with aggressive expansionist policies, such as Chile, Argentina and New Zealand.

"The SA industry thus becomes less of a factor in our traditional markets — and the loss of market-share snowballs."

Williams said if a R600-million industry were to be lost to the Western Cape, the loss of jobs would affect hundreds of thousands of people.

● "An interesting point to consider," he added, "is that in a continent where famine and hunger are endemic and where related human suffering is reaching a scale incomprehensible to Western policymakers, a strategy is being adopted that could result in destruction of the ability of one of the only country on the continent to feed both itself and others."



Golden Delicious apples being sorted before being packed at an Elgin co-op.

Picture: Anne Laing

Unifruco to handle exports

Cape Times 23/9/87 (3 Fruit)

New marketing co-operative for deciduous fruit

By AUDREY D'ANGELO
Financial Editor

THE export of fruit from the Western Cape — one of SA's biggest foreign currency earners, bringing in millions of rands every year and providing jobs for 250 000 people — will in future be handled by a new growers' co-operative instead of by the Deciduous Fruit Board (DFB).

But there will be no falling-off in the efficiency which achieved a record pay-out of R347m to farmers last year.

The new marketing organization, Universal Frustrate Co-operative

(Unifruco), which will take over this function from the DFB on October 1, will employ most of the staff of the DFB in this country and overseas and take over its "Cape" trademark.

Louis Kriel, now GM of the DFB, will take over as CE of Unifruco and it will continue to occupy the board's present headquarters at Parc du Cap in Bellville.

The DFB will continue to exist, but only as a small secretariat controlling the quality of fruit.

A spokesman for the DFB said the privatization of the marketing organization would make "a vast difference because Unifruco will be free to do things which the board could not".

It could, for instance, offer marketing services for other products.

"If it does this, it will probably stick to other agricultural products which might enable it to use its infrastructure all-year round."

Unlike other agricultural boards, the DFB has never set prices and the farmers who supplied it were not subsidized by the State.

"The prices received for fruit were always determined by the market forces of supply and de-

mand," said the spokesman.

Louis Kriel said he and other members of the staff leaving the DFB to join Unifruco were "very excited about the new scheme of things" and would "continue to strive towards being cost-effective and even more efficient."

"We have set ourselves the objective of keeping our administration expenditure below 2.5% of the turnover so that the new organization will entail no additional cost at the expense of our producers."

Kriel said the setting up of Unifruco meant "there are now interesting options which were not previously possible and which considerably strengthen our ability to develop new markets."

A statement issued yesterday said Unifruco was expected to achieve gross export earnings of "several hundred million rands in 1988, which will put it among the world's five largest fruit marketing organizations."

Peter van Breda of Stellenbosch will act in a temporary capacity as chairman of Unifruco until a board of directors has been elected at a members' meeting later this year.



Atlantic

Street, Cape Town

40

which carries prize mon-

CAPE TOWN — The Deciduous Fruit Board (DFB) — probably one of the more efficient marketing co-operatives — is to be progressively dismantled with its main marketing functions privatised.

Fruit board to be privatised

3 FRUIT
5/day
23/9/87

The move, which is to lead to the creation of a new limited marketing company, Unifruco, will begin on October 1.

The new company will control overseas deciduous fruit sales which, in the past season, amounted to more than R630m. It is not unreasonable to expect that this development may eventually lead to this company finding its way onto the JSE, although there have been denials of any plans along those lines at this time.

The DFB will remain in existence in

CHRIS CAIRNCROSS

name only, with its main role being that of quality control.

The change over to a form of privatisation was initiated by deciduous fruit producers, who will now become shareholders in the new company.

The creation of Unifruco represents an innovative new approach within the agri-

● To Page 2



Private company to handle fruit marketing

cultural sector. It paves the way for the new company to look at diversifying into the marketing of other agricultural products — something it was prevented from doing by the old DFB arrangement. It may also serve as an example to be followed by other agricultural co-operatives and marketing boards.

DFB chairman Leo Fine yesterday described the change as an important and logical consequence of the process of privatisation and deregulation.

He stressed that certain regulations and disciplines — including uniform quality standards, handling regulations and prohibitions — would still be applied by the DFB.

The full implications are:

- All the remaining functions of the DFB concerning the domestic marketing of table grapes and stone fruit will be discontinued and will, in future, be carried out by means of a permit exemption to all producers who can market their fruit locally at will;

- 3 FRUIT ← ● From Page 1
- The overseas marketing of deciduous fruit will be transferred to Unifruco and other approved private organisations;
 - It is anticipated Unifruco will reach gross export earnings of "several hundred million rands" in 1988, placing it among the world's five largest fruit marketing organisations;
 - Unifruco will, where necessary, take over or lease the existing facilities and infrastructure of the DFB;
 - The majority of DFB staff will be transferred to Unifruco, with DFB GM Louis Kriel appointed as the company's CEO.

Kriel said yesterday Unifruco had set itself an objective of keeping administrative expenditure below 2,5% of turnover so that the new organisation would entail no additional cost to the producers.

General information meetings for producer members, describing the new structure, will be held between October 6-8.

ARGUS 29/7/87

TRADE

(3 Fruit)

Exports bonanza seen for Cape fruit farmers

By TOM HOOD, Business Editor

EXPORTS of about R700-million from the Western Cape's deciduous fruit farmers is forecast for this season, up R75-million or about 12 percent from R625-million last year.

Future business could be even better as a new private company takes over export marketing from the Deciduous Fruit Board and expands its services.

The company, Universal Fruit trade Co-operative Ltd (Unifruco), operates from October 1.

NEW VENTURES

The Western Cape has about 6 000 deciduous fruit growers — 1 500 of them export growers.

The changes could mean new business ventures such as financial and marketing services — the DFB has direct links with major banks throughout the world and handles R2-billion of financial transactions in a year, including R300-million of shipping contracts.

Unifruco will now be able to offer management and other services to other organisations and companies, especially exporters, at a fee.

This could make productive use of the months when fruit exporting slackens off and take on work at a fee from other organisations and companies.

"Business is seasonal — we employ people for 12 months and the season runs for nine months," says Mr Louis Kriel, who will become Unifruco's chief executive.

The new organisation's target is to keep administrative expenses below 2,5 percent of turnover — a figure far below that of the insurance giants, says Mr Kriel. In this way no additional costs will fall on fruit producers.

Unifruco could also capitalise on the DFB's pioneering of fruit packaging. It could start to sell Cape-designed and patented cardboard cartons to non-competing producers such as overseas tomato growers, for example.

The new company will take over the DFB's assets, infrastructure and 260 staff in South Africa and overseas as well as the board's Cape fruit trademark.

The company will be one of the country's top marketing businesses and one of the world's five largest fruit marketing organisations, says Mr Kriel. Its advertising budget tops R15-million.

Business has grown so much that the DFB now exports more in a week than Australia does in a whole season.

Main exports are apples, followed by grapes, pears, plums, peaches and apricots.

Mr Peter van Breda of Stellenbosch is acting as chairman until a board of 10 directors — one from each of the 10 geographical regions — is elected at a members' meeting later in the year.

QUALITY CONTROL

The top executives will be Mr Kriel and two general managers — Mr Wiltie Eaton, finance and administration, and Mr Denis Searson, marketing and operations.

The DFB's role will be reduced to one of quality control.

The rationalisation will also mean big changes in the domestic marketing of table grapes and stone fruit.

This will no longer be controlled by the DFB and producers will be free to market their fruit locally as they wish, as is done with apples and pears.

INDUSTRY

SA could free ¹⁹⁶⁴ _{5/11/87} ³⁷⁻¹⁰⁰ region of hunger, says PW

Political Correspondent
SOUTH Africa could bring the ideal of a hunger-free Southern Africa nearer reality with the help of its highly developed agricultural technology and marketing experience, President Botha said today.

He was speaking at a farmers' day at the Bien Donne experimental farm at Groot Drakenstein to celebrate the 50th anniversary of the Fruit and Fruit Technology Research Institute.

Mr Botha paid tribute to the Western Cape's multi-million fruit industry, saying the development of fruit exports into an industry earning hundreds of millions of rands was something to be proud of.

BIG EMPLOYER

Cape fruit was marketed around the world. More than two-thirds of the production was exported.

The industry was also one of the biggest employers in the Western Cape.

The well-being of about a million people depended on the industry and the many secondary industries it supported.

In spite of significant savings resulting from mechanisation, the industry was still fulfilling its social responsibility.

Blossom time

The citrus industry is beginning to shake off the effects of the past five years of drought. Evidence of this is the increased volume of 26m cartons exported in 1987, compared with 25m in 1986.

But while export volumes are up, the gross rand realisation is 15% below 1986. Citrus Exchange (CE) assistant GM Arend Venter says this was because of the combination of highly competitive overseas markets and the stronger rand.

"Heavy volumes of European-grown deciduous fruits and of South American citrus fruit helped push down prices. And on a weighted basis compared with 1986, the higher value of the rand relative to the various foreign currencies in which we sell reduced our gross rand realisation," he notes.

Despite these negative factors, the 14% higher export crop will still increase total 1987 gross revenue to an estimated R530m (1986: R525m). Citrus growers will nevertheless earn 3%-5% less than last year, because of the effects of the exchange rate, combined with higher costs.

While it is still too early to make reliable crop projections for 1988, the good early rains have significantly improved prospects in all major production areas, says Venter. "Blossoming has been exceptionally heavy and all areas have reported heavy fruit set," he adds.

Good rains and mild spring weather have created these favourable conditions, although January and February could still be crucial months for the final 1988 crop. But, Venter says, all irrigation areas at this stage have sufficient water to sustain the 1988 crop. No significant hail damage has been encountered so far, while pests seem to be under control everywhere.

"If this trend continues, it is fairly likely that the citrus industry may have a normal crop for export in 1988 — 28m to 30m cartons. But a lot could still happen between now and the start of our packing season in April."

While sanctions have obviously complicated sales in major markets, the CE operates in 32 countries and consequently lost sales have been made up elsewhere. ■

fruit

AM 25/12/87

3 Fruit

WEP

Export costs of fruit set to drop

JOHANNESBURG. — Deciduous fruit farmers have finally won an ongoing battle over airfreight that will bring down the cost of exporting perishables over the Christmas season.

Earlier this month, Minister of Transport Mr Eli Louw gave permission for charter agencies to arrange for aircraft flying out exports to bring in goods on their southbound routes, substantially reducing tariffs.

Mr Louis Kriel, of Unifruco co-op, said the high demand for perishables every December, when passenger transport was at a premium, had resulted previously in tons of fruit rotting because the charter costs had been prohibitive.

To cope with seasonal demand, deciduous fruit farmers tradi-

tionally fly out about 800 tons of fruit over this period, although the bulk is transported by sea.

SAA director of cargo services Mr Bennie Smit says scheduled services can cater for about 80% of perishable airfreight, with the balance run by charter.

The loss of the Helderberg off Mauritius last month also reduced SAA's carrying capacity during the peak perishable export season.

A major backlog of airfreight goods destined for South Africa from Europe and the US — which resulted in costly delays of up to two weeks in October and November — has now eased, say several airlines and freight companies.

Several major airlines chartered cargo planes several weeks ago to help ease the backlog.

The main reasons given for the backlog, apart from normal sea-

sonal increased demand for goods, were:

- Retailers being caught off guard by the increased consumer demand on the run-up to Christmas and airfreighting goods to short-circuit the long lead times entailed in shipping;

- The cancellation of landing rights for SAA in the US;

- Very low rates offered to exporters for South Africa-bound goods from the US, which caused a transit build-up in Europe of goods that would normally go by sea;

- The introduction of long-haul non-stop flights from Europe, resulting in less cargo tonnage to enable greater fuel loads; and

- Bad weather in Europe.

A spokesman for Lufthansa's cargo section said the cargo situation had now normalized to an average 70% of capacity.

1988

FRUIT - 1988

TIGER/LANGEBERG

(3) Fruit

Patience rewarded

Tiger's proposed deal with Langeberg Co-operative — SA's largest fruit and vegetable canning business — would be by far the biggest acquisition it has made since it sold its 29% interest in J Bibby to parent company Barlow Rand for about R164m cash. Since then the food group has remained highly liquid, and can easily afford the R80m cash outlay for a 50% stake in Langeberg Foods.

This is not the only significant acquisition Tiger has made during the period but the others were smaller. Major ones include Wainsteins (Tastic Rice), County Fair and MSD Pharmaceuticals, as well as the increase from 33% to 54% of the holding in wholesaler W G Brown Investments, the principal Spar and Savemor franchise holder in SA. Shareholdings were increased in other group companies, including Adcock-Ingram after Adcock bought the remaining 40% in Sabax from the US parent, and in Oceana, Swafish and Sea Products; and stakes were also topped up in a number of smaller, unlisted food companies.

However, Tiger has been generating enough cash to replenish funds absorbed by these deals. At the last year-end, borrowings totalling R282m were matched by R283m in

RM 29/4/88

cash and short-term investments. After the deal, says chairman Robbie Williams, the group would hold about R140m cash with slightly higher borrowings. It would, therefore, still leave gearing very low, and with shareholders' funds of well over R800m there would be large borrowing capability should any further opportunities arise.

But such deals do not come easily. "Tiger has been criticised in the past for sitting on its cash but we did not want to go out of our own field," says Williams. "Langeberg would be a major breakthrough for us. It extends our product range significantly by taking us into canned fruit and vegetable production, a sector where we are not represented. It doesn't include fresh produce, but that would be a commodity business which we are trying to move away from. Langeberg is a value-added operation which is right in our line."



Tiger's Williams ... extending the product range

The intention is that Tiger would hold 50% of a new public company, Langeberg Foods, which would acquire all the food and canning businesses of the co-operative. The remaining 50% would be split equally between the co-operative and members and employees of the co-operative. The members and certain employees are to be given the right to subscribe for these shares for R10m cash, with the issue underwritten by the co-operative. The R10m equity subscription, and the R80m to be paid by Tiger, will mean a total cash injection of R90m. A listing is planned by June 1992.

Funds would be used to recapitalise the currently over-g geared co-operative. This would eliminate an excessive interest bill and bring trading profits down to the bottom line. Figures are not yet disclosed, but Williams says the operational profits are "very good," as is reflected in the fact that they are

forecast to affect Tiger's group earnings in the 1989 financial year. Tiger's profit before tax was R239m in 1987.

Langeberg has 10 000 employees, processes 350m cans of fruit annually, has assets of R305m and turnover of R377m. It dominates in many of its markets, with shares of up to 70%, and is an exporter. "We are impressed with what we have seen of the way the company is run," says Williams. "The systems are good and the management has become marketing-orientated in recent years."

If all goes to plan, the needed 51% approval by Langeberg's 1 350 members should be attained by the end of May. What Tiger hopes to achieve by the deal is entry into a new business area with relatively high margins, rather than any short-term synergies with existing operations. Considerable rationalisation has already taken place in the formerly overtraded canning industry, including, for example, Langeberg's purchase in 1981 of Piccardi Cannery and the closure of Piccardi's operations except those at Paarl. There may be little room for more of this, but there should be scope for productivity and efficiency improvements after the capital injection.

Andrew McNulty

ALTRON

More depth

Altron — holding company of Fintech (see *FM* April 22), Powertech, which reported this week, and Altech (see separate article) — has come in with strong results, benefiting from the huge increases in profits in all three subsidiaries.

One of the major changes has been the Fintech investment, which opens new markets, and the improved performance by Powertech, which increased pre-tax profit by 31% last year on almost unchanged turnover.

Of total group sales, more than 35% goes directly to the public sector and Altron remains vulnerable to cuts in spending. "There will be deferrals," says executive chairman Bill Venter, who emphasises that technology developed by the group is opening new fields and that dependence upon the public sector should reduce.

An important factor in the development of the Ventron (Altron's pyramid) group into a multinational is its management structure. The group has long been considered a one-man band, but this seems to have changed rapidly in recent years. Two new CEs have been introduced in Richard Savage (Altech) and Marius Furst (Fintech). Savage is also deputy chairman and has helped to strengthen top management and introduce a younger group of senior executives. Both appear to have settled into the Altron culture, although there was considerable doubt expressed when they were appointed, and Venter appears happy not to be involved in the daily running of the organisation.

Venter now feels that the organisation can

ALTRON ADDS UP

Year to end February	1987	1988
Turnover (Rm)	1 244	1 565
Pre-tax profit (Rm)	142,7	193,4
Attributable earnings (Rm)	44,7	58,0
Earnings (c)	250,0	324,2
Dividends (c)	81	98

cope with a strong international expansion and deputy chairman Don Sneddon is concentrating on this area with deputy chairman Neill Davies lending a hand while overseeing group financial administration as well as Powertech.

Altron enters the 1989 year even more soundly financed than previously. Debt has fallen from R25m to R14m and debt:equity is 0,08, despite the investment in Fintech and the expenditure upon development technology. This, plus the normal growth expected from this group, added to the overseas interests still make this large group an exciting long-term investment — although the share hardly looks cheap on the current 22,7 times p:e ratio.

Pat Kenney

ALTECH

Looking abroad

After 25 years of annual compound growth in excess of 25%, Altech — the third major subsidiary of Altron — has continued its strong performance.

EPS climbed 25% to 761,6c in the year to end-February, but this was based upon a rise in turnover of only 10,5%. Executive chairman Bill Venter says turnover was adversely affected by the sale of STC office automation and business equipment companies to Fintech for a profit of R14,5m, while operating income was boosted by inclusion of overseas interests.

Margins also improved. Certain businesses which generated sales rather than profit were phased out, with a beneficial impact upon margins.

Altech not only sold some of its operations to Fintech, it also invested R112m (about R42 per share) in the company. Venter says the rationale was to ease Altron's financing burden, and to make the maintenance of control easier (Altron cannot issue too many shares as it is only 55,7% held by pyramid Ventron). The acquisitions will provide Altech with a higher growth rate by giving it an investment in a high-growth industry, and the interest should make Altech more enthusiastic about providing manufacturing facilities to Fintech, as planned.

Major developments during the year included the merger of STC Telecommunications division with Telecommunication Technologies, making the largest telecom business in SA; the opening of the microwave antennae facility in Germiston; the achievement of 94% local content of the PO digital telephone; expansion of manufacturing and distribution facilities; and continued development of export markets.

The group is emphasising exports. Venter

Koo, it's a milestone!

By TOM HOOD
Business Editor

A PARTNERSHIP between a co-operative owned largely by farmers and a public company with R1-billion of assets could show a way to help the country's cash-strapped agricultural industry.

While thousands of farmers are heavily in debt — especially in the summer rainfall areas — their co-operatives are struggling to find capital to diversify or finance various ventures.

Equity has declined while part of their assets is in debtors — “and you don't know what the quality of those debtors is”, says Dr Andre Louw, agricultural economist with Volkskas.

Problems

Some of the smaller co-ops had problems but the larger ones were mostly sound because they had diversified, he said.

Langeberg Co-operative — the country's largest — teamed up with Tiger Oats this week in a multi-million rand deal to form a joint public company and:

- Give an instant R80-million cash injection and put the co-op's capital on a sounder base.
- Provide a steadier income for farmers by paying regular dividends instead of irregular surpluses.
- Provide its 1 350 members with a capital growth on their investment.



The Bellville-based co-op, employing 10 000 people, is also the world's largest exporter of deciduous canned fruit, says managing director Mr Carel Stassen.

Langeberg handles 260 000 tons of fruit and vegetables annually, processes 350-million cans, operates 10 plants, runs 11 distribution depots. Assets amount to R305-million and annual net turnover is R377-million.

Its leading trademarks are Koo, All Gold, Hugo's and Silver Leaf.

Tiger's trademarks include Jungle Oats, Tastic rice, Fattis and Monis pasta, Sunshine margarine, Black Cat peanut butter, eggs and County Fair chickens.

The partnership came about when the Langeberg board went into a huddle to examine its problems, according to Mr Jan van den Berg, a director of Finansbank, which engineered the deal.

The shortage of capital came out as the key problem, he said.

“Currently less than 20 percent of turnover comprises the purchase of fruit and vegetables from farmers which means that the co-op has effectively become an industrial concern,” he said.

Injection

However Langeberg had not been financed as an industrial concern and needed a huge injection of capital.

“Finances have come under increasing pressure as a result of its steady growth and the effect of inflation. To restore our finances, we required a capital injection of at least R90-million.”

It was unreasonable for the co-op to look to its members or the Land Bank for funding of this magnitude, he added.

Finansbank came in with an “exciting and innovative” proposal to privatise the co-op's industrial operations and find a private sector partner with resources to take part in the development of these industrial interests.

Big risk

Current capital is only 17 percent of total or own funds and that represents a fairly big financial risk. All profits have to be ploughed back to expand the business and new investments like freezing of fruit.

The privatised company will be listed on the Johannesburg Stock Exchange before June 1992.

Shareholdings in the new company to be called Langeberg Foods Ltd — will be Tiger Oats 50 percent, the co-op 25 percent and members and employees of the co-op 25 percent.

The 50 percent collectively owned by the co-op and its members is represented by the assets of the food and canning business, enhanced by a subscription for new shares at a cost of R10-million. This represents a total investment of R80-million.

Convert

Tiger, a major company in the leading industrial group, Barlows, will invest R80-million in cash for its 50 percent stake in the new company which will then have a total capital of R160-million.

The listing will let Langeberg's 1 350 members effectively convert their co-op membership into what will become highly marketable shares in a public company.



The chairmen of the two companies, Tiger's Robbie Williams and Langeberg's Boet van Wyk, said this was probably the most exciting development in the agricultural arena for decades.

Mr van Wyk, who will become the chairman of the new company, said Tiger Oats Group with its strong position in food processing and distribution was an ideal business partner.

“In one strategic move we satisfy two objectives and assure the future of the local canning industry. First, we retain Langeberg as a traditional co-op, a focused co-ordinator of fruit and vegetable purchases from its members.

“Secondly the co-op and its members will supply this produce to a soundly capitalised, public company, which will control and manage our industrial interests and in

whose profits we will participate.”

Over the years, the industrial interests of Langeberg became an increasingly large and capital hungry part of the co-op, said Mr Stassen.

The new company would not change its present policy of preferentially obtaining its raw materials from the co-op and its members at competitive market-related prices.

These prices will continue to be negotiated and agreed, on an arms-length basis.

From its 1989 financial year, Langeberg Foods will declare an annual cash dividend of at least 25 percent of its distributable profit.

Co-op tradition was for members to be paid an annual bonus if the co-op has adequate resources to fund a payout.

Poor seasons

But with poor seasons and the increasingly heavy capital demands being made on co-ops, few have paid meaningful bonuses in recent years. Profits were ploughed back to rebuilding reserves.

If Langeberg remained as presently structured, it could not consider any dividends for the foreseeable future, according to Mr van Wyk.

While Tiger's R80-million investment would have no material effect on earnings or net asset value in this financial year, Mr Williams expects long-term benefits from the partnership.

Transaction

The transaction as proposed by Finansbank requires the approval of the majority of co-op members. Should any co-op members wish to sell their shares in Langeberg Foods within three months of the implementation date, the co-op will purchase those shares at “a favourable price.”

Mr Jan van den Berg, a director of Finansbank team, said: “We believe this transaction will prove to be a milestone for South Africa.”

Fruit farmers expect income boost to follow new co-op deal

AR 645 25/4/88

3 Fruit

By TOM HOOD
Business Editor

FRUIT farmers in the Western Cape can expect a big increase in income as a result of a multi-million rand cash injection into the fruit canning industry.

They will also receive regular dividends instead of facing a bleak future where payouts were unlikely for several years.

The 1 350 farmers, members of the Langeberg Co-operative, the country's largest fruit canning company, will get a bonanza from swapping their co-op shares for shares in a new R160-million company, Langeberg Foods, which will be listed on the Johannesburg Stock Exchange.

They will also be offered R10-m of shares in the new company.

The co-operative employs about 10 000 people, handles 260 000 tons of fruit and vegetables a year and processes 350-million cans out of 10 factories.

It has assets of R305-m and had a turnover of R377-m last year. At present it is the world's biggest exporter of canned deciduous fruit.

INJECT

Leading trademarks are Koo, All Gold, Hugo's and Silver Leaf.

Langeberg is teaming up with the Barlow group's food giant Tiger Oats to form the new company which will hold the industrial interests of the co-op.

Tiger will inject R80-m into the company and Langeberg will inject another R80-m, including the R10-m to be raised by issuing shares to its members.

The new company will be 50 percent owned by Tiger, 25 percent by Langeberg and 25 percent by members and employees.

Langeberg's chairman, Mr Boet van Wyk, who will become the new company's chairman, said: "The Tiger Oats group, with its strong position in food processing and distribution, is an ideal business partner for us."

From its 1989 financial year, Langeberg Foods will declare an annual cash dividend of at least 25 percent of its distributable profit, said Mr van Wyk.

Co-op members are traditionally paid an annual bonus if the co-op has adequate resources, but with poor seasons and the increasingly heavy capital demands being made on co-ops, few have paid significant bonuses in recent years.

Profits have tended to be committed to rebuilding reserves. In the case of the Langeberg Co-op, Mr van Wyk says the new deal changes the situation, making dividends possible. Otherwise Langeberg could not consider dividends for the foreseeable future.

The new company will not change its present policy of preferentially obtaining its raw materials from the co-op and from its members at competitive market-related prices, he added.

The new company is to be listed on the stock exchange by June 1992, merchant bank Finansbank announced today.

Mr Carel Stassen, who will remain managing director of Langeberg Foods, said the co-op's finances have come under increasing pressure as a result of its steady growth and the effect of inflation.

Storm uproots ^{fruit} 700 lemon trees ^{(3) fruit}

Star 2/2/88

By Clyde Johnson
Lowveld Bureau

NELSPRUIT — A violent storm uprooted 700 lemon trees and extensively damaged another 536 — all laden with fruit — at Tekwane Estates, South Africa's largest lemon producers, at the weekend.

The storm, accompanied by hail, wind and rain also left people homeless when it ripped roofs from buildings and broke scores of window panes.

A large tobacco crop, ready for reaping, was destroyed by the freak storm which lasted about 15 minutes.

The storm started shortly after 3.30 pm on Sunday when a powerful wind, accompanied by hail, swept through the farm destroying everything in its path, according to Tekwane Estates manager, Mr Brian Sproule.

"At the height of the storm corrugated iron sheets were being blown around like dry leaves," Mr Sproule said.

At Tekwane's Magogeni staff village considerable damage was caused to a new hostel and dining-room complex when two wood and iron sheds were lifted from their concrete slabs.

Nobody was injured during the storm.

At nearby Tekwane, scores of people were left homeless when the storm swept through the Ka Nyamazane and Pienaar townships.

Many stranded inhabitants spent Sunday night with friends.

Machadodorp also reported extensive damage after a storm swept through the village shortly before 6 pm on Sunday.

The storm, accompanied by large hailstones, uprooted trees, broke windows and lifted roofs.

The Lowveld storm was preceded by blistering weather on Saturday and Sunday with some areas reporting temperatures upto 40 deg C.

SA seeks a bigger slice for food

By Ruth Golembo

FOOD manufacturers and scientists are getting together to devise products for export.

At a two-day symposium to be held at the Indaba conference centre in Sandton, producers, suppliers and academics will put their heads together for new ways to make more money from SA foods.

The symposium is presented annually by the food science department of Stellenbosch University. Delegates will look at strategies for taking more SA food to lucrative foreign markets.

They will also look at ways to market produce in SA.

Gerard van Noort, head of food science at Stellenbosch University and the man behind the symposium, says sanctions have made it important to review food production and supply strategies.

Opportunities

Professor van Noort says SA can gain a bigger slice of the international food market by providing more value added products instead raw materials.

"The food industry is the largest manufacturing sector in the South African economy.

"There are opportunities for expanding the industry. We must find a more innovative approach to food production and this is where scientists can help.

"If we look to export more tinned food, jam and fruit juice instead of fresh fruit we can provide more jobs and increase foreign earnings.

"South Africa can pride itself on bringing innovative ideas like liquid packaging for fruit juice and sorghum beer to foreign markets.

"We need new products to increase our exports and to make SA consumers buy more."

Legislation

Speakers at the symposium, to be held on March 21 and 22, will include Marius de Waal, chairman of the Industrial Development Corporation; Wim Holtes, chief executive of Safto; Piet Steyn, director of food science and technology at the CSIR; Nick Diemont, group managing director of Anglo American Farms; and Arnold van Hecke, director of Food International in Belgium.

Mr van Hecke, the only foreign speaker, will address the symposium on international food legislation and on how to get new food products to market without falling foul of the law.

SAA is giving us a rotten deal, say the fruit exporters

Fruit exporters are calling for an "open skies" policy to allow freight agents to arrange their own charter flights to place extra South African fresh produce on European markets during the free-spending Christmas season.

South African Airways, which has sole traffic rights in and out of South Africa, is unable to meet transport commitments and 200 tons of prime produce around the country is rapidly becoming unexportable.

Overseas fruit sales earn R200 million a year in much-needed foreign exchange, and exporters are concerned that a hard-earned reputation for reliability and quality will be lost. "It's become a perennial

By DAN SIDE
The local fruit industry struggles to get its product to overseas markets because SAA has limited cargo space, and fruit exporters are not allowed to arrange their own charter flights.

Speer 15/12/88
3 Fruit
Satecor have called for changes to the antiquated Air Services Act of 1949 to allow freight consultants to freely arrange their own charters.

Normally, they say, available space on scheduled passenger flights is sufficient to get goods such as choice fruits, cut flowers and lobster tails to European markets, although this space is rapidly being reduced as airlines increasingly cater to passengers with non-stop flights.

"Non-stop flights mean airlines sacrifice cargo space for extra fuel," says Mr John Diviani, chief executive of Perishable Cargo Agents, who also serves as spokesman for the other two major companies. Another complaint against

parastatal SAA, currently under governmental pressure to become more profitable prior to privatisation, is that it will not arrange northbound charters of perishables unless there is reason to bring in a southbound consignment, which usually consists of higher-paying goods such as electronic equipment.

RATES KEPT HIGH

Mr Pat Corbin, who represents a cargo airline operating DC8s and has been a member of several commissions, says it is no secret that southbound rates are deliberately kept higher by SAA. Short capacity ensures higher rates. "Southbound rates cover the costs of round trips," he says.

Mr Kriel says he does not blame SAA for being profit-minded. "But at the same time they are being shortsighted as far as the rest of the country is concerned.

"Their passenger service is in good shape, and I can't understand the current tendency to be greedy."

"The freight agents must do the chartering. I don't think that would harm the IATA Carriers at all."

DELAYED HARVEST

Mr Kriel says that 75 percent of the produce exported during the Christmas period is from the Cape and it has to be sent to Jan Smuts Airport before being forwarded to its European destinations.

"An open-sky policy would mean that it would be possible to ship directly from DF Malan Airport; not taking up valuable space on domestic Airbus; not keeping delicate fruit standing on steamy-hot tarmacs; and eliminating some handling costs."

Mr Diviani says SAA has been offered northbound charters, but has lost the opportunity because it takes too long to come to a decision. The unseasonal weather has delayed harvest of many agricultural products and made some innovation necessary, he adds.

He says freight agents should be given the opportunity of arranging southbound flights.

The 1 000-ton air charter limit for the current season is insufficient as export markets could take that amount each in melons and deciduous fruit, with tons of litchis, mangoes, sweetcorn and asparagus in reserve, says Mr Diviani.

Mr Corbin says legislation changing the Air Service Act could probably not be passed until 1990.

"In the meantime," he says, "SAA should split freight away from passenger service, like

the Australians did with good success.

Mr Urs Jucker, of flower exporters Bergflora in Cape Town, says: "SAA gives passengers the first priority, then general cargo, flowers and fruits and vegetables. They are trying to cut expenses to make it profitable.

"On the other hand, we're told to start exporting because of the need for foreign currency. Yet we can't get our products out to market. SAA, invited to comment, did not do so by the time of going to press.



A freight company employee checks export fruit, delayed at Jan Smuts Airport, for possible damage. Behind him are boxes of fruit picked last Thursday which, because of lack of air cargo space, only reached their European customers today.

3 Fruit

15/12/88

Orchards threatened as seven fires rage on

APR 5
30/12/88

By HENRY DU PLESSIS
Staff Reporter

AT least seven fires are still raging on Western Cape mountain ranges.

Mr Rudolf Andrag, regional director of forestry for the Department of Environment Affairs, said a fire above Riversdale was extinguished by rain in the area.

The fires were started by lightning on Tuesday and Wednesday.

Mr Andrag said that one of two fires in the Cedarberg

range was under control but the other, south of the Algeria forest station, was still unchecked.

Three fires in the area of Tulbagh and Wolseley were still threatening orchards and plantations, but not farmhouses.

VELD BURNT

Fires were still burning above Franschoek.

Tulbagh orchards were damaged when fire swept the Roozandt mountains above Winterhoek, burning about 500 hectares of veld.

Apple, peach and plum orchards on three farms were damaged with two farms in the Winterhoek area bearing the brunt.

The fire started about midday on Wednesday on Panorama Farm and spread rapidly, fanned by a strong wind, said Mr Koos Theron of Erfdeel Farm.

Mr Theron said the fire was chased up the mountain by the wind at one stage, but the wind changed direction and the flames came racing down to the edge of his plum and peach orchards.

The first rows of trees closest to the fire were badly burnt and the next three to four rows were scorched.

PRUNED

The plum trees were young and ready to deliver their first full crop when the fire reached them.

Mr Theron believed, however, that if he pruned them well in the autumn they might recover.

According to a neighbour, a flare-up in the middle of one of the Winterhoek orchards spread both ways because of the fluky wind.

The fire on Winterhoek also swept through a pine forest and, fuelled by the dry needles on the ground, severely scorched the trees.

The pine forest was still in danger late yesterday.

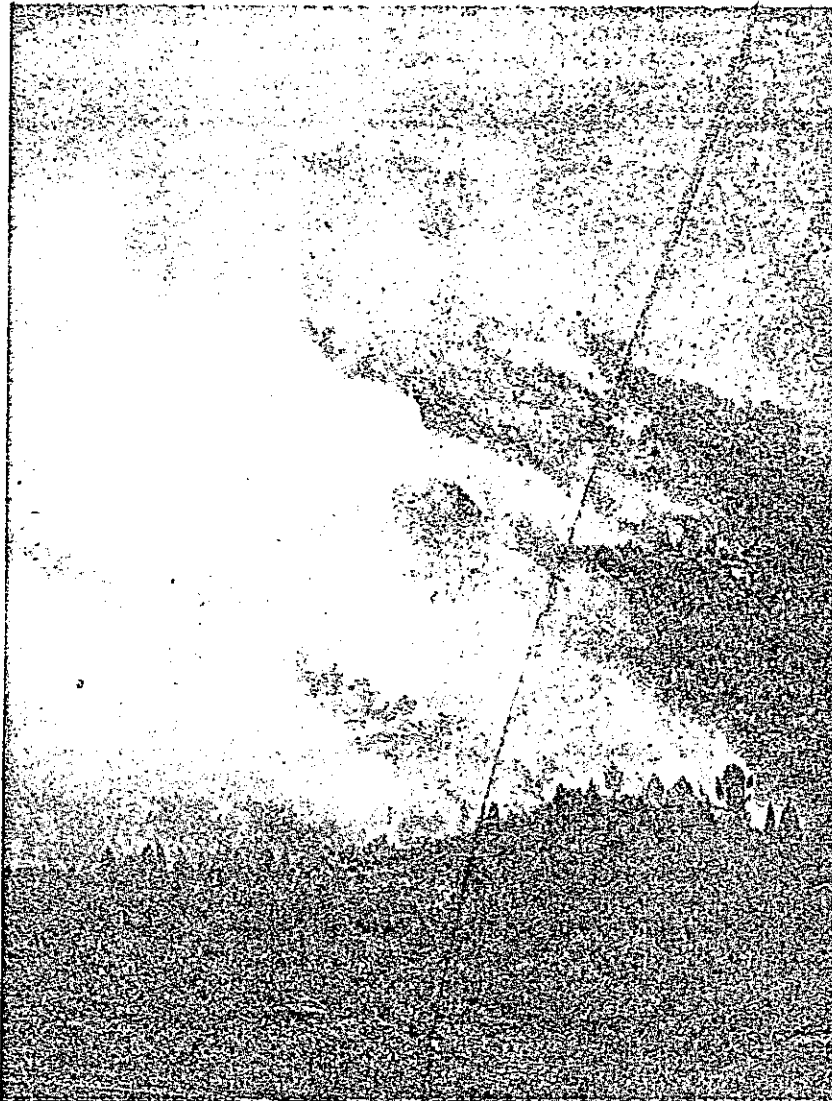
According to a source who did not want to be identified, this fire was seen by locals as the worst in 35 years.

An estimate of the damage was not possible at this stage, because the price of the fruit on the market was not yet known and farmers still had to assess what percentage of their crops they had lost.

At Mostertshoek, at the foot of Mitchell's Pass to Ceres and a distance above Bergrivier, a fire also burnt fiercely in the upper reaches of the mountain.

It seemed to be far away from cultivated lands, though it was fanned by a strong wind.

S



Picture: LEON MÜLLER, The Argus

out five fronts. The wind
controlling the flames.



outh, fingers

Inflation knocks real profits . . .

CAL-74147 14/10/88

Fruit exports reach record

3 fruit

By AUDREY D'ANGELO
Financial Editor

EXPORTS of fresh fruit from the Cape have achieved record earnings again this year, in spite of sanctions which have closed some markets.



Louis Kriel

The new growers' cooperative — Universal Frustrate Co-operative (Unifruco) — which took over export marketing from the Deciduous Fruit Board a year ago, announced yesterday that more than 30m cartons of fruit were sold in the last season, earning R773m gross. This is R100m more than in 1987.

Unifruco chairman Leo Fine said that the pay-out to producers in the industry, one of SA's largest earners of foreign currency, would be a record R404m, compared with R347m last year.

This would be possible not only because of the volume of fruit handled but because administrative costs had been cut by 15% for each carton sold.

But, Fine said, inflation meant that the 10% rise in the amount of cash reaching producers' pockets was a fall in profits in real terms.

"Inflation, particularly in the rand value of overseas costs and on production costs has reached such alarming proportions that increases in gross earnings easily end up as a decrease in net earnings.

"The past season is not an exception. It is calculated that real farm

income will actually have decreased."

Fine said the industry, which provides jobs for 250 000 people, had achieved significant increases in export earnings every year since 1983 in spite of the fact that a few markets had been lost due to political pressure.

"In the past five years all our trading partners achieved significant growth in dealing with our quality range of fresh Cape produce and we are particularly delighted that producer payments could increase from R123m to R404m over the same period."

Unifruco CE Louis Kriel said Unifruco had set itself the goal of continuing this positive trend over the next five years, with new markets being developed.

It already had more than 40% of the southern hemisphere's share of European markets and was confident it could extend this. Non-deciduous varieties were being added to the range of fruit marketed.

"We have no illusions regarding the challenges facing us. The export environment is still not totally normal for SA and some of our southern hemisphere competitors are doing their utmost to extend and exploit the situation.

"Others continue to dump large quantities on our traditional markets.

"But we have succeeded in achieving greater price premiums above competitive products than ever before by offering quality, reliability, product range and logistical discipline. Also, our industry's track record in social and labour relations has been recognized as one of the best in the whole agricultural world."

Kriel said that every possible measure was being taken to pursue excellence and counter rising costs "because in five years' time only two major southern hemisphere suppliers will survive in the highly competitive Western world market. We shall be one of them."

Gold closes

Rand firms

JOHANNESBURG

(3) fruit FM 28/10/88

through a reduction of labour-intensive seasonal activities, such as individually wrapping apples. This resulted in the phasing-out of 15 000-17 000 jobs held mainly by migrant workers from Transkei and Ciskei.

Overall, the deciduous fruit industry employs about 230 000 people in the western Cape. About 60% of the crop is exported.

The SA Foreign Trade Organisation claims the export fruit industry, of which deciduous fruit is the largest component, is SA's fourth-biggest forex earner after base metals, gold and diamonds. More than 30m cartons of fruit were sold in Europe this year, earning R773m — R100m more than last year. However, faced with high export and handling costs because of a weak rand, and domestic inflation four times higher than the average inflation rate in Europe, SA fruit growers have suffered a real reduction in income, says Kriel.

Of 6 000 SA deciduous fruit farmers, Unifruco has about 2 000 who grow for export. Of the 1,1Mt of imported deciduous fruit

DECIDUOUS FRUIT

Sanctions pare jobs

Between 15 000-17 000 black workers have lost seasonal jobs in the deciduous fruit industry because of sanctions imposed by the US, Canada and Scandinavian countries.

Louis Kriel, CE of Unifruco (formerly the Deciduous Fruit Board), says fruit previously sold in North America and Scandinavia has been rerouted into existing markets and juice processing. Forced to accept lower profit margins, the industry has cut costs at home.

He says the losses were absorbed partly



28/10/88 (3) Fruit



Apples ... seasonal workers are getting the pip

sold annually on the European market, SA supplies about 40% followed by Chile (19%) and Argentina (12%). Australia, which once dominated the European scene, now has only about 2% of the market.

Kriel says it would be difficult to replace SA as the primary supplier of imported fresh fruit in Europe. Apart from quality and reliability of supply, SA fruit exports to Europe in 1987 earned the equivalent of

R1,2bn in price mark-ups for European retailers; R126m for wholesalers; R96m in import duties; R39m in harbour charges; R25m in advertising; R21m on local transport in Europe; and R18m on warehousing.

A non-sanctions obstacle to exports could be the extension of EEC import quotas. Kriel believes new quotas will be announced in November for the 1989 apple season. However, he hopes SA will be awarded the main slice of the quota because of its current dominant position. ■

CITRUS EXPORTS

Bop farmers cash in

Tswana farmers from Bophuthatswana are preparing to hit European export markets.

Oranges from the seven-year-old Tsholofelo citrus project, run by Agricor and 32 Tswana farmers, will arrive on European markets shortly. The project was established in 1981 near the Ngotwane Dam, expressly with citrus exports in mind.

Marketing will be done by the SA Citrus Exchange, with cartons marked "Produce of Bophuthatswana." Exports, which run from May to October/November each year, should total 530 t this year and 1 540 t in 1989. A further 600 t should reach the local market this year.

The Tsholofelo project is geared to grade, pack and load oranges at a rate of 70 t/day at full production. An R800 000 packing house was opened in July. Supervision and management are in the hands of locally trained Tswana agriculturalists, who also grow alternative crops like groundnuts and wheat to keep up cash flows.

Capital investment to date is R3,5m, which should be repaid within 13 years as the trees are expected to reach maturity by the year 2000.

Agricor officials say a unique "hedgerow" growing method (small trees are planted at a 45° angle to the ground) is expected to increase yields and simplify reaping of ripe fruit. Peach and pecan nut trees are being tried for future crop diversification.

Bop farmers "own" a number of individual citrus rows which they tend, fertilise, water and reap, using local labour. A total of 96 ha has been planted to citrus. ■

12/18/88 Fry (3) Fruit



Oranges ... coming to market

SA's new-season grapefruit is also meeting good demand — but again has to compete with large volumes of “stale northern hemisphere grapefruit which must still be cleared. As during the past two years, the lemon market is depressed by huge Spanish exports and by the EEC's agricultural protective mechanism of reference prices and countervailing duties.”

Venter continues: “In all, one can say the start of the 1988 citrus sales season for southern Africa is more difficult than it has been for the past two to three years.” But with most of the marketing season still ahead, circumstances can change quickly.

On the domestic front, the market is well supplied with oranges, grapefruit and lemons, while the Citrus Exchange's programme to upgrade and develop this market is proceeding. Improved packaging and distribution to local fresh fruit markets form part of the plan. ■

CITRUS MARKETING

③ Fruit

Growing pains

While SA's citrus growers face a difficult international trading climate, local growing conditions have improved. A crop of 28m cartons is expected, compared to last season's 26,8m cartons. This is an estimated increase of 24 000 t to 765 000 t (1987 — 741 000 t).

The 1988 packing season is in full swing and the first SA fruit is hitting overseas markets. Heavy competition in Europe remains a problem, more so than political boycotts; the problem is a continuation of the pressures that beset exporters in 1987.

“The gross value of our exports in 1987 was R537m, compared with the previous year's R534m — even though export volumes were 7% higher. The export payout to producers increased only marginally to R261m, from R258m,” says Citrus Exchange operations and finance GM Arend Venter. He says the slow growth in earnings was the result of heavy competition and the stronger rand. For the current season, it is “impossible to make any reliable predictions.” Europe has plenty of leftover oranges from winter stocks, while SA fruit also faces competition from northern hemisphere deciduous fruits.

And because the winter stock of oranges on European shelves is of poor quality and unpopular sizes, the market is basically depressed. “Fortunately, we now have substantial quantities of fresh fruit which is normally preferred by the market,” Venter says.

11/7/88

It's 'Yes' for R160-m Tiger, Langeberg deal

FRUIT farmers have given a huge vote of confidence to the R160-million deal between Langeberg Co-operative and Tiger Oats to float a new company, Langeberg Holdings, on the Johannesburg Stock Exchange this month.

Since April 23, the co-operative has held meetings throughout the country to discuss the proposed transaction.

The transaction with Tiger, whereby Tiger will pay R80-million for a 50 percent stake in the new company and Langeberg Co-operative will chip in another R70-million, was approved a 98 percent majority of votes, Langeberg announced today.

But the co-op's 1 350 members, who have been asked to subscribe for R10-million of shares, will get theirs at 25 percent of the Tiger Oats price.

Among resolutions approved by co-operative members were:

- The specific transaction with Tiger.
- The sale by the Co-operative of its businesses as part of the restructuring.
- The basis of allotment of shares to members, growers and personnel.
- The offer of shares to directors.

According to Langeberg all the main conditions have been fulfilled and the transaction was currently being implemented.

Invitations to members and growers of the co-operative to take up shares in Langeberg Holdings will be posted during the week and application forms and cheques must reach the transfer secretaries before June 30, Langeberg said.

● Rand mines gold producer Blyvooruitzicht Gold Mining Company has dropped its final dividend by 17 percent to 75c from 90c last year, bringing the total payout for the year to 150c (205c).

As expected, marginal producers Durban Rooipoort Deep and East Rand Proprietary mines have again passed their dividends.

● Helped by a 137 percent improvement in the contribution from Boumat, Saficon saw earnings a share soar 73 percent to 138,5c (80,3c) for the year to March.

This is comfortably ahead of the forecast of 111c a share. The final dividend of 29c brings the total payout for the year to 40c, up 38 percent on the previous year's 23c.

● Three of the Anglovaal Group's investment holding companies improved earnings and dividends for the year ending June 30, while the fourth — Middle Witwatersrand (Western Areas) declared an unchanged dividend on a lower profit.

Anglovaal itself raised its final dividend by 10 percent on its ordinary and "A" shares to 430c (390c) bringing the year's total to 650c — an 11 percent increase on 1987's total of 585c.

The dividend was covered 5,1 (5,3) times by Anglovaal's record earnings: estimated consolidated profit (after tax, minority interests and preference dividends, but before extraordinary items) for the year rose by 7 percent to R141,8-million (R133-million).

Maggie Rowley

The Dried Fruit Board celebrates its 50th anniversary this year.

To mark the occasion, the board was hoping for a record crop of 48 000 tons of dried fruit, but the Orange River floods earlier this year caused substantial damage to grape crops, putting the record target out of reach.

Mr DC Viljoen, general manager of the Dried Fruit Board, says raisin and sultana production has been affected by the floods in terms of both quantity and quality.

"When the floods came, we had harvested 25 per cent of the crop. We then had to salvage what we could of the rest, and these were not of the best quality. We will have a lot more sub-standard raisins and sultanas this year than in previous years."

Mr Viljoen assures consumers there will be no shortage of first-grade dried grape products on the domestic market. The board reserves adequate supplies of good quality fruit for the local market before making export allocations.

The sub-standard grades will not be wasted. Those that cannot be sold to consumers will be used for brewing or in animal feeds.

The Dried Fruit Board was established 50 years ago to stabilise the dried fruit industry which, at that stage, was destroying itself because of fierce competition between a large number of packers.

Its other functions were to control the importation of dried fruit, curb periodic over-production and administer quality control.

Today, the board's main function is still the promotion of stability in the production and marketing of fruit produced for drying. The board also administers single-channel pool schemes for currants, sultanas, raisins and prunes.

Producers usually dry the fruit themselves on their farms and deliver it to receiving depots of the board's agent, the South African Dried Fruit Co-operative (SAD), where it is processed further, packaged and marketed. Selling prices are not controlled.

Mr J Coetzee, public relations officer of the board, says there is often criticism that dried fruit is too expensive, but the board feels this criticism is unjustified.

Many problems affect industry

Floods spoiled dried fruit aim

(3) fruit
Star 7/6/88

Caroline Mehliiss

"Consumers must remember that the ratio of fresh fruit to the dried product is high. It takes, for example, 12 kg of fresh apples to make 1 kg of dried apple rings.

"Dried fruit price increases have stayed below the general inflation rate. Our marketing costs are low because of the single-channel marketing system and, because our industry is basically sound and well organised, it has never been dependent on State subsidies or assistance," he says.

South Africa exports more than 60 percent of its dried fruit production. Sanctions have placed increasing pressure on the industry, although several alternative markets have been found.

Other factors, according to Mr Coetzee, which may also affect the position of our dried fruit industry on the world market include:

- The uncertainty of harvests in the producer countries due to unpredictable climatic conditions.
- Subsidies. In many countries, governments pay production subsidies which spur producers on to higher production.
- Protection of imports. Some countries protect their own agricultural products by imposing duties on imported goods, including dried fruit from South Africa.
- South Africa's high inflation rate, which is extremely detrimental to export industries.
- Improved quality in third-world countries. The advantage South Africa had in the past is steadily being reduced as countries such as Turkey and Argentina improve the quality of their products.

(3) fruit Star
12/5/88

EC cuts back on SA apple quota

CAPE TOWN — South African apple exports to Europe will be cut by about 10 percent this year following restrictions on imports by the European Community.

The multi-million rand deciduous fruit industry is one of the biggest employers and earners of foreign currency in the Western Cape.

The EC has limited ~~apples~~ imports from all its southern hemisphere suppliers, partly because of dumping of fruit in Europe by some countries and partly to protect European producers, especially France and Italy which have large quantities of last year's crop in store.

Although South Africa's quota is the largest, it has been limited to 166 000 tons, about 10 percent less than usual, according to Mr Fred Meintjes, public affairs manager of Unifruco, the marketing arm of the Deciduous Fruit Board.

He said southern hemisphere countries supplying Europe imposed voluntary quotas but some producers had been undisciplined and had flooded the market with fruit.

It was not known at this stage what the effect on the South African industry would be but it was possible the shortfall in exports would be made up by higher prices in Europe.

In the meantime South Africans could look forward to more export quality apples this year and more class 2 fruit would be sent to the processors.

The cuts could affect some seasonal packing jobs but this would be minimal because the season was nearly over, Mr Meintjes said.—Sapa.

Apple Star 11/5/88 imports 3 fruit cut

The star's foreign
News Service.

BRUSSELS — South African apple imports by the European Community (EC) will be restricted this year with apples from all other southern hemisphere suppliers because France and Italy have large quantities of last year's crop in store.

Traders and consumer groups in Britain are to protest to their government.

Between now and the start of the home-grown season in the autumn, Britain normally imports thousands of tons of apples from the southern hemisphere and North America.

This year's imports into the EC from South Africa will be restricted to 166 000 tons, from Chile (142 000), New Zealand (115 000), Argentina (70 000), Australia (11 000) and others, including the United States and Canada, (17 500).

ARCAD 11/5/88

3 Fruit

SA apple exports to Europe to be cut by 10% after import clamp

Staff Reporters

SOUTH African apple exports to Europe will be cut by about 10 percent this year following restrictions on imports by the European Community.

The multi-million rand deciduous fruit industry is one of the biggest employers — and earners of foreign currency — in the Western Cape.

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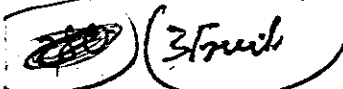
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The multi-million rand deciduous fruit industry is one of the biggest employers — and earners of foreign currency — in the Western Cape.

The Argus Foreign Service reports from Brussels that traders and consumer groups in Britain are to protest about the quotas to the government.

Trade representatives are angry at the lack of EC consultation.

...up, without discussion, with an unlimited quantity, please
before you embark on anything new. Expect — and resist —
...against your better judgment.



Cape Times, Tuesday, May 3, 1988

3/5/88
**Sanctions
cost local
fruit R30m
annually**

Political Staff

LOSSES in earnings incurred by the country's deciduous fruit industry as a result of sanctions and boycotts amount to about R30 million a year, according to information provided by Unifruco (previously the Deciduous Fruit Board).

Despite this the fortunes of this sector remain healthy, with exports this year totalling R730 million, some 11% up on the R660 million recorded during 1987, according to Unifruco assistant general manager, Mr Rheeder von Wielligh.

He said that although it was impossible to predict what further influence international political pressures were likely to have on the economy, the industry was optimistic of recording a similar performance during 1988/9.

Presenting a paper at a conference organized by Stellenbosch University's Business School in Bellville, Mr Von Wielligh said that although the fruit industry depended heavily on the export market, the domestic market was an important stabilizing factor, especially as 40% of fresh and dried fruit production was sold locally.

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W/C MGR'S 24/5/88

SA ^{3 part} dried fruit sales blitz on the cards

Business Staff

SOUTH African Dried Fruit Co-operative, flush after profits of R13-million from export-weighted trading for each of the past three years, is to mount a marketing blitz at home.

The co-operative, abbreviated SAD (Suid Afrikaanse Droëvrugtekoöperasie), celebrates 80 years of business this year. Established in Wellington in 1908, its sales have increased steadily since.

Nearly 60 percent of SAD's production is for export and, in spite of sanctions and an unresponsive international market, it succeeded in increasing overseas trade by over 1 000 tons during 1987. Nearly R75-million was earned in foreign exchange.

SAD made headway during the 1984-86 recession as the low rate for the rand yielded higher returns on exports. However, the co-operative remained dissatisfied with the local market. SAD considers the home market to be of vital importance to long-term stability and growth. As a result it has evolved a new marketing strategy, including:

- The modernisation of its identity and image, including the design of a new logo in bright orange, gold and black;
- Introduction of a new logo — "Enjoy Our Sunshine Taste";
- The re-design of packaging materials in bright identifiable colours.

At a function in Wellington this week, SAD's chief executive, Mr. Charel van Schoor, said dried fruit would be billed as a health product.

FRUIT. - '89

CAK 10/15 9/12/89 3 wine

Oceans of bubbly sold to ring in the 90s

By GERTRUDE COOPER

WITH individual Christmas orders for champagne and sparkling wine from Peninsula liquor outlets running as high as 30 cases, the festive season is set to outdo Guy Fawkes as the Big Bang.

Stellenbosch Farmers Winery's executive chairman, Dave Marlow said: "The demand for sparkling — and noble — wines is literally bubbling."

His comment is borne out by caterers, liquor stores, hotels and restaurants which, accustomed as they are to silly season overspending, are anticipating a record barrage of popping corks.

Capetonians' taste for bubbles is in keeping with a

worldwide increase in the demand for champagne. In the UK in the first three months of this year alone sales were up by 25%.

In South Africa there has been a 30% growth in the last two years, says liquor man Arthur Freedberg. "Although there has been a slowdown on other wines, there is no sign of the demand for champagne abating. At this time of the year of course, bubbles identify with the celebratory mood and sparkling wine — champagne for the bigger spenders — heads most liquor shopping lists."

Generally local makers of sparkling wine whose numbers have increased dramatically with the increased in-

terest in wines with a bubble are having a wonderful time. With imported champagnes such as vintage Moët et Chandon selling at R100 a bottle at liquor outlets, Cape *methode champenoise* sparkling wines are being snapped up.

John Platter's 1990 *South African Wine Guide* lists 10 whites and six pinks made by this method alone. With contributions from co-operatives and smaller vineyards the selection is large and comprehensive.

Responding to the demand retailers are giving good prices so that bubbles financially are the best choice to accompany the Christmas turkey.

"There is also the gift aspect," says Freedberg. "A bottle of sparkling wine attractively wrapped always has that much more glamour than a bottle of still wine at the same price."

In the popular price bracket vintages such as Grand Mousseux and J C le Roux le Domaine are firm favourites, as is Nederburg Cuvee Doux reintroduced last month after 10 years. Shoppers lucky to find vintage Pommery at the pre-surcharge price of R70 a bottle are buying up to nine cases at a time.

For those who want the best, a bottle of Dom Perignon, the aristocrat of champagne, retails at a hefty R230 a bottle.

In anticipation of a bumper harvest of revellers with a taste for sparkling wine, the Tastevin restaurant at the Cape Sun hotel is one of many Peninsula eating places which has increased its sparkling wine orders.

"Last year we went through 20 cases. This year we've supplemented with another 10 cases," said a restaurant spokesman.

At the Nico Malan last year 1 080 bottles of sparkling wines popped as theatre-goers saw the New Year in. This year there are 2 024 250ml bottles in readiness for theatre-goers who will await the arrival of 1990 at the City's largest and most popular New Year's Eve celebration.



CHEERS... Nothing like bubbly when the mood is festive.

Wine
③ + Vintner

THE launch last week of Rietvallei's first unfortified wine, a 1987 Chardonnay, is an occasion of some importance in the wine industry. Rietvallei's transition from a Muscadel to a premium white wine producer provides a significant paradigm for the country's wine farmers.

The Rietvallei Estate has belonged to the Burger family since 1864. Though it delivered tons of dry white varieties to the local co-op, its estate wine business depended on its Muscadel sales through the Bergkelder.

While the quality of the Rietvallei Muscadel is indisputable, the future of Muscadel in SA is somewhat uncertain. Current wine fashions have little time for the great fortified wines on which the Cape initially established its international reputation. Clearly if Rietvallei wished to expand its estate wine operations, a change of varietal was essential.

Jonny Burger built a dry white wine cellar about ten years ago. He then consulted Julius Laszlo of the Bergkelder and was guided into grafting over young Muscadel vineyards to Chardonnay. Despite the difficulties which beset aspirant Chardonnay producers in the mid-1980s, Rietvallei's maiden vintage in 1987 yielded grapes of superb quality.

The wine was part tank-fermented. It underwent malolactic fermentation and wood-ageing — 50% in new oak — for more than a year. It has been bottle matured since April 1988. The result is most impressive.

The Rietvallei Chardonnay 1987 is full flavoured and complex, with plenty of varietal fruit and a lovely harmony with the wood. Priced to retail at about R18, it is a bargain by current industry standards and a likely trend setter to more sensible Chardonnay pricing.

Rietvallei Chardonnay surprises and delights

What has happened at Rietvallei is not only a tribute to Johnny Burger's courage in changing the nature of his Robertson wine farm, but also to Julius Laszlo's insight in directing him into Chardonnay. The region's climate and soils seem surprisingly well-suited to Chardonnay.

Rietvallei's future was exposed in the stagnant Muscadel business: it is now much more secure in the top end of the quality dry white wine market — a lesson of note to many of the Cape's wine farmers.

Too young

For those wine drinkers around the country who attended the pre-auction tastings of the New World Wine Auction — scheduled to take place at Vergelegen in Somerset West on January 19 — the virtues of SA Chardonnays must now be evident. In addition to pre-release samples of wines from Klein Constantia and Talana Hill, there was also the award-winning Baksberg Chardonnay of 1986 and an excellent wine from Van Loveren.

It is worth reflecting on the fact that the Van Loveren, like the Vinexpo champion wine of Dewetshof and the newly released Rietvallei, comes from the Robertson/Bonnievale area.

MICHAEL FRIDJHON

3 FRUIT

3 GENERAL

3 SPECIAL

Pennies from heaven again

■ Bumper crops add some glow to a generally gloomy economic outlook



Economists might find it as instructive these days to keep an eye on the rain gauge as on the zig-zagging gold price. Gold may underpin the economy, but the weather — and what it means for agricultural prospects — counts for a great deal, one way or the other.

We have emerged from a six-year drought which seriously aggravated already grim economic conditions — with sanctions and disinvestment eroding the productive base. There was the loss of export revenues and maize imports cost SA about R160m over that period. In 1984-1989, drought relief schemes burdened taxpayers with a R1,4bn bill.

This year, the farming sector has again revealed its underlying strength. Though contributing only an estimated 6,5% to 1989 GDP, excellent summer rains and handsome crops could keep the economy growing at a pace that would not otherwise have been possible. Moreover, export earnings from farm exports should help SA meet its international debt commitments for the year.

Department of Agriculture estimates say these exports will translate into close to R5,8bn in foreign exchange this year, with the sector's share of GDP increased by 8% to R10,5bn. And Rand Merchant Bank economist Rudolf Gous says the farming sector "could contribute 0,6% to this year's projected real GDP growth rate of 2,2%."

While the non-farming sector experienced negative growth of 2,8% in the third quarter, agriculture's strong performance boosted total GDP growth — at factor cost — to 1% (*Economy* November 24). This is the direct result of buoyant growth in the value of farming output of 42%, 31,4% and a huge 67,8% (largely thanks to maize exports) in the first, second and third quarters, respectively, of 1989.

While statistics relating to farming can be volatile, the sector is clearly enjoying exceptionally good times — and the spin-offs are considerable. The heavy burden of the farmers' debt is falling: in nominal terms it is still an unaccept-

able R14bn, but it has come down in real terms, with increases of only 4,1% and 4,9% in 1987 and 1988 (with inflation running at 14%-15%). "The relatively slow increase in the total agricultural debt in 1988 confirms that, globally speaking, there are indeed signs of financial recovery in agriculture," states the SA Agricultural Union's 1988/1989 annual report.

Between 1986 and 1988, short-term debt came down from 52,4% of the total to 50,7%, while net farm income — as a percentage of total debt — increased from 25,2% to 40,6%. This "indicates a potentially shorter debt repayment period and/or a better ability to repay debt," reports the union. This is good news for the long-suffering commercial banking sector — owed R3,5bn — though banks complain that farming co-ops still unfairly benefit from the lien they hold on farmers' produce.

The co-ops are owed about R3,4bn, with the Land Bank in for another R2,9bn. In fact, the commercial banking sector was the end-provider of most of the Land Bank's funds as well. Nourished by cheap finance, the 290 co-ops' turnover leapt from R11,6bn in 1985 to R18,7bn in 1988, while their total assets increased from R2,9bn to R11,1bn — growth of 12% a year.

But, while farmers look no nearer than ever to controlling their own destiny, their grass is growing greener. Booming sectors include agronomy (gross 1989 income up 15% to R5,7bn), animal husbandry (earning 14% more at R8,2bn) and horticulture with gross earnings lifted 4% to R3bn. Total gross farm income increased 12% to R16,9bn over the past year and net income increased (by a smaller 6%) to R5,7bn after production costs

and interest payments. The latter remains the largest single agricultural cost.

Purveyors of intermediary goods and services are benefiting from the current boom. To end-September, total expenditure jumped by 19% to R6,9bn (from R5,8bn) on sales of fertiliser, animal feed and agrochemicals which increased by 22%, 17% and 12% respectively. But, while volumes increased, higher prices added to the farming bill — the prices of farming requisites increased by 18,4% in the year to end-September. Fuel costs went up by 32% and maintenance and repairs an additional 27%.

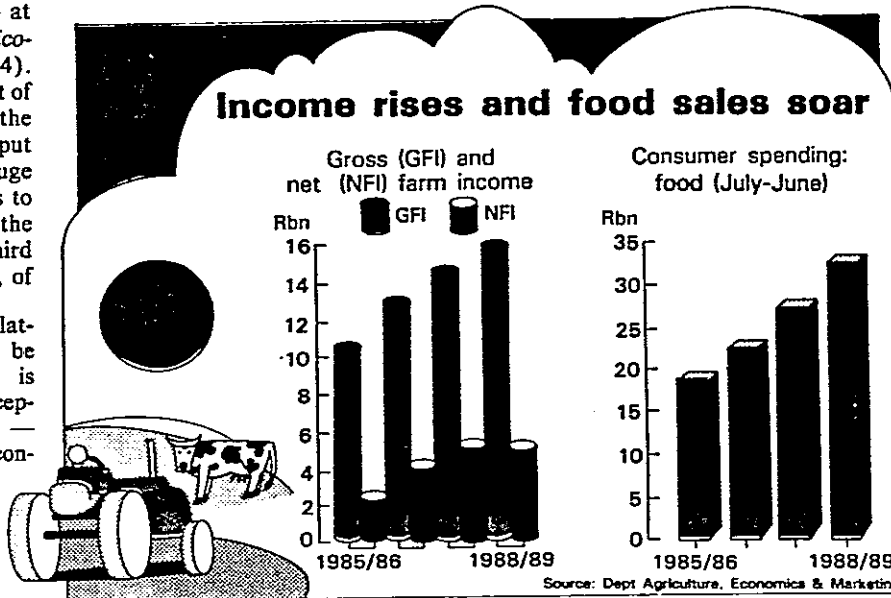
Farmers are upset by the escalating cost structure of production inputs. Volkskas agricultural economist André Louw says the terms of trade in agriculture (the ratio between producer prices and input costs) weakened from 100 in 1975 to 59 in 1989. "Tractor prices this year rose by 29%, fertiliser by 24,4%, fuel by 32%, irrigation equipment by 21% and implements by 18%. This is placing the future profitability of the sector under severe stress and the matter is seen in a very serious light by the SA Agricultural Union," according to Du Toit.

Producer prices are falling — the increase of 13,4% in the consumer price index in the year to end-September was made up of a non-agricultural rise of 14,3%, while food prices rose only 10,6%, reports the department. This compares with a food price increase of 17,7% in the previous year. So the good rains have also reduced the inflationary impact of food prices.

The boom in farming has not only created spin-offs for industry and service sectors like transport (moving this year's 11 Mt maize crop should earn Sats about R500m), but has also helped support the economic base of the platteland.

Millions benefit. Agricultural union economist Koos du Toit says: "Some 1,4m farmworkers and domestic servants — about 13,6% of the economically active population — are employed in agriculture, making it the second-largest single employer in the economy. These people support a further 4,3m dependants, so that about 5,7m souls find their sustenance in agriculture."

Development Bank's Johan van Rooyen adds that for each R1m invested in agriculture about



CASHING IN ON DEMAND FOR 'CONVENIENT CITRUS'

Local fruit farmers go for gap overseas

CAT Times 25/11/87
37-ru...
(Signature)



FRUIT LOVERS' DREAM COME TRUE . . . Pip-free, easy-to-peel and juice-packed fruits are hitting SA shelves. Janice Gombert at Old Cape Farm Stall readies herself to taste a pampino, a cross between a pawpaw and a papaya. Although containing seeds, pampinos are sweeter, brighter in colour and conveniently smaller than the ordinary pawpaw.

Picture: STEWART COLEMAN

Pips and peels are out as "convenient fruits" became a must at formal functions in Europe and the US, and South African hostesses are beginning to follow suit. Western Cape fruit farmers, turning to "convenient citrus" products in between the deciduous seasons, have taken the lead in exploiting an unexpected gap in the European market. LANEY SALISBURY reports.

WESTERN CAPE deciduous fruit farmers are cashing in on the world-wide craze for easy-to-peel, seedless, "convenient citrus", a market long dominated by Spain.

Export of the fruit — increasingly a must for top executive entertaining, but as yet largely undiscovered by local hostesses — has provided South African fruit farmers with a gap in the difficult European fruit market.

At this stage only the English market has been penetrated but sales to France, Germany, Belgium and the Netherlands are being developed.

In 1985 South African exports of so-called convenient fruits to Europe totalled 84 000 kg but this year it has increased to 1,2 m kg.

An indication of the nation-wide growth of the industry is the fact that the number of trees has increased by 90% in the past three years, largely because Western Cape deciduous fruit farmers decided on production after citrus growers were slow to respond to efforts by the Citrus Exchange to persuade them to take up the challenge.

Aids card game is launched in UK

LONDON. — A card game for school-children with cards depicting sex aids, condoms and sperm donation has been launched by the British Medical Association as an educational project to teach children about the risks of Aids.

It consists of 28 picture cards showing a range of social and sexual activities, which the children are asked to divide into those which pose a risk of transmitting Aids and those which are "safe".

The game, which costs £25 (about R105), is based on a book called *Aids and You*, which has sold 85 000 copies. — Own Correspondent

The Exchange estimates that a farmer who normally concentrates on deciduous fruit-growing, could earn an additional R15 000 per hectare a season from convenience fruit.

Unlike citrus farming, apple and peach cultivation does not clash with the "convenient fruit" season, therefore presenting deciduous fruit farmers with the chance to extend their productive season. Citrus farmers, on

the other hand, do not enjoy this advantage as the seasons overlap, saddling them with a longer labour-intensive peak.

"Convenience fruits comprise only 0,5% of South Africa's citrus exports at this stage", explains J P Wahl, Paarl-based area extension manager of the Citrus Exchange.

"I believe that it could rise to as high as 15% in the next 10 years, by which time the majority of young trees planted and in the process of being planted will have ma-

tured." A detailed breakdown of fruit export figures is no longer provided and the value of the predicted 30-fold increase cannot be determined.

Wahl points out that the South African season fills the gap between Spain's citrus season and Europe's deciduous fruit period.

"Our products hit the market between April and June when the European sources alone cannot meet the demand," Wahl adds.

The extent of the European market for conven-

ience fruit is underlined by the fact that Spain provides 1,1 million metric tonnes annually. South African cannot compete effectively with Spain in the European conventional fruit market because of the overlap in seasons and convenience citrus has, therefore, provided the local fruit-growing industry with an unique gap.

The local market for convenient fruit, however, has a long way to go before conquering South Africans' taste buds.

"It is a completely dif-

□ To Page 22

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Air cargo space shortage . . .

Fruit exports likely to be grounded

CMT 7/27/82
27/11/82
3/1/82

Own Correspondent

JOHANNESBURG. — SA fruit exports — worth R300m over Christmas alone last year — are in danger of being grounded by a shortage of air cargo space.

Perishable Products Export Control Board (PPECB) CE Dave Schreuder said on Friday an inadequate number of charter flights had been secured to export perishables, such as fruit, over the year-end peak period.

ZAS charter company will provide 15 flights between December and February.

However, it has been estimated 28 charter flights would be needed to relieve congestion on scheduled international flights over the peak period, Schreuder said.

Inadequate airspace for exports would probably lead to a surplus of fruit on the local market. While this would lower prices to the consumer, farmers would lose thousands of rands, he said.

He said the National Transport Commission had allowed for about 1 000 tons of perishables, over and above the capacity of scheduled carriers.

Schreuder said the government would have to weigh up the importance of fruit and create more full cargo operations in and out of SA.

Three years ago the government withdrew its R3m subsidy which covered the difference between air

charter and international tariffs.

The year after the subsidy was withdrawn a disastrous amount of fruit had to be dumped because of inadequate cargo space to export it.

Schreuder said the situation improved last year when SA Airways effectively subsidised exports in arranging air charters.

He said although SAA no longer arranged the charter flights, it had bent over backwards, reserving all its north-bound cargo space for perishables.

This year the PPECB was informed by air charter companies they were unable to accept quoted prices for charters.

The PPECB had obtained quotes from 12 air charter operators approached to quote for the carriage of perishable products from SA to Europe in the peak period.

The understanding was that the chartered airline itself would assume responsibility for the south-bound leg, and the exporter or agent who concluded the charter would assume the responsibility and risk for the north-bound leg.

The lowest three quotes were chosen and flights were offered to all agents at the prices quoted which varied between R3,50 and R4,10 a kg in comparison to the then "standard" schedule price of R3,20 a kg.

The carriers said they were unable to operate at such a low rate.

Christmas fruit grounded

6/20/89

LESLEY LAMBERT

3 fruit

CAPE TOWN — The Western Cape deciduous fruit industry has announced that it still needs air transport for about 15% of its Christmas season exports, following reports that fruit exports are in danger of being grounded by a shortage of air cargo space.

A spokesman for the industry's international marketing arm, Unifruco, which earned over R900m from deciduous fruit exports last year, said that except for 12% to 15% of members' Christmas exports, it had managed to secure air space for most of the anticipated Christmas exports.

Fruit exporters tend to transport their produce by ship during most of the year because of the high cost of air freight. Unifruco transports less than 1% of its annual crop by air, according to the spokesman. But, higher demand and higher prices in international markets over the Christmas season, justify the cost of getting the fruit to markets as quickly as possible.

There is often a scramble for air space negotiated by the Perishable Products Export Control Board near the end of the year, as many smaller exporters prefer to see the outcome of their crop before committing themselves to transport arrangements.

Deregulated market for citrus a great success

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THE deregulated market for local sales of citrus fruit to processors and the informal fresh fruit trade has proved so successful that the Citrus Exchange board of directors and the Citrus Board has decided to expand the system to the entire local market in 1990.

Citrus Exchange chairman Dave Lötter said in a statement yesterday the citrus industry had been deregulating gradually since 1986.

In 1989 the system had been so successful that it accounted for all sales to processors and 25% of fresh sales, Lötter said.

Standards

Complete deregulation of the local market would mean that individual citrus growers would be fully responsible for all their local market sales.

"However it is important to note that regulations governing quality standards and packaging will still apply," Lötter added.

CHARLOTTE MATHEWS

"The Citrus Exchange will also continue to render various back-up services to citrus growers in respect of local marketing, such as advertising and promotions, market research, technical extension and research services."

The total crop in 1989 was about 53,3-million 15kg cartons compared to 56,8-million cartons in 1988.

A record volume of about 30,3-million cartons was exported against last year's 29,6-million, a 2,4% improvement.

Gross sales value of 1989 exports was up to R830m against R733m in 1988.

"It was not a vintage year from a quality point of view," Lötter said.

"But fortunately most of our overseas markets have been relatively buoyant for most of the season."

Distribution to citrus growers rose 18% to R422m from last year's R357m, but because of cost inflation the grower was no better off than last year.

Unifruco payout hits record R481m

By AUDREY D'ANGELO
Financial Editor

FRUIT farmers in the Western Cape will share a record payout of R481m this year. This is 17,4% above last year's record of R404m.

But Leo Fine, chairman of Universal Frustrate Co-operative (Unifruco), marketing organisation of the deciduous fruit industry, told a press conference yesterday that growers had been hard-hit by soaring input costs.

"After distribution, production and packaging costs have been deducted, the average producer of certain fruit kinds experienced a substantial decrease in net income.

"This once again proves that the industry will have to do everything in its power to win the war against costs in order to ensure its survival."

Fine said that "although certain cost increases are related to exchange rate changes, increases such as sea freight (32%), paper for cartons (23%), pallets (53%), imported paper for polycote bags (37%) and polyethylene (39%) cannot be accepted without further ado."

The deciduous fruit industry employs about 250 000 people and has increased export earnings every year in spite of the fact that some markets have been lost due to political pressure. Others have been found to replace them.

Fine said Unifruco now offered the biggest range of products sold by one organisation under one trade mark in the world.

"In the past season we have sold no less than 132 different fruit cultivars of nearly 1 400 different size specifications to more than 40 countries around the world."

Gross export earnings totalled R924m, which is 20% more than the R764m achieved in the previous season. Fine said that this was the ninth consecutive year that gross earnings had shown "healthy growth".

In spite of a reduced pear crop, 29,9m cartons of fruit had been exported.

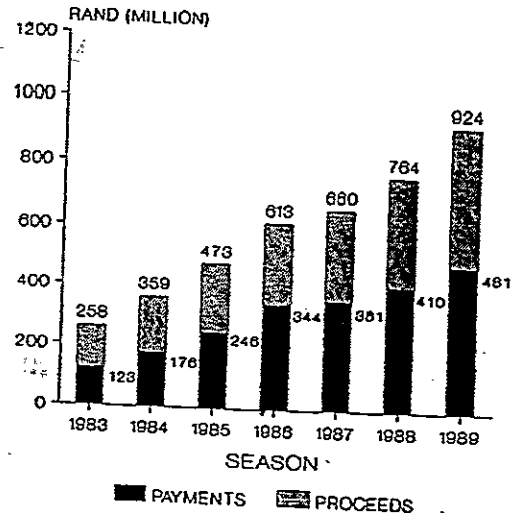
"This is a very satisfactory performance in a year in which the fruit industry is celebrating the 50th anniversary of its successful single-channel export marketing system."

Fine said Unifruco represented about 80% of the total sales turnover of the deciduous fruit industry at present — which was about R1.2bn this year.

The remaining 20% of sales were made locally, mostly by growers who were members and shareholders of Unifruco.

"They contribute greatly to the success and viability of our industry."

UNIFRUCO:
GROSS EXPORT PROCEEDS VS
PRODUCER PAYMENTS



1983-1987 DFB 1988-1989 UNIFRUCO

3 Fruit

7 Mar 13/10/89

Producers in a jam

The deciduous fruit sector is caught firmly between the pincers of international isolation and domestic inflation.

The strains this causes for a business dependent on exports for 80% of its turnover is illustrated by the latest results of Unifruco,



Apple exports... writing is on the wall

the sector's international marketing body. Were it not for the lifeline offered by the falling rand fruit producers would be considerably worse off.

In recent years they have lost 17% of export markets because of sanctions. Now it's battling with enormous annual cost increases: 23% for cartons, 53% for pallets and 39% for polyethylene.

So, although export earnings at R924m were 20% up on 1988, chairman Leo Fine reported that "the average producer of certain fruit kinds experienced a substantial decrease in net income." The increase in earnings, moreover, is largely due to the deteriorating exchange rate: the volume of 29,9m cartons exported only marginally above 29,8m in 1988.

Apples, grapes and pears are the three most important fruits, earning R450m, R238m and R180m respectively. Plums, peaches, nectarines and apricots make up the balance. Producers of apples and pears had good years with payments up by 19% and 32% respectively. Receipts on grapes were up by only 7%.

However, the figures disguise important trends already sounding warning bells in the business.

For growers of Granny Smith apples the writing is on the wall. These constitute 50%-60% of the national crop, partly because they're easy to produce and partly because the US used to take 15%-16% of SA's Granny Smith exports. The US market has been lost and the signals coming from Europe show consumers want more dark red or striped apples — varieties such as Gala and Royal Gala. These can earn up to double what the green Granny Smith earns. Big supermarket chains, in the UK in particular, are also laying down unprecedented quality standards, which meant that 20% fewer Golden Delicious apples were made available for export.

The challenge is thus to reduce the percentage of Granny Smiths grown and sold and increase production of dark red apples. But there are two main problems: insufficient availability of new varieties from the nurseries and the seven-year lead time before a decent output can be expected. One shortcut farmers are using is grafting new varieties on to existing trees.

Also suffering are table-grape growers in the Berg River region who produced 30,4% of the total crop. Their problem is partly one of cultivars and partly one of timing. They grow mainly seeded grapes and demand is increasingly for seedless. They are also early producers. Traditionally, this has been lucrative because limited availability has meant hefty premiums. Cartons that arrive on the market in the three weeks either side of New Year can fetch up to R60. Those landing five weeks later fetch less than R20.

This year, for the first time, some of their Southern Hemisphere competitors — Chile in particular — landed grapes in Europe in January.

This had a dramatic effect on prices with Berg River producers estimating that the five cultivars which constitute over 90% of their exports fetched from 4% to 23% less than last year.

Bitter pill

Two factors make this a particularly bitter pill for grape farmers to swallow: their high expectations based on a quality crop and optimistic predictions made by Unifruco which were not realised, and their powerlessness to act since Unifruco, by law, runs a single-channel marketing system.

The solutions are clear, if not easily implemented. On the production side both grape and apple producers are going to have to make sure they grow what the market wants. On the marketing front, there is increasing pressure on Unifruco to break into the East, seen by the farmers as the home of much

money and many bellies. Further, farmers will be praying there's no recovery in the exchange rate. ■

By Charmain Naidoo

THE Cape deciduous fruit industry showed a healthy growth in gross export earnings for the ninth consecutive year.

But sharp increases in input costs had a significant effect on the net income of producers.

Unifruco, the international marketing organisation of the deciduous fruit industry, announced this week that their export earnings had increased by more than 20%, from R764-million to R924-million.

And, payments to producers increased by 17,4% to R481-million.

Public affairs manager Fred Meintjes has scoffed at

Cape fruit fills out ^{fruit} the world's baskets ³

S/ Times 15/10/89

criticism that Unifruco's performance was directly related to the exchange rate.

Export

Unifruco chairman, Leo Fine says the achievement was accomplished despite the fact that the export volume of 29,9-million cartons was only slightly higher than the previous year — due to a reduced pear crop.

"This is a very satisfactory performance in a year when

we celebrate the 50th anniversary of our successful single-channel export marketing system."

Mr Fine adds that after distribution, production and packaging costs are deducted, the average producer of certain kinds of fruit experienced substantial decreases in net income.

Mr Meintjes says that every year, new cost efficiency measures are investigated.

"In the past decade, we have introduced new measures which have saved us many millions of rands — like changing our handling systems on the South African side from a railway to a road system.

Quality

"And we refurbished cold storage facilities in Cape Town and asked the South African Transport Services whether we could run it ourselves. This not only cost us much less, but improved our quality and decreased handling."

But, Mr Meintjes says that a major part of the cost increases are not in their hands.

"Although certain cost increases are related to exchange rate changes, increases such as sea freight (32%), paper for cartons (23%), pallets (53%), imported paper for polycote bags (37%), and polyethylene (39%) cannot be accepted without further ado."

Western Cape vulnerable to sanctions

Staff Reporter

THE Western Cape was particularly vulnerable to sanctions because it depended on a number of industries which would be severely affected if they were effectively applied to South Africa.

This view was expressed by the Mayor of Cape Town, Mr Gordon Oliver, when he welcomed farmers to the 85th congress of the South African Agricultural Union in Sea Point last night.

Mr Oliver said Cape Town depended on agriculture for its prosperity.

The deciduous fruit industry alone generated more than R900 million in export earnings and employed more than 250 000 people, who in turn supported more than 750 000 people in the Western Cape. Cape Town's status as an export port for agricultural produce was critical to the local economy.

MORAL ISSUE

The mayor said the impending Commonwealth conference in Malaysia had brought the vulnerability of the Cape sharply into focus.

The issue of sanctions was also a moral one.

"It is an insane assumption to believe that sanctions will destroy apartheid. In fact it is economic qualities and growth that has been the chief subverter of apartheid in recent years," Mr Oliver said.

He praised Mrs Margaret Thatcher for resisting excessively punitive measures against South Africa and particularly for steering the European Community clear of a ban on agricultural imports from the Republic.

"She did the Western Cape a great service in the process," he said.

He warned that mandatory sanctions would destroy any chance of meaningful economic and technological co-operation between South Africa and the rest of Africa, which would be detrimental to everyone.

Record exports

(From page 1).

world class standard of excellence.

The 168 hectare farm is a model of road, housing and orchard planning. Nothing is undertaken without exhaustive research.

Mr Fine is proud that the industry has become such a major earner of foreign exchange and an employer of labour in the region.

Not less than 100 ships loaded fruit in Cape Town harbour this year, providing further employment to SATS staff.

He says the industry employs about 250 000 people, which means that over a million people are dependent on the industry.

The farm clearly makes a lot of money, much to the delight of Mr Barend du Plessis. But Mr Fine says "My ambition now is not merely to make more money. I would like to develop the farm further for the benefit of everyone living and working here — that will make me happy."

Record year for fruit exports

W/L-AL605
23/9/89
3 fruit

UNIFRUCO



By TREVOR WALKER
Business Staff

SOUTH African deciduous fruit exports this year have hit a record R910-million to R920-million and next year will easily top the R1-billion mark, Mr Leo Fine chairman of the Deciduous Fruit board and the independent sales and marketing company, Unifruco said.

Mr Fine said costs have kept pace with total sales, so profits by the farmers have also been held back by the impact of steadily rising prices.

South African deciduous fruit, be they apples, pears, plums, apricots, table grapes or nectarines are among the best in the world.

Of the Southern Hemisphere producers, Cape fruit sets the standard and everyone else has to match it.

"Anyone new set on entering the market invariably travels to South Africa to study our methods of picking, packaging and transport infrastructure.

"Our mediterranean climate has led to the development of our industry. We are

fortunate that our geographical position has put us only two weeks shipping away from Europe whereas Chile, our major competitor is 21 days from the market and Australia and New Zealand 28 days.

"The advantage of a week over Chile is a very real one and has consistently helped us to stay as leaders in quality.

"Sanctions have affected us in the North American market, but in Europe our quality has helped to maintain sales.

"Removing our products from some supermarket shelves led to a backlash from consumers and our products were soon reinstated.

Leo Fine... "making people happy".

"This season's sales effort in the UK, which ended this week, has been a particularly good one as fruit quality was improved even further by the extended cold spell late in the season."

Apples accounted for about 80 percent of total volumes and about 50 percent in value terms in the full range of exported fruit.

However, South African supermarkets now demanded very high quality of fruit and what was being sold locally was as good and in most cases better than the best that the industry supplied to the export markets.

The South African consumer, and particularly the

Western Cape consumer, is eating fruit of an exceptionally high standard.

Deciduous fruit growers in the Transvaal tended to sell only into the local market and most of the marketing effort was undertaken in that province.

Unifruco is celebrating the 50th anniversary of the single channel marketing system of Cape fruit this season and the industry's 100th anniversary as an exporter of grapes.

Mr Leo Fine's farm, Goede Hoop, in the Elgin Valley was bought after World War 2 by his father and Leo has developed the estate to its present

(See page 5).

CMT-TMFS 7/8/89 *(A) [unclear]*
Union to sue over pamphlet? *3 Fawu*

A TRADE UNION has threatened to sue an industrial relations consultancy unless it publicly apologises for a pamphlet claiming the ANC used unions to unite farm workers as "part of its revolutionary struggle".

The Food and Allied Workers' Union (Fawu) said it had suffered defamation and organisational damage as result of the pamphlet, circulated in the June edition of the Deciduous Fruit Grower, official mouthpiece of the industry.

The pamphlet was produced by the Johannesburg-based Liaison Bureau for Industrial Relations Services.

Fruit industry slams anti-trade union ad

CME Times 2/6/87 31. fruit

By CHARL DE VILLIERS

THE deciduous fruit industry has condemned an advertisement in its own mouthpiece which warns farmers against "falling prey to trade unions".

Titled "The radical attack on the SA agricultural sector", the advertisement appeared as a loose-leaf brochure in the June edition of the Deciduous Fruit Grower.

The insert, produced by the Johannesburg-based Liaison Bureau for Industrial Relations Services (LBIRS), includes warnings to farmers against "falling prey to trade unions" and inadvertently "assisting the ANC in their power struggle".

The fruit industry's public affairs manager and spokesman for the powerful Unifroco international fruit-marketing group, Mr Fred Meintjies,

said yesterday: "An advertisement like that is totally uncalled for and shows a total lack of insight. An approach like that to industrial relations will not have much benefit."

Magazine editor Ms Hannarie Wenholt said she had not seen the advertisement, which had been inserted "at the last-minute" into copies of the magazine already at the printers.

Describing the brochure as an information sheet to farmers, LBIRS co-director Dr Kobus Slabbert said yesterday he was not opposed to trade unions "as such" but to "politicised" unions which "misled" workers.

"The ANC is advocating that farm and domestic workers fall under labour legislation," he said. Farmers who were confronted with trade unions needed to "know their opponents".

Sanctions hit fruit workers' jobs

By JOHN YELD
Staff Reporter

ARCUS 11/15/89
3 Fruit

SANCTIONS against South Africa have caused a decline in the number of seasonal workers in the fruit industry, according to Stellenbosch magistrate Dr Anton Rupert.

Dr Rupert was speaking in Stellenbosch yesterday at the opening of the Fleurbaix complex, a historical Cape-Dutch homestead on the banks of the Eerste River dating from 1768 which has been restored as headquarters of the SA Plant

Improvement Organisation.

Dr Rupert said the fruit industry was the anchor industry of the Western Cape and earned valuable foreign exchange — estimated at more than R1 500-million this year.

It was also the largest employer of black labour, providing work for nearly 250 000 workers with more than a million dependents.

“It is disturbing to note that sanctions have already led to a decline in the number of seasonal workers,” he said.

The South African fruit exporting industry generated

about R2 000-million for European institutions, and import duty on South African fruit alone was about R75-million — more than the R60-million which these countries channelled through organisations like the SA Council of Churches and the Kagiso Trust in 1987-88, Dr Rupert said.

“This shows just how self-defeating the actions of some of our European trading partners are.”

Nuremberg joins boycott of SA fruit

fruit
The Star's Foreign
News Service

MUNICH — Another West German city — Nuremberg — has joined the mounting boycott action against South African fruit imports.

The leftist Social Democrats in the Nuremberg City Council joined with the minority Greens in passing a resolution calling on the city's market wholesalers not to buy South African fruit.

The resolution is not binding, and it faces stiff opposition from the Bavarian Society of Fruit Importers and the state's Society of Wholesalers.

The two organisations recently appealed to the Bavarian state government to block a similar resolution passed by Munich's city council. The legality of the resolution is being examined by the state government.

Fruit exports seen at R1,5bn this year

Cape Times 11/5/89

3 Fruit

By AUDREY D'ANGELO
Financial Editor

THE fruit industry — which provides a living for more than 1m people in the Western Cape alone — is expected to earn more than R1,5bn in foreign exchange this year, Rembrandt chairman Anton Rupert said last night.

He was speaking at the formal opening of a new centre for the industry in the restored 17th century Fleurbaix manor house near Stellenbosch.

Describing fruit growing as “an anchor industry in the Western Cape”, Rupert said it was the largest employer of black people in the area.

“It is disturbing to note that the sanctions policy which some overseas countries have seen fit to apply to SA has already led to a decline in the number of seasonal workers.”

Sanctions, he continued, would also hit business in the countries applying them.

“The SA fruit exporting industry generates some R2bn for European institutions.

“In the export of Cape grapes, for example, the Europeans get about 65% of the retail price. This

includes the retail and wholesale shares as well as import duty and distribution costs.

“The SA share, which includes transport and all packing materials, is 35% and the farmer’s share amounting to only 10% of the retail price in Europe.

“The wine farmer is in the same situation. His share of the retail price of a bottle of wine in the higher price range on the overseas market varies between 10% and 12%.

“On the other hand the import duty alone on SA fruit delivered to the European Economic Community markets amounts to some R75m.

“This is more than the R60m which these countries channelled, for example, in 1987/88 through organizations such as the SA Council of Churches, the Catholic Bishops’ Conference, Cosatu and the Kagiso Trust for the upliftment of the underprivileged.”

Rupert said that in the difficult trading situation SA was currently experiencing “the Cape fruit industry has to be particularly resourceful to retain current markets and to open new ones.

“Ultimately the consumer’s demand for quality products is the only truly effective counter to political scheming.”

In the long run, the service and quality which were the foundations of the SA fruit industry would ensure it a place in the world market.

Fleurbaix, with more than 60 ha of land, is now the headquarters of the SA Plant Improvement Organization, a project managed in partnership with the deciduous, dried and canned fruit industries.

It will also be used by the industry for conferences and training.

Rupert, who has played a leading part in the conservation of old buildings, said it was an ideal site where the best use could be made of the infrastructure serving the industry such as the research institutes, plant quarantine stations and the University of Stellenbosch.

“Research is the lifeblood of an industry and ensures that it will remain at the forefront of technological development.

“In a strategically important industry like the fruit industry this is indispensable.”

Dutch get the pip over SA fruit

AKUS 11/3/89 3 Cont
The Argus Foreign Service

UTRECHT. — Rotterdam city councillors have been embarrassed to discover that a large loan granted to extend the fruit terminal in the city's Merwe harbour will also help the import of an annual 14 500 tons of South African fruit.

None of Rotterdam's city councillors, including activists in the Labour Party faction, had realised this until it was too late to cancel the financial contract with the fruit terminal's management organisation.

About 15 000 tons (1,7 percent) of the Merwe harbour's annual 860 000 tons of handled fruit is of South African origin. This is only a small portion of the total South African fruit trade in Europe. Of Antwerp's 1,2-million tons of fruit, 63 000 or 5,1 percent is South African. Hamburg handles a hefty 117 000 tons (16,1 percent) and Bremen 25 000 tons (3,9 percent) annually.

The Fruit Terminal Rotterdam

FTR management company is unwilling to help the city council out of its political predicament. FTR refuses to voluntarily relinquish its South African trade and also will not allow any last-minute insertions of any anti-apartheid clauses in their credit contract with the city.

The city council's management

committee has now decided to put the council land, designated for the terminal's expansion, on "temporary hold" until the problem can be debated again in May.

But well-informed sources are sceptical that Rotterdam's business community will back a council attempt to back-pedal on the loan.

Unifruco reaches export milestone

CHM TRAPS 25/2/89 (3 fruit)

By BRUCE WILLAN

UNIFRUCO, the international marketing group of the deciduous fruit industry celebrated a milestone in its history with the export of its 600 millionth carton of fruit to Western Europe since the Second World War.

This is a far cry from the 14 trays of peaches which were first exported in February 1892 from Table Bay.

This comes in the same year as the organization celebrates its 50th anniversary of single-channel marketing for the export of deciduous fruit.

The specially marked carton of Waltham Cross grapes was loaded yesterday and will be shipped to Britain where it will be auctioned with another 149 cartons of grapes to raise funds for the education of farm children.

It is expected that each

carton will fetch in excess of £5 (about R22).

Chairman of Unifruco, Leo Fine says this milestone is a special achievement for the industry.

"With the aid of overseas earnings, which is expected to reach a record R900m this season, a healthy industry with a capital investment of R2 875m has been established."

The organization has a shipping bill of some \$60m (R150m) per year for the 110 trips to carry the vast amount of apples, grapes, pears, peaches, apricots, nectarines, plums, melons, pineapples, watermelons, kiwi fruit, mangoes and prickly pears.

Over the past four years deciduous fruit exports have increased by 6m cartons to around 30m cartons a year and Fine is confidently optimistic

that this positive growth rate will continue in the future.

Since 1980 Unifruco has almost doubled its export earnings from R245m to the expected R900m this season.

The benefits of the low rand and higher volumes exported are tremendous for the organization.

Manager of Public Affairs, Fred Meintjies says this achievement is quite remarkable considering that all the fruit exported is on a consignment basis and totally at the mercy of the traditional market place.

He attributes the success of Unifruco to the high standards set by the industry and the quality of the product exported.

Fine indicated that the quality of crops is good this year especially the grape crop.

CML 7107/23 23/2/89 (3/fruit)

Boycott probe proposed

THE government and the Deciduous Fruit Board should investigate the proposed boycott in Britain of South African deciduous fruit and look for alternative markets, the Acting Minister of the Budget and Auxiliary Services, Mr Chris April, said yesterday.

D. J. ...

Sacked over SA fruit packs, says girl

The Argus
Foreign Service

22/2/89
LONDON. — The renewed boycott of South African goods here has been highlighted at a Newcastle supermarket after a 15-year-old shop assistant was allegedly sacked for refusing to handle South African fruit.

31-
Miss Claire Morgan said she was dismissed from her part-time job at William Low after she refused to pack and price South African fruit. William Low's management says she left of her own accord.

The incident has sparked protests, includ-

ing picketing of the store.

Miss Morgan said when she found out last month that she was working with South African produce she threatened to hand in her notice. The store manager suggested he might be able to find her another job.

W/E Africa
18/2/89 3 FRUIT

BUSINESS

Shining future for SA dried fruit industry

By TREVOR WALKER
Business Staff

SOUTH Africa boasts the best quality dried fruit in the world, and the outlook for the industry has improved dramatically in the last two years.

South African Dried Fruit Co-Operative (SAD) with its headquarters in Wellington has, following recent senior management appointments, been very active in marketing and raising the image of the industry.

General manager Mr Charl van Schoor, marketing manager Mr Philip Botha and industrial market manager Mr Daan Coetzee all joined the co-op in the last two years.

The dried fruit industry in the Cape has a long history. Cecil Rhodes was one of the earlier investors in the industry before the turn of the century.

Mr van Schoor says SAD is not really a co-op in the strict sense of the word, but is more of a marketing agent for the 2 759 farmers who belong to it.

"We do fulfil some of the more normal supply requirements of an ordinary co-op, but our main function is to market dried fruit."

Turnover has increased substantially in the past 10 years. In 1977 the co-op sold about R28-million for its farmers and last year sales rose to nearly R200-million.

"Dried fruit is a high risk business, with weather conditions having a crucial impact on the eventual quality of the crop."

Dried fruit is an exotic crop, coming at the end of the line which starts with fresh fruit, canned fruit, juice, jam and then the dried product.

Fruit is left longer on the trees to maximise the sugar content and then has to dry in the open where it is very vulnerable to rain.

Nevertheless, the quality of the South African fruit is of the very best and is quickly bought up by the major European sellers.

Boosting snacks

Mr van Schoor said it was no coincidence that two US dried fruit farmers were presently in the country studying the production methods of local farmers.

Raisins and sultanas account for the bulk of the output, but apple, peach and apricot are being sold in ever increasing quantities.

The co-op has been so successful in marketing its products to the public that the catering and food industry has begun to show increasing interest in the various products.

"It is because of this interest that we appointed Mr Daan Coetzee to head up our industrial sales division and we are going full out to expand our pre-packing facilities for industry."

"Our long-term objective is to develop the increased use of dried fruit in confectionery, sweets, snacks and cereals."

"The gold mines are now using one of our packs as natural sugar boosting snacks for miners who go underground in the early hours and who require a natural energy food between meals."

The "Sunshine Taste" is the banner under which the co-op sells its fruit and clearly the outlook for the future is equally bright and shiny.

Hybrid melon grown in Cape

CAPE TOWN — The first seedless watermelons in the country are to go on sale in Cape supermarkets today.

The hybrid melons, the result of about 50 years research in the United States, are being grown on eight western Cape farms with some success.

One row of seedless melons is planted between rows of conventional seeded fruit and then cross-pollinated by bees brought into the fields. *Star 27/1/89*

The new variety of melon may contain some white seeds but these are undeveloped seed pods which are very soft and are edible, the report said. — Sapa. *3 Fruit*

Money in marula oil

THERE'S money to be made from the kernel of the marula fruit, according to the Council for Scientific and Industrial Research.

Investigation by the CSIR's division of food science and technology into the composition of marula nuts shows they contain an oil of potential economic value.

Scientiae, the CSIR's quarterly science journal, says the oil has qualities that

could make it useful for coating dried fruit. Its main quality is that it remains fresh much longer than most other oils. *STimes 15/1/89*

The dried-fruit industry in SA imports about 250 tons of oil from the US each year to coat its products.

The marula tree produces up to 1.5 tons of fruit a year and cultivation of orchards could hold great potential for agriculture. (3) *f. mab*

'Wind caused fruit mountain'

THE south-easter and recent mountain fires has been blamed by South African Airways for the build-up of perishable fruit at D F Malan Airport's freight terminal.

SAA spokesman Mr Francois Louw yesterday said the fires had created a hothouse effect which had speeded up the ripening process of fruit and the south-easter had prevented several ships from loading fruit.

The Cape Times reported on Wednesday that a shortage of aircraft had caused tons of perishable export fruit to be dumped on the local market and that SAA had laid on several

extra flights to reduce the backlog. The airline also chartered several aircraft from foreign carriers.

But Ceres fruit farmer Mr Pietie Wolfaardt hit back at Mr Louw's claim, saying the fires could not be blamed for the earlier fruits.

"Weather patterns are marginally different this year and some of the fruit ripened earlier," Mr Wolfaardt said.

Deciduous Fruit Board spokesman Mr Fred Meintjies said yesterday that the board had a long-term export programme to ensure that enough flights were available for exports.

3 Fruit
Chl. Times 11/1/89
SAA helps to get fruit over in time

SOUTH African Airways has arranged four extra charter flights to Europe this week to transport tons of Boland fruit which is in danger of rotting.

Yesterday, 60 tons of melons were awaiting a flight at a freight agent at D F Malan Airport, while 180 tons of fruit — mainly grapes — were due to be transported by road from Cape Town to Johannesburg today because freight space could not be obtained.

Two of the extra flights will be from Cape Town — tomorrow and on Friday — and the others from Johannesburg.

Mr Gerd von Mansberg of Perishable Cargo Agents, the largest

freight agent in the country, said he had dumped 12 tons of reject melons on to the market on Friday and another 10 tons yesterday.

"Fruit is coming in to our cold storage rooms all the time," he said.

"When one load in our refrigeration rooms begins to go off, we dump it as 'export reject' on the open market to make room for fresher produce.

"But with 15 to 20 tons coming in every day, the situation is getting worse."

At the harbour yesterday, 180 tons of fruit was being loaded into refrigerated trucks for transport to Johannesburg because space on freighters could not be obtained.

Also in danger of spoiling, the consignment will be treated as priority cargo on the two extra flights from Johannesburg, said SA Transport Services spokesman Mr Leon Els.

He said the freight agents had met the Minister of Transport Services, Mr Eli Louw, late last year.

MAIZE EXPORTS

Farmers' R1bn kiss-of-life

3 MAIZE FM MAIL 6/11/89

The export outlook for SA's maize farmers has improved considerably, with average revenues from foreign sales now exceeding local market prices.

Should local weather conditions continue to complement the bullish export outlook, farmers could boost export earnings to R1bn this year. With the handsome premiums paid for SA's quality maize, gross earnings could go as high as R320/t-R340/t.

On Friday, March maize futures quoted on the Chicago market hovered at around US\$123/t fob Gulf (R290/t). This is already \$9/t above

March futures quoted earlier in December and the general tone is "extremely bullish," says Holcom Brokers head of soft commodity and futures trading, Lyndsay Williams.

Underpinning the Chicago market is news that the Soviet Union is increasing corn (maize) purchases from the US, while reduced US stocks and fears that the North American drought could return this year are adding to bullish sentiment.

"The latest US-Soviet grain pact shows a 4 Mt/year increase in Soviet corn purchases from the US to 16 Mt/year. In the past month alone, Russia has bought 2 Mt from the US. Following the bad US crop season, strategic stocks have been drawn down and must be replenished. The general outlook for 1989 is highly positive," says Williams.

Stabilisation of international prices at a level almost \$40/t higher than this time last year augurs well for local farmers. This, together with a weaker rand/dollar exchange rate, could result in local maize farmers earning up to R90/t more on maize exports than they did last year.

Maize Board sources say with the current state of underground moisture reserves, a 9 Mt maize crop is "guaranteed," and a 10 Mt crop is possible. With local consumption at about 6 Mt, this should leave 3 Mt-4 Mt for export, adding export revenue of R900m-R1.2bn to the coffers of producers.

This would be excellent news for banks and other creditors of the debt-stricken maize sector. Dealers in tractors, fertiliser, chemicals and other materials also stand to benefit.

Good rains early in the planting season have created positive crop expectations, but the crunch will, as usual, come during the traditional February-March heatwaves. If the predictions by weather forecasters (that



Maize ... promises to be a growing earner this season

SA is entering an eight-year "wet" cycle) come true, farmers can expect an excellent crop.

Some long-term weather forecasters are predicting a return of the great American drought this year, which could send Chicago prices through the roof. Last year's US drought knocked about 6% off world grain output and prices are bound to remain strong until at least the end of the northern summer.

The Maize Board is cautious about giving too positive a price indicator to producers — yet. Not only has government been trying to wean farmers away from crop over-production, a bumper US crop later this year could cause a collapse in world market prices.

But, according to Holcom's Williams, Chicago maize prices have "built a base" and are being strongly supported by the draw-down in US stocks and growing Russian demand.

"Should the US drought return with a

vengeance, prices could firm considerably. By March or April, we should also get an idea of the size of US wheat plantings, which could further impact on grain stock expectations. At worst, the market could move sideways, but I expect prices to firm," he adds.

With China's burgeoning population and Russia's on-going agricultural problems, Williams expects bullish price fundamentals for the next five years — "and even longer."

"The wild card remains US weather conditions. Meteorologists talk of recurring North American droughts as

a direct result of the so-called Greenhouse effect.

"There is a limited downside potential for grain prices, but the sentiment definitely lies on the upside," he says.

Confirming this view is the fact that Chicago soya prices on Friday surged "limit up" by US16c/bushel on the combined news that US stocks are down, the Brazil crop has been hit by the drought and that Argentina (the third major producer for the world market) is experiencing a heatwave. ■

MILLER WEEDON

Debt of dishonour

The Keystone Cops award for 1988 must surely go to Miller Weedon (MW). Letting the sheriff loose on someone at 6.30 am on Christmas Day is, by anyone's standards, a clumsy method of debt collection.

Cape Town millionaire Jack Walsh acknowledges this, and says he regrets the dawn arrest of former MW shareholder Mike Menof as he stepped off an aircraft from the United States.

Court officials arrested Menof over R72 000 he allegedly owes MW. Only by rustling up an R80 000 guarantee did he avoid Christmas in jail. A judge subsequently cancelled the guarantee and awarded Menof costs.

Menof, who says he plans to sue Walsh and two other MW directors over the incident, says it was caused by personal malice.

Walsh denies this: "We have no particular fight with Menof. We want him to meet his commitments as a vendor of MW in terms of legitimate warranties in the agreement."

He tells the *FM* he brought an urgent

CHANGING TRACK

Wessel Pienaar has resigned as executive director of the Southern African Bus Operators Association (Saboa) after less than a year to join City Tramways in Cape Town.

Saboa, the national umbrella body for the private sector bus industry, advises government on transport affairs. Its new executive director is Jackie Walters, professor of Transport Economics at Rand Afrikaans University (RAU), who assumes office on Monday. Pienaar also joined Saboa from RAU.

A maize of contradictions

3 MAIZE

FMAL 27/1/89.

Maize Board (MB) GM Hennie Davel responds to an *FM* report (*Business* December 16), in which a group of Natal maize farmers criticised the one-channel marketing system and the attempts to extend MB control. The article raised the issue of whether the region's farmers should help pay for export losses on excess national production, when the region itself is a maize "importer" from other provinces.

Most maize in Natal is produced by farmers who support the one-channel marketing system. The MB believes the *FM* provided a platform for the views of only a few people, and disregarded the interests of 11 520 other maize farmers and 275 millers.

The fact that Natal is a net importer of maize has nothing to do with the issue — the same situation prevails in other areas. It even happens that certain areas may switch from being a "net exporter" one year, to "net importer" the next, and vice versa, due to fluctuating weather conditions.

The crux of the matter is that SA is collectively producing too much maize and, therefore, all maize farmers must share in export losses (or profits). An increase of maize production by farmers in uncontrolled areas directly contributes to greater export losses for the maize industry, while no contribution is made towards those losses by the farmers concerned.

This gives rise to an artificial market benefit for farmers in uncontrolled areas and encourages production. To make profits at the cost of others who are not responsible for the increase in production and subsequent export losses, is relatively simple. Further, government is spending millions of rand to curtail production in the controlled areas, while production in uncontrolled areas is being increased. This does not make economic sense.

Natal farmers in uncontrolled areas are not operating in a free market system in the real sense, but in a system in which they are protected, cushioned and benefited by one-channel marketing in controlled areas.

They do not pay for export losses or carry costs for marketing promotions, quality control and quality improvement. If their maize is sold out, the MB must stand in for the continuity of supply with the result that they enjoy the advantages offered by the system, but are not prepared to pay for them. No wonder maize farmers in controlled areas argue that either all maize farmers collectively carry the costs of the system, or everyone should be free.

Maize farmers, however, have voted for the present one-channel marketing system to be maintained. So it is neither the MB nor the minister who asked that the same marketing system be applied throughout the country, but 95% of all SA maize farmers.

Even farmers outside the controlled areas were not excluded from the vote by Nampo farmers. The decision was taken on a democratic basis and the reasons for the retention and extension of the one-channel system are highlighted in the Brand Committee's report.

Your report created the impression that farmers must pay unnecessary levies to the MB. But over a period of about three months, the MB buys and takes delivery of the total maize crop.

Its responsibility to keep stocks for supply throughout the year, results in interest, carrying and storage costs. The MB is not in the favourable position of certain Natal farmers, who move in and out of the market as it suits them.

Complaints by certain Natal farmers that they must sell at MB selling prices or use MB storage facilities, are unfair. They can sell to whomever they wish, at whatever price and use what storage facility they choose. All that is asked of them is that they make a contribution towards export losses (if any), continuity of supply, market promotions and administration costs.

Is this asking too much, especially if they already enjoy these advantages? In years when profits are made on exports, they will share in those profits even if their maize was not exported. In all fairness, these individuals are unreasonable.

NATAL MAIZE

3 MAIZE FMAIL
17/2/89

Fight for freedom

Maize farmers in Natal remain determined to fight off — or at least postpone — the unwelcome clutches of the Maize Board (MB).

By virtue of their classification, until recently, as a "C" area, farmers in parts of the province have been free to sell their maize independently to privately owned mills.

Net prices received were generally higher than those paid by the MB to its "captive" farmers or its agent mills, since "C" area farmers escaped the levies imposed by the MB to pay off accumulated export losses.

This independence ended when Agriculture Minister Greyling Wentzel ruled, in terms of the findings of the Brand Committee, that MB control would be extended to all parts of the country from May 1 (*Business* December 16).

The board's justification for exercising rigorous control over the industry and levying farmers, is that increased production in "uncontrolled" areas contributes to the existing surplus which must be exported at a loss (*Business* January 27).

The angry retaliation by Natal farmers to news of their imminent inclusion under MB control has resulted in a war of words be-

tween their representatives and MB GM Hennie Davel.

The farmers remain unrepentant. A deputation will see Davel and MB chairman Hennie de Jager in their Pretoria offices this week. Representing the farmers will be Natal Agricultural Union director Steve Shone, William Mullins (representing East Griqualand farmers), John Bredin (southern Natal) and Keith Todd (Natal Midlands).

In terms of an original proposal, MB deputy GM Peter Cowney was due to meet with farmers in Maritzburg last week. But in view of the growing delicacy of the matter, he asked farmers to come to Pretoria instead.

The *FM* understands Natal farmers will use the meeting to appeal for relief from Wentzel's ruling that farmers within magisterial districts producing more than 5 000 t of maize should lose their "C" status and henceforth fall under the MB's authority. Their counter-proposal (already dismissed by the MB) is that magisterial districts which are net importers of maize products should be free of MB control, or that a "more scientific" formula be employed in allocating exemptions.

Alternatively, they want a stay of execution of the minister's ruling for five years. ■

3 MAIZE FMAIL
17/2/89

FRUIT

1983

JANUARY — NOV.

Mercury
**League to
back up
monopoly
claim** *1/18/33*

7 Mercury Reporter
THE Housewives' League is to gather evidence to support its claim that Langeberg Co-operative controls a monopoly over the country's canned fruit and vegetable market, and will present its case to the Competition Board.

A vice-president of the watchdog body, Mrs Jean Tatham, yesterday said the matter had been taken up after the company had raised the prices of its foodstuffs by between 13 and 27 percent this week.

It had been resolved to prove that Langeberg had a 'stranglehold' on the industry and that as a result was in a position to manipulate the market.

Mrs Tatham said it had also been decided to approach other bodies, including retail organisations, to support the league's contentions.

At least one national supermarket chain has already indicated that it feels Government action is needed.

She said it was the lower-income groups who again would be the hardest hit by the increases.

The chairman of the Competition Board, Dr David Mouton, said all submissions to him, whether by individuals or representative bodies, were considered and that investigations would be initiated if claims were made that could be substantiated.

Canned fruit output is falling

Star 26/1/83
Production in the canned fruit industry has dropped by almost 50 percent since 1980, a spokesman for the Canning Fruit Board told delegates to Agrocon.

The decline in the export market and the drop in local demand has brought about a drop of 46 percent in production compared with 1980, he said.

The board believed it was essential that a comprehensive agricultural export policy was formed to prevent farmers losing interest.

The Western Cape could not afford to lose its canning industry because it provided foreign exchange as well as jobs.

The board called for government aid to enable the industry to compete with subsidised products on the export market.

● In January the largest manufacturer of canned goods, Langeberg Co-operative, increased its prices by 14 to 20 percent but retailers say consumers are resisting rising prices.

CAPE TIMES 14/2/83

3 Fruit

Many canning-fruit farmers are giving up

By JAN VAN DER POLL

MANY Western Cape farmers have delivered their last load of fruit to the canning factories and are pulling up their fruit trees.

Canning prices have dropped from R140 to R123 a ton in 10 years, while production costs more than trebled.

World-wide bumper crops of fruit since 1980 have knocked the bottom out of the local canning-fruit industry. Indications are that the market is not likely to recover for many years.

A heavy blow came in July 1981 when Greece, Europe's main canned-fruit producer, was admitted as an EEC member and was consequently protected by the EEC's 17 to 24 percent import tariff.

Another factor is the health-food trend among Europeans which favours fresh fruit. Previously, the Cape canning industry sold 88 percent of its turnover to EEC countries.

One farmer who anticipated the crisis, Mr Mike Pickering of Franschoek, replaced his peach orchards with nectarine and pear trees suitable for the fresh-fruit export market.

The move is seen by local farmers as long-term and expensive — costs run upwards of R10 000 a hectare and it takes five years to full production.

The Canning Fruit Board intends asking the government for a subsidy to ease the transition.

"The measure should not be to protect the canning-fruit industry as such, but to ward off economic collapse. Five fruit-canning factories have already closed," Mr Pickering said.

Mr Frans le Roux, manager of the Canning Fruit Board, said there would always be a demand for the Cape's high-quality canned fruit in Europe. "But the government must provide a subsidy similar to the import levy charged by the EEC."

Fresh produce prices soar

16/2/83

D. Daspit

Fruit



EAST LONDON — Fresh produce prices have rocketed to all-time highs as a result of the drought and are expected to remain at their present levels for as long as the drought prevails, a spokesman for the municipal market at Wilton said yesterday.

"The drought has severely affected supply, but the demand for fresh produce has increased, pushing up the prices even further," the spokesman said.

Locally produced vegetables, particularly tomatoes, potatoes, carrots, beetroot and turnips, are "very expensive".

Tomatoes, which could be had for R1.25 a box during the glut in November last year, now go for R6 a first-grade box on the market. Greengrocers are selling first-grade six-packs for between R1.80 and R2, but lesser grades are up to 5 per cent cheaper.

"Potatoes too, are very expensive, going for between R6 and R6.50 for a first-grade pocket. Even at that price there is no shortage of buyers," he said.

Greengrocers are asking up to R9 for a pocket of first-grade potatoes.

Bunches of carrots, beetroot and turnips bought for between 40 and 60 cents on the market are retailing at up to 90 cents.

Cucumbers are fetching R2 a half a pocket of 12, and are retailing at up to 69 cents each. Pumpkins are being sold for up to R3.70 for a bag of between six and 10. Green-grocers are asking an average of R2 a pumpkin.

The quality of produce brought to the market has been fair.

"It's not outstanding, but it's being snapped up," the spokesman said.

Fruit, although expensive, had not escalated in price as a result of the drought, although locally grown pineapples are expensive. A bag of between 18 and 26 is selling for between R7 and R8 on the market and pines are being sold for up to 50 cents apiece at greengrocers.

"Other fruit, 'imported' to the Border from the Western Cape, is still fairly reasonable for this time of year although prices are up about 30 per cent on last year."

Red Delicious first-grade medium apples are fetching R6 a box (= 150 apples), while large Red Delicious are going for up to R13 a 100 and retail at 25 cents each.

Mangoes are fetching between R2.50 and R3 a dozen and are retailing at up to 72 cents each. Peaches, which cost on average 25 cents at greengrocers, sell for between R3 and R3.60 a half box of 50 on the market. New-season pears, going for up to R6 for 120 on the market, are retailing at 25 cents upwards each.

Referring to the shortage of locally produced fresh produce, the spokesman said that the reluctance of a number of farmers to pump water to irrigate their lands because they feared they would not cover their production costs had been a major contributing factor to the price rise.

"Once the drought has eased, things should be better all round, for the producer, retailer and consumer." — DDR

9/11 3/11
D. Dispatu 25/2/83

Pato pine venture gets R6 000 award

ZWELITSHA — The Minister of Agriculture, Mr L. M. Fani, presented a cheque to the Pato tribal authority for the first direct cash benefit of a pineapple production venture.

Presenting the R6 599,59 cheque he said the tribal authority's decision in the 70s to establish a pineapple production unit would have lasting effects on the area's future growth and development.

The production unit was a joint venture with the Ciskei Government

at Dyam-Dyam.

Pineapples had long been grown in that coastal zone and were seen as having a primary position in the agricultural production of the region.

"Pineapples are one of the most successful dry-land crops therefore it is sound agricultural policy to continue to expand this resource base," Mr Fani said.

"There seems to be no limit to the market at present and therefore production and expansion must continue."

The venture was initi-

ated in March 1979 when land preparation and planting began.

With 25 ha planted annually, the unit now totalled 105 ha.

He said the quality of the pineapples harvested had been excellent and the present unit was considered to be the second best pineapple production unit in the Border region, according to a preserving company, the buyers of the fruit.

A 300 ha unit was planned which would generate about R40 000 annually. — DDR.

Fruit and veg prices rocket as quality takes a dive

③ fruit. ~~veg.~~
E. Post
26/2/83

THE drought in many of South Africa's vegetable producing areas has affected prices, which are starting to bite into the pockets of consumers nationwide and worse is probably on the way.

Buyers for supermarket chains in Cape Town say the situation is certain to get much worse before it improves and some expect many prices to be double last year's.

In their efforts to offer customers a higher quality standard of fruit and vegetables, one major supermarket chain is using refrigerated trucks to bring produce from as far as the Transvaal and Western Cape to Port Elizabeth.

Farmers in the Transvaal are no longer planting potatoes because of the drought, so the current price of about R7 for a 15-kilogram pocket is already double the lowest prices last year.

The price could approach R9 a pocket when the second crop from the Ceres area, which will have to supply the Transvaal and Natal as well as the Cape, comes on the market in April.

A spokesman for the municipal market in Port Elizabeth said the Port Elizabeth public was feeling the delayed reaction of the drought and prices would surely worsen even if there were substantial rainfalls. Almost all the prices of fresh produce were up on last year.

The supply of fruit is fair at the moment, but quality has suffered as a result of the dry weather.

Potatoes are in very short supply, as are lettuces and most greens. Customers have been charged as much as 90c a lettuce in cafes in the city and this week's prices at the market soared as high as R7 a carton.

The spokesman said R1,50 to R2 a carton was a fair price for lettuces. Cartons usually contain between eight and 16 lettuces.

Although most of Port Elizabeth's lettuces are produced in the Gamtoos Valley area, this year's hot weather affected the crops. Even the irrigation systems in the Gamtoos area could not improve the quality of the lettuces. Because they are grown above the soil's surface, scorching temperatures had damaged their quality.

The spokesman said the supply of greens at this time of the year was usually fairly good, but this year was exceptionally bad.

"Even if we get rain soon, it will still take another three months before we see the results," he said.

③ fruit Export of deciduous fruit 11/3/83
Hansard p. 61-640
516 Mr. R. W. HARDINGHAM asked
the Minister of Agriculture:

(a) What were the proceeds from South African exports of deciduous fruit in each of the latest specified three years for which figures are available and (b) what was the highest relevant figure for any specified year prior to the years referred to above?

The MINISTER OF AGRICULTURE:

(a) *Gross proceeds:*

1979/80 R245,1 million
1980/81 R201,4 million
1981/82 R364,0 million

(b) *Gross proceeds:*

1978/79 R206,4 million

Business is booming as ...

'Rebel' farmers do their bit to curb inflation

③ fruit ③ vegetable
ROM 11/3/83

By DIANNA GAMES

FIVE farmers, all under 32 and who see themselves with a role in protecting the fresh produce consumer, are the masterminds and managers of a multi-million-rand business with 70 000 customers a month.

The "rebel farmers" formed a fruit and vegetable retailing outfit four years ago when they became frustrated at not being able to control the marketing or prices of their produce, or the condition in which it ended up on kitchen tables.

The unusual role of marketing their own produce went against the workings of the industry and earned them their name of "rebel farmers".

Competitors gave their ambitious project a six-month lifespan when it began, but in four years it has grown by 100% and the "rebels" plan to double their present capital within three years.

The men are all of farming stock from the Pretoria-Witwatersrand-Vereeniging area and see themselves at the forefront in protecting the consumer, especially in this time of serious drought.

They have only two outlets — one in South Hills, Johannesburg, and one in Roodepoort — although their suppliers are countrywide.

Last week a founder of the group, Mr Alan Texeira, spoke about the present situation in the produce industry which has seen prices soaring by more than 100%.

He said their produce was nearly all grown and transported by them, which saved up to 35% on packaging and commission. Also by cutting out middle-men they were able to

keep prices down and preserve quality.

"I feel we have helped the consumer by becoming a barometer for prices in the chain stores and larger outfits. But these outfits can't compare with our prices because they have too many people handling the stuff — too many middle-men taking cuts."

He said they bought produce from other sources when their own supplies were short, but were very selective in what they bought.

"But most things have been upgraded because of the drought. What would normally be third grade is now selling as first grade and even what was previously unsaleable is being graded and sold.

"This is why it is important for housewives not to buy in bulk. Because the quality is poor, the produce is less likely to last. While this situation lasts, people should only buy for their short-term requirements".

He said many retailers were deceiving the public who now expected to pay much more for fresh produce and often did not question prices or quality.

"Because farmers are not able to replant crops this year, shortages will be with us for the next few years. Winter crops such as cucumbers and green peppers have already been drastically affected by the drought.

"We must retain full participation in our retail outlets. When we set up, we wanted to ensure that fresh produce was sold to consumers at the right prices and we weren't going to capitalise on surplus situations and mark-ups."

Mr Texeira said they worked on a 20% profit margin, as opposed to a more average retail mark-up of about 60% to 80%, and only had 0,8% wastage.

Fruit exports threatened by protectionism

② Fruit C. Tunney
Finance Reporter 14/3/83

URGING a move to a freer market system, the chairman of the Elgin Fruitpackers Co-operative, Mr Jimmy Rawbone-Viljoen, said that the economic viability of the fruit farmer was being threatened by disproportionate increases in input costs from protected local sources.

Speaking at the co-operative's annual general meeting on Friday, Mr Rawbone-Viljoen said that fruit producers were obliged to pay inflated prices for items such as weed-killers, insecticides, fertilizers, packing material, fuel and tractors produced by protected local manufacturers.

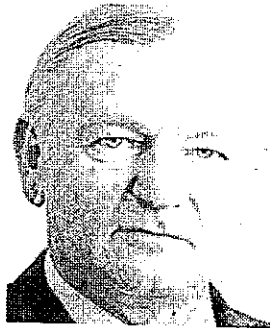
He said that unless free-market principles were fully applied, the fruit farmer could be forced to reduce his exports drastically.

"This could have a serious effect on the country's foreign exchange, and could also lead to serious unemployment in the Western Cape.

"It is accepted that South Africa's international political position dictates that it should have strategic and protected industries. However, if a particular protective measure is desirable, the basic premise should be that those who receive the benefit of protection should pay for it."

If industries were artificially supported, it should be through the Treasury, which would mean that such money required would be raised through taxes and subject to parliamentary controls. The precise cost of protecting any industry would then be known.

"Under the present hidden method of subsidy,



Mr Jimmy Rawbone-Viljoen

nobody knows exactly how much the country spends to protect local industries."

SA agrees to cut apple exports ^{C. Truine} (3) fruit

193/43
Own Correspondent

BRUSSELS. — Under strong pressure from Europe, South Africa has agreed to a 10 percent cut in apple exports to the EEC this year.

South African officials in Brussels, this week accepted a Common Market demand, that they will bring the quantity of apples exported to the EEC down to 122,400 tons.

This is 10 percent down on the average for the last three years.

Other apple exporters to the EEC from the southern hemisphere, namely New Zealand, Chile, Argentina and Australia, have been asked by the Common Mar-

ket to make a similar cut in their exports, and it is on the condition that they do so that South Africa has agreed to cut its apple sales to Europe.

The reason for the European attempts to bring about a reduction in apple imports this year, is a bumper apple harvest.

Because of this, it is estimated that a million tons of EEC apples will have to be taken off the European market to keep prices up, with the bill being picked up by the EEC taxpayer.

EEC's civil service

Against this background, it would be politically difficult for the European Commission — the EEC's civil service — to do nothing to reduce the number of apples coming into the Common Market.

In fact, originally EEC officials were asking for a 12½ percent cut in apple imports from southern hemisphere countries, but South African negotiators managed to get this figure down.

It is not believed by South African officials here that the reduction in South African apple exports to the EEC will be too damaging, even though the South African apple producing industry has been established with the European market in mind.

The reason for this is the poor South African apple crop this season, which means that fewer apples than expected will be available for export.

③ Fruit Deciduous fruit 24/3/82
Hansard Q. Col. 791
609. Mr. T. ARONSON asked the Minister of Agriculture:

What were the gross proceeds from South African exports of deciduous fruit in respect of the latest specified year for which figures are available?

The MINISTER OF AGRICULTURE-

1981-82: R364.0 million.

Criminal charges could be brought

Magus 6/5/83

3 Fruit
[Handwritten scribbles]

Don't go it alone, fruit men warned



Mr Abraham van Zyl

Staff Reporter

SOUTH AFRICA'S 3 000 producers of dried fruit — 50 per cent of whom are in the Western Cape — have been warned that they face possible criminal charges if they try to "go it alone" or form a splinter marketing organisation which does not conform to the quality-control regulations that govern the R80-million-a-year industry.

This warning has come from the chairman of the South African Dried Fruit Co-operative, Mr Abraham van Zyl, who says: "We have spent 75 years building up our one-channel marketing system and establishing South African dried fruit as the best in the world.

"Why, now, should we

let our reputation be destroyed by a few farmers who feel that they can make an extra few rands by setting up another controlling body?"

Recent move

Mr van Zyl was speaking at the annual meeting of the SAD in Worcester and reacting to a recent move by some farmers to break away and form their own marketing body.

One such farmer was recently found guilty in Montagu Magistrate's Court and fined R800 for packing and selling dried fruit out-of-hand... a product which did not meet up to the high quality standards of the SAD.

Mr van Zyl said that the existing one-channel quality-control and marketing system in South Africa ensured a fair deal to the farmer as

well as a fair deal to the consumer.

"Actually, our SAD is the envy of many overseas countries that produce dried fruit," he said.

Mr van Zyl produced a number of graphs which showed that South African farmers in general received an average of only 54 percent of the retail price of agricultural products, whereas the producers of dried fruit get closer to 60 percent.

The vice-chairman of the SAD, Dr Andries Burger, strongly supported Mr van Zyl's comments and said some farmers might feel that the establishment of a second marketing body would open up a "bargaining channel"... "but I can assure them that they will lose out in the long run".

About 120 delegates of the various sub-unions attended the meeting.

'Disappointing' wines from big grape harvest

ARGUS 31/5/83

could not be harvested at good or had quality optimum quality. years."

Staff Reporter

SOUTH AFRICA'S grape harvest this year is a record according to Dr J D Burger, director of the Oenological and Viticultural Research Institute at Stellenbosch.

But because of the large crop, some of the wines in the 1983 vintage will not be of particularly high quality.

At a Press conference at Nietvoorbij, he said indications were that white wines made from Chenin Blanc and Colombar were disappointing compared to earlier good years.

However, premium quality grapes such as Weisser Riesling, Sauvignon Blanc, Gewurtztraminer and Chardonnay had produced exceptionally interesting young wines which showed great promise.

Too soon

He said it was too soon to judge the red wines pressed this season, but indications were that they were rather thin and unbalanced.

Cinsaut, one of the most popular red varieties, was particularly disappointing, though early-ripening cultivars such as Pinotage might, in some cases, be better.

Stand out

Late varieties such as Cabernet had had difficulty producing enough sugar and in many cases

This year's total wine harvest is estimated to be four percent higher than last year's record crop.

"I do not agree with the commonly-held belief that in South Africa there is no difference in the quality of wines from one year to the next.

"Wine is more dependent on soil and climate than any other agricultural product. It is well known that, particularly in red wines, certain years stand out as being

Grape producers in other parts of the country had also experienced large crops.

Table grapes

The table grape harvest had been 10 percent higher than that of last year and the quality had been good. But prices had been disappointing, particularly on the overseas market.

About 70 percent of South Africa's table grapes are grown in the Hex River Valley.

However, he expressed deep concern at the gap between domestic and foreign inflation rates (see *Newsmakers*). Cape exporters were at a disadvantage to competitors because of costly farm inputs from domestic protected industry.

Harbour charges and other shoreside expenses were higher in the 1983 season than farmers' net earnings from all types of fruit. Kriel urged government to consider improved export incentives and other financial assistance.

The fresh fruit export industry is one of the few in the agricultural sector that has never received direct assistance from government, although it did receive exchange rate "stabilisation" standby assistance in 1974, when the rand/sterling rate slipped below R1.50. But this was financed largely out of the DFB's own reserves in the end.

According to DFB figures, applegrowers' net farm income may not exceed 60c/carton this season on an average gross export yield of R17,44/carton.

The perilous position of the fruit canning industry was also revealed at the symposium. Fruit deliveries for canning have slumped 35% in the past four years.

FRUIT FARMERS

Skinned

③ Fruit
FM 10/6/83

Cape fruitgrowers' net earnings could fall by 80% in some sectors this year, says Deciduous Fruit Board (DFB) GM Louis Kriel.

Export volumes are expected to fall 10% from last year's 24m cartons, but earnings may fall 20% from last year's record of R350m because of softer prices in Europe.

Gross payouts to growers, says Kriel, will be about 40% down on last year, while net farm income may fall as much as 80% in some quarters, especially among apple growers.

Kriel told a symposium of the Cape Pomological Society that the deciduous fruit industry was basically sound, "but we must accept buffeting from time to time."

Kiwi fruit firm tempts investors

"Put it into Kiwifruit and just watch it grow. This fruit assures you and your family a continuous income for more than 50 years."

These are the claims made on the front cover of a brochure being mailed to thousands of people.

What is kiwi fruit, and why are investors trying to grow it in South Africa?

That is a question the managing director of the African Kiwifruit Investment and Development Company, Dr F Bungler, was at first reluctant to discuss with The Star.

He believes his company receives unfavourable publicity because it employs the same marketing techniques used by some companies which have not lived up to their promises.

Dr Bungler insists that Kiwifruit is different, and the scheme will work for investors.

Also known as the Chinese gooseberry, kiwi fruit is grown mainly in New Zealand and exported to Europe, says Dr Bungler. He believes South Africa can capture a share of the market.

Most of the New Zealand fruit arrives in Europe in June — but there is a big demand for it in the earlier months.

He says that this is when South African kiwi fruit would be ready for exporting.

"Investors in New Zealand are earning 46 percent return on their original investment, and we are advertising the same returns," says Dr Bungler.

African kiwi fruit is offering investors the chance to buy the rights to the profits of kiwi fruit vines planted on the company's two farms.

The "units", which cost R1 360 each, can be bought with a deposit of R120 and monthly payments of R34.

The company guarantees to plant, maintain, replace and process the fruit for the first four years at no further cost to the investor. The company promises to pay investors their first return in the fifth year.

The vines will be fully matured in 12 years, and investors can then expect at least 46 percent return on capital for years to



Kiwi fruit — grown mainly in New Zealand and exported to Europe but it is believed South Africa can capture a share of the market.

come, says Dr Bungler.

In theory, this means that if someone invests the minimum of R1 360, he will receive R625 each year for life.

Inflation will cause this figure to rise, but in terms of today's values, this is what the profit will be worth.

In return for this, Afri-



Dr F Bungler, managing director of African Kiwifruit Investment and Development Company

can Kiwifruit will charge investors a 15 percent management fee.

The scheme sounds great on paper — but what are the drawbacks? Dr Bungler admits that he cannot guarantee investors a return in four years.

Farm investment schemes came under the spotlight 10 years ago when South Africans were persuaded to invest in macadamia farm projects. Despite the disappointing results, some businessmen believe there is merit in the farm scheme concept. In part two of our series, Consumer Reporter COLLEEN RYAN examines one of the new projects — a kiwi fruit investment scheme.

"It cannot be guaranteed, but the probability is very high," he says. "If I guaranteed a return after four years, and for some reason we could not pay one, some investors would insist on getting returns, and this might jeopardise the project's future."

Another problem is that no one can predict with certainty market

prices in 10 or 20 years' time. The contract the investor signs does not guarantee a certain percentage profit.

The contract merely states that the "limited partner" will receive the net profit from the rights to the crops, minus the expenditure incurred by the company, and its 15 percent management fee.

Any investor in an agricultural project should also consider the possibility of a water shortage — the present drought is threatening the livelihood of thousands of farmers.

Dr Bungler is, however, confident the company's farms in Rustenburg and Lydenburg have adequate water supplies.

"We appointed a specialist to examine the situation on our Lydenburg farm. He said two dams would have to be built in the next two years to ensure an adequate supply of water. The first will be completed in October."

How long will the vines bear fruit for investors?

"That is a good question. The oldest commercial trees in New Zealand are 70 years old and are still bearing fruit," he says.

What if the kiwi fruit vines should die?

"We will replace them at no further charge," Dr Bungler says. "We do not say there are no agricultural risks, but we will do our best to reduce them."

Uncertainty hits pineapple farms

③ Fruit ~~105~~ E-Post 2/7/83

By KEITH ROSS

EAST LONDON — Many pineapple farms in this district could lie fallow this year because of uncertainty caused by the Government's plans for the consolidation of Ciskei.

The farmers affected by consolidation do not want to plant while facing the prospect of being bought out by the Government.

The worst affected are 11 farmers in the Chalumna and Ncera areas, who have already received offers from the Department of Co-operation and Development.

These offers were refused and the Government was asked to reconsider its valuations before the end of June. But there appear to have been some delays in the making of further offers on the properties, according to the chairman of the East London West District Farmers' Association, Mr Neville Hewson.

Mr Hewson said this week that the farmers felt they were "sitting on a load of dynamite".

"The farmers must hesitate to plant because they don't know whether or not the offers will be acceptable," he said. "It costs about R1 000 a hectare to plant."

Mr Hewson said the farmers would have been a lot more agitated if the planting season had not been delayed by drought.

The farmers had not been able to plant in April as usual and this had given the Government time to reconsider its offers.

Mr Hewson said more uncertainty had been caused by the Department of Co-operation and Development's recommending this week that the borders be altered in the Gulu area.

He said this alteration would incorporate the Silverdale

pineapple farm and place another six farms on Ciskei's borders.

"It would be an impossible situation," said Mr Hewson, whose farm will border on Ciskei if the recommendation is implemented.

"What will happen in 10 or 20 years?" he asked. "There might be a change of government in Ciskei and a settlement could be established on our border."

"The South African Government can't guarantee us anything once the land is controlled by another country."

Mr Hewson criticised the latest recommendation on the grounds that it was contrary to an agreement between the Government and organised agriculture that borders would run along rivers or roads and would not consist of fences "through bushes and krantzes".

He criticised the consolidation scheme for the East London area as it would cut the farming section of the pineapple industry in half.

"Ciskei will get half and South Africa will get half," he said. "The canneries must suffer as there will not be enough fruit from South Africa for them."

Mr Hewson said the pineapple industry was ideal for Ciskei as it was drought-resistant and labour-intensive.

He thought, however, that if Ciskei was going to enter the industry, the South African Government should look seriously at the situation before finalising boundaries.

"The whole thing should go either one way or the other," he said.

Mr Hewson could not estimate the value of pineapple farming to the East London area. "It is worth many a million," he said, "and it creates employment for thousands of blacks and whites."

W Cape produce prices soaring

C. Times

③ Fruit
③ 15/9/83

Staff Reporter

THE drought has pushed the price of fruit and vegetables in the Western Cape through the ceiling. In one of the more extreme cases, a pocket of squashes which sold for R1,50, now sells for between R5 and R5,50.

Although the Western Cape was not directly affected by the drought, the long term secondary effects are beginning to be noticed.

The flow of farm produce from the Transvaal and other drought-affected areas of the country has slowed — hence the price increases demanded by up-country farmers, a trend observed at the Salt River

views with stall owners and attendants.

Earlier this year — before the pinch of the drought was felt — a pocket of squashes sold for R1,50 at the market, a stall attendant said.

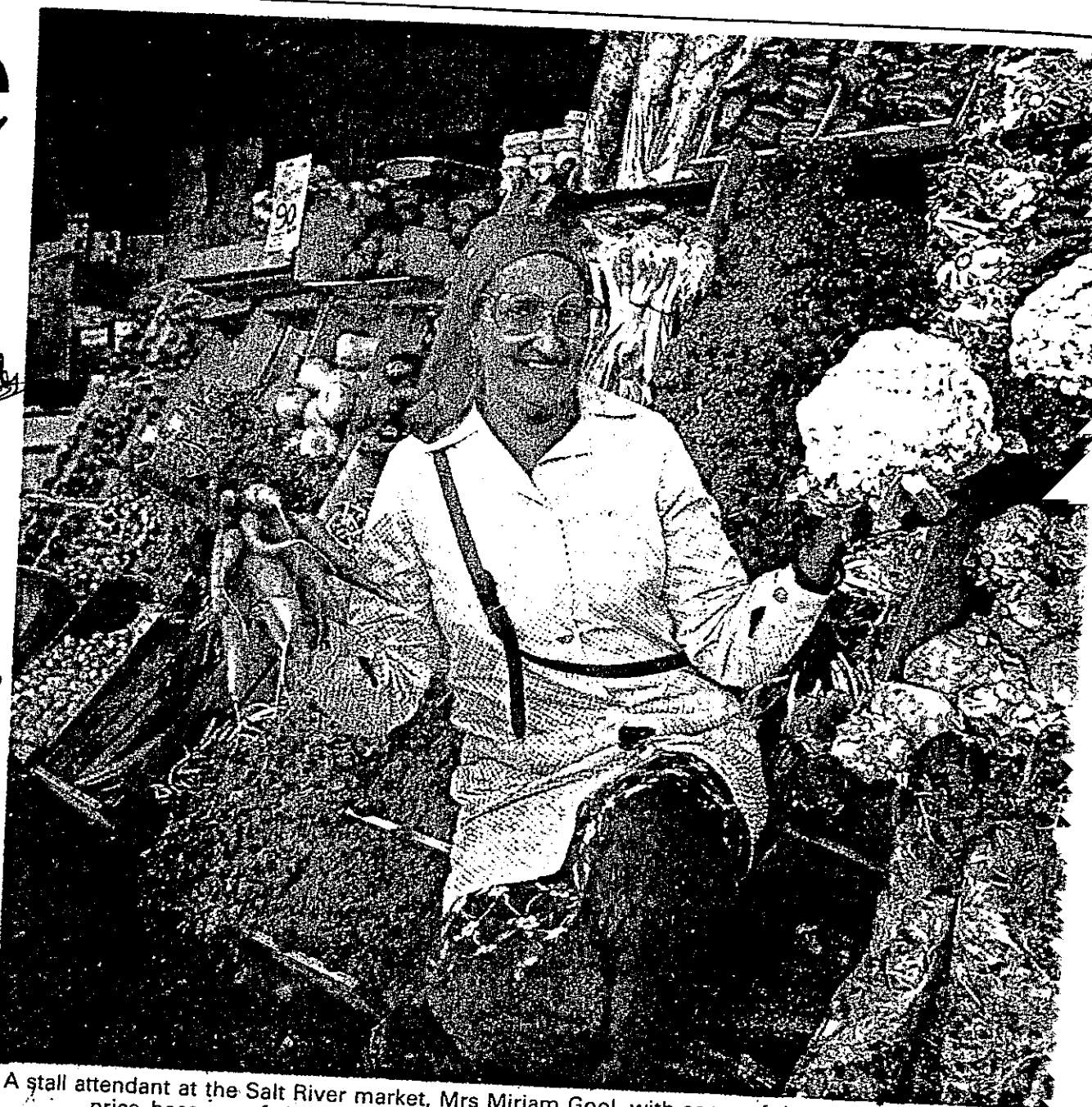
Now, the same pocket is sold at between R5 and R5,50, she said.

'Washed out'

Potatoes were another expensive commodity.

Prices of other farm produce, local and from upcountry, have risen. These include tomatoes, baby marrows, green peppers, egg-fruit, beans, butter-nut, Hubbard squashes, cucumbers, lettuce, onions, apples, peas, oranges, pawpaws, carrots, pineapples, pumpkins, guavas, naartjies and pears.

Mrs Miriam Gool, a stall attendant at the market for the past 22



A stall attendant at the Salt River market, Mrs Miriam Gool, with some of the produce that has risen in price because of the drought up-country and the heavy winter rains in the Western Cape

Picture:

pl es uc ui

Staff Reporter

THE drought has pushed the price of fruit and vegetables in the Western Cape through the ceiling. In one of the more extreme cases, a pocket of squashes which sold for R1,50, now sells for between R5 and R5,50.

Although the Western Cape was not directly affected by the drought, the long term secondary effects are beginning to be noticed.

The flow of farm produce from the Transvaal and other drought-stricken areas of the country has slowed, — hence the price increases demanded by up-country farmers, a survey at the Salt River vegetable market yesterday revealed.

The price increase on gem squashes was one of the highest determined during inter-

views with stall owners and attendants.

Earlier this year — before the pinch of the drought was felt — a pocket of squashes sold for R1,50 at the market, a stall attendant said.

Now, the same pocket is sold at between R5 and R5,50, she said.

'Washed out'

Potatoes were another expensive commodity, although their price had dropped from about R12 a pocket. They now sell at R8,50 a pocket, with second grade potatoes fetching R6,87 a pocket.

Prices of other farm produce, local and from upcountry, have risen. These include tomatoes, baby marrows, green peppers, egg-fruit, beans, butter-nut, Hubbard squashes, cucumbers, lettuce, onions, apples, peas, oranges, pawpaws, carrots, pineapples, pumpkins, guavas, naartjies and pears.

Mrs Miriam Gool, a stall attendant at the market for the past 22 years, said the winter rains had "washed out" certain crops in the Western Cape.

"Lettuce has had to be brought in from George and carrots were picked earlier this year, while they were still young, otherwise they would rot in the water in the flooded fields," she said.

Another stall attendant, Mrs Fazlin Ally, said prices might drop towards the end of the year — provided local produce, due to be harvested soon, was sufficient to cover the gap in fruit and vegetable produce the drought has left.

Production drop

Last week, the Minister of Finance, Mr Owen Horwood, said the country's mean agricultural production had dropped by 34 percent in the first half of 1983 because of the drought.

In Johannesburg potatoes were selling to the supermarkets at R7 a pocket yesterday — over double the normal price of R3 for this time of year.

Similarly, tomatoes were going at R2,50 a case (normal price for the time of year R1,50); beans were selling at R12 a pocket against the normal price of R4; gem squash cost R5 against the usual R2; and cucumbers were R8 a pocket against R2.

In the red meat industry farmers are being forced to sell off carcasses at a "floor price" of approximately R2,23

"We haven't got refrigeration space, and we can't create freezing space to cope with a situation that only happens every 200 years," a Meat Board spokesman said.



A stall attendant at the Salt River market, Mrs-M price because of the drought up-count

by the big supermarket chains. They are now simply by-passing the markets and buying the bulk of their requirements direct from farmers.

This week the SA Agricultural Union (SAAU) set up a committee to study the matter.

The three big retail groups have been buying direct for almost two decades, but Checkers and Pick 'n Pay (P'nP) have gone into it on a big scale only in the last two years.

In this period P'nP increased its direct purchases from 30% to some 65% of its estimated R35m expenditure. And Checkers' direct buying has risen from 10% to about 80%. OK Bazaars has increased its direct purchases at a somewhat lower rate.

And now, says a spokesman for the SAAU, farmers who sell to the market are beginning to feel the effects.

He says: "Because the retailers generally buy the cream of the crops, more second and third rate products are coming to market. With fewer class products on offer, the market can no longer serve as a true price-fixing mechanism. And we don't want it to become a dumping ground."

"Furthermore, with the retailers out, there are less buyers to compete, which reduces prices even more."

Malcolm Baxter, P'nP's GM of produce development, says: "By buying straight from the farmers, we can avoid the delays and handling problems which occur on the market."

Adds Checkers' procurement manager, Pitman Combrink: "There are times when the market's produce is bad or just not available. If we buy direct, we can have most products on the shelf year-round."

Farmers who sell direct do not have to pay market and agent's commission, which runs as high as 13% of their turnover. And often they can benefit from long-term contracts at pre-determined prices.

Another advantage of direct selling is that some retailers provide containers, which means that farmers do not have to write off packaging costs as they do on the markets.

An SAAU spokesman admits that although agent's commission is low by international standards, "farmers are starting to question it. To alleviate this, I believe we could cut it to 7%."

Despite the SAAU's concern at the new trend, statistics show that sales volume at SA's 14 municipal markets has risen 7,5% a year over the past three years and turnover by just under 20% a year to R432m. These figures no doubt reflect growth in total demand and increasing prices due to the drought.

Market agents are also trying to attract farmers back to the market. Paul Mouton, MD of W L Ochse, suggests that farmers should be shown that they get a better deal on the market. "We realise there are handling problems, and we are trying to reduce them," he says.


Says Peter Venter, Johannesburg's director of markets: "We cannot force people to sell on the markets, but we must compete with private enterprise and offer a good service. Otherwise, we will continue to lose customers."

VEGETABLES

New ground rules

The system of distributing fruit and vegetables through municipal markets and their associated middlemen is being challenged

Cape fruit exports in peril

ARSA 3 Fruit
9/11/03 

Staff Reporter

THE export of Cape fruit to Mauritius and Réunion could be affected by a 15 percent increase in shipping charges announced by the Indian Ocean Islands Conference of shipping companies.

As Cape fruit, especially apples, is exported to the islands, exporters fear demand for these

exports could be harmed by higher prices caused by shipping costs.

The conference consists of two active members, the Durban-based Unicorn Line and the Mauritian-based Société Mauritienne de Navigation.

Anomaly

Mr Mike Casey, general manager of Unicorn's foreign short sea trade service, said the tariff

between Durban and the islands had been increased by 7.5 percent and the tariff between Cape Town and the islands by 15 percent.

The higher increase for Cape Town was to rectify an anomaly, as it cost the same to ship freight to the islands from Cape Town as it did from Durban, which was much closer.

The new increase would not eliminate the

anomaly entirely and further increases for Cape Town could be expected in future.

The increase was needed to cover higher shipping costs as there had been no increases for some time, he said.

Freight costs were a small component of the total cost of exports and it was much cheaper for the islands to import from South Africa than from suppliers farther afield such as Australia and Europe, he added.

However, exporters in Cape Town say they are looking to alternative shipping lines to send produce to the islands to circumvent the increase.

Damaged

South Africa's exports to Réunion have been damaged by the cutback on foreign allowances paid by the French Government to civil servants in view of France's economic problems.

This has reduced buying power on Réunion, which was previously a good market. Economic problems on Mauritius which limit the island's buying power do not make it an important market.

Exporters said shipping costs throughout the world had decreased substantially as there was an excess of shipping. Unicorn had gone against the trend by increasing tariffs.



SAB subsidiary starts ball rolling

Price war could squash SA fruit juice producers

3 fruit
Plus 29/11/83

Someone may be about to get squelched in the fruit juice industry. And it is unlikely to be the South African Breweries subsidiary, Appletiser, which has started a potentially disastrous price war.

Appletiser controls Liquifruit and Fruitree. Its competitors are the small companies of Ceres and Freshup.

And the two small firms are convinced the move is an attempt to put them out of business.

Appletiser this week dropped its prices on fruit juice by 22,5 percent to what its competitors claim is a "loss level".

A director of one of South Africa's biggest supermarket chains also told 24 Hours that the price drop would lose money for Appletiser.

PROFIT MARGIN

"The cost of juice and packaging and the retailer's profit would leave no room for a profit by the company," he said.

He added that the latest word in the industry was that Appletiser, acting through Big Brother South African Breweries — which is backed by the Grand-daddy of South African conglomerates, Anglo American — had budgeted for an initial loss of R2 million in the price war.

The managing director of Appletiser, Mr Guy Hallows, rejected the claims as incorrect.

When approached by 24 Hours he said: "Who told you about the price drop? This is just a normal business move.



would create yet another monopoly.

"Our organisation is a co-operative and we market a product we find is growing steadily in popularity. Claims of market stimulation don't ring true. We are planning to sell eight million litres

next year compared with five this year."

Mr Michael Benn, managing director of Willards, which markets Freshup, said his firm could also drop its prices but it would lose money.

"It is an obvious attempt to try to hurt us and I'm surprised the SAB wants to knock out competition."

TAKE CHARGE

Willards' marketing manager, Mr E Hancock, said that without competition a firm could charge virtually what it liked.

A stockbroker, considered an expert on brewery affairs but who declined to be named, explained the SAB move this way: "It is a natural instinct of the breweries to wipe out competition. That's how they make money."

SLOW GROWTH

"The fruit juice industry hasn't grown as fast as we would have liked over the past few months.

"So we are trying to stimulate business by cutting prices. We are not going to make a loss. And we aren't trying to put other people out of business."

Later during the discussion Mr Hallows said: "If the volume comes right we'll break even. If there's no consumer reaction we will have to think again."

The general manager of Ceres in the Cape, Mr M D S Hamman, said 40 million litres of long-life fruit juice was sold each year. Up to five million litres was each sold by Ceres and Freshup.

NO CONTEST

"So you can see there's no real contest. We're small in the market. It's in the interest of consumers that SAB's subsidiary has competition. After all, look what happened in the beer market."

Long-life juice is a R35 million a year industry. Short-life juice is worth R70 million a year of which the dairy industry has more than half. But the big competition is in long-life juice — where the dairy industry does not figure.

Mr Hamman said if the long-life fruit juice industry came to be dominated by the SAB group it

Growers hit hard by drought

Price of jam, canned fruit to rise by 9%

RD 4 *10/12/83* *3 fruit*

By PAT SIDLEY
Consumer Mail

THE PRICE of jam, fruit and vegetables canned by Langeberg Co-operative will increase by an average of 9% in February next year.

Canned fruit will increase by an average of 14.7%, vegetables by 8.7% and jams by about 13.3%.

This means that a can of guavas which costs about 75c in a supermarket now, will cost about 89c in February.

Peach slices are likely to increase by even more as Langeberg is to pay its peach growers about 32% more for fruit next year.

This will be the third increase since the beginning of this year by Langeberg, which estimates it has around 60% — but could have 70% — of the canned foods market in South Africa.

The price was increased in 1981 when it took over the interests of the beleaguered Piccan cannery for about R6 800 000.

Prices rose by about 19% this year — with about 13.5% on average in January and the rest in July.

A statement from Langeberg said that "in the new season deciduous fruit, in particular, would cost the canner much more than was the case a year ago".

"In an effort to keep the productive producer in the industry, the price of deciduous fruit has been dramatically increased by comparison to that of the previous season. For example a ton of the new season's peaches is expected to cost the canner 32% more than was the case a year ago."

Depending on stocks, Langeberg believed consumers would not feel the increases before April next year.

"While profit margins had been under pressure the whole year, Langeberg had kept the new price increases to a minimum, in line with the Government's fight against inflation.

"In addition, we decided to postpone until February 1 these increases, which normally become operative on January 1. At the same time we tried to further accommodate consumers by keeping to a minimum the prices of high volume lines like baked beans in tomato sauce," the statement said.

A spokesman for Langeberg told Consumer Mail that the drought had hit the co-operative very hard and many deciduous fruit growers were leaving fruit growing. In order to keep being supplied the co-op was having to pay more to fruit growers.

Langeberg lost R7 700 000 in the 1982 financial year and this year (its financial year ended in October) is expected to be a similar disaster.

It lost R1 100 000 in 1981.

It attributed most of the R7 700 000 loss to Land Bank interest rates — which were lower than commercial banks' interest rates at the time.

Major supermarket chains had mixed reactions to the announcement yesterday.

One chain believed that with consumers resisting, and demand lower, it was unwise to put prices up. Another believed that because of Langeberg's problems, the drought and the necessity for imports, the increase was both expected and reasonable.

Both chains agreed yesterday that although Langeberg had a huge slice of the market, the market remained competitive. If Langeberg's prices rose too far it could price itself out of the market, one chain warned.

"If we find their prices are too high we buy from one of the small independent canners. Langeberg has to take cognisance of this," another said.

Production in the canned fruit industry has dropped by about 50% over the past three years.

This is partly because of cutbacks in the export market, the recession and the drought.

FRUIT — 1990

Star 19/11/90 3fruit 107

Rich pickings for Cape fruit farmers

By Derek Tommey

While Transvaal and Free State farmers are in the grip of a drought and forecasting major crop losses, farmers in the Western Cape and Langkloof are expecting another bumper deciduous fruit crop.

This is after one of the coldest and wettest winters on record.

Fred Meintjes, manager, public affairs, for Unifruco, the deciduous fruit industry's marketing arm, is not prepared to go as far as the farmers in forecasting a record harvest.

He says it is still some time before the fruit can be picked.

"But when the winter has been cold and the dams are full, we usually get an excellent crop of fruit," he says.

In the season just ended about 33 million cartons of fruit were exported.

The growth of the deciduous

fruit industry in the past nine years has been phenomenal.

In 1981, exports were worth R200 million. By 1988-1989 they had risen to R976 million. In the 1989-90 season they jumped to R1,31 billion.

As an earner of foreign currency the deciduous fruit industry is on a par with the entire pulp and paper industry.

The favourable weather conditions in the winter just ended, together with recent plantings now beginning to bear, could produce an even greater bonanza for farmers this year.

They have done well out of the export fruit boom. In 1981, payments to farmers totalled R84 million.

By 1988-89 these payments had jumped to R510 million, and in the season just ended to R767 million. This represents a ninefold increase in earnings in nine years.

The farmers like to say all this was achieved at a time when

many countries were imposing boycotts on SA exports.

But the sustained high quality of SA fruit in the end helped the industry overcome many barriers.

Mr Meintjes says most exports lose their SA identity once they leave the country.

By contrast, SA deciduous fruit maintains its identity until it reaches the retailer.

In the mid-1980s when the industry was battling against boycotts there was some suggestion locally that the origin of the fruit be concealed.

But the biggest German fruit dealer insisted that the name "Cape Fruit" be retained on all cartons, otherwise the industry could lose its markets. This turned out to be wise advice.

Today Unifruco exports 142 different products with 1 400 different specifications to 40 countries. However, Europe is still the main market.

SA is the natural supplier of deciduous fruit to Europe, says Mr Meintjes.

Fruit shipped from Cape Town takes 14 days to get there. This, together with the best packaging in the world, enables it to retain its superior quality.

Fruit from competitors usually takes a minimum of 23 days to reach Europe.

The industry's main exports, in order of importance, are apples, pears, table grapes, plums, peaches, nectarines and apricots.

But it has recently added "exotics" such as melons and kiwi fruit.

Unifruco has become a major marketing organisation. Part of its success is the result of it being able to offer fruit to retailers for 11½ months of the year.

The strong growth in exports has generated tremendous confidence among fruit farmers and huge expansion is taking place.

The industry has been steadily growing since 1981.

But it was the return to power in Britain in 1988 of the Conservatives and their opposition to sanctions which helped to trigger a major surge in new plantings of fruit trees.

However, more is needed than growing more fruit. The farmers also need labour to ensure they can harvest the ever-larger crop.

This has resulted in substantial upgrading of farm workers' accommodation and the building of many new houses.

An idea of the size to which the industry has developed is that one farmer alone is reported to be building 400 new houses for his labour force.

With sanctions likely to be lifted in the near future, leading to the reopening of such important markets as the US and Canada, this confidence appears to be fully justified.

200 3 fruit

Sub-tropical success for Tvl exporter

Upping exports of sub-tropical fruit by 2500 percent over a five-year period has earned Tzaneen-based Wayland Green Exports top honours in the agriculture sector of the 1990 State President's Award for Export Achievement.

From a modest beginning five years ago, when it exported 800 tons of sub-tropical fruit, Wayland Green currently sells 20 000 tons abroad valued at R38 million.

"I believe the reason for our success to date can be ascribed to a number of factors," says Wayland Green group MD Nino Burelli.

"Primarily we are a strong team, have all the same values, believe strongly in the production of quality products and in servicing our clients to the best of our ability.

"We have as a group integrated vertically as far as possible in producing, packing and marketing our products — something which is not very common at this time in South Africa," he says.

Top quality

A large portion of the product exported is grown by the members' own farms. The balance comes from producers who have a similar marketing philosophy regarding top quality continuity of exports.

A primary objective of the group to form an internationally recognised quality brand for 'sub-tropicals' was achieved with the introduction of the Katope (Zulu name for avocados) brand.

Wayland Green Exports is presently involved wholly or partly with 11 packhouses which handle the Katope brand.

The group's view has always been long-term, Mr Burelli emphasises.

"Even with the constant threat of sanctions, we believed in creating a sound base from which our product line could grow."

Bumper ^{w/t} ^{ARC's} ^{24/11/90} Cape ^{3 Fruit} fruit crop

seen

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By contrast, South African deciduous fruit maintains its identity until it reaches the retailer.

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The industry's main exports, in order of importance, are apples, pears, table grapes,

See page 7

In the season just ended about 33 million cartons of fruit were exported.

The growth of the deciduous fruit industry in the past nine years has been phenomenal.

In 1981, exports were worth R200 million. By 1988-1989 they had risen to R976 million. In the 1989-90 season they jumped to R1,31 billion.

As an earner of foreign currency the deciduous fruit industry is on a par with the entire pulp and paper industry.

The favourable weather conditions in the past winter, together with recent plantings now beginning to bear, could produce an even greater bonanza for farmers this year.

Bumper crop seen

w/t
ARC's
24/11/90
3 Fruit

From page 1

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But it has recently added "exotics" such as melons and kiwi fruit.

Unifruco has become a major marketing organisation. Part of its success is the result of it being able to offer fruit to retailers for 11/12 months of the year.

The strong growth in exports has generated tremendous confidence among fruit farmers and huge expansion is taking place.

The industry has grown steadily since 1981.

But it was the Tories' opposition to sanctions which helped to trigger a major surge in new plantings of fruit trees.

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With sanctions likely to be lifted in the near future, leading to the reopening of such important markets as the US and Canada, this confidence appears to be fully justified.

FROM DEREK TOMMEY JOHANNESBURG.

Farmers in the Western Cape and Langkloof are expecting another bumper deciduous fruit crop after one of the coldest and wettest winters on record.

Mr Fred Meintjes, manager, public affairs, for Unifruco, the deciduous fruit industry's marketing arm, is not prepared to go as far as the farmers in forecasting a record harvest.

He says it is still some time before the fruit can be picked.

"But when the winter has been cold and the dams are full, we usually get an excellent crop of fruit," he says.

Avocado producers guarantee survival

8 10/24/90
WAYLAND Green Exports started five years ago when a consortium of six major avocado producers got together to involve themselves in the exporting of their produce to "guarantee our survival", says managing member Nino Burelli.

The result has seen exports grow by 100% a year for the past two years.

Turnover has grown in the past five years from R2m to R38m.

"We started marketing our products successfully and soon others asked us to export their products as well," says Burelli.

French partner Malet

3 fruit
Azoulay helped Wayland Green establish its brand name - Katope, the Zulu name for avocado's - to market the company's exotic fruits in Europe.

Countries in which Katope fruits are marketed include France, the Benelux countries, Spain, Germany and the UK.

"Success has come because of innovative marketing methods, efficient running of the operation and a few good ideas," Burelli says.

Wayland Green Exports is based in Tzaneen and has subsidiaries all around the Lowveld.

Value of home plans passed rises 16,2%

GERALD REILLY

PRETORIA — Building plans passed in the first eight months of this year increased by 16,2% compared with the same period last year, according to Central Statistical Service. *By 10am 9/11/90*

The value of plans for houses increased 7,4% to R2,241bn, and for flats and townhouses 35,2% to R505,5m.

Plans for non-residential buildings increased 8,5% in value from R1,901bn to R2,064bn.

Additions and alterations plans were valued at R2,130bn — an increase of 31,7%.

Citrus ^{③ fruit} may net SA R600m

PRETORIA — This year's citrus exports will earn the country R600m in foreign exchange — R100m more than last year, says Citrus Exchange GM Arend Venter.

About 30-million cartons had been shipped abroad so far this year — about the same as last year's total, he said. Total gross value at the point of sale abroad would be about R1bn.

Venter said the packing season for the industry in southern Africa had come to an end, and the last portion of the crop was now being marketed.

During the first part of the season export markets had been relatively buoyant.

GERALD REILLY

However, during the second half severe competition from South America had created difficulties.


Venter said overall prices had been higher than during the previous season.

The main reasons for the sharp upturn in production costs were the high costs of inputs, the weak rand, escalating wages, and the high local inflation rate.

Venter said the belief that fruit farmers were in the pound seats was wrong, mainly because of the inflation spiral, which had forced production costs to record levels.

*06/11/90
Lm CIB*

Fruit exports boosted by political climate

3 sent


Kriel

B 1000 19/11/90

POLITICAL changes in SA have already had a favourable impact on fruit exports, with continental supermarkets expressing interest in renewing orders, says a report in Friday's Financial Times.

The report quotes Unifruco MD Louis Kriel as saying six out of eight German supermarkets which had stopped supporting Unifruco this year invited it to start supplying again.

He said he did not believe the US, Canadian and Scandinavian markets would remain closed to SA beyond 1991 and estimated that their opening could add 20% to Unifruco's potential.

The Financial Times report quoted Citrus Exchange GM: operations and finance Arend Venter as saying that drought and an ambitious replanting programme had meant that for the past six to eight years the citrus industry had not had the capacity to meet fully the demands of all of its markets in terms of type and size.

He said total citrus production was due

Business Day Reporter

to rise significantly in the near future, and the suspension of sanctions would help in disposing of the increased volume.

Venter anticipated that export volumes — normally about 60% of the total crop — could increase from the current 30-million cartons to 46-million cartons by 1998.

The deciduous fruit and citrus industries earn about 80% and 90% of their total returns from exports and both sell the bulk of their production to the EC.

Gross export earnings of Unifruco, the international marketing company of the deciduous fruit industry increased by nearly R400m (43%), to R1,3bn in the season to the end of September. UK sales increased from £79m to £102m and sales to West Germany from DM140m to DM205m.

Unifruco chairman Leo Fine said the 43% earnings increase was attributable to a bigger crop, a more favourable exchange rate and better unit prices overseas.

Unifruco lifts earnings to record R1,4bn

CAH Fint 4/10/90 *3 Fruit*

By AUDREY D'ANGELO
Business Editor

WESTERN CAPE deciduous fruit growers have again achieved record gross export earnings. The Financial Mail reports that, thanks to an improved political and trading climate overseas — and an exceptionally good crop — gross export earnings by the farmers' international marketing company, Unifruco, increased by nearly R400m to a record R1,3bn in the past season.

This is the eighth year in succession that gross earnings have risen, regardless of sanctions and fluctuations in the rand.

Last year they rose to R914m from R764m in 1988 and R660m in 1987.

They are expected to be even better in the current year, with the opening up of new markets in Eastern Europe and the expected lifting of sanctions.

But a 43% rise in gross profits and a bigger pay-out to farmers does not necessarily mean higher net profits. Growers point out that rising costs and wages are eroding these every year.

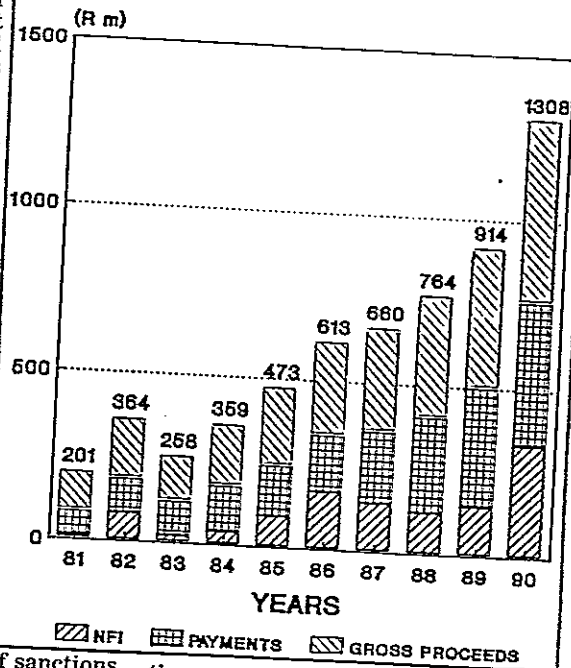
And higher oil prices will mean bigger freight bills.

However, the 43% rise very comfortably outstrips inflation and is more than can be accounted for by exchange rate weakness.

The Financial Mail quotes Unifruco chairman Leo Fine as saying that improved perceptions of SA in Europe mean fruit from this country is again judged solely on merit.

This has allowed more aggressive marketing, and changes in Eastern Europe have opened up new markets. Unifruco MD Louis Kriel says that

DECIDUOUS FRUIT EXPORTS
GROSS PROCEEDS, PRODUCER PAYMENTS, NFI
1981 - 1990



the export market for fresh fruit will continue to expand.

He forecasts that deciduous fruit production in SA will grow by more than 50% in the next four years, providing more jobs.

But he points out that the Middle East crisis will push up the cost of distribution.

He believes that prejudice against buying SA exports will disappear as the full implications of reform are understood overseas. But he expects the already growing competition from South America to increase as the potential of new European markets attracts more producers.

Detailed results of the last season will be announced to growers at Unifruco's annual meeting in Stellenbosch today, when prospects for the current year will be discussed.

Agricultural exports net SA R1,75bn

LESLEY LAMBERT and GERALD REILLY

THE past season's deciduous fruit exports, coupled with the 1,5-million ton surplus from the 1989/90 maize crop, has netted the country about R1,75bn in foreign exchange.

This figure consists of R1,3bn — 43% up on the previous season's R914m — raised by fruit exports and R450m from the maize surplus.

Already, R767m (R501m last season) of the R1,3bn has been paid out to producers. This record performance was achieved on a 12% growth in sales volumes from 30-million cartons of fruit last year to 33,6-million this year.

The growth in fruit earnings confirms the increasing international acceptability of the SA export market, while the 53% growth in producers' gross income indicates that foreign distribution and marketing costs have been kept under control.

But producers' net earnings have once again been hammered by domestic inflation and local production and packaging costs.

Unifruco, the industry's international marketing company, estimates that the net earnings of the producers of a number of the fruit varieties were actually lower than before in real terms as a result of rampant domestic costs.

Unifruco chairman Leo Fine attributed the growth in gross earnings largely to the achievement of better unit prices in export markets, but said that the increased volume and quality of the crop, coupled with foreign exchange benefits, had also contributed.

Unifruco MD Louis Kriel recently pointed out that on a macro level, major factors for an improved performance were the opening up of Eastern European markets and an improved political climate.

Gross earnings of apple producers, who had been through some tough competitive trading years, grew by 51% to R657m, even though volumes declined by 3%.

The gross earnings for grape exports increased by 32% to R320m on 19% volume growth, in spite of some rain-related prob-

□ To Page 2

Agricultural exports

lems experienced by producers in the Hex River Valley region. Pear earnings increased by 38% to R249,8m on 29% volume growth and stone fruit earnings grew by 43% to R71,3m on 27% volume growth.

Kriel said that while the export market for fresh fruit would continue to grow, greater competition could be expected from South American countries which were also targeting new opportunities in Europe.

On the maize side, the export programme which led to the bumper R450m earnings figure would run until next year, the Maize Board said.

Until end-July, international market prices were about \$124 a ton.

However, an above average US crop has raised world supplies with a consequent dip in the price to less than \$100.

On the eve of planting this season's crop, the Maize Board's projected prices range from R321 for a 7-million ton crop to R267 for a large 10-million ton crop.

Nampo economist Kit le Clus said he expected input costs to rise by about 13% during the coming season.

The comparatively low input cost escalation was due mainly to cash-strapped farmers cutting back on inputs and the fact that the crop was expected to be planted over a record small area of 3,1-million hectares.

Nampo estimates planting and growing the new crop will cost farmers about R2bn.

□ From Page 1

8 Down 4/10/90

CAC Times
4/10/90
3 Fruit

Farmers' boost for SA

Finance Staff

FRUIT exports from farmers in Boland during the past deciduous fruit season have helped boost South Africa's foreign exchange earnings.

This year fruit farmers' exports netted the country R1,3 billion — 43% up on the previous season's R914 million.

The farmers sent 33,6 million cartons of fruit out of the country, an increase of 12% on the previous season. The growth confirms the increasing international acceptability of the major South African export market.

● Report — Page 9

HEALTHY EARNINGS

FIM 5/10/90 (3) fruit

Deciduous fruit growers, in Stellenbosch this week for Unifruco's annual meeting, were greeted with some of the best news they've heard in years. Thanks to an improved political and trading climate overseas — and an exceptionally good crop — gross export earnings increased by nearly R400m to a record R1,3bn.

Unifruco, the industry's international marketing arm, reports that export earnings grew by 43%. Chairman Leo Fine says the improved political climate in Europe meant SA fruit was again judged solely on merit. This allowed more aggressive marketing and the changes in eastern Europe opened new markets.

Unifruco MD Louis Kriel says the export market for fresh fruit will continue to expand with the emphasis on central and southern Europe. However, the Middle East crisis will mean higher distribution costs due to higher oil prices.

He believes the acceptance of SA products will improve as the full implications of government's reforms sink in overseas, but competition from South America will stiffen because the potential of new European markets will attract more producers. Unifruco markets in a total 40 countries.

Kriel expects deciduous fruit production in SA to grow by more than 50% in the next four years. He says labour constitutes 45% of production costs and healthy labour relations are therefore essential to ensure the industry's prosperity.

Citrus industry set to pass R1bn mark

By PETER DENNEHY

Cape Fruit 5/10/80
3 Fruit

THE Southern African citrus industry's total overseas gross income is about to exceed the R1bn mark for the first time.

Mr Arend Venter, general manager, operations and finance, of the SA Co-operative Citrus Exchange Ltd, disclosed this yesterday soon after Unifruco — which deals with deciduous fruits — reported that Western Cape fruit farmers had boosted South Africa's foreign earnings by R1,3bn.

Packing of citrus would continue until the middle of this month in the Cape, while it had already ended last month in the Transvaal, Natal, Zimbabwe, Mozambique and Swaziland, he said.

This year's total Southern African citrus crop was 52 million cartons, of which 30,3 million would be exported.

"The early varieties have had a relatively good sales season," Mr Venter said, adding that as long as the current "relatively buoyant market conditions" prevailed, the citrus industry's overseas income would exceed R1bn.

Citrus fruits were selling at fairly high prices this season, and growers had received higher payouts, but production costs had increased, he said.

On average, 60% of any citrus crop was exportable, and this section brought in 92% of the industry's income. Locally sold fresh fruit took up 15% of production, but generated only 6% of income.

Seshego goes off oranges

Sowetan
17/10/90



3 fruit

ORANGES and drinks derived from oranges will no longer be sold at Seshego township shops as from next Monday, according to an agreement reached between the Seshego Chamber of Commerce and the National Council of Trade Unions.

The ban on oranges is in support of the striking Zebediela Citrus Estate workers who are demanding higher wages. SCC chairman Mr AB Kekana, said after a briefing by Nactu officials on Monday night, that his organisation pledged full support for the strikers.

"We were shocked to hear of the slave wages and the horrible conditions under which the workers have to live. Our chamber was even more horrified by the evictions carried last week which resulted in women and babies sleeping in the open."

"Our members will sell off the stock that they have this week but will not replenish stocks of any drinks that contain oranges. We are to hold an emergency general meeting on Wednesday evening to look into the matter and also to see whether there is any other assistance we can offer to

By MATHATHA TSEDU

the Zebediela workers," Kekana said.

The orange boycott call also received unanimous support from a historic meeting of organisations held at the Seshego Community Hall on Monday to discuss the education crisis.

Boycott

The ANC, Azapo, Sayco, Azayo, Azasm, Cosas, Seshego Education Watchdog Committee, Seshego Civic Association, Seshego Taxi Association, Seshego Traders Association, Cosatu and Nactu, interrupted their programme to endorse the call for the boycott of oranges.

The organisations further called on the informal business sectors such as spaza shops and street vendors to join the call and stop selling the affected drinks and fruit.



Second year BA Vista University student, Michael Nkitsing (second from left), was over the moon when he received a R800 cheque from Sebokeng Chamber of Commerce and Industries' president, Solomon Ithuleng (wearing spectacles). Sharing Nkitsing's happiness are P Rampai, treasurer, and Abe Lehoko, assistant secretary.

Unions start action to boycott oranges

Sowetan 26/10/90

3 fruit
Sowetan

A BOYCOTT of oranges in solidarity with striking Zebediela Citrus Estate workers has been adopted by organisations in the northern Transvaal, with Seshego township taking the lead.

The boycott call was made by the National Council of Trade Unions.

University of the North students pledged to ban drinks derived from oranges and lemons in campus canteens, following a campaign by the Azanian Students Convention and the National Students Congress.

In Venda, vendors joined the boycott while the African Council for Informal Business has cancelled a R2,1 million order of orange-related items.

The Azanian Students Movement and the Azanian Peoples Organisation in the northern Transvaal have called for support for the strikers. They pledged to boycott oranges.

The strike by more than 1 200

workers started in August after the management's alleged refusal to negotiate wages for the workers, who the union says earn an average of R120 a month.

The estate is Government-owned, with State President FW de Klerk as chief trustee.

De Klerk's connection with the estate has caused a political row, with the union targetting him overseas for demonstrations by anti-apartheid campaigners.

Zebediela public relations officer, Mr Cornel van Rooyen, has said workers earned a minimum of R156 a month.

The company is to conduct a tour for journalists today to counter the adverse publicity by what has become the longest farmworker strike in South African history. - Sapa.

PROCLAMATION


by the
State President

of the Republic of South Africa

No. R. 185, 1990

AGRICULTURAL RESEARCH ACT, 1990
(ACT No. 86 OF 1990)

COMMENCEMENT

Under section 30 of the Agricultural Research Act, 1990 (Act No. 86 of 1990), I hereby determine 1 December 1990 as the date on which all the provisions of the said Act, excluding section 29 thereof, shall come into operation.

Given under my Hand and the Seal of the Republic of South Africa at Pretoria this Tenth day of October, One thousand Nine hundred and Ninety.

F. W. DE KLERK,
State President.

By Order of the State President-in-Cabinet:

J. DE VILLIERS,
Minister of the Cabinet.

GOVERNMENT NOTICES**DEPARTMENT OF AGRICULTURE**

No. R. 2474

26 October 1990

MARKETING ACT, 1968 (ACT No. 59 OF 1968)

REGULATIONS RELATING TO THE GRADING,
PACKING AND MARKING OF AVOCADOS IN-
TENDED FOR SALE IN CERTAIN AREAS OF THE
REPUBLIC OF SOUTH AFRICA.—AMENDMENT

The Minister of Agriculture has under section 89 of the Marketing Act, 1968 (Act No. 59 of 1968), made the regulations set out in the Schedule.

174—A

PROKLAMASIE

van die

Staatspresident

van die Republiek van Suid-Afrika

No. R. 185, 1990

WET OP LANDBOONAVORSING, 1990
(WET No. 86 VAN 1990)

INWERKINGTREDING

Kragtens artikel 30 van die Wet op Landbounavorsing, 1990 (Wet No. 86 van 1990), bepaal ek 1 Desember 1990 as die datum waarop al die bepalings van genoemde Wet, uitgesonderd artikel 29 daarvan, in werking tree.

Gegee onder my Hand en die Seël van die Republiek van Suid-Afrika te Pretoria, op hede die Tiende dag van Oktober Eenduisend Negehonderd-en-negentig.

F. W. DE KLERK,
Staatspresident.

Op las van die Staatspresident-in-Kabinet:

J. DE VILLIERS,
Minister van die Kabinet.

GOEWERMENTSKENNISGEWINGS**DEPARTEMENT VAN LANDBOU**

No. R. 2474

26 Oktober 1990

BEMARKINGSWET, 1968 (WET No. 59 VAN 1968)

REGULASIES MET BETREKKING TOT DIE GRADE-
RING, VERPAKKING EN MERK VAN AVOKADO'S
BESTEM VIR VERKOOP IN SEKERE GEBIEDE VAN
DIE REPUBLIEK VAN SUID-AFRIKA.—WYSIGING

Die Minister van Landbou het kragtens artikel 89 van die Bemarkingswet, 1968 (Wet No. 59 van 1968), die regulasies in die Bylae uiteengesit, uitgevaardig.

12805—1

③ fruit
DECIDUOUS FRUIT EXPORTS
FIM 719190
BREAKING THROUGH

A combination of positive political change in SA and a top-quality crop of record size has re-opened doors in Europe for local deciduous fruit growers, says Louis Kriel, MD of Unifruco, the industry's international marketing arm.

In West Germany, the industry's second biggest market after the UK, six of the eight supermarket chains that have boycotted SA fruit since 1985 asked Unifruco to start supplying them again earlier this year.

"Boardroom boycotts" in other countries are also easing and there are indications of a move in Scandinavia to lift government-imposed sanctions on SA fruit, he says. Government sanctions now prevent SA selling fruit in Scandinavia and North America, which represents 17% of the export market.

"The change in Europe is all the more remarkable considering the negative population growth in the region and relatively depressed consumer demand in recent years. But then the trend towards healthier living has worked in our favour."

Export earnings from SA deciduous fruit sales in Europe this year will top R1bn for the first time. It was reported recently that SA citrus would also earn more than R1bn on foreign markets this year.

Helped by the transformation of East Germany, Unifruco's sales in Europe will show their biggest increase in West Germany, Kriel says. But Unifruco's largest market is the UK, where it will sell about one-third of its products this year.

Since 1985 SA fruit has been a main target for anti-apartheid activists in Europe because of its high marketing profile.

FIM 719190

③ fruit

BUSINESS & TECHNOLOGY

Kriel says Unifruco was able to ride out the storm because it supplies high-quality products and has good relations with the trade in Europe. This is due largely to an intensive lobbying programme that includes bringing trading partners to SA to see how the industry operates — and in particular its role in social investment programmes and its importance as a provider of jobs.

"But from February onwards the situation changed dramatically. The market was buoyant because of what was happening in eastern Europe and there was a new atmosphere towards SA because of what was hap-

pening here."

He says SA fruit is again able to command a premium for quality in Europe over its main competitors. When resistance to SA fruit was at its height, Unifruco had to drop prices to the same level as competitors to stay in the market. SA supplies 44% of all southern hemisphere deciduous fruit sold in Europe, including 52% of citrus and 58% of sub-tropical. The country's closest competitors are Chile with 18%, followed by Argentina and New Zealand with 12% each and Brazil with 7%.

About two-thirds of the locally produced

deciduous fruit is exported. The re-opening of overseas markets and the increasing demand could affect the domestic market. "Urbanisation and increasing consumer demand mean we face a dilemma in allocating fruit to the different markets. But our policy is to maintain a good balance in market allocation in both quality and volume."

Since 1980, Unifruco's "first cornerstone of corporate philosophy" has been to encourage farmers to grow more. "We've never backed away from that, even when we lost the Scandinavian and North American markets," says Kriel.

Proteas wilting before cruel cut

By DIRK TIEMANN

THE PROTEA, SA's national flower, which earned R25-million in exports last year, is wilting in international markets after transport subsidy cuts.

The value of State subsidies last year was R7.6 million — R3.2-million for domestic transport and R4.4-million for the international legs. They have been cut to R3-million — and next April they will be abolished.

About 2 500 tons of fresh flowers were exported by air last year. Western Cape producers' contribution was large, but they face a problem.

They need subsidised transport from Cape Town to Johannesburg to compete with producers in the Transvaal who are near Jan Smuts Airport.

The domestic transport subsidy, based on a rating system for all feeder airports to Jan Smuts, has been halved this year. The subsidy differs according to distance.

Barry Gibson, director of Mountain Range Flora, a protea and Cape greens exporter, says he now pays 38c a kg extra for transport from Cape Town to Johannesburg.

Abolition of the airfreight subsidy to Europe adds to producer costs. Mr Gibson says the 14c a kg subsidy his company received served as a cushion.

Delays

"It partly covered our damage claims against international carriers which accept no liability for product damage through flight delays and other problems."

SA flower and fruit exporters face an EEC import tariff of 24% in the European summer and 17% in winter.

Mr Gibson says this winter's exports were the lowest on record because of resistance by importers faced with higher freight costs.

"We would like Cape Town to be a fully international airport because it offers a more direct route to Europe."

Cape Town and Durban also offer international flights, but only to London. Jan Smuts offers flights to other European and Far East destinations.

Fruit exporters face a similar dilemma. Most fruit can be shipped, but some cannot survive two weeks at sea. Air exports are also important early in the season, when it is vital that produce arrives in top condition.

This allows exporters to set a price for the rest of the season's crop which is carried by ship.

Frost proves boon for fruit farmers

BIDM 174/90

~~20~~ LIZ ROUSE ³ fruit

THERE is strong foreign demand for Cape fruit as a result of the European crop from the past season having been affected by frost.

Consequently, export prices are particularly high and the industry is enjoying a good season, W B Holdings directors say in their comment on their interim results.

Industry selling initiatives on the international market had largely normalised trading conditions, resulting in additional opportunities for exporters. However, the local market had remained fairly static.

The firm's earnings slipped 38,2% to 21c (34c previously) in the six months to June mainly because of a lower contribution from its pelagic fishing division and a fall in dividend and interest income. The interim dividend was cut to 7c (9c). Turnover rose to R5,8m (nearly R4m).

W B directors predict earnings of 35c a share before extraordinary items for the year to December 1990. Fruit exports are expected to compensate for lower fishing profits.

United Fishing Enterprises, in which W B Holdings has a 9,18% stake, is budgeting for a reduced profit for the full financial year, partly because of slower sales.

Fruit set to earn R1bn for SA as foreign barriers come down

CAPE TOWN — Foreign earnings from deciduous fruit exported during the 1990 season should easily exceed a record R1bn this year on relatively healthy volumes of 33-million cartons interpreted by marketers as a sign that local produce is becoming more acceptable overseas.

Louis Kriel, MD of Unifruco, the marketing arm of the deciduous fruit industry, said recently that the business climate in which the industry traded this year was the best he had experienced in 30 years of international travel.

The favourable response to President F W de Klerk's February 2 speech, visible improvements in the working conditions of labourers in the fruit industry and the opening of Eastern European markets had all contributed to new or more accessible marketing opportunities, he said.

LESLEY LAMBERT

In many countries SA fruit was now being judged on commercial rather than political considerations.

"Sanctions are still being enforced by those countries which originally imposed them, but the boardroom boycotts — the decisions by English and European companies not to buy our produce — are falling away."

Kriel said 33-million cartons of fruit had been exported during the 1990 season which is drawing to a

close. This represented 10% growth on last year's export volumes and, although it lagged behind the domestic rate of inflation, it was higher than last year's marginal improvement from 29,8-million to 29,9-million cartons.

"With only a few exceptions, we produced fruit with exceptionally good appearance and eating qualities, and we find ourselves in a very bullish market for Cape products," Kriel said in a recent edition of a local trade magazine.

Although the value of the exports will only be known when Unifruco announces its annual financial results in October, it can safely be assumed that foreign earnings, which grew by 20% to R924m last year, will exceed R1bn this season.

But the degree by which foreign earnings exceed sales this year compared with last is likely to be circumscribed by a relatively stronger and more stable rand.

This year there will also have been further substantial increases in wage and packaging bills.

Fruit Board 'not privatised'

The special exemption in respect of privatisation of the Deciduous Fruit Board in the Taxation Laws Amendment Bill, did not mean that this board had been privatised, the Deputy Minister of Finance, Dr Org Marais, said yesterday.

Introducing the first reading debate on the Taxation Laws Amendment Bill, he said priva-

tisation did not fall in the ambit of his department,

According to an explanatory memorandum on the Bill, the amendments provided for a once-only exemption in respect of:

● Transfer duty and stamp duty in relation to the transfer of assets from The Deciduous Fruit Board to Unifruco Limit-

ed.

● Stamp duty in relation to the first issue of shares by Unifruco Limited.

Les Abrahams (LP Diamant) said during the debate on the Bill that the faster South Africa moved to a point where all people could be part of agriculture, the faster suspicion would disappear. — Sapa.

Sapa 12/6/90



3 fruit

Citrusdal ^{3 Fruit} ~~28~~ all set for a boom

By DICK USHER
Business Staff

CITRUSDAL, the Cape's famous orange-growing region, is all set for a boom.

Deregulation of the industry promises new growth opportunities and lower prices for consumers through increased competition, while plans are in hand to exploit the region's tourist potential.

The atmosphere was all optimism at the Goede Hoop Citrus Co-op this week during a media trip to the area for the official opening of the 1990 season.

Apart from expecting a record turnover this year, up 20 percent to R55 million, Goede Hoop has also taken important organisational steps in the past year which co-op members feel make it ideally poised to take advantage of deregulation.

Goede Hoop is one of eight co-operatives countrywide to have opted to market its own produce. It aims to make the Western Cape its primary local market, but also hopes to make a mark in the Transvaal market.

Farmers were eager to grasp the opportunities presented by deregulation which, they feel, will reward efficient producers of high-quality citrus fruit and end the "subsidisation" of low-quality producers that occurred under the Citrus Exchange.

They also realise that they will have to cope with competition from other co-operatives, but feel that this can only be to the good of the industry and

the consumer.

"Other co-operatives, especially in the Eastern Cape which cannot absorb all their produce, are eyeing the Western Cape as a market.

"Although their transport costs will be a significant factor they'll have to be cost competitive which will put pressure on prices," said a Goede Hoop spokesman.

"Even though we feel we have a superior product and expect to dominate the Western Cape market, price is an important factor in a free market and consumers can expect to reap the benefit.

"At the same time, with competition keeping prices down there should be increased demand which should lead to farmers having to expand production, so there could be a spin-off for the area in job opportunities."

Major possibilities

The co-op also hopes that different varieties could extend its season and enable it to take advantage of a gap in the Transvaal market between the end of the navel season and the start of the valencia season.

"Soft peelers" such as minneolas and clementines have been developed which extends the range of citrus fruit available to the market.

Another area where the co-op sees major possibilities is in the huge Western Cape informal sector where it is hoped that sales will help to more than double income from local marketing.

"We will also be supplying

directly to hawkers and township retailers, in turn creating many job opportunities," said general manager Mr Jan van Staden.

Goede Hoop produce will be marketed under the co-op's own logo.

At the height of the season the co-op packs about 250 000 cartons of citrus a week. Of these, although the local market will be an important factor, most will be exported.

About 60 percent of South Africa's crop is exported through the Citrus Exchange and earnings are expected to reach R900 million this year, assisted by the favourable rand exchange rate.

According to Citrus Exchange figures, 30,3 million cartons were exported in 1989, earning R830 million.

The area also sees major possibilities for expanding its tourist potential.

Mr Louis Genis, owner of the well-known Vanmeerhoff farm-stall at the entrance to the Olifants River valley, said the region had been represented at the recent tourism Indaba in Natal where overseas travel agents had shown great interest in package tours which had been formulated.

"The region is ripe for growth in tourism and the packages will also be marketed locally," he said.

Meanwhile, construction has started on the first phase of a R3,5 million chalet and conference centre scheme at Vanmeerhoff, planned to take advantage of the area's tourist potential.



CHEAP 'N FRESH: Workers work hard at harvesting Citrusdal oranges which are going to be cheaper and fresher this winter when they are sold direct to the Cape Town consumers.

Citrusdal oranges could pip market

Staff Reporter

ORANGES will be cheaper and fresher in Cape Town this winter when Citrusdal oranges are sold direct to city consumers for the first time.

The change is as a result of the deregulation of the citrus industry and the first oranges are expected in the shops within a week.

Previously all oranges were pooled by the Citrus Exchange, leading to unnecessary overheads and

ineffective marketing.

Mr Jan van Staden, general manager of the Good Hope Citrus Co-op, said a record turnover was expected this year — up 20 percent to R55m.

He said that selling direct to Cape consumers would not only mean cheaper but also fresher oranges.

"We will supply directly to hawkers and township retailers, creating many job opportunities."

Orange farmers preparing for direct marketing

By AUDREY D'ANGELO
Financial Editor

CITRUSDAL orange farmers are preparing to sell their fruit directly to small shopkeepers and the informal sector after years of having to do so through their official board, the Citrus Exchange.

And they are confident that this will enable them to bring prices down and expand the Western Cape market, estimated to be worth R10m a year at present.

Orange farmers all over the country earn between 70% and 80% of their incomes from exports. Exporting will still be done through the Citrus Exchange, under the world-famous Outspan label.

But deregulation means that from next week the citrus co-operatives will be able to sell directly to small businesses in the domestic market.

"This means that they will be able to sell to the informal sector, including thousands of hawkers, who until now have had to buy at Epping Market,"

said the Citrusdal Good Hope Citrus Co-op's marketing and promotions consultant, Anthony Penderis.

"They hope that this will push up sales by about 90%, particularly if the savings made by cutting out the middleman are passed on to the consumer. The informal sector is a huge one.

"Until now oranges could be sold on the domestic market only through municipal markets, directly to very big customers such as the chain stores, or to the juice industry which buys lower grade fruit."

However, Penderis said, the Citrusdal farmers expect stiff competition from Transvaal orange growers.

"The Transvaal co-operatives will probably try to increase their penetration of the Western Cape market, particularly when the locally grown navel oranges, which will soon reach their peak, peter out and the Valencias are not yet on the market.

"But the Transvaal growers will have the extra expense of transporting their fruit to the Cape."

Going to the market

The domestic marketing of citrus fruit is being deregulated this winter and both marketers and growers expect significantly altered retail sales patterns and improved quality.

(3) fruit
Instead of selling through the Citrus Exchange, a statutory board, growers can now handle their own local marketing. The exchange will continue to be responsible for export marketing, which accounts for about 60% of the crop.

The deregulation of domestic marketing started in 1986. Up to now, growers have been allowed to sell their fruit directly to processors and the informal fruit trade. All citrus sales to processors and 25% of sales to the informal sector were concluded under this system last year. Its success prompted the exchange to extend it to all local marketing.

Jan van Staden, GM of Goede Hoop citrus co-op at Citrusdal, says the new marketing set-up means that co-ops must now establish a brand identity for their products. They will have to build a reputation for quality that consumers will recognise and demand. Van Staden says the co-op, which is in the top five of the country's 20 citrus co-ops with slightly more than 170 members and an annual turnover of about R55m, has taken over its own domestic marketing from the exchange. Initially it will be handled by a specialist marketing organisation — Stellenbosch-based WPK Marketing — but eventually the co-op will take full responsibility itself.

Though Goede Hoop can pack 6 000 t of fruit a week, it also will use specialist pack-

FIM 11/5/90 (3) fruit
ing company Picketko for re-packaging to suit retailers' needs and for storage. Van Staden says the new marketing system will force growers to take greater responsibility for quality — or fall by the wayside. Instead of the national crop being pooled and sold domestically through the exchange, growers can now have their product identified by brand name.

"The mediocre farmer will no longer be able to enjoy the protection provided by the old centralised system," Van Staden says.

Initially, co-ops that opt for their own marketing strategy are expected to target a manageable geographic area as close as possible to their region. For example, Van Staden says Goede Hoop will target the western Cape for its product, which will sell under the Citrusdal label. But it hopes to expand into the national market later. The co-op also has identified the informal market as a key growth area.

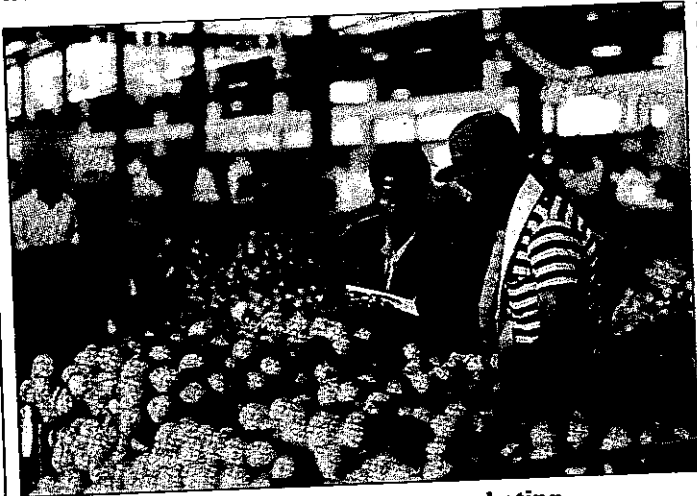
"We are developing a system to distribute products directly to hawkers and township retailers. We believe that more effective marketing could increase this market sector by at least 90%."

He believes that the new system will encourage growers to be innovative and efficient because their markets will no longer be guaranteed. Better growers will benefit from higher prices for quality products and consumers will benefit from a wider choice, fresher fruit and, due to the reduction of marketing overheads, a cheaper product.

FIM 11/5/90 (3) fruit
The exchange says that under the new marketing arrangement, existing regulations on quality standards and packaging will still apply. It will also continue to provide back-up services, including advertising and promotions, market research and technical assistance.

□ This year's citrus crop is expected to be considerably larger than last year's 53,3m 15 kg cartons, according to the exchange. Foreign earnings are expected to reach R900m. Last year, 30,3m cartons were exported, earning about R830m, compared with R733m the previous year.

The citrus industry is one of the most lucrative in the agricultural sector. In the Eighties, total earnings jumped by 39% a year and net farm income per unit exported soared by 104% a year, according to the exchange.



A fresh approach to marketing

Pineapples a cropper

SIT 1490 3 fruit

MORE than 1 000 tons of pineapples lie rotting and hundreds of blacks are joining the unemployment queues in a pineapple-growing area of the Cape.

The liquidation of East London's Premier Pineries last September put 1 200 people out of work in the economically depressed region and prospects for the pineapple industry in 1990 are not good.

In 1988 and 1989, SA producers lost the American market because of sanctions and Britons boycotted canned pineapples.

This left other European Economic Community countries, but large volumes of the fruit from the Far East, particularly Thailand, resulted in fierce competition and sharply lower prices.

Scarce

Former Premier Pineries managing director Charles Everard says the company decided in 1989 that it was time to "get out of the rat race".

"Sanctions, boycotts, a rapidly dwindling market and falling prices made it extremely difficult for us to operate. We decided that we would do much better investing our money elsewhere."

Premier has stopped production on all its farms and sold them. Within two years, these farms will produce no

By Robyn Chalmers

more pineapples.

Competitor Western Province Preserving will buy some fruit this year and next.

The closing of Premier Pineries has hit workers badly. The pineapple industry provides jobs in a region where employment is scarce for rural blacks.

Mr Everard says a contributory factor in the closure of the company was the growing strength of trade unions, which are increasingly flexing their muscles in the Border region.

"In East London, employees refuse to work overtime, resulting in fruit being wasted. The quality of the pack is deteriorating because canners are having to work with overripe pineapples.

"The pineapple industry probably employs about 8 000 people directly, and thousands more in subsidiary industries. Tens of thousands depend directly or indirectly on the pineapple industry."

Although prospects in 1990 look healthier in terms of improving world prices and waning competition from Thailand where crops are not as good as predicted, SA's soaring inflation is dampening hopes.

SA grew about 220 000 tons of the raw fruit, which gave a pack-out of 3-million basic cartons last year. Of this, 2,5-million cartons were exported and the rest sold in SA.

to work.

"They must want to work themselves. That bolsters competency," Mavundla said.

did not simply accept agencies' credentials at face value.

"In BLGK's case, four exhaustive working meetings were held with the

penance with the motor industry was disappointing where creative pitches were called for."

The appointment is with immediate effect.

ZILLA EFRAT

CITRUS and deciduous fruit growers are expecting exports to increase, but avocado producers expect export volumes to drop. *15/10/89 15/13/90*

However, says SA Advocado Growers' Association MD Colin Partridge, the avocado industry is looking forward to a "reasonable" season. The Israelis have had a larger crop than last year, but they are not expected to flood the market.

Because of the ^{3 fruit} smaller SA crop, exports are expected to be lower than last year's 8.7-million cartons and to average between 7.1 and 7.3-million cartons this year.

On the deciduous side, a Unifruco

Rise in fruit exports likely

spokesman says: "We are having a good season in terms of crop volume.

"Our exports are going well, but we are only midway through the season and there is still a long way to go before we can reflect on our success."

Citrus Exchange GM operations and finance Arend Venter says citrus growers have had good blossom and fruit set because of good irrigation and favourable climatic factors.

Citrus crop estimates show a considerable increase over the 1989 figures. Based on latest estimates, the southern African citrus industry could export as many as 34-million cartons this year

compared with about 30-million cartons last year, a 13% increase.

However, Venter says it is far too early to make export predictions. Like all export industries, the citrus industry is also vulnerable to cost inflation, which is higher than the inflation rates in its export markets.

As a result, the industry is likely to come under severe pressure in the long term, particularly if the rand strengthens significantly against the currencies of its export markets.

Venter says early indications are that citrus fruit quality may also be better than in previous years.

FIM 9/13/90

PRIVATISATION

(3)

fruit

Apple-stroika

The privatisation of Unifruco, the international marketing arm of SA's deciduous fruit industry, represents perestroika in the best sense of that over-used word. It was driven by a need for restructuring and a desire by producers for greater democracy in the industry.

It started in 1987 when Unifruco — now Unifruco Ltd — was formed to take over international marketing from the Deciduous Fruit Board. All remaining controls on the local marketing of deciduous fruit were also abolished.

The privatisation, which took effect on March 1, saw the issue of 10m shares of an authorised 20m to more than 1 000 fruit growers. Shares were allocated according to the contribution each export grower made to the funding of Unifruco and the board over a three-year period. For now, the shares can be traded only among the export growers, but Unifruco does not rule out an eventual listing.

The shares represent the R46,7m value of Unifruco's assets, including its land, buildings, equipment, investments and cash, but not its major asset, its trademarks.

Unifruco sees four main reasons for the privatisation:

- Over the years producers had to contribute to Unifruco's reserves yet have had no tradeable asset. Now they have marketable shares and the potential for equity growth;
- Restructuring cuts down on the considerable degree to which functions overlap in the industry, especially in terms of research. Two subsidiary companies, Unifruco Promotions and Unifruco Research Services, have been formed. David Gant, chairman of the SA Apple and Pear Producers' Association, believes better co-ordination and better decision making will follow. Unifruco CE Louis

FIM 9/13/90

(3)

fruit

Kriel hopes that more subsidiaries with potential as profit centres, such as a shipping company, will be formed;

The overseas marketing handicap of being seen as a public corporation is eliminated; and

The new format allows management incentive schemes.

From the producers' point of view, the reforms give them a greater say in the running of the industry. "Too many farmers were waving goodbye to their product when it left the farm gate," Gant says. "People should be involved all the way, looking at distribution, marketing and selling."

Grower Leycester Walton adds: "Many people wanted to have their hands more on the way the industry was run. We wanted a bit of perestroika — more democracy."

To that end, five extra places were added to the 11-member board. CE Kriel holds one place, three are elected by shareholders and one goes to an outsider, ex-Duros man Mervyn Key.

Unifruco now faces the challenge of all newly privatised companies — establishing a record of profits. In the past, returns simply went back to the grower. Now, Kriel says, "there is a degree of pressure because we have to perform both on the profit side and the returns-to-our-growers side." ■

Farmers get a slice of Unifruco

B/D am 2/3/90
CAPE TOWN — The first privatisation of an agricultural control board was rounded off yesterday when Unifruco, the international marketing arm of the deciduous fruit industry, allocated 10-million shares to its member fruit growers.

The issue of 50% of 20-million authorised shares to more than 1 000 export fruit growers completed a process of deregulation and privatisation which began in 1987 when Unifruco was established as a special co-op, Universal Frustrate, to replace the Deciduous Fruit Board.

Directors hinted yesterday that a JSE listing was a future likelihood which would put the final seal on the process by enabling further expansion and spreading the share ownership beyond Unifruco's registered members. With export turnover expected to exceed R1bn this year, Unifruco spokesmen boast that while deciduous

LESLEY LAMBERT

fruit is the largest agricultural industry in the Cape, the company competes with the world's five largest fruit-marketing organisations.

③ fruit
The allocation of shares was based on the relative contribution of each export farmer to the funding of the fruit board and the co-op over the past three years. The contribution was made by way of a levy per carton of fruit exported and was invested in the expansion of fixed assets and investments to the value of R46.7m.

Leo Fine, who remains chairman, with Louis Kriel as MD and CE, said yesterday the allocation of shares had long been considered the most representative way of giving the industry a say in the way the company was managed.

Share bonanza for fruit farmers

Cape Times 2/3/90 3 fruit

By AUDREY D'ANGELO
Financial Editor

UNIVERSAL FRUTRADE (Unifruco) — the farmers' co-operative marketing millions of rands worth of Western Cape fruit overseas every year — has become a private limited company with assets of R46,7m, and 10m shares in issue.

Although ownership of shares is restricted to registered fruit exporters at present, chairman Leo Fine said yesterday that the directors intended to make them freely negotiable "in the near future".

It was possible that the company might seek a listing on the Johannesburg Stock Exchange, said Fine.

The new company came into existence yesterday when 10m shares out of an authorised 20m were allocated to more than 1 000 fruit farmers. The basis of the allocation was the relative contribution of each farmer to the funding of the Deciduous Fruit Board and of Unifruco, which took over export marketing from the board in September 1987.

A statement issued yesterday said the assets of the new company, including land and buildings, cash and investments, totalled R46,7m.

The deciduous fruit industry is one of the biggest employers and export earners in the Western Cape. Last year fruit farmers shared a record pay-out of R481m. But they complained that because of the rising cost of inputs their net earnings were below those of the previous year.

A spokesman for Unifruco said export turnover was expected to top R1bn this year and that the new company was one of the five largest fruit marketing concerns in the world.

Turning the co-operative into a company puts wealth into the pockets of individual farmers by giving them access to shares to which the individual producer previously had no right or ownership.

The company has all rights, worldwide, to the trade marks Cape, Jardin du Cap and Sunglo. It also has an interest in Fruit Importers and Distributors International (Fidi) which markets fruit from various parts of the world under the Bella Nova trade mark.

Staff who were in the service of the co-op have retained their jobs with the new company. Louis Kriel remains CE and MD.

Fine, who was chairman of the co-op, was elected chairman of the company. The vice-chairman is Stephanus Rossouw.

Rescue bid mounted for Kiwi fruit farm

STimes 9/12/90

③ fruit

By DIRK TIEMANN

MILES Fennel, a shareholder in unlisted Transvaal Kiwi Orchards, stumbled across news of his company's liquidation while looking for the crossword in Business Times.

Mr Fennel was one of many investors who bought crop rights in response to extravagant promises by the promoters of TKO in 1980.

An advertisement in Business Times last week called for offers for the company's assets by December 7.

Mr Fennel phoned technical director Dieter Glaue, who confirmed that the Transvaal Kiwi Orchards had been placed in provisional liquidation on October 5. The order became final on October 31.

The liquidation was sought by land owner, founder and director Fritz Emil Bunge.

There are 5 334 shareholders in TKO. According to Mr Fennel, their original investment totalled R18-million.

Costs

An urgent shareholders' meeting, attended by Mr Glaue, was held on November 22. Mr Glaue and directors Mrs A Botha and Mr D Hirschel resigned before the liquidation action. Dr Bunge is in Germany and could not be reached for comment.

Mr Fennel was elected chairman of a rescue committee, which decided the company was worth saving. It would be done by enlisting the support of two of the three main creditors.

Shareholders are asked to subscribe a minimum R1 000 to buy the company out of the liquidation. In return, they will receive preference shares. Should the rescue attempt fail, shareholders will get their money back less costs.

Mr Fennel says the cost will be R30 a shareholder.

How did the fiasco come

about? An advertisement on September 9, 1984, said: "This small brown succulent fruit could be an inflation-proof investment for 70 years."

It called Dr Bunge an "economist with experience in the export of South African fruit". It said the 1 000ha farm was run by experts using the best technology. The minimum investment required was R1 500 cash or on terms. Interest would be paid until the first dividend.

The advertisement promised: "You get to be a crop right holder in Dr Bunge's company called the African Kiwifruit Investment & Development Company established in 1979."

Delicate

The initial return would be 10%. Seven years later, the "vines and your investment are fully mature, yielding at least 40% annually. And for the 70-year lifespan of the Kiwifruit vine, your dividends will come rolling in. Year after Year?"

Mr Fennel says: "Many investors are in dire straits. They are pensioners, widows and many blacks who wanted to top up their life savings."

Dr Bunge, sole shareholder in the private company, put forward a scheme of arrangement on April 3, 1990, whereby the company would convert to a public one. Dr Bunge would have rights to 15% of the gross profit and hold 70% of the company.

Mr Glaue says he does not wish to pre-empt the "delicate negotiations" which are under way. "My view is that the company should have been placed under judicial management."

"Dr Bunge applied for liquidation through another of his companies, International Horticultural Enterprises, because he foresaw liquidity problems. The other shareholders were not consulted."

③ fruit
Citrus workers

call off stoppage

Star 10/12/70
PIETERSBURG — The four-month strike by more than 1 200 Zebediela Estate citrus workers ended yesterday. They were due to resume work today.

The decision to end the strike and the boycott against the estate's orange crops was made at a meeting yesterday.

The offer by management of a R30 monthly interim wage increase from December 1 was accepted. The estate has undertaken to pay all workers their full bonus, December pay and leave pay.

Management has also announced a workers' housing construction programme. —
Northern Transvaal Bureau

SA's slice of Europe's fruit market grows

LESLEY LAMBERT

CAPE TOWN — Exports to Eastern Europe are expected to give the deciduous fruit industry a healthy boost.

European exports — which earned the bulk of last year's R1,3bn foreign income — are expected to rise by at least 5% this year. 61001 1112190

Sales volumes benefited from a spending spree prompted by the handout of Deutsche Marks to East Germans crossing into West Germany.

And although orders from Europe had settled back to more realistic levels, Louis Kriel, MD of Unifruco, the fruit industry's international marketing arm, said yesterday he was still optimistic.

Kriel, who recently visited Europe, said rising inflation in Eastern Europe would inhibit growth in sales to these countries, but the opportunities for significant growth in the longer term remained strong. (3) fruit

Sanctions imposed by the US, Canada and Scandinavia have over the past few years rerouted the bulk of SA fruit exports to European countries, which imported two-thirds of last year's 34-million carton export volumes.

Kriel said Unifruco had received an increasing number of inquiries from buyers in these countries who said the lifting of sanctions was imminent.

Last year, foreign earnings from the export of deciduous fruit export grew to over R1,3bn, confirming that SA commodities were becoming increasingly acceptable on foreign markets.

But, he said yesterday, much of the effect of the euphoria which followed President F W de Klerk's February 2 speech had worn off and buyers in existing foreign markets had settled back into more realistic budgeted purchasing.

It was unrealistic, Kriel said, to expect the SA industry to achieve instant success in a highly competitive market.

Nevertheless, recent negative publicity did not appear to have affected export volumes yet and, although sales had fallen off in Eastern Europe, general trading conditions in Europe remained positive, Kriel said.

A toxic shock for lovers of 'healthy' food

A NASTY shock awaits those people who believe they can rinse away all traces of pesticides from their fruit and vegetables. Very little of the pesticide residues actually wash off.

In addition, not all pesticides which are considered acceptable on South African produce are allowed in other countries — and both the residue limit and the acceptable daily intake vary from country to country. So Sweden, the United Kingdom and the United States may set lower limits on certain chemicals than South Africa does — and some of those countries ban chemicals which are still widely used here.

Recognition of that fact is contained in a book produced by the Department of Agricultural Development called *A Guide to the Use of Pesticides and Fungicides in the Republic of South Africa* which includes information on which chemicals farmers can use locally and which are "not for export".

Although not all fruit, vegetables and other produce contain residues, much of it does. Legal limits are set for the maximum residue allowed in the produce so as not to harm consumers.

Almost all fruit and vegetables are grown with the help of pesticides and then almost all of it is treated again after the harvest to help keep the food in good condition until it is consumed.

These chemicals can be retained by the produce and sometimes seep under the skin and into the flesh of the fruit or vegetable. For some of these residues, acceptable daily intake limits have been calculated — but not for all.

Many of the chemicals used on fruit and vegetables and other produce in high doses have been shown to cause cancer in animals on which they are tested. But other problems, like damage to embryos, nervous systems and internal organs, can arise in animal tests when chemicals are administered in high doses.

Babies and young children are more at risk from chemicals than adults, and a greater risk is run when there are several chemicals



W/Mart 14/12 - 19/12/90

used which may cause other effects when they are mixed.

South African standards seem to be lower in this field than they are elsewhere. For instance, Sweden banned these chemicals as early as the 1970s: dinoseb, DNOC and aldrin, among others. The UK banned them in 1988/89, but they are not banned in South Africa, although aldrin was withdrawn by the manufacturers.

South Africa attends several international bodies which look at pesticides and their problems, but has been excluded from participating in some of them because of the country's political policies. This has probably made it easier to avoid maintaining some of the more stringent international standards, but as South African produce reappears on international shelves, the picture is likely to change.

In a foreword, the Department of Agricultural Development's *Guide to the Use of Pesticide* says: "World-wide use of these chemicals has come under severe public and scientific scrutiny, for many of the chemicals are potentially hazardous substances, which could, if used indiscriminately, harm the applicator, the consumer of treated commodities and the environment."

The foreword tells the farmer that according to the Fertilizers, Farm Feeds, Agricultural Remedies and Stock Remedies Amendment Act, pesticide use is restricted in certain ways and can only be used in the way mentioned on the label of the container.

It also draws attention to the fact that some pesticides like DDT, BHC and dieldrin have been banned. (More are likely to join this list like gamma BHC, according to sources

in the industry.)

The book says: "In contrast to a number of other countries the environment of our country is still relatively free of pesticide contamination. It is mainly up to you, the user, to ensure that this will remain so. In the general interest of the country the government, from time to time, prohibits the sale and use of certain pesticides. Although this may create problems to some it should be accepted that in the long run this is to the benefit of all."

The book is the most comprehensive guide of pesticides available in the country and lists the maximum residue levels as well as the acceptable daily intake levels of many of the chemicals.

For the (by-now) anxious consumer wishing to rid produce of residues, the Consumers' Association has done several tests on reducing residues in apples and potatoes. The Association analysed the chemical residue found, washed the produce in water, washed it in a "pesticide wash" (widely available in the US and claimed to remove chemicals), peeled it, then tested again. Potatoes were also cooked and then tested.

The chemical residues found were largely unaffected by washing — either with water or with the pesticide wash.

Peeling the apples removed 85 percent of the residue, but also removed valuable nutrients. Potatoes lost between 55 percent and 85 percent of the residues of specific chemicals when they were baked in their jackets. A higher percentage of residue was lost when the potatoes were peeled and more when they were peeled and cooked.

The association nevertheless recommends washing because it removes water-soluble residues, bacteria and dirt.

It also suggest rubbing the skin, scrubbing it, peeling, discarding outer leaves or trimming visible fat off meat and poultry.

Some organically grown foods, it is claimed, have not been treated with dangerous pesticides, but these can sometimes cost more.

20 to January 10 1991 3

Mangos seized after banned pesticide scare

w/m ail 20/12/90 - 10/1/91

By EDDIE KOCH (3) fruit

CITY health authorities in Cape Town this week seized a consignment of mangos laced with doses of an illegal pesticide. A local distributor had tried to dump the contaminated fruit on local markets after being forced to stop exporting it.

The mangos were being exported by a distributor called Klein and Klein when inspectors discovered they contained high levels of a pesticide that may not legally be used on the fruit, according to sources in the Western Cape Regional Services Council.

The distributor was instructed to stop the transaction and appears to have dumped the fruit on local markets. At least 1 500 boxes of the mangos were then impounded by health authorities at the Pick 'n Pay warehouse near DF Malan airport.

Another 1 700 boxes of the poisoned mangos were confiscated from the Epping fresh produce market in Cape Town by the city's health authorities. Both batches were intercepted before they reached the consumer shelves.

The mangos, grown on a farm called Riverside in the Eastern Transvaal, were contaminated with a fungicide called propiconazole. This is not registered for use on mangos and the levels exceeded those stipulated for other products.

The government's registrar for pesticides, Max Oban, told *The Weekly Mail* that the use of propiconazole was strictly confined to barley, grapes, ground nuts, wheat and peaches.

The Department of Health is investigating the matter but it is not yet clear whether charges will be laid against the farm owners.

Fruit

Vine imports 'could kill wine industry'

6/1/92
JONATHON REES 6/1/92

PRETORIA — Government has issued an urgent warning about the illegal importation of vine plants, which it says could wreak havoc with SA's multimillion-rand wine and grape industry.

Killer viruses and bacteria in grapevine propagation material could damage up to 90% of the grape crop, or render soils useless for up to five years, says the Agriculture Department's directorate of plant and quality control. (3) fruit

Certain pests, if imported to SA, could force a 50% escalation in pesticide expenses, rendering viticulture unprofitable. The penalty for importing vine propagating materials is a R50 000 fine. ~~SA~~

A spokesman for the directorate says that although no lethal pests have been detected in SA recently, vigilance is essential as they can spread easily.

Among the pests most dangerous to the wine industry is tomato ring spot virus. It is impervious to most decontamination measures. Druwe mot can damage between 60% and 90% of a grape crop, and even regular chemical spraying will not eliminate losses entirely. ~~SA~~

The directorate says pesticide residue can affect grape exports, which have to comply with international requirements.

The problem with importing lethal crop diseases lies mainly with amateur gardeners and tourists, as most grape producers and plant breeders know the risks involved in importing vine propagation material.

Imported seedless ③ fruit grapes STAT for tests 20/11/92

By George Nicholas
Agricultural
Correspondent

In an effort to meet the tremendous demand for seedless table grapes, vine cuttings of outstanding cultivars have been imported from Russia and Hungary for testing and propagation in SA.

The only seedless cultivar of note currently grown on a commercial scale in this country is the popular sultana, which is now becoming available in fairly large quantities in the PWV region, where supplies are snapped up as fast as they arrive.

Its marketing season, however, is a relatively short one.

The sultana is a sweet, tasty grape but it has several shortcomings.

The most serious shortcoming is the tendency of the berries to crack easily. And they are apt to loosen in the carton during handling and marketing.

The director of the Fruit Research Institute at Stellenbosch, Dr Pieter van Rooyen, has just returned from an extensive visit to Eastern Europe, where he gathered cuttings from 17 new table-grape cultivars that have proved to possess superior characteristics, including seedlessness and resistance to disease.

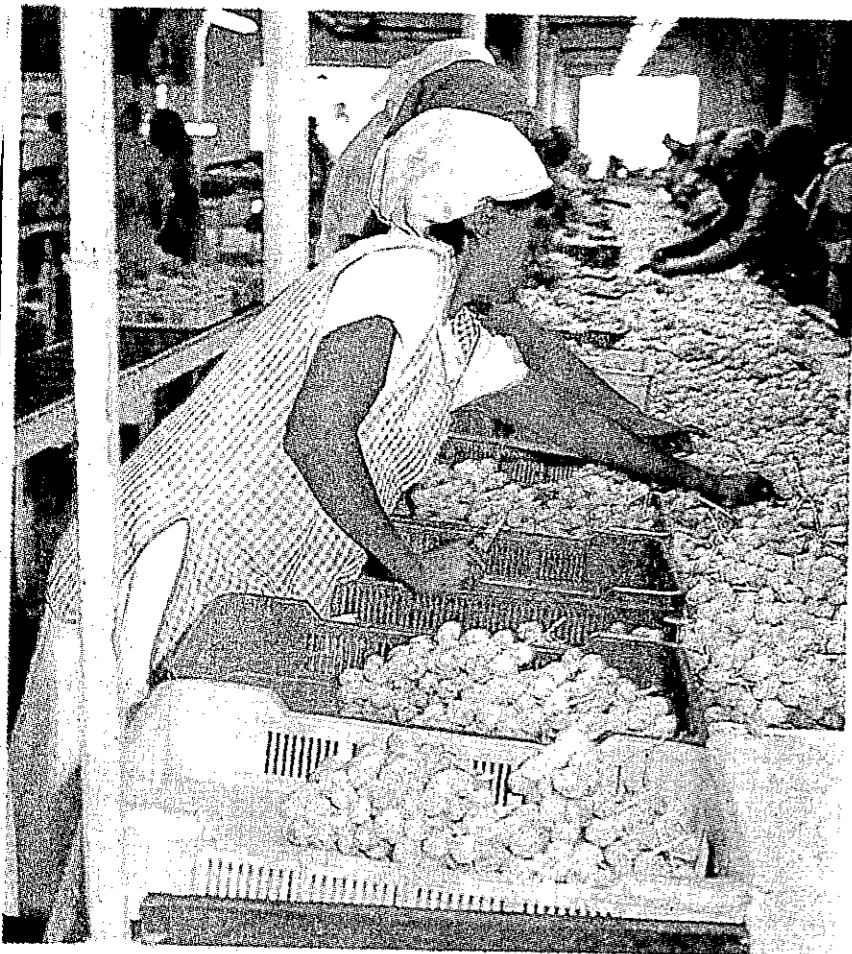
These cuttings will now be propagated in trials, so that their production and general response in South African conditions can be monitored scientifically.

If successful — and prospects look promising — they will be multiplied for distribution among growers.

The South African table-grapes breeding programme is one of the most extensive in the world.

A hundred fruitful years!

ARG 27/1/92



THE NEW: A modern grape packing shed.

KARIN SCHIMKE, Staff Reporter ③-fruit

FOURTEEN yellow-wood crates of perfect peaches will start a nostalgic trip to London tonight.

The trip commemorates UNIFRUCO's one-hundredth year of fruit export from the Cape. The first large consignment was sent to England on the Drummond Castle in February 1892.

The fruit was sent to Covent Garden and fetched excellent prices — as much as two shillings and three pence a peach.

The fruit export trade grew quickly and within the same year the Cape Fruit Syndicate, as it was known, had exported 1 900 cases of grapes, 6 000 cases of apples and some pears. The 1991/92 season produced more than 40 million cartons of fruit.

A ceremony commemorating not only the centenary year of fruit export, but also opening the peak marketing season, is being held in grand style in Stellenbosch this evening.

The farm Schoongezicht in Stellenbosch was chosen because the original cargo of fruit was grown in Stellenbosch.

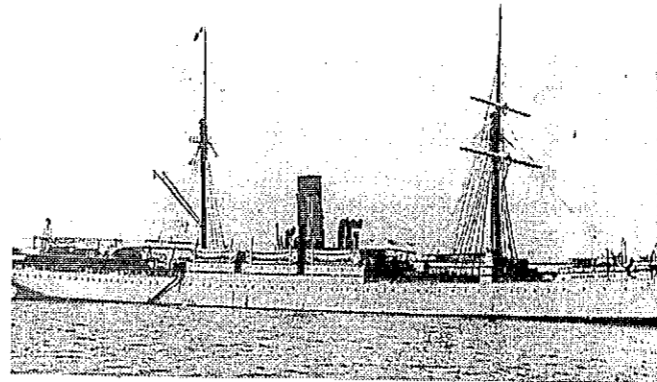
Workers dressed in nineteenth century costume will be packing the fruit into the crates, after which the fruit will be transported off the farm in a horse-drawn wagon.

Instead of being shipped to England, the fruit will be put on an aircraft on Wednesday evening and will arrive at the Covent Garden market on Friday morning.

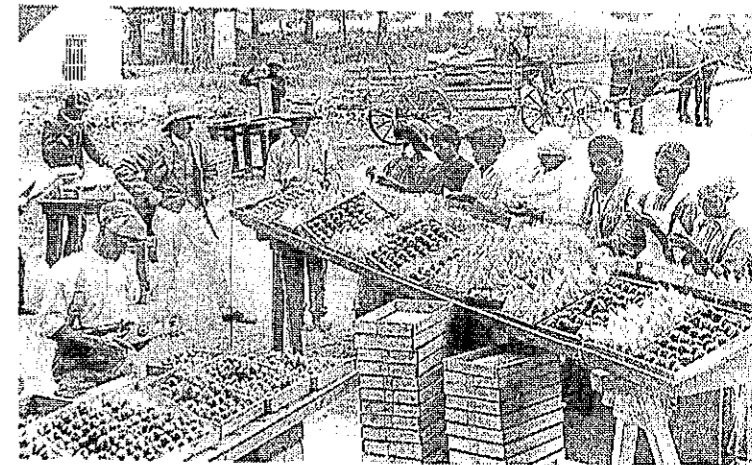
The chairman of the Covent Garden Trader's Association and long-time associate of UNIFRUCO, Mr Phillip Emanuel, will be there to receive the cargo.

Since the first successful, albeit small, export UNIFRUCO has grown to be the largest private sector employer in the Cape.

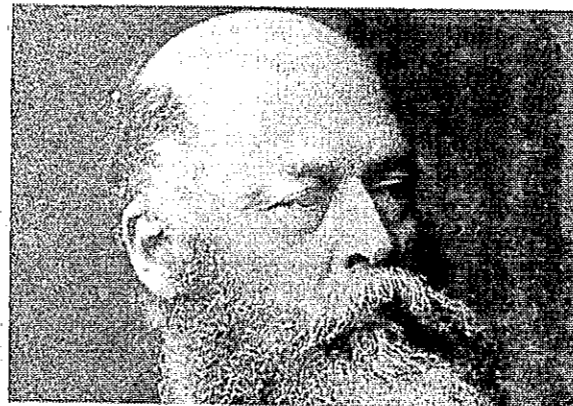
The fruit is produced by 1 600 producers mainly in the western and eastern Cape and in the lower Orange Free State.



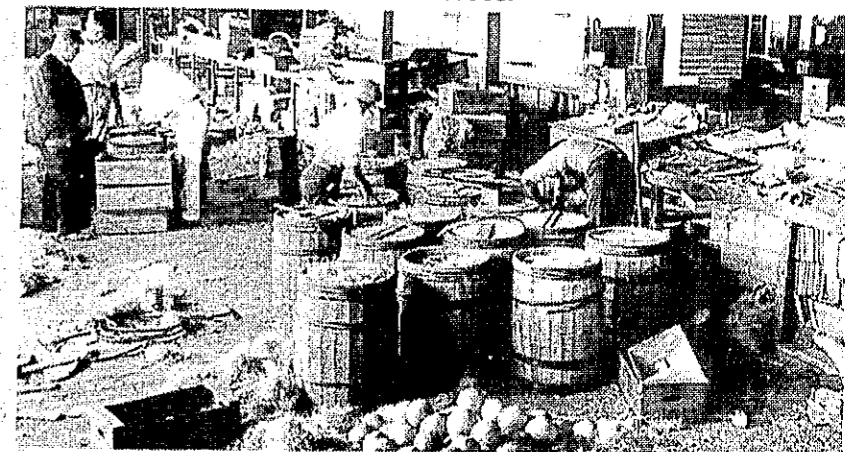
FIRST FRUIT: The ship that carried the first cargo of fruit to London — the Drummond Castle.



CHECKING: Measuring and packing of fruit in the early 1890s.



FOUNDER: Percy A Molteno, the son of the Cape Colony's first prime minister who formed the Cape Fruit Syndicate.



THE OLD: A packing shed at the turn of the century.

Now rain threatens Boland grape crop

HENRIËTTE GELDENHUYS
Staff Reporter

PROLONGED rain in the Boland could seriously damage crops, according to wine farmers.

Farmers interviewed said they were unhappy about unseasonal rain during mid-harvest although the past few days' rain had endangered only crops to be harvested in the next week.

Harvest time was between late January to late March.

Simonsig wine estate owner Mr Frans Malan said the 30mm to

40mm of rain this week would cause mature crops to rot.

Farmers had to harvest quickly before the sugar level became too high, he said.

Rust en Vrede estate owner Mr Jannie Engelbrecht said: "At the moment it is only a problem for this week's mature crops. The weather is clearing today. But prolonged rain could cause more serious crop failures. We don't want rain during harvest time."

But farmers said the rain

would have a positive effect on late-harvest and tired vines.

"The rain will benefit crops that produce wines like clairette blanche and cabernet sauvignon because they will mature readily. The rain also brings relief for dry grapevines," said Mr Malan.

"It will push up sugar levels of late-harvest crops that could still be unsatisfactory. For the farmers who have finished harvesting, the rain will benefit the growth of roots," said Mr Engelbrecht.

Port aims to profit from fruit exports

Business Staff

THE port of Cape Town will be looking mainly at increased exports of fruit and imports of maize to ensure further growth this year, according to Portnet GM Rudi Basson.

But the port also had a number of lucrative long term possibilities waiting in the wings, Mr Basson said in an interview this week.

He expects a marked increase in fruit exports for 1992 as new markets open up to fruit farmers of the Western Cape.

He forecasts that Portnet will handle around 1,4-million tons of deciduous and citrus fruit in the 1992/93 season — almost 10 percent more than in 1990/91.

Indications are that almost one-million tons of fruit for export have already been handled in the 1991/92 season to date.

He said Portnet and Unifruco had upgraded their fruit handling facilities in anticipation of greater volumes of fruit exports in the years ahead.

Mr Basson concedes that fruit farming, like any agricultural venture, is risky but stresses that risks are slimmer in a reliable rainfall region like the Western Cape.

Conversely, the drought which is ravaging parts of the Western Transvaal will give the port additional imports.

The Maize Board intends importing between two- and three-billion tons of maize (worth R2-billion) this year to offset the drought-induced local production shortage.

Additional growth, especially in the long term, could come from the development of Cape Town as the import distribution centre for the PWV.

Mr Basson said Spoornet was offering favourable rates for transporting imports from Cape Town to the Reef.

Because most ships called here first, almost 72 hours days before docking at Durban, industries could save up to three days transit time by using Cape Town.

He said the transit time to the Reef from Durban and Cape Town was marginal at 18

hours and 27 hours respectively.

"I hope to see a major swing for containers destined for the Reef coming through Cape Town instead of Durban."

He said Durban was running close to capacity and the swing to Cape Town would rectify any imbalances in the business activity of the two ports.

Mr Basson said foreign shipping lines were showing renewed interest in operating lines out of Cape Town harbour and four established lines had resumed full operation in the port.

Norwegian-based Wilhelmsen Lines, the Baltic Shipping Company's Besta Lines and the Italian-based Messina Lines and Portlines had so far re-established themselves in Cape Town.

Mr Basson cautioned that the international liner business would not grow larger overnight as shipping lines would initially fight rights to carry similar cargoes.

But these lines would serve South Africa strategically in the long term, he said.

He also sees an upswing in the number of visits by cruise liners to the area and A-Berth has been renovated to accommodate these vessels.

Cape Town port provides facilities (such as dry docks) for ship repair but Mr Basson admits that business has not been that good recently.

He said the development of Cape Town harbour into a terminal port would boost ship repairs.

BAIT 29/2/92

3 FRUIT

Fruit group rosy

③ fruit
MICK ELLINGHAM

CAPE fruit group WB Holdings (Wbhold) has disclosed a 27,9% increase in earnings to R5,4m for the year ended December.

A total dividend of 25c (1990: 21c) a share was posted and a final dividend of 18c (14c) a share declared. Sales for the year rose 29,7% to R15,3m (R11,8m) while operating income increased 46,6% to R5,9m (R4m). *B/D ay 10/3/92*

WB Holdings chairman Robert Silverman said production tonnages were expected to increase this year and that prices abroad appeared firm. Good results for 1992 depended on the weather.

Farmers fear fruits of 'no' vote

MILLIONS of rands worth of canned goods are being held in storage until the results of the referendum are released, and no canned fruit has been exported for the past two weeks.

Foreign buyers have threatened to reimpose sanctions if the right-wing triumphs on March 17.

This was revealed by fruit farmers and canners in the wake of a CP referendum meeting in Robertson on Monday night.

At the meeting, fruit farmers from Robertson, Ashton and Bonnievale expressed grave concern about the effects of a "no" vote on the multi-million fruit farming industry in South Africa.

Anxious Ashton farmer Mr Johan Bruwer said yesterday he had asked the speaker, Dr Willie Snyman, Pietersberg's CP MP, how fruit farmers would survive if overseas sanctions were reimposed.

"He was unable to give a satisfactory

answer," he said.

Dr Snyman said it appeared that Mr Bruwer and the fruit farmers who attended the meeting supported a government under Mr Nelson Mandela. The local fruit farmers were in the minority and most whites supported the CP, he said.

Mr Bruwer said that overseas buyers worldwide had warned they would cancel existing contracts if South Africans failed to support President FW De Klerk's re-

form initiatives.

"We are very concerned about the results of the referendum. About 95% of the fruit farmers in the Boland will support the State President by voting 'yes' on March 17," Mr Bruwer said.

Mr Ray Brown, managing director of Langeberg Foods Ltd — a leading food processing company in Paarl which exports canned fruit — said a 'no' vote would be a massive blow to both the farmers and the

exporters.

Exports of canned fruit are worth about R300 million a year.

Mr Louis Kriel, managing director of Unifruco — an international marketing group for the deciduous fruit industry — said yesterday he was concerned that a 'no' vote could have major repercussions for the R1 500 million fresh fruit industry.

He said foreign buyers were "very nervous" about the referendum outcome.

CT 11/3/92

③ FRUIT

Farm union upset at Unifruco note

(3) fruit

B/Day 12/3/92

EDDIE BOTHA

UNIFRUCO, international marketing group for the deciduous fruit industry, has upset the right-wing controlled Transvaal Agricultural Union. They are at odds over Unifruco MD Louis Kriel's issuing of a personal memo, endorsed by the organisation's 11 directors, urging producers and staff to vote in the referendum.

The union, whose president is CP MP Dries Bruwer, accuses Kriel of blatantly involving himself in politics.

The memo appears to call for a "yes" vote. In it, Kriel states that the "agricultural vote" will be observed with great interest. "Our combined horticultural industries are the biggest employer, the largest earner of foreign exchange and the biggest producer income sector in SA agriculture. It therefore makes good sense that our voice be clearly heard in all constituencies where horticulture is involved."

Kriel then sets out the consequences of a "yes" or "no" vote to Unifruco members, as he sees the matter. A majority "no" vote would earn voters an election on self-determination — and convince the world that white SA is not really serious about reform, he says. "You invite the new world order of equity, where the 'communist danger' no longer exists, to 'punish us until we listen', as they are doing with Libya and Iraq. You place expectations and aspirations of our labour force in a pressure cooker of confrontation and polarisation.

"You immediately send our growing clientele back to alternative

sources in order to safeguard themselves against likely government sanctions against our products."

A majority "yes" vote, however, means the promise of democratic participation through negotiations, Kriel states. The world will be convinced that white South Africans are honest about reform — and SA and the deciduous fruit industry will be placed in line with the new world order of equity and justice.


The choice is therefore simple, according to Kriel: "If you place such a high premium on a promise of self-determination that you are willing to accept all the aforementioned consequences, you have to vote 'no'." However, "if you accept the risks of a negotiated democracy, and would like to ensure the survival of your industry and its community, a 'yes' vote is called for."

In an interview with the FM this week Kriel reiterated his viewpoint: "More than 81% of the net income of the SA fruit industry depends on its exports. That means R3,5bn of its gross income. Add to that the approximately 500 000 people who are employed..."

"Compared with gold and minerals, we in the fruit industry deal with a visible product. That is the reason why we suffered more from sanctions than other industries. However, since (President F W de Klerk's) February 2 speech in 1990 we have been playing on an even field. A change from that direction would undo everything."

Report by E Botha, Financial Mail, 11 Diagonal St, Jhb.

David Gant to
8/10/92 24/3/92
head Unifruco

 LINDA ENSOR
③ fruit
CAPE TOWN - Somerset
West fruit farmer and DP
politician David Gant has
been elected chairman of
Unifruco, the international
marketing body of the de-
ciduous fruit industry.

Gant is also chairman of
the SA Apple & Pear Pro-
ducers' Association, DP
executive committee chair-
man and a member of the
President's Council.

In a statement he fore-
cast prosperity for the de-
ciduous fruit industry, but
said there were difficulties
to be overcome, including
high inflation and competi-
tion from other southern
hemisphere countries.

Gant replaces Leo Fine
who has retired.

Ripening quite nicely

FM 17/4/92

③ fruit

With annual export earnings already testing the R2bn mark, doubling the figure of two years ago, the local deciduous fruit industry is actively exploring still more new markets.

Last week the first consignment of fruit for the US since sanctions were lifted last year left by ship from Cape Town. And the "yes" vote in the referendum and other positive political developments have boosted the prospects of capturing a share of the lucrative Japanese market. Another opportunity is Saudi Arabia, the world's highest per capita consumer of fresh fruit.

The local fruit industry — comprising deciduous, citrus and subtropical fruit — earned R3,4bn on export markets last year, says Louis Kriel, MD of Unifruco, the deciduous fruit industry's foreign marketing arm. The figure represented just over 80% of total agricultural export earnings.

He says about two-thirds of the fruit crop is exported. The country's 12 000 fruit farmers (out of a total of 60 000) account for 40% of agricultural employment. Last year the 5 000 deciduous fruit farmers produced 1,3m t and employed 252 000 people.

Unifruco now exports about 40m cartons of fruit annually to 40 countries, with the fruit comprising 142 varieties. The company has 40% of the EC deciduous fruit market during the southern hemisphere season, November to July.

The current strength of the deciduous fruit industry is a sharp turnaround from difficulties it faced in the post-Rubicon era, when official sanctions and "boardroom boycotts" of produce closed markets around the world. About 25% of Unifruco's traditional business was lost, including the US market.

"We lived dangerously, but we came through," Kriel says. "Sales did not decline in any year during the sanctions period."

Unifruco was able to survive the sanctions years, he says, because it supplied consistent-

ly high-quality products and maintained good relations with trade in Europe. This was largely the result of a lobbying programme that included bringing clients to SA to see how the industry operated, its social



Apple harvest ... money growing on trees

responsibility programmes and its importance as a job provider.

The increase in export earnings is due partly to local fruit again being able to command a premium for quality over its main competitors. When resistance to SA fruit was at its height, Unifruco had to drop prices to the same level as its competitors to stay in the market.

But there's little doubt that sanctions

stunted the growth of the industry. Kriel admits that farmers lacked long-term confidence, but it was restored by the De Klerk reforms. "They are now ordering trees again and planting."

The industry probably was saved by former British Prime Minister Margaret Thatcher and her German counterpart, Helmut Kohl, who persuaded the EC not to follow the US and impose mandatory agricultural sanctions.

"Had there been a 'no' vote in the referendum, I have no doubt that the EC would have immediately imposed comprehensive sanctions and we would have lost 80% of our market. As it was, in the run-up to the referendum all our promotions were on hold."

Kriel believes that the referendum result boosted the prospects for market expansion more than would have been the case had political reforms simply progressed as they were.

Newly elected Unifruco chairman David Gant says that, after surviving the difficult years, the deciduous fruit industry now faces the challenge of increased competition from other southern hemisphere fruit producers.

Vice-chairman Stephanus Rossouw believes that South American producers are the greatest threat. They have a greater potential than local farmers for increasing the size of their crops and they enjoy generally better growing conditions and cheaper labour, he says. "We are preparing for an onslaught from Chile."

Rossouw, who farms grapes at De Doorns in the Hex River Valley, still expects exports to be at least 10% up on last year. He predicts that the Japanese market will open up "any day now" and contribute significantly to the projected increase in grape exports from 14m 5 kg cases to 20m cases by 1995.

Fruit farms yield record crop

CAPE TOWN — The deciduous fruit industry had produced record crops this year and volumes should be more than 10% higher than last year, Unifruco MD Louis Kriel said at the weekend. ^{(3) fruit}

Unifruco is the export marketing arm of the deciduous fruit industry.

With sanctions being dropped by most countries, export markets had been buoyant and farmers were planting furiously to meet demand, he said. Fruit farmers could expect a healthy growth in gross export earnings. ^{8/1000 21/4/92}

In the year to end-September 1991, gross earnings from the export of fresh deciduous fruit increased by more than R100m (8,2%) to a record high of R1,4bn. Export volumes rose 4% to 35-million cartons.

LINDA ENSOR

Kriel said the size of the stoned fruit crop had increased significantly, while grapes, apples and pears had had a vintage year. While the volume of apples on the trees was lower, the quality had been good and wastage low. The peak selling period for apples was under way and up to a million boxes were being sold a week.

The first shipment of apples and pears to the US since 1986 would be sent in two weeks' time, although quantities were limited and distribution would be limited to the eastern seaboard.

Kriel said the volume of grapes harvested was 15% higher than last year. Sales

□ To Page 2

Fruit ^{6/1000 21/4/92}

had been excellent, with unit prices running at about 10-15% higher than last year. Kriel expected the gross earnings for table grapes to be up 25% on last year.

A 40% increase in the size of the stoned fruit crop, including peaches, nectarines, apricots and plums, had been harvested and all of it had been sold. This was a record in terms of crop size and while there had been a slight problem with quality, about 80% of the crop had been good.

"Prices for stoned fruit have been slightly lower due to the heavy increase in volumes but gross export earnings will nevertheless be higher than last year," he said.

With international trade opening up, demand on foreign markets exceeded what SA farmers could deliver and farmers had

^{(3) fruit}

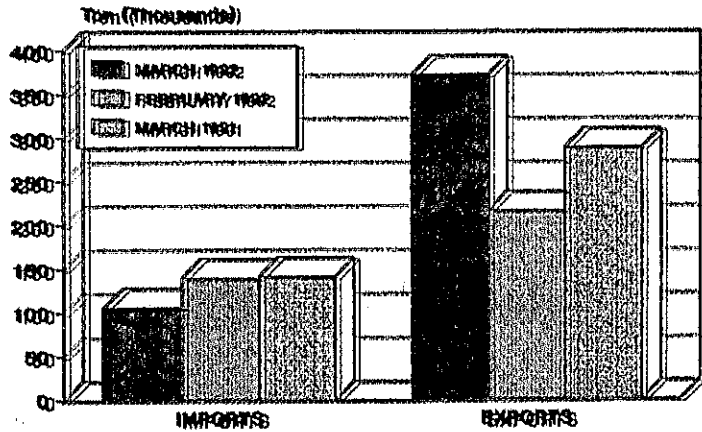
□ From Page 1

begun a fairly aggressive planting programme. Kriel said that by 1995, production of all kinds of fruit would have increased by about 50% over the 1991 figure.

The bigger production would be derived by replacing old orchards with new and more vigorous trees with higher yields and by cultivating new land.

Kriel said large tracts of land in the traditionally wheat and sheep-grazing area in the Villiersdorp-Riviersonderend-Greyton district had been converted into apple farms. New plantings were also taking place around the Langkloof area in the eastern Cape, while there had been a dramatic takeoff in the growing of table grapes and peaches in the Transvaal.

**PORTNET
PORT OF CAPE TOWN
IMPORTS AND EXPORTS CARGO HANDLED**



Exports from Cape Town harbour soared by 72,3% in March to 371 839 tons compared with 215 839 in February. They were 29,1% above the 288 003 tons exported last March. Imports fell by 24,1% to 105 973 tons compared with 139 537 tons in February, and 24,9% below the 141 148 tons imported last March. Total tonnage handled at the port rose by 27,3% to 558 613 tons compared with 438 784 tons in February and 512 375 last March. The number of ships calling at the port rose to 297 in March compared with 257 in February and 289 last March.

By **AUDREY D'ANGELO**
Business Editor

A BUMPER fruit crop in the Western Cape was the main reason for a steep rise in exports from Cape Town harbour last month.

Exports rose to 371 839 tons in March — 72,3% more than in February and 29,1% more than last March.

But port manager Rudi Basson said that there had been little increase in manufactured exports. "The rise is due mainly to the deciduous fruit season reaching its peak.

"Fruit exports are normally highest in March, April and May but they will continue until the end of June. They seem to be increasing every year.

"And new markets are opening up to them with the end of sanctions. A new terminal to handle the increased volumes will be in operation for the start of the next season."

Louis Kriel, CE of Unifruco — the export marketing arm of the deciduous fruit industry — said at the weekend that the first shipment of Cape apples to the US since sanctions were imposed in 1986 would leave Cape Town in two weeks time.

Kriel estimated that the volume of fruit exports would be 10% higher this year than last.

Western Cape fruit farmers achieved record export earnings of

Fruity ³ ~~5~~ boost for exports

CT 23/4/92

R1,4bn last year. The volume of fruit exported rose by 4% to 35m cartons.

A spokesman for Unifruco said yesterday that although it was still early in the season "the apple crop looks all right at this stage."

The crop of all fruits except plums had been higher this year. The fruit was of exceptionally good quality, which meant that a high proportion could be packed for export.

Discussing the re-opening of markets to SA he said that Denmark, which had just lifted sanctions, was now importing Cape fruit.

Ireland was another market that had re-opened this season. "We had a tremendous welcome there. Exporting to that market is extremely rewarding.

"But we are doing well in all Euro-

pean markets. And the weakness of the rand against the pound is helping us in the UK market."

● The Cape Chamber of Industries (CCI) is preparing to send its first trade mission to Kenya in June.

"There is tremendous interest," said deputy director Colin Boyes, "and it has been suggested that we should send two trade missions to new markets every year."

There are still some places available on the mission to Kenya. Manufacturers who have already booked to go represent a wide range of interests, from clothing to anti-corrosive paints, cold store refrigeration equipment and machinery for packaging milk in plastic sachets."

Boyes said the CCI was liaising with the Kenya Chamber of Commerce and Industry. "They have shown considerable interest and have supplied us with a list of their members who are manufacturers.

"We have asked them for a second list, of companies which could act as distributors for SA exporters."

Boyes considers SA exporters have products suitable for the Kenyan market, because of the similarities between the countries. "And there is a very good connection by sea between Cape Town and Mombasa."

Farmer sues mine over 'crop damage'

8/12/2011 23:41:12
PRETORIA — A gold mining company is being sued in the Pretoria Supreme Court by a peach farmer, who claims the mine had caused him nearly R900 000 damages since 1986 by negligently allowing dust from a silt dam to damage his crops.

Martin Smith van der Merwe, who farms next to Western Areas, claimed the mining company had been aware of the dust problem for some time, yet failed to take any steps to stop the dust from damaging his peach crops.

He said the mine had failed to plant grass on the silt dam, and allowed the dam

to become dry, instead of using the water and mud to keep the dust down. The result of its negligence was a fine dust, which made his fruit unmarketable.

Van der Merwe said the damage was not limited to the loss of his peach crops over five years, but he had also been prevented from using the soil to better advantage.

The gold mine denied negligence, or that Van der Merwe had suffered any damages. Had he done so, he was also at fault because he failed to protect his crops from dust, and did not wash down the dust. The hearing continues. — Sapa.

Sweet news for citrus farmers in spite of drought

PAT CANDIDO, The Argus Bureau

③ FRUIT

PORT ELIZABETH. — A bigger and sweeter citrus crop is forecast for the Eastern Cape this year in spite of the crippling drought. ARG 7/5/92

Harvesting started this week and farmers say oranges are sweeter than ever. They maintain the combination of low rainfall and an abundance of sunlight has given the fruit a high sugar content.

Patensie Citrus Co-operative general manager Mr Binky du Preez said farmers expected exports to rise by about 30 percent. The fruit was small, sweet and relatively blemish-free which made it ideal for the export market.

He said higher exports generated more income.

If 60 percent of the crop was exported, it generated 90 percent of the income, he said.

Packing of navel oranges, 50 percent of which came from the Eastern Cape, started on Tuesday.

The Eastern Cape citrus areas, the Gamtoos, Sundays and Kat river valleys produced 20 percent of country's crop. He said 45 000 tons were expected to be harvested in the Gamtoos Valley.

Gamtoos farmers, who have had their water quota cut to 10 percent of the normal supply, are desperately trying to keep the prime export crop in peak condition.

A small group of farmers in the Grahamstown area could lose their entire crop if rain does not fall soon.

Recently the South African Co-operative Citrus Exchange announced that citrus exports, which reached a record 31,5 million 12kg cartons and earned R1,1 billion last year, were set to increase by 45 percent by 1998.

Drought 'had no impact'

JONO WATERS *3 fruit*

CROOKES BROTHERS' diversification into orchards led to a 24% increase in turnover and 15% rise in earnings in the year ended March 1992.

Earnings a share rose to 60c (52c) from which total dividends of 21c a share were paid, up 2c on the previous year. *Blom 26/5/92.*

Turnover rose to R44m (R35,4m) with operating income 49% higher at R7,9m from the previous year's R5,3m, but income from investments dropped 54% to R858 000 (R1,8m).

Group income before taxation was R8m, up 30% from R6,2m. Taxed income increased 15% to R7,2m.

MD Dudley Crookes said the drought had had a minimal impact on the company's farms following the diversification into deciduous and citrus fruit farming. Sugar made up less than 60% of the group's portfolio.

Crookes said although it would take years for the company's dryland farms to recover from the drought, many of its properties were under irrigation and there should be no severe impact on earnings in the coming year.

The company sold 100 000 shares in CG Smith to buy a deciduous fruit farm in the Western Cape. This, together with the distribution of CG Smith shares to shareholders in August 1990, resulted in a reduction of investment income to R4,6m from R5,4m.

Farmers giving away avocados to the hungry

STAR 3/6/92

③ fruit

Avocado pear farmers in the Tzaneen area, who normally export 80-90 percent of their crop, have found that this year — because of the drought — many of the fruits are too small for export.

With tons of surplus avocados on their hands, the farmers have decided to give them to the hungry.

The farmers emphasise that the fruit, of the popular American Hass variety (which turns a purplish-black colour when ripe) is in perfect condition and contains all its nutritional value.

The Star, in conjunction with the Paradise Fruit company in Tzaneen (which rep-

resents a large number of farmers) and with the help of Allied Publishing of Johannesburg, is arranging for the free distribution of avocados, starting tomorrow.

Trucks are picking up the first load of 8 tons from Tzaneen today and will transport it to Johannesburg.

Depending on the demand from organisations and the public, The Star will continue to help with distribution of the free avocados.

Charitable organisations wishing to collect fruit will have to arrange transport to pick it up. They are asked to phone The Star's Promotions Department on 633-2724.

Citrus bodies set up new export arm

STAR 3/6/92

By Roy Cokayne

③ fruit

An operating and export marketing company, Outspan International, has been formed by the Verwoerdburg-based South African Co-operative Citrus Exchange (SACCE) to handle all aspects of southern Africa's citrus exports.

These include marketing and distribution to 40 countries around the world.

Outspan International chief executive Dr Douglas Stanton said the new company would give exporters a greater involvement through their direct shareholding in the company.

The new company would aim to increase citrus exports to ex-

isting and new markets through a total market approach.

"The company will look after every aspect of exporters' interests, make additional avenues of finance available and link southern Africa even more firmly to world scientific research into production of even higher quality fruit."

This year it was looking at total exports of 34,4 million 15kg cartons of citrus products — four percent more than last year and an all-time record — and the export crop was forecast to grow by about 40 percent by the turn of the century.

Establishment of the company was prompted by the changing business environment,

which had clearly demanded a review of the way in which the southern African citrus industry approached its global market.

The three-tier structure now established included the Citrus Board with its statutory role, SACCE, which would be the policy-setting forum, and Outspan International, the operational and marketing organisation.

To address the issue of seasonality, the citrus industry had concluded a co-operation agreement with Unifruco, the parent body of the deciduous fruit industry in South Africa.

In terms of this agreement, the overseas branches of Outspan International and Unifruco in England would be in the

same building and all corporate and support services common to the two industries would be handled by the staff of a new company, Fresh Fruit Services.

This company would be controlled from South Africa through Fresh Fruit International, owned jointly with equal shareholding by Outspan and Unifruco.

But each industry would still undertake its own marketing.

"This rationalisation of activities will optimise the use of existing infrastructures and expertise and further help to reduce costs and improve productivity to the mutual benefit of the two industries," Dr Stanton said.

Fruit and flower boom in exports

Business Staff

② FRUIT

THE Cape's horticultural industries are on the brink of dramatic expansion with markets opening up all over the world, says Mr Louis Kriel, managing director of Unifruco, which exports more than R1.4 million of deciduous fruit a year.

"These industries will see exports reach R4 billion in the next year or so," he said in Cape Town last night at the presentation of the Weekend Argus/Cape Chamber of Industries annual awards for exporters.

The Exporter of the Year trophy went to Mac-Adams Manufacturing. The other finalists in the competition were Libra Sales, Louvreflex Agencies, Swartland Boudienste and Unifruco.

Mr Colin Boyes, deputy director of the chamber, said the award showed that a small company showing a dramatic increase in exports could compete against the giants.

In his address, Mr Kriel urged the Cape's business and community leaders to draw up a "Cape Action Plan".

At a time when most South Africans were holding their breath in uncertain anticipation of renewed confrontation, mass action and street politics, the Cape wanted to tell the outside world: "Hold it, we have a dream that can come true."

He said the action plan should first ensure that someone in the administration took charge of finding and implementing fair but firm solutions to the pressing squatter problem.

The action plan should enhance a business atmosphere of growth and confidence.

An atmosphere of real reconciliation should also be promoted, he said.

● See page 22.

Tomatoes dumped as market slumps

By Bronwyn Wilkinson

Representatives of more than 30 charities yesterday lined up in Johannesburg to fill their boxes and shopping carts with undersized avocado pears transported by The Star from the lowveld.

At the same time, discarded tomatoes littered fields near Tzaneen.

Johan Strydom, who travelled in the area at the week-

end, said tons of tomatoes had been discarded in the fields where they had been picked.

"It looked like a red carpet had been rolled out on either side of the road," he said.

He believed the fields belonged to Bertie van Zyl, a large tomato producer. However, a spokesman for Mr van Zyl's company, Zet Zet-Twee, said he was not aware of tomatoes being discarded.

STAR 9/16/92
A spokesman for the Northern Transvaal Co-op, who asked not to be named, said he knew tomato farmers dumped undersized fruit when the market price was too low.

Avocado pear farmers in the lowveld approached The Star last week about donating their surplus fruit to charity. The fruit, they said, was too small for export.

The second load of 8 tons was

handed out to charity workers in Jan Hofmeyer, Johannesburg, yesterday.

Letitia Potgieter, of the Department of National Health and Population Development, who collected the fruit for squatters at Orange Farm, south of Johannesburg, said the donation was "great".

The Star will continue to publish details about the distribution of future avocado pear consignments.

FM 12/6/92

③ fruit

of the last listed investments brought the rise in pre-tax earnings back down to 32%.

The balance sheet is strong. There's no long-term debt and overdrafts of R172 000 were comfortably below R2m cash on hand.

To attempt to predict what results may stem from this year's good crop is hazardous. However, Silverman points out that 1992 fruit crops in Chile and New Zealand have not come up to expectations.

Moreover, stocks carried over from 1991 of apples and pears in the northern hemisphere are below normal. Prices there are holding well, which bodes well for exports. Reading between the lines of trees, 1992 should be another good year.

WB HOLDINGS FM 12/6/92

Fruitful switch ③ fruit

Activities: Deciduous fruit farming.

Control: Silverman family.

Chairman: R Silverman; **MD:** A Silverman.

Capital structure: 9,4m ord. Market capitalisation: R57,8m.

Share market: Price: 615c. Yields: 4,0% on dividend; 9,4% on earnings; p/e ratio, 10,6; cover, 2,3. 12-month high, 615c; low, 310c.

Trading volume last quarter, 171 000 shares.

Year to Dec 31	'88	'89	'90	'91
ST debt (Rm)	—	0,2	0,2	0,2
Shareholders' interest ..	0,92	0,86	0,90	0,89
Return on cap (%) ..	31,2	19,2	14,3	16,5
Turnover (Rm)	6,8	7,6	11,8	15,4
Pre-int profit (Rm) ...	6,4	5,3	4,6	5,95
Pre-int margin (%) ..	85	52	36	39
Earnings (c)	53,2	36,4	45,2	57,9
Dividends (c)	9	36	21	25
Net worth (c)	200	248	307	341

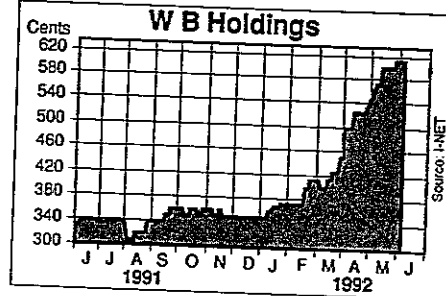
There have been many times when businessmen, unhappy with their lot, or having sold their business, have had to cast about for alternatives. Few have made the transformation so successfully as Robert Silverman.

When the fishing industry no longer appeared to hold an attraction, Silverman boldly transferred his family's primary activity and associated assets into deciduous fruit farming. It is the only listed operation of its sort on the JSE. Since he did so, the operation has gone from strength to strength.

His timing was immaculate and the choice of crop — mainly apples — ideal for the export market. While the rand has suffered from inflation and is pushing the cost of fruit sky high here, exports land abroad at prices attractive there and generate hard currency.

Farming operations were expanded last year. Boskloof Fruit & Timber Industries was bought for R8,5m. In addition, Silverman says the water authorities have allocated an increased allowance that enables the development of an additional 200 ha of orchards. Trial plantings of plums are proving so successful that the yield could outstrip that of apples.

Last year's good crops translated into a 30% increase in turnover. Net operating income leapt by 47% to R5,9m but the drop in investment income following the realisation



At 615c, the share appears fairly priced, given the risks associated with farming. But if this year's crops sell well and especially if the rand weakens, the counter could prove a real plum in any portfolio.

Gerald Hirshon

BUSINESS

Clothing, textile industry development investigated

CAPE TOWN — Board on Tariffs & Trade deputy chairman Helgaard Muller and a delegation of clothing and textile industry representatives have just returned from investigating development programmes in the Far East.

Muller sets off next week for a similar tour of Europe.

He said yesterday he had formed strong views about what the SA clothing and textile industries needed but was not willing to disclose these.

Textile Federation executive director Brian Brink said Thailand's development programme for the clothing and textile industries was based on the initial increase and subsequent phasing out of ad valorem duties, much along the lines of the Board of Trade & Industry's (BTI) August 1991 proposals.

Muller said the board had been inundated

Bloay 16/6/92
LINDA ENSOR

with submissions on the interim tariff and quota proposals promulgated on May 1. The board would attempt to sort out an interim solution within two weeks of the closing date for submissions next week.

National Clothing Federation executive director Hennie van Zyl said there had been strong reaction against the proposals. The federation had recommended the Hatty proposals be scrapped in favour, preferably, of the status quo prior to May 1 or alternatively in favour of the BTI proposals.

Van Zyl said the uncertainty in the industry was bordering on chaos as local textile mills were unable to meet the needs of clothing manufacturers.

He said SA's trading partners had all expressed opposition to the country's reversion to protectionist policies.

Many boat owners underinsured

MANY boat owners are finding themselves underinsured because of the rapidly escalating prices of small craft.

PFV Special Risks deputy MD John Pile said boat owners should not wait for annual policy renewals to reassess replacement values.

Santam Marine division spokesman Petra Fordyce confirmed boat prices had risen dramatically in the past few years, and brokers were not always aware of the high replacement cost of small craft. She recommended boat owners should re-assess their policies every six

MICK ELLINGHAM

months, saying the average claim on a small craft was now R5 000.

Lindenberg Marine's Bill Lindenberg said boat prices had gone up by at least 5% since January, adding the price of small engines was affected by the weak Rand/yen exchange rate.

Undercover insurance brokers spokesman Julian Dreyer suggested that boat values should be standardised — as with motor car "book" values — for accurate valuation.

New company to market SA citrus

MEREDITH JENSEN

(3) fruit

SA citrus producers could look forward to bigger profits and greater visibility as a result of Outspan International, the newly created private marketing arm of the SA Co-operative Citrus Exchange (Sacce), a spokesman for the company said yesterday.

Outspan has assumed the overseas marketing and promotion of citrus fruit formerly handled by Sacce.

He said Outspan would operate as the only local overseas marketer of citrus products under protection of the single-channel Marketing Act. *Bloay 16/6/92*

However, the long-term goal was "voluntary participation", whereby the Act would be eliminated.

SA exported approximately 60% of the crop. Producers could choose what they did with the remaining 40%. Industry sources said if world market prices for export concentrate were higher than local fresh prices, farmers could choose to export.

Outspan CE Douglas Stanton said the new infrastructure would make marketing and distribution more efficient.

Stanton said political changes in central and eastern Europe and the dramatic economic development in the Far East could open new markets for citrus.

And the expanding EC market could also provide opportunities for SA producers.

While SA was only the sixteenth largest producer of citrus fruit in the world, it was the fifth largest exporter. Stanton said Outspan would help the industry maintain its competitive edge.

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Da Gama hopes tied to lower imports

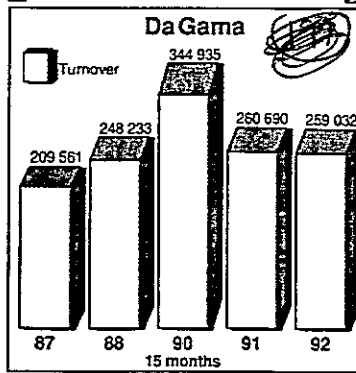
DUMA GQUBULE

TEXTILE manufacturing company Da Gama is hoping to maintain its earnings in the coming financial year. But this will be a difficult task if competition from imports increases and the economy continues to shrink, CE Harry Pearce says in the company's 1992 annual review.

In the year to end-March the SAB subsidiary reported a 29% decline in attributable earnings to R30m, or 58.9c a share. The total payout came to 25.5c (1991: 36c) a share.

Chairman Laurie van der Watt said wide-ranging action was needed to bring about a significant reduction in the level of imports and help revitalise the local textile manufacturing industry.

He said imports had climbed to new levels during the past year. Imported fabrics now accounted for 40% of the SA market, again illustrating that import duties in place during the past year were



Graphics: RUSBY-GAY MARTIN Source: DAGAMA

insufficient to protect the local industry against cheap imports from subsidised manufacturers in foreign countries.

He said it was heartening that steps in this direction were now being taken. The government had decided to implement certain short-term measures concerning the importation of a wide range of textiles and clothing.

Van der Watt said the new tariff rates, which were gazetted at the beginning of May, were being studied. But it was unlikely that they would benefit trading until the second half of the year.

Pearce said Da Gama's future performance would be positively affected if recently introduced duty levels resulted in a material reduction in imports.

Looking ahead, Pearce said improving cash management and stock turn would be a major element in Da Gama's plans for the coming year. In the year to end-March working capital had increased by R29m, of which R24m had could be attributed to higher stocks.

Sales in the second half of the year did not materialise to the extent expected and, as a result, the investment in inventory rose to higher than normal levels.

Management focus in the coming year would be to reduce stock levels to more sustainable standards.

Export zones report out

Business Day Reporter

AN IDC report on the establishment of export processing zones has found that local and regional development authorities and the private sector should be allowed to develop them.

Released yesterday, it recommended the authorities and private sector should have freedom to develop the zones with state financial assistance. The report was commissioned by the Trade and Industry Department.

Director-general Stef Naudé said the zones could be achieved by offering customs-free import facilities, creating a favourable business climate and limiting regulatory restrictions and bureaucracy.

"The IDC defines an export processing zone as a demarcated geographical area specialising in the manufacture of export products," Naudé said.

The IDC also said EPZs served a dual purpose, namely to create employment opportunities and to earn foreign currency by exporting manufactured goods.

Fruit farming group positive about results

LINDA ENSOR

CAPE TOWN — Deciduous fruit farming group WB Holdings was reasonably optimistic about results for the year to end-December, 1992, chairman Robert Silverman said at its AGM yesterday.

Predictions were difficult because fruit exports were en route to Europe and the company did not know what prices they would fetch. Silverman said profits and dividends would not be less than last year when earnings increased by 28% to 57,92c (45,26c).

In the latest annual report Silverman said opening prices were higher than in 1991 due to Chilean and New Zealand fruit crops being lower than expected. Also, the European carry-over stocks of apples and pears from 1991 were lower than usual and this had placed pressure on the marketplace.


Although fruit volumes were higher this year, the

quantity available for export did not rise commensurately due to the high quality product demanded by the export market.

"The total crop of the group's farms is about 17% up on 1991 but unfortunately a large proportion of the fruit is rather small and not exportable," Silverman said.

He said at the AGM that another problem was SA's high inflation compared to the low rate overseas which made it difficult to keep pace with costs in what was a labour intensive industry.

New plantings had been progressively undertaken, he added. In the annual report Silverman said increased water allocations from the Theewaterskloof Dam meant WB Holdings could develop an additional 200ha of orchards instead of the 100ha planned.



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Choice brings down losses

MICK ELLINGHAM

DCM-listed Choice Holdings has disclosed a net after-tax loss of R24 000 for the year ended February 1992 on the back of a 13% increase in turnover. This follows a R1,3m loss in 1991.

The company — which processes and distributes meat products and other foodstuffs — reported attributable losses of R290 000 resulting in a loss per share of 72c. Last year the company's attributable loss was R1,8m which resulted in a 1500c loss per share.

Choice MD Johnny Limberopoulos said: "The year's results were affected by the continuing difficult trading conditions."

He said the company's improved results were a result of the rationalisation which had occurred during the year.

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LINDA ENSOR

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'There is no point if you're eating poison'

STAR 23/6/92

HEALTHY DEMAND

Most consumers are unaware of the health and environmental benefits of organic agriculture, so they don't insist on it. They can raise their voices and create the demand. MARIKA SBOROS reports.

YOU don't have to eat poison along with your fruit and vegetables. Educated consumers can demand organically grown produce if they don't have the time or inclination to grow their own.

Organic agriculture is still marginal in South Africa, mostly because of ignorance, says Har Bjan, owner of a Yeoville health food shop.

"Consumers are unaware of the many health and environmental benefits of organic agriculture, so they don't insist on it," says Har Bjan.

His shop stocks more produce than he can sell.

And while organic produce has a reputation for being expensive, in reality this is undeserved. At current prices, much of Har Bjan's organic produce is cheaper than supermarkets'.

And if you compare apples with apples, quality-wise his product is superior, he says. Even after the carrots and the lettuce go soft, a little cold water firms them up and they still have all the benefits with none of the disadvantages of chemically grown food.

"I wonder what is going to stop people from raping and plundering this earth. We all pay the price," Har Bjan says.

Organic farmer Phina Milner uses her own earthworm humus to produce organic fertiliser to grow vegetables on a farm 15 km outside Brits.

Her rows of 10 000 spinach and 20 000 lettuces and cabbages are interplanted with garlic and onions "to prevent gogga attacks without using any poisons whatsoever".

Ms Milner hopes to market her produce

to supermarkets at no extra cost to the consumer.

She would be happier to produce the goods cheaper than produce grown with chemicals, but "the middle man is greedy".

"The Cancer Association is always telling people to eat more fruit and veggies, but what's the use if the food is grown in nutrient deficient soil with chemical fertilisers and poisons?" she asks.

When chemical fertilisers are used, the plant goes into a "state of unnatural

'I wonder what is going to stop people from raping and plundering this earth. We all pay the price.'

Health shop owner

growth". Amino acids are produced so fast, says Ms Milner, that the plant cannot convert it into protein fast enough. These loose acids are food for insects.

The more food there is available on a plant, the more "goggas" you get. The walls of the plant become thinner and more susceptible to disease and fungal attacks.

"You can't grow food chemically without poisons to control the insects," she says.

When food is grown organically, the

plant uses what food it needs to grow. Metabolically it is healthier and stronger, with more resistance to insect and sickness attacks.

Ms Milner would like to see all vegetable and fruit farmers converting to organic methods.

"I can prove that if they stop using poisons, they won't lose money."

But Bill Smit, technical manager of a company that manufactures garden-care products, says pesticides are safe depending on how they are used.

"Unfortunately we cannot rely solely on the natural rules of balance in nature as a basis for plant protection. Chemical protection offers a proven, reliable solution — if correctly applied," Mr Smit says.

Products recommended for use on edible crops always stipulate the safe waiting period to be followed between product application and harvesting, to eliminate the risk of undesirable toxic residue.

"Pesticides must necessarily contain 'toxic substance', be they natural or chemical, to kill undesirable insects and control plant disease or weeds," he says.

Pesticide manufacturerers spend millions of rands researching and developing products capable of controlling

problem areas while posing the least possible threat to the environment.

All pest control products sold in South Africa are required by law to be registered with the Department of Agriculture and are also screened by the Department of Health.

Registration is granted only once extensive trials have proved that the product is effective for controlling specific insects or disease, and that it is safe when used according to instructions, Mr Smit says.

③ fruit ~~③~~

Unifruco defends export position

B/Dam 25/6/92 (3) fruit.

LINDA ENSOR

CAPE TOWN — Unifruco has lashed out at the Competition Board's investigation into its alleged monopolistic export practices, saying the company acted as only one of 14 international export agents appointed by the Deciduous Fruit Board (DFB).

Unifruco is SA's biggest exporter of deciduous fruit, concentrating on the British, European and Far East markets.

MD Louis Kriel said yesterday that it was the DFB which administered the deciduous fruit scheme and issued export permits. Allegations of a monopoly would have to be laid at its door.

He also criticised the Competition Board's apparent ignorance of the way the export industry operated.

Kriel added, however, that he and "99%" of deciduous-fruit farmers were in favour of the single-channel export-marketing system as this prevented purchasers exploiting the competition between suppliers to get lower prices.

Farmers had the right to decide how to sell their product, he said.

Meanwhile, in a further development, Atex Exporters MD George Jaumain sent a letter to Competition Board chairman Pierre Brooks yesterday calling for a liberalisation of Unifruco's operations to open up the African market to other exporters.

Brooks said other exporting companies and smaller deciduous fruit producers had also complained about Unifruco's monop-

oly, which prevented them from marketing their products abroad.

Jaumain said he had tried unsuccessfully for three years to export fruit to Africa. Each application for a permit was met with a reply saying that Unifruco was satisfied with the export arrangements which it already had.

"We strongly feel that a drastic change within the Unifruco infrastructure to rectify this unfair practice is long overdue," Jaumain said.

Kriel admitted that Unifruco advised the DFB about export permits but said Unifruco itself was not involved in the African market, which last year generated combined deciduous fruit sales of R24m — 28% up on the previous year.

Kriel said the three exporting agents into Africa — Kallos Exporters, Fruitair and Oceanic Exports — had shown loyalty to the industry during the years of sanctions. Now that export markets were opening up, smaller exporters wanted to jump on the bandwagon but it was inadvisable to divide up a small market too much.

Jaumain claimed that the African suppliers were not servicing the market properly.

"Most of the clients complained about the fact that they were obliged to deal with only one company in SA — they would prefer to select suppliers according to service and quality of fruits."

BUSINESS

Juicy future for fruit industry

CAPE TOWN — The deciduous fruit industry is anticipating an increase of about 20% in sales revenue to R1,7bn (R1,4bn) this year, which will offset to some extent the importation of agricultural foodstuffs such as maize.

The total deciduous fruit crop is 13% larger than last year with all fruit types, except plums, showing an increase in volume. International prices of apples have been particularly good due to the world shortage, Unifruco public affairs manager Fred Meintjies says.

An estimated 41-million cartons of fruit, including apples, grapes, pears, peaches, plums and apricots, will be sold on world markets — far more than the 19-million cartons sold in 1980. The target for 1995 is 50-million cartons.

The Deciduous Fruit Board (DFB) and subsequently Unifruco as its export arm, have been credited with doubling export volumes in the 1980s despite the closure of the international doors of trade because of sanctions. In 1987 the export functions of the DFB were transferred to Unifruco which is the sole export agent of deciduous fruit for the US, UK, European, Middle East and Far East markets.

The closet trade meant that the major impact of the lifting of sanctions was initially felt on prices rather than volumes, though these too would increase. SA fruit is presently being sold for the first time in the US whereas before sanctions the US took 2,5-million cartons of SA fruit. It would take some time for this market to fully recover, Meintjies said.

The single channel marketing system which

reigns in the deciduous fruit industry has come under the Competition Board's spotlight recently, but Meintjies said it allowed producers to present a united front to buyers who would otherwise exploit competition between producers to drive down prices.

SA fruit was able to command a 30% higher price than Chilean fruit as Chile did not have a single channel marketing system.

"Experience in other countries shows that when the single channel system is dissolved, the country concerned loses its international competitiveness," Meintjies said.

Growers

Also, he said, the system was more cost effective, with administration costs — equivalent to an agent's commission — representing only 2% of turnover. Whereas growers only received 49% of the gross selling price in the early 1980s, they now received 60%.

Unifruco did not retain any profits — it only acted as agent on behalf of the 1 650 fruit growers who were its shareholders and whose representatives sat on its board. It also sold non-shareholding growers' fruit.

To make maximum use of its infrastructure Unifruco has taken on the export of non-deciduous fruit such as melons and pineapples, as well as vegetables, a step which has raised eyebrows at the Competition Board as possibly

contravening its governing statutes.

Meintjies said the company's marketing and distribution infrastructure provided a tremendous opportunity to expand the fruit basket offered. Use of the infrastructure was also being made by Vinfruco, a company formed by Unifruco and a group of Stellenbosch wine farmers for the export of wine.

Furthermore, Meintjies said Unifruco was working closely with the Citrus Exchange which recently established a private company, Outspan International, similar to Unifruco.

A programme of co-operation had been agreed upon and a jointly owned service company, Fresh Fruit Services based in the UK, had been established to provide distribution, technical, financial and data processing services to both exporting groups. Joint use was also made of selling agents and regional associations.

As the two fruits had different seasons, co-operation would facilitate a more efficient use of their infrastructures, Meintjies said.

He said the initiative had enormous potential to cut costs, especially as it combined the bargaining powers of the deciduous and citrus industries in negotiating freight, and other rates would be strengthened. Jointly the two fruit industries would export 70-million cartons of fruit.

The deciduous fruit industry is in a growth phase with intense planting under way to take advantage of the tremendous demand for SA fruit now that it is acceptable to have the Cape label displayed in supermarkets.

5/10/92 117192 (3) fruit
LINDA ENSOR

**Fruit exports
are subject
of complaint**

3 Fruit
8/10 am 31/7/92

LINDA ENSOR

CAPE TOWN — Four firms exporting food to Africa took complaints about the permit system operated by the Deciduous Fruit Board to the Competition Board yesterday. Commerce Afrique director Maurice Hall, Aftex Exporters' Georges Jaumain, and representatives from Sikisa Trading Corporation and Lala Govan met board chairman Pierre Brooks.

The Competition Board has launched an investigation into the monopoly of the Deciduous Fruit Board's export arm, Unifruco, over deciduous fruit exports.

Hall said the exporters objected to the system in terms of which only one permit was issued for each country. They objected also because one small firm, Kallos Exporters, had the permit for most of Africa, and Unifruco had taken over the permit for the Reunion, Seychelles and Mauritius market.

Hall said the only way his firm could export fruit was to pay a company, which had a permit, for use of that permit.

Exporters wanted a free market in fruit exports.

Water cuts hit fruit growers in N Tvl

③ fruit

STAR 11/9/92

By Dirk Nel
Northern Transvaal Bureau

TZANEEN — Fruit and vegetable farmers in the Letaba district have had their water quotas slashed, and the impact on supplies to Transvaal markets could be severe.

The step was taken due to the rapidly falling level of the Fanie Botha Dam in Tzaneen to 26 percent full, a Letaba Co-operative spokesman said. Most

affected were citrus, bananas, avocados and tomatoes. Banana supplies, in particular, could fall by 36 percent.

The Tzaneen district produced about 40 percent of South Africa's avocados and bananas, but the long drought had made it necessary to halve farmers' irrigation allocations.

Mango industry executive Guy Matthews said he thought mango producers would remain afloat, as irrigation of these trees continued into the rainy season due to begin next month.

Despite the crisis, prices at

several roadside stalls are very competitive.

High-quality oranges are available for as little as R5,50 a bag and potatoes are advertised at around R14 per 10 kg bag. Some producers are offering bananas at less than R1 a kilogram.

Several farmers said they would not be able to supply city markets as long as the drought lasted, but would aim for bulk disposal at low prices in the northern areas and country towns.

Undersized produce knocks fruit group

CAPE TOWN — ^{Simon} Undersized fruit pulled ¹⁷¹⁹¹⁹⁷ down export volumes of fruit producer WB Holdings and contributed to a 9% drop in earnings in the six months to end-June.

The interim dividend was maintained at 7c on lower earnings of 20c (22c) a share.

WB Holdings' total fruit crop in the 1992 season was about 17% higher than last year, but a lot of the fruit was unsuitable for the export market, which represented 60% to 70% of group turnover, financial director Ben Ricketts said yesterday.

Turnover fell 9,7% to R6,7m (R7,4m) but the operating margin was maintained at

LINDA ENSOR (3) ^{fruit}

28% as a result of exceptionally good prices fetched for early apple varieties, such as Golden Delicious and Starking.

But prices for later Granny Smiths had dropped dramatically and continued to weaken since May as a result of the recession and better international crop.

Chairman Robert Silverman cautioned that earnings for the full year were expected to be "considerably less" than in 1991. But Ricketts stressed that a final dividend would be paid.

Durban upgrade as citrus exports boom

Bloom
23/9/92 MEREDITH JENSEN (3) fruit

OUTSPAN international, the export marketing arm of the SA Co-operative Citrus Exchange, has announced plans to upgrade its precooling facilities at Durban harbour, in response to an anticipated 40% increase in citrus exports over the next four years.

An exchange spokesman said the upgrade, to be completed by April 1993, would cost R22m and increase the facility's capacity by over 50%.

Export volumes, at 32m cartons for this year, had nearly doubled from last year's total of 17m cartons.

He said there had been steady growth in demand for SA citrus fruit from consumers in Europe, the Far East and North America.

Citrus farmers had been relatively unaffected by the drought as most crops were under irrigation. Over the past few seasons, farmers had been planting more and more trees which should come into production in the next five years, the spokesman said.

In addition, due to trouble in Mozambique's Maputo harbour, citrus fruit from Swaziland as well as the northern and eastern Transvaal had been diverted to Durban for shipment overseas, increasing overall throughput dramatically.

He said while exports could increase by 40%, any increase in earnings would be difficult to predict.

"We are dealing with a commodity market where no two years are alike," he said.

In addition to the upgrade, Outspan's Durban facility would become a 24-hour operation by next April to cope with the burgeoning supply of fruit.

Food aid demand increases

B10M 25/9/92
DROUGHT, political violence and economic woes had swelled the number of families seeking food aid from Operation Hunger, executive director Ina Perlman said in her report for the financial year.

Mounting demands for relief aid had forced the organisation to reverse its principle of independence and accept financial assistance from government, Perlman said.

Under government's R220m hunger relief programme, Operation Hunger had received R10m "after a five-month battle".

Perlman said a steady slide in the economy, increasing unemployment, retrenchments on the mines, violence and the return to rural areas of people fleeing warfare had swelled numbers seeking assistance.

"It is worse, much, much worse than we anticipated," she said.

"Field trips are journeys of discovery into previously uncharted depths of misery, human suffering and want."

Perlman said the organisation would have to halve its rations in September, knowing this would affect more than 2-million people.

In the northern Transvaal, which has been devastated by drought, 269 000 people were receiving food aid. "Prospects are frightening," regional director Johann Rissik said in his report.

Rissik expected an increase of between 20% and 60% in numbers seeking relief from Operation Hunger.

The organisation was feeding 250 000 in the Free State, 350 000 in the eastern Cape and Border region and 102 000 in the western Cape.

In Transkei, Operation Hunger was feeding 70 000 children at 350 schools and creches.

About 60 000 people threatened with starvation were waiting to be placed in feeding schemes in the eastern Cape and Border, said regional director Glynis Baer.

The drought had also affected vegetable-growing schemes started by the organisation in Hammanskraai, Mafikeng, Rustenburg and the Free State.

Deputy director for relief and development Mpho Mashinini said that of the large-scale agricultural schemes started a year ago, only 1 000 farmers in KwaZulu had a chance of yielding 30% of their harvest.

"It is no longer a case of part-intervention. All intervention must now be 100%," he said.

Perlman said: "Central to all our thinking these past 12 months has been that hugely increased relief must be linked to long-term development." — Sapa.

Public transport revamp facing many challenges

B10M 25/9/92
PRETORIA — Lack of development finance and an urbanisation strategy were two barriers in the way of solving the problem of an adequate public transport system in the PWV, TPA MEC for roads Ahmed Arbee said yesterday.

He said a public transport study by a consortium appointed in 1990 by the TPA was on course and more than 200 problem areas had been identified. Among them were the poor quality of public transport services and facilities, lack of co-ordination, unplanned development, and the fact that only certain public transport modes received subsidies.

Arbee said the challenge facing transport planners in the PWV area was to provide public transport for a population of 12,8-million people in an urbanised area of 210 000 hectares by the end of the century.

The population of the PWV increased from 7-million in 1985 to 9-million in 1991. A projected rate of increase of 3,8% a year would increase it to 12,8-million by 2000.

Provision would, therefore, have to be made for an increase in the transport requirements of 3,8-million people over the next eight years.

"The picture looks bleak if all the associated social costs are taken into account," Arbee said it was important to acknowledge transport was as

B10M 25/9/92
GERALD REILLY

legitimate a need as education, housing and health.

Currently only about 51% of the increase in the worker population could be absorbed by both the formal and informal economies. Close analysis revealed only 5% were absorbed by the formal sector.

The absorption rate of the formal economy was likely to steer transport even more in favour of public transport in future. The study showed this trend would be supported by decreasing per capita incomes in the PWV area, Arbee said.

He said the PWV economy could not absorb the work-going population increase of 3,9% a year since 1985.

In addition to the 333 000 people without work in 1985, 417 000 workers had since become unemployed, the study showed.

The limited capacity of the informal sector had also been stretched by about 673 000 workers finding a livelihood within it.

Arbee said 82% of all commuters in the low income group used public transport.

More than 250 representatives of interest groups were invited to the consortium's first series of group discussions, aimed at pinpointing transport problems. A further series of meetings was planned for October.

Fruit and greens earned R1,51bn

B10M 25/9/92
SA FARMERS sold 2,4-million tons of fruit and vegetables worth R1,51bn at 15 markets across the country in 1991, producer representative Philé van Zyl said at the SA Agricultural Union fresh produce conference yesterday.

This represented an increase in volume of 1,65% a year.

About 20 000 producers traded at fresh produce markets, generating about 17-million transactions a year.

Producers wanted fresh produce markets "in every centre" and existing markets expanded.

Johannesburg City Council informal trading chief officer Dinkie Pillay told delegates the informal sector accounted for 15% of GDP and employed about 35% of the labour force.

Philé said the informal sector provided significant opportunities which could be exploited by business and farmers.

Meanwhile, the Milk Producers' Organisation decided at its annual meeting in Port Elizabeth yesterday that the industry needed selective deregulation.

MPO chairman Boy Blackenberg said a working committee had been established to investigate the long-term effects of deregulating the industry.

Unifruco exports at new record volume

PRETORIA — Unifruco exported a record 40,5-million cartons of fruit in the 1992 season — the organisation's tenth consecutive year of growth in export earnings and producer payments, chairman David Gant said yesterday.

He said this was achieved despite difficult international marketing conditions.

Gross export earnings jumped 18% to a record R1,69bn and producer payments rose by 14% to R978m.

Gant said marketing conditions for most fruit kinds were good, but the apple mar-

B/D my 20/10/92
GERALD REILLY

ket collapsed towards the end of the season resulting in the dumping of millions of tons of competitive fruit.

Although international conditions for SA products had almost been normalised, the business climate had deteriorated dramatically and Gant warned producers that marketing conditions were likely to be tough in 1993.

There were, however, positive develop-

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Unifruco

B/D my 20/10/92.
ments, such as re-entry into the markets of the US, Ireland, Finland and Denmark, as well as openings into the Far East for SA deciduous fruit for the first time.

Gant said Unifruco contributed almost 40% to the country's export earnings from agricultural products.

Good progress was made with the implementation of the co-operation agreement

between the deciduous and citrus industries. Joint bargaining resulted in large cost savings.

Unifruco MD Louis Kriel said the present surplus of almost all kinds of fresh produce on the European market could continue for some months.

However, the long term prospects for the industry remained favourable.

From Page 1

Record pay-out for Cape fruit farmers

③ PRUIT

CT 20/10/92

By AUDREY D'ANGELO
Business Editor

WESTERN Cape fruit farmers will share a record pay-out of R978m — 14% more than the R861m paid out to them last year — in spite of the recession in their main export markets and an over-supply in Europe.

The total volume of soft fruit, apples and pears exported by about 2 000 growers was 15% higher than last year. Gross export earnings were 18% higher at R1,69bn — almost double the 1989 figure.

But Unifruco chairman David Gant, announcing these results yesterday, said over-supply when SA exports competed with a good European crop and fruit from South America caused a collapse in the apple market towards the end of the season.

This resulted in "the dumping of millions of tons of competitive fruit at considerable losses, and significant reductions in net farm income for SA apple producers."

MD Louis Kriel said the present surplus of almost every kind of fresh produce on the European market could continue for months. And competition from South America was increasing.

"However, the longterm prospects for the industry remain favourable

and growers should continue to expand in market-related production.

"Better eating quality and higher quality products, along with the discipline of a single-channel operation, are the only guarantees to overcome the present difficult situation," said Kriel.

The prospects for next season's crops were good. Wind damage in recent storms was limited to certain isolated areas.

Kriel said Unifruco was ready to make the most of new opportunities opening up in Europe, North America and the Middle East. It would spend more than R30m on publicity and promotion in 1993.

David Gant said marketing conditions had been good for all kinds of fruit until towards the end of the apple season.

But, he warned, "few people realise the full extent and impact of the present world recession. Although the playing field for SA products has almost been levelled, the business climate has deteriorated dramatically.

"There are, however, some positive developments such as the re-entry into the markets of the US, Ireland, Finland and Denmark and the opening of the Far East to SA deciduous fruit for the first time from January 1, 1993."

Sowe ten 30/10/92.

Bananas not thrown away

THE Banana Board has rejected accusations that bananas are being thrown away. ^{(3) fruit}

In a statement, the board also said an in-depth investigation into the board's restructuring was expected.

In terms of the Marketing Act, buyers may not purchase bananas outside the production area and sell them without the mediation of the Banana Board. ^{Sapa}

Banana Board threatens to end rebel farmer's sales

THE northern Transvaal farmer who has been bypassing the Banana Board and selling his fruit direct to dealers was warned by the Banana Board yesterday that his activities would be stopped.

But Vincent Lyons of Lyons Fresh Fruit claimed that by bypassing the board he was passing on savings of up to 30% to retailers and wholesalers.

"I have been selling the fruit from the farm, which is in a non-controlled area," Lyons said. He added that it was at the discretion of his customers to illegally move the bananas into the controlled areas.

Producers are obliged to market bananas through the board, which determines the producer price. The board regulates the sale of bananas in controlled areas, while farmers are free to sell their produce independently in the non-controlled areas.

As a result of Lyons' efforts, consumers, retailers and wholesalers in the northern Transvaal have been buying bananas at bargain prices relative to the rest of the country, according to Pick 'n Pay food merchandising director Sean Summers.

Lyons said he had been able to supply the fruit to the trade for 30% less than the board, allowing Pick 'n Pay customers in the northern Transvaal to pay R1,89/kg as opposed to the Johannesburg price of R2,69/kg.

Although the board's price for a 20kg carton was quoted at R28 last month, several farmers claimed they received only R12,35 a carton.

③ fruit
BIDA 3/11/97
MEREDITH JENSEN

"Even if the board spent R3 for transport, R3 for cartons, R2 for ripening and R1 for administration expenses, we have still received R7 too little," said farmer Roy Plath. Farmers could not afford those losses and could do better while passing savings to the consumer.

Banana Board GM Okkie Fourie said farmers had received close to R20 a carton.

"High prices have resulted from the retailers marking up the bananas 70%-80% above the board's selling price," Fourie said.

Lyons said he would double his business if allowed to trade freely. "I would also be able to help the smaller farmers by ripening and marketing their bananas for them." He said he could pay small farmers 30%-50% more for their fruit than the board could offer.

Lyons and Plath said direct marketing should be legalised.

"Farmers who produce better quality bananas would be able to get more than the farmer who does not look after his bananas," Lyons said. At present all farmers receive the same price regardless of quality, he said.

Fourie said the board had been investigating the possibility of deregulating for the past six months. "Various options are being evaluated to find a balance between the uncontrolled movements of products within a free market system and the stability inherent to a one-channel marketing system."