

FAIR EMPLOYMENT

1982 —
JAN. — DEC

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Lesbians make good employees — HSRC

CAPE TIMES 22/1/87

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Staff Reporter

LESBIANS make good employees. The overwhelming majority of them attach a great deal of importance to their work and regard their jobs as offering more than a mere income.

This is one of the findings of Mr Willem Schurink of the Human Sciences Research Council in a report on lesbianism released yesterday. The report, made after four years of research, is the first of its kind in South Africa.

Of the 24 lesbians studied, the youngest was 20 and the oldest 55. Five were divorced, one widowed, one married and the rest were single.

'Gay girls'

Citing comments made by the women, the report found that work for lesbians was generally of more importance than for their heterosexual counterparts. As a result, the report stated, their work record in general was stable and what job changes they made were for the most part to do with aspirations for better work opportunities.

Explained one lesbian in the group: "I think work is of the utmost importance to gay girls in that they are unlikely ever to marry and therefore their earning capacity is obviously of greatest importance, so whatever they're going to do must be terribly important."

Said another: "You won't believe this but I love working." And another: "The most responsi-

ble and trustworthy workers I know are lesbians."

On the question of children, the lesbians' views conflicted. Some, particularly those who already had children, believed their life-style would not adversely affect their offspring. Another felt strongly that "children were for heterosexual marriages only".

Feminine

Explained one lesbian: "Many femme (as opposed to butch) lesbians have a need for children. It brings doubt and confusion to her friend, who has to hear daily about how much she wants a child. The relationship suffers. The butch partner is more stable on the subject. The mother instinct is diminished in her."

Other observations in the report were that lesbians prefer the women with whom they enter into affairs to act in a feminine way towards them; most of the women in the study could not be described as physically unattractive; love was important in their lives; with only one exception, they maintained contact with family members; and there was usually at least one in the family who accepted their sexual orientation.

The HSRC emphasized that the study was objective and made on a non-statistical basis to determine the way of life and way of thinking of lesbians and not to determine the causes of lesbianism. The findings were tentative and subject to further research.

Political Correspondent

THE black-white wage gap in the transport services would disappear within three to four years, the Minister of Transport Affairs, Mr H Schoeman, told staff association leaders in Cape Town today.

Mr Schoeman had talks today with representatives of coloured, Indian and

black staff associations which have been registered as trade unions.

He said that within a few years the rate for the job would be paid to all race groups in his department.

White trade unions were also insisting on this because they regarded this to be in their own interests.

Both the Minister and the black trade unionists expressed satisfaction with today's talks.

Mr N M Mbevu, president of the executive of the black staff association, said the Minister had promised that blacks would receive wage increases in April.

In order to close the wage gap the percentage increase for blacks would be higher than that for whites. The deputation also asked for housing loans on the same basis as whites and for consideration to be given to granting trade union rights to blacks from 'national states'.

Mr Schoeman promised to take up these matters with the Cabinet and the governments of the black homelands.

Blacks pledged rate for job

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Call for a closer look at matric

By MARTIN FEINSTEIN

THE Minister of National Education, Dr Gerrit Viljoen, has hinted at an overhaul of the university entrance system to cut the alarming first-year failure rate.

Opening the academic year at Stellenbosch University, Dr Viljoen pinpointed the matriculation system as one of the main reasons for the number of university dropouts, and called on the Joint Matriculation Board to give attention to ways of improving it.

Dr Viljoen told more than 2 000 first-year Stellenbosch students and their parents: "There is a strong suspicion that the matriculation certificate, in too many cases, is not a reasonable indication of a person's potential to succeed in university study."



DR GERRIT VILJOEN
Hint at change

Important

"The standard of university entrance examinations in South Africa, given the standard of work expected at university level, is an important reason for the relatively high drop-out figure and the low success rate," he said.

Dr Viljoen revealed that:

- Of the 20 321 students who registered at the 10 "white" universities for the first time in 1979, 19,5% failed to pass even one subject;
- A third of the students at these universities never succeed in obtaining their degree.
- A student with a 60% matric pass has only a 50% chance of obtaining a BA degree in three years.

"At a glance, it appears that the JMB needs to give attention to the possible alteration of the university study sieve.

"It is the function of the JMB... to see that university entrance certificates are a reasonable indication of a person's ability to succeed in university study.

"If the certificate's standard were to be raised, the number of candidates who matriculate will probably drop — and consequently also the number of students at university," he said.

"Such a step could possibly also have the advantage that the number who study successfully and graduate will stay at the same level



How relevant now?

Are codes of employment conduct, such as the Sullivan Code for American companies operating in SA, beginning to outlive their usefulness?

An increasing number of black unionists are speaking out strongly against the codes. Says the Motor & Component Workers Union of SA (Macwusa): "The Sullivan Code is a toothless package that can be applied by US corporations operating in SA with ease, and is just piecemeal reform that allows this cruel system of apartheid to survive."

Some other critics concede that the codes might have once played a useful role, but say now that increasing numbers of blacks are making use of trade union rights, the codes lack the relevance they might have once had.

Reid Weedon, who is in SA this month on behalf of Dr Leon Sullivan to hold discussions on how to improve the code and reporting on it, believes strongly that it still

has an important role to play. During his stay he will be speaking to companies which are signatories to the code and to trade unions.

"Any programme of this kind is going to be criticised," he says. "I think that for a number of years it will offer a stimulus to companies to keep doing more useful things to improve the social and economic welfare of the people who work for them."

He points out that the number of signatories to the code has risen from 12 in 1977 to about 130 now. These companies have made important changes to employment practices and have initiated a variety of projects which aid black communities. Funding for the Pace school in Soweto has come from such companies, while 150 black schools receive constant support from Sullivan signatories who take part in an "adopt a school" project.

The code, Weedon believes, provides a rallying point for companies to generate ideas and to work together to implement them. In doing so they set an example to others, creating a ripple effect.

Weedon is sceptical about efforts to pass legislation in the US to force American companies in SA to adhere to a set of employment principles, possibly tougher than the Sullivan code. Congressman Stephen Solarz has drafted a Bill which aims to do this, but Weedon does not believe that it will obtain Congressional approval.



Sullivan . . . raising the standards of the code

He believes that a voluntary code is best because there tends to be greater commitment to it than if it were compulsory. In addition, he says, it is much easier to raise the standards of a voluntary code (as has been done during past years).

ices should be fol-

does not reflect the

PLAGIARISM: "Plagiarise: publish borrowed thoughts as original, steal (thoughts), steal from (work, author)" . . . Oxford English Dictionary. There is a distinction between making acknowledged reference to relevant literature, which is accepted academic practice, and copying out sentences or passages unacknowledged from the literature. The latter

Research papers/essays written during the second semester as part of the evaluation of lecture or seminar courses at the third-year level are kept for the external examiners to review. Students who wish to have their papers returned with the course instructor's comments should submit their papers in duplicate.

It is in the student's interests to make a copy of all written work handed in, in case of loss.

Students should state clearly on the front page: name, course, date, and name of lecturer/tutor concerned.

An abstract is generally desirable, i.e. a brief statement at the outset on the content of the essay.

A generous margin should be left on the edge of the page to allow for the evaluator's comments.

One side of the page only should be used, and typewritten work must be double-spaced.

Typing is strongly recommended. Where handwritten work is presented, a high standard of legibility and neatness is required.

ESSAY/ASSIGNMENT PREPARATION

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A US look at labour

FM 26/2/82



Charles Daris is the US government's SA labour attache. He is a career diplomat with 18 years' service in Washington, Afghanistan, Vietnam, Paris and Morocco.

FM: Are events like Aggett's death and the Rabie Commission likely to effect investment decisions by US firms?

Daris: Foreign investment fell off noticeably after Sharpeville, and again after Soweto. Most recent US investment has come from re-invested earnings of US subsidiaries rather than new investments and there has been a decline in US lending to SA in the banking sector. This is partly due to domestic pressures in the US and partly to SA's own economic strength but clearly political and security considerations are playing roles.

Managements in SA are increasingly being faced with demands for changes outside of the labour arena, rather than simply changes on the factory floor. How should American companies respond to these demands?

US firms only account for 20% of all foreign investment in SA and have very limited leverage on the country's political processes. Given obvious resource and political limitations, I see improved dialogue with workers as the single most important strategy to pursue.

Recently there has been a significant crackdown on union activity in SA. If this continues, what will the US response be?

Washington's interest in the SA labour scene is very high. Labour is the sector most frequently mentioned by those arguing that peaceful change and evolution are possible in SA, and that we should work with people who are committed to such a course. Obviously, actions undermining this thinking aren't helpful to those seeking an

alternative to confrontation with SA over its policies.

With regard to the detentions, we have taken note of recent public statements by SA government officials that charges will be forthcoming soon. Our opposition to detention without trial is well known.

What do you consider to be the most important labour reforms necessary?

Each country must seek its own solutions to its unique industrial relations circumstances. There is no doubt that significant reforms have already been realised and that process is still underway. However, no matter how enlightened SA's industrial relations framework may be in its final form, the workplace will still be inefficient and unjust for the majority of workers as long as the present apartheid structures exist.

The AFL-CIO has been re-establishing its international ties and has initiated a "programme of action in support of black trade unions in SA." What are the aims of this programme?

The AFL-CIO plan was announced a year ago but it is still in the organisational stages. Its expressed aims are to support basic changes in the system by working with other trade union centres also seeking non-violent change. Programmes dealing with black unions in SA will be emphasised, particularly those which will change the condition of black workers and their organising abilities.

What is the significance of the programme?

Its significance lies in the assumption that change can occur peacefully in SA and that there are viable groups inside the country working to that end. The AFL-CIO's re-affiliation with the ICFTU, although it makes some here nervous, is also noteworthy as I believe it is in SA's interests to encourage ties between its trade unions and established, democratic, anti-communist counterparts in the West.

Does this forging of links between

organised labour internationally open the way for significant international sympathy strikes?

There have already been a few manifestations of international solidarity. I would expect these to become increasingly responsive to internal events as the trade union movement grows — whether or not there is rapid growth in formal ties.

The Reagan administration is vigorously opposed to legislation making fair employment practices mandatory for US companies in SA. How does this square with the Sullivan Code?

This administration's opposition to recent legislation proposing statutory compliance with the Sullivan Code is no different from the previous administration's opposition to such legislation. The extension of US law to the operations of US firms abroad raises serious legal questions, not to mention the enormous task of monitoring these operations to the point where the Secretary of State — as the legislation proposed — could certify compliance. This administration, as did the former, concluded that voluntary adherence to the Sullivan Code was the only practical solution so it actively urges adherence to and compliance with the code by all US companies in SA.

Sullivan, himself, has voiced concern about the code's progress.

The implementation of the Sullivan Code has had a positive effect, not only on improving the employment practices of US firms but also in setting an example to others. Neither the Sullivan Code, applying only to American companies, nor codes covering other foreign companies, can transform SA society — only South Africans can do that. While some SA corporations are making laudable efforts to upgrade employment practices, more must be done by SA employers, who are after all not only the largest employers in this country but those having the greatest stake in its future.

Under fire: the EEC's toothless code on SA labour practice

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By CATHY HENTRIDGE

THE Code of Conduct for companies with interests in South Africa, drawn up by The European Economic Community (EEC), has been impotent for four years.

And it never had much chance of virility, according to a German church report.

Published in 1977, the code provides guidelines for improvement of black wages and working conditions. It covers labour relations, migrant labour, minimum wage levels, wage structure and black advancement, fringe benefits and desegregation at places of work.

Companies are also asked to submit annual reports to parent companies in Germany on progress made in applying the code.

Although the code relates to conditions of work, the report on German companies in South Africa published in May last year by the Kirch-like Dienst in der Arbeitswelt (Church Service in the Labour World), claims the true implications are wider and intended to provide "an alternative to the strategy of economic sanctions" to bring about peaceful change in South Africa.

Since the code's inception, "none of the 12 German firms investigated fulfilled recommendations" except in a few instances regarding desegregation of facilities. In its wider implications it has also failed miserably.

The report concludes the code is a "mistaken attempt to reform the wrong object by unsuitable means".

The Federation of South African Trades Unions (FO-SATU) commented: "If the unions work, the code is not necessary ... the workers know what they want."

It needed just one factory to be totally and therefore powerfully unionised to achieve a major breakthrough and for the effects to spread like wildfire.

This view is shared by Dr Erberhard von Koerber, chairman of BMW South Africa.

In November he told the

South African German Chamber of Trade and Industry in Cape Town each company is a "microcosm" whose attitudes and actions "must have a bearing on the macrocosm".

"German companies, by staying here and making the unprecedented policy of today the accepted norm of tomorrow, are working in the interests of all.

He felt "the Government has practically delegated to commerce and industry much of the responsibility for creating a new labour relations dispensation".

Dr R D Rauschenbach, managing director of BASF South Africa and chairman of the German committee of the South Africa Foundation considers the code unnecessary, containing nothing new.

Multinationals already subscribe to the Organisation for Economic Co-operation and Development (OECD) Code.

ation and Development (OECD) Code.

Dr Rauschenbach said the report and its predecessors can only be regarded as an "occasional tempest in a teapot".

German companies regard it as causing only paperwork — rather than concern — in the form of annual reports to parent companies.

Until recently they did not even think the report was worthy of comment.

Now they take the view that, when possible, allegations of non-compliance should be refuted by facts.

He feels strongly the report is biased.

"All information supplied by workers is treated as gospel, whereas any information from management has doubts cast on its validity.

"We, as businessmen, have a mandate to change things only within our own companies.

"In the political field we can express opinions but cannot be active," he said.

No relief from EEC code

By JOSHUA RABOROKO

BLACK workers at Siemens, a major German company with large-scale investments in South Africa, maintain that the company has never explained the European Economic Community codes of conduct to them.

They also claim that in the past some of their colleagues have been summarily dismissed by the management because they were said to be "unproductive."

The workers were reacting to a 1980/81 "Business Report" by the company that it had submitted its third report on the implementation of the EEC codes to Siemens in Germany.

Siemens has maintained that the Wiehahn report on labour has set industry on the irreversible course of racial integration and that the company was committed to a course of continuous personnel development to the benefit of both indivi-

duals and the company.

But workers have given a different view from what the management purports to be practising, in relation to the codes and other benefits.

A worker told **The SOWETAN** that Siemens was working closely with the South African Government and could not imagine that the company would have a positive attitude towards trade unions.

The worker said that maybe Siemens would recognise the so-called unions being set up by the Government at the moment, but he did not think that there was any love lost over independent unions.

About 65 to 70 percent of the black workers belong to the Metal and Allied Workers' Union, but the company did not recognise this union. The work-

ers also have a liaison committee.

"The liaison committee is completely toothless and is really unnecessary. They can't represent the interests of workers against management at all. They are doing nothing less than conveying management's wishes to workers," he said.

Referring to usage of facilities in the management block, the worker said that, for instance, people in the personnel department told workers which toilets "one could use and which ones they can't."

The company based everything on skin colour in the factory: the wages, the job opportunities as well as the installations in the firm, like toilets and canteens. He did not think there were any blacks who did a "qualified job."

The highest position which a black worker can occupy is to become an assistant foreman. Even then, he said, the wage gap between black and white assistant foremen was "quite yawning."

He said the management recently refused to grant workers increases in their pay and, as a result, the workers decided to stop working overtime.

Referring to training opportunities, the worker said that, up to now, training opportunities for black workers was a mockery. They were only now beginning to offer a few people the chance to get technical training.

The Group Personnel Manager of Siemens, Mr J Trotskie, said that there was no discrimination practised in the company.

Council (57)
drops
O. Disruption 16/3/87
race bar

EAST LONDON — Race and sex discrimination in the city's workforce will be abolished, the city council's action committee decided last night.

In future, all advertisements for jobs in the municipality would stress equal opportunities for all applicants, the chairman of the committee, Mr Joe Yazbek, said after the meeting.

"The chairman of the staff portfolio, Mr Neville Randall, and I feel that our adverts for staff should make it abundantly clear that there is no discrimination," he said.

"We would welcome applications from any suitable applicants," Mr Yazbek said. — DDR

he charged.

Mr Mahanyele's outspoken view was echoed by other black business leaders this week.

And even the huge representative body for commerce, Assocom, agrees that there are manifold problems.

Problem areas

At the Johannesburg office where his company places both black and white staff, 44-year-old Mr Mahanyele has files on 100 black university graduates who have been unable to find employment on the Reef.

The situation elsewhere in the country is the same.

○ A black graduate who completed his law degree two years ago could find employment only as a car salesman until last week when he was placed at a multinational company.

○ A Soweto housewife has been looking for a job for over a year.

She is a fully qualified nutritionist, having obtained a BSc here before completing her Master's degree in America.

○ BSc, MSc, UED — a young black woman's achievement, yet she remains unemployed.

The same applies to a black man with a BSc and a retail management diploma and another with BCom, accounting science, and a management accounting diploma.

Another remarkably successful black graduate, Mr Sam Mosikili, a top SAB executive, spoke out this week on the double standards that apply to the growing group of black graduates.

"You have to be twice as qualified and work twice as hard if you are black and want to achieve anything in commerce and industry," he said.

Mr Vincent Brett, secretary of Assocom's manpower committee, said: "We know there are a lot of problem areas.

'Stigma'

"However, there are employers who are working at solving these and doing a great deal to encourage black graduates to become involved in business."

Mr Mosikili said that vocational guidance for blacks was practically non-existent.

Students who want to enter business are not instructed on which courses will make them valuable in the job market.

Even large multi-national companies with a commitment to black higher education suggest courses for students using their bursaries which will not produce easily employable people.

Mr Reuel Khoza, 33, who heads a black marketing service company in Soweto and holds a BA with Honours and an MA from the University of the North, spoke out strongly on the issue of inferior tertiary education for blacks.

vertising agency and affiliate to the Afrikaans agency KMP in Johannesburg, is not a graduate.

KMP wants to employ black executives to help exploit the growing black market potential for their clients, he said.

"They asked me to find someone with working experience and a degree in communications or an MBA.

"But a black is not encouraged to do these courses as they are only offered at white universities.

"Those few who do have the qualifications want to stay where they are rather than enter advertising," Mr Modeni said.

Mr Masitili said: "White middle-management types, often through fear of losing their jobs or being forced to socialise with blacks, actually block bright blacks from achieving in a large company.

Heavy stress

"The double-standard applies. A white whizz-kid on the way up is lauded for being aggressive, a go-getter for adopting a challenging attitude.

"The same behaviour from a black is labelled cocky, arrogant and liable to rock the boat," he said.

Mr Mahanyele believes management places an enormous stress on the young black graduate entering a company.

He becomes an experiment, his every move is monitored, he is instantly put on a management training course — whether he is management material or not.

SAB's Mr Masikili is adamant that a large proportion of unemployed graduates will have to look at their own attitudes if they are to be successful in business.

"If there is no demand in commerce and industry for a graduate with an unmarketable qualification he must go back to school and study further.

"A black will have to work harder than whites to survive in business.

"And working twice as hard will, in the long run, be to his advantage."

Meanwhile, black businessmen are concerned that bitterness associated with years of study, often a great expense to poorer families, and no jobs will have a dangerous negative influence on black middle class attitudes, generally regarded as stable and productive.

A white management personnel consultant, Mr Ralph Parrott, who places both black and white graduates in management positions, said that the middle-management block which hampered black advancement was a "political reality".

However, he believed the situation was relaxing.

"Employers will accept black middle-management eventually -- it is a fact of life," he said.

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21/3/82

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21/3/82

Black business leaders accuse big companies:

Industry's captains don't want blacks in high places

(57) (W) By PAUL LANGE *Sunday Times 21/3/82*

THE liberal captains of industry don't want blacks in their management teams — and a graduated black has small chance of finding a position in commerce and industry.

This was the charge levelled against big companies by black business leaders this week.

Scores of black graduates walk the streets unemployed.

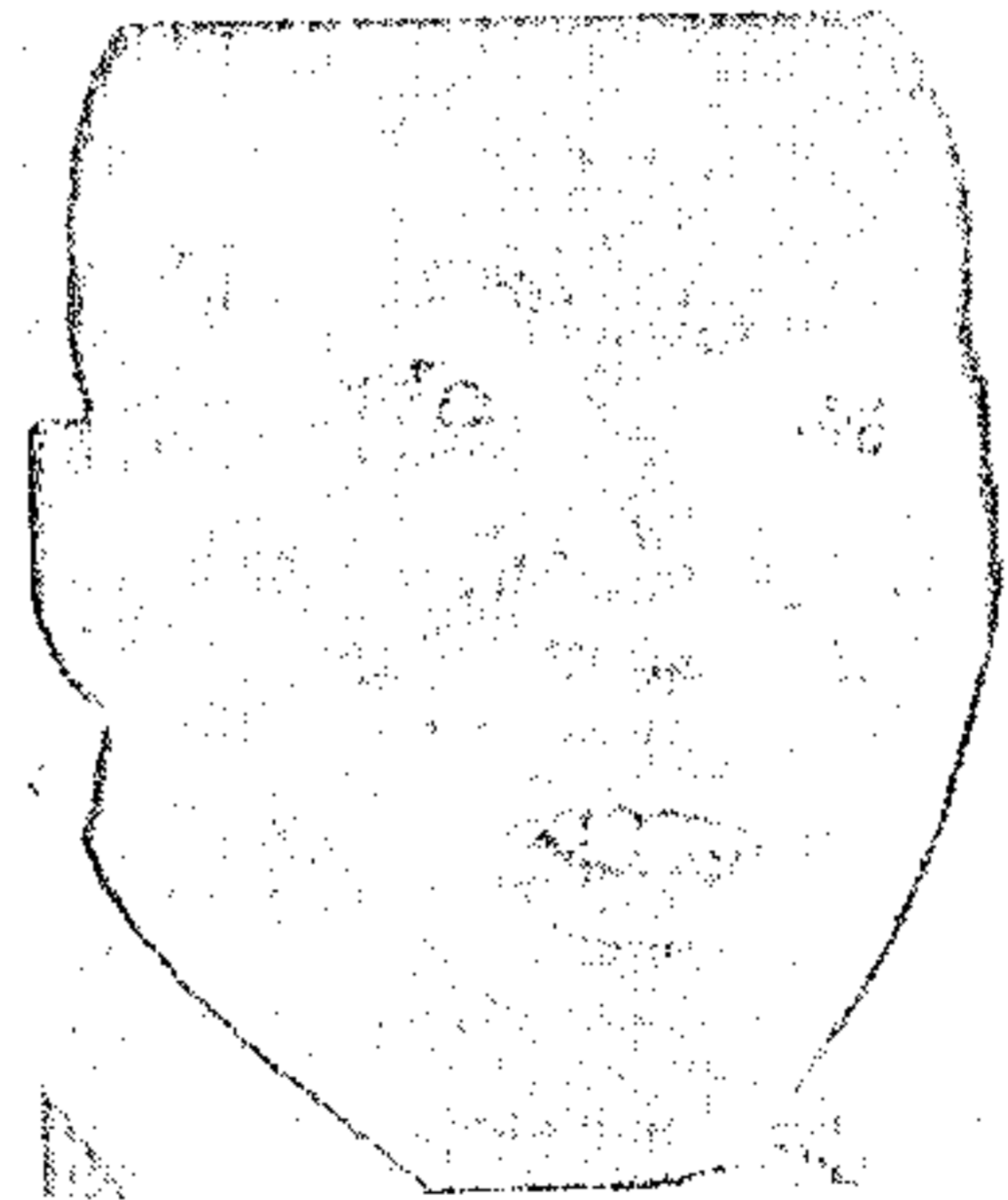
Bitterness and a feeling of isolation is growing, according to black businessmen approached by the Sunday Times.

Many of the educated unemployed have qualifications higher than their white counterparts — who are offered jobs immediately by an economy hungry for trained personnel, it was claimed.

"This sort of unemployment will continue while commerce and industry continue to believe the myth that the 'lower whites' in their companies will not be able to accept integration at management level.

"This myth must be exploded," said Mr Mohale Mahanyele, a BSc with numerous diplomas who is chairman of a personnel consultancy.

"Government departments have accepted the necessity of integration far more readily than the business world."



Mr Mohale Mahanyele

"There is a stigma attached to attending a 'tribal' university," he said.

"One's colleagues in business believe the education is inferior.

"The actual learning process, particularly in social and political fields, is hampered with threats from the university administration.

"Even questioning in class can be regarded as activism. This makes university an often very frustrating place."

Mr Kgomoiso Modise, 41, managing director of KMP Africa, a Soweto-based ad-

23/3/82

Paper claims 'poverty pay' at SA firms

Staw

Labour Reporter

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

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

Tram Traction

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

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

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

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

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

Job equality (57) is nearer, *Staw* (NARI) 26/3/82 says economist

South Africa is nearing equal opportunities for all workers irrespective of race, creed or sex, according to Mr A J M de Vries, deputy director of the Bureau for Economic Research at the University of Stellenbosch.

He told a marketing convention in Johannesburg the inhibiting factors could be the attitude of some white trade unions and the tempo of education and training.

A vast backlog existed at both the academic and practical levels which needed vast amounts of money.

Mr de Vries said the shortage of skilled labour would remain for many years the most serious restriction on growth.

The latest survey of the bureau showed 86 percent of manufacturers were having difficulty finding enough skilled workers.

The acceptance by the Government of the recommendations of the Wiehahn and Riekert Commissions and their gradual implementation would greatly improve the mobility of black workers vertically and horizontally.

"Between 1974 and 1979 the average real salaries and wages of black workers increased by 45,9 percent while those of the white worker declined by 5 percent."

This redistribution was the result of one skill mix and increases in the marginal product of mineworkers. A social conscience about unskilled wages developed among private entrepreneurs under pressure from abroad. The result was that salaries and wages of blacks increased faster than their productivity.

Inflation had become a serious problem and black labour, mostly

unskilled, was replaced by machines. This worsened the employment problem.

"Taking the present decade as a whole there appears little doubt that the growth potential of the economy is higher than the actual performance in the 1970s.

"The bigger share of the private sector in total economic activity will lead to a more productive use of resources, and more non-whites entering the skilled labour market.

"The improvement in non-white standards of living will create increased domestic demand, as well as increasing the industrial base of the economy."

South Africa, as the only non-oil producing country to become a net exporter of energy will be more attractive for overseas investments, Mr de Vries said.

W Germany denies Mudge's claims

By PETER KENNY
Mail Africa Bureau

WINDHOEK. — The West German Ambassador in South Africa, Dr Ekkehard Eickhoff, yesterday rejected allegations by the chairman of the South West Africa Minister's Council, Mr Dirk Mudge, that Germany interfered in local politics.

"These accusations are totally unfounded," Dr Eickhoff said. The same message had been conveyed to Mr Mudge, who is also chairman of the Democratic Turnhalle Alliance, he said.

Last week in the National Assembly Mr Mudge accused unnamed senior South African army officers and the West German government of assisting Mr Peter

Kalangula's National Democratic Party in their break-away from the DTA.

Mr Mudge said he doubted if the DTA could co-operate with the present Western initiative for a solution when one of the powers involved (West Germany) was "interfering" in local politics.

During his speech Mr Mudge referred to "crude interference by West Germany in our affairs".

He also cited a West German journalist based in Southern Africa, Mr Hans Germani, who represents the Axle Springer Group, as playing a role with the new political force pitting itself against the DTA.

The DTA leader accused Mr Germani of giving one of Mr Kalangula's representatives in the Assembly, Mr Werner Neef, air tickets to arrange finance for the new

political party with members of the SADF in Pretoria.

At this juncture during the debate Mr Neef laughed.

And in his reply to Mr Mudge, Mr Neef told the Assembly there was nothing sinister about the NDP's relations with the South African Defence Force in Pretoria.

Mr Mudge had alleged that there appeared to be separate conspiracies by certain members of the SADF and West German representatives to destroy the DTA.

Mr Neef replied that it was no secret that he had spoken to SADF officers in Pretoria about security and other interests of the people in Owambo.

Agreement on the talks had been reached with the Prime Minister, Mr P W Botha, when he visited Windhoek earlier this month

'Use aid to buy weapons'

GENEVA. — A Pan-African trade union leader has called on Western workers to allow aid now given to unions in Southern Africa to be used for buying arms.

Mr James Dennis Akumu, general secretary of the Organisation of African Trade Union Unity, said in Geneva yesterday that communist unions from Eastern Europe — East Germany and Czechoslovakia in particular — were "much more practical" in allowing their money to be used for military purposes.

Mr Akumu is in Geneva for talks with International Labour Organisation officials on Southern Africa unions.

Most Western unions, including those in the United States, Britain and West Germany, insisted that their contributions be used for items like medicines, clothes and schools, he said.

"Western trade unions support actions against apartheid such as withdrawal of their funds from banks which do business with South Africa. But they don't recognise the African National Congress or Swapo," he said.

Mr Akumu said the Western unions felt that "liberation movements such as the National Union of Namibian Workers, which is linked with Swapo, are a little too close ideologically to the East European trade unions".

Certain Scandinavian, Dutch and Latin American

One-party state gets white support

SALISBURY. — The president of the Democratic Party, Mr Andre Holland, has backed calls for a one-party State in Zimbabwe.

He said yesterday his reasons for accepting a one-party system were mainly economic.

He was convinced it was in the best interests of all Zimbabweans — including minority groups — to back the concept of a one-party state, as called for by the Prime Minister, Mr Robert Mugabe.

It was in the economic interests of white Zimbabweans to support Mr Mugabe

in his search for unity and the one-party State, he said.

The former Zimbabwe United People's Organisation leader, Chief Jeremiah Chirau, has dissolved his party to join Zanu (PF).

Chief Chirau, who is president of the Council of Chiefs, urged former Zupo members to follow suit.

Chief Chirau formed his party at the end of 1976 after a year as deputy Minister of Water Development in the Rhodesian Government.

The 58-year-old chief said: "I love peace and peace can be achieved through a one-party state. Trust is also necessary". — Sapa.

Weather Mail

Forecast for today.

TRANSVAAL — Fine to partly cloudy and warm but cool in the morning. It will be cloudy in the morning over the eastern and central parts of the province.

OFS, NORTH CAPE — Fine and warm but partly cloudy over the north-eastern parts with possible isolated thundershowers.

CAPE PROVINCE — Cloudy and cool with occasional rain along the southern and south-eastern coasts and adjacent interiors. Otherwise partly cloudy and warm.

NATAL — Partly cloudy and warm but cloudy and cooler from the south with occasional rain.

SWA — Partly cloudy and warm with isolated thundershowers over the north-eastern parts.

BOTSWANA — Partly cloudy and warm to hot with isolated thundershowers over the north-western parts.

Temperatures are Celsius maximums expected for each city.

Rand Daily Mail Weather Station

YESTERDAY

March 29, 1982

Temperatures:

09h00 14h00 21h00

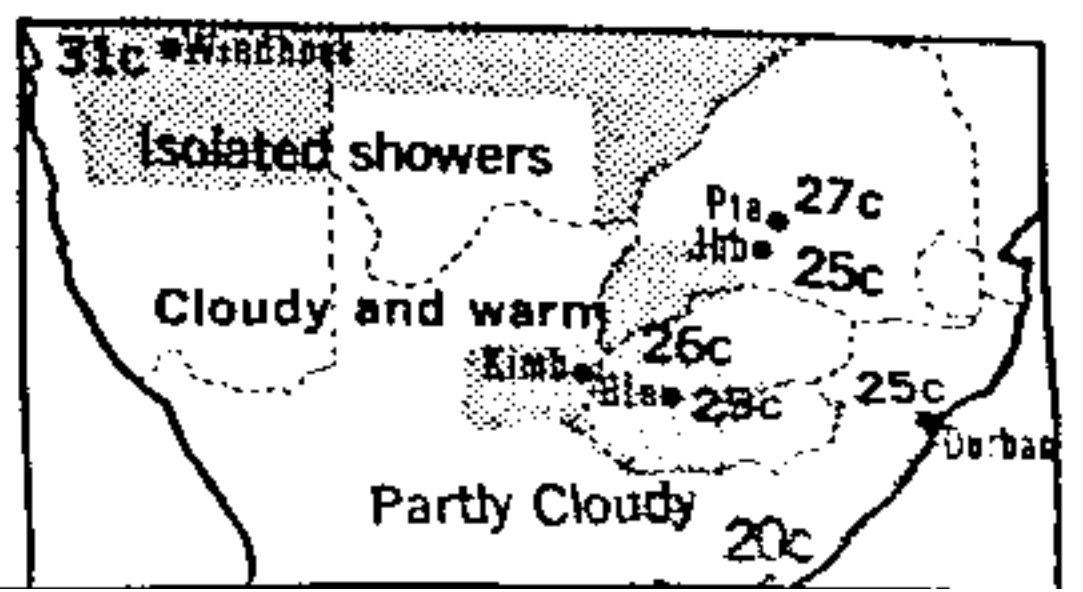
18°C 25°C 17°C

Humidity:

80% 47% 60%

Max temp 27°C

Min temp 11°C



(from left) Ms Patricia Jeqe, Ms Victoria Mbekina and Mr St George's Cathedral in Cape Town yesterday to go to

r locked in own iffs, court hears

tion without a licence but pleaded not guilty to attempted murder, seven counts of theft, 17 counts of fraud and robbery.

at his head, pulled the trigger but the shot did not go off.

Conducting his own defence, Mr Bredemann claimed in cross-examina-

Inkatha to get West German aid

(10/10/82)
(57)

31/3/82 Mercury

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Mercury Correspondent
B O N N — KwaZulu s
Inkatha movement is to receive substantial assistance from West Germany's conservative Konrad Adenauer Foundation, a spokesman for the foundation confirmed yesterday

The statement came after a day's discussion between Inkatha president Chief Gatsha Buthelezi and executives of the foundation, which is based just outside the West German capital.

The spokesman said it had been agreed to set up a political co-operation scheme between Inkatha and the Adenauer Foundation. This would be the framework for the foundation's involvement in social, economical and educational projects in

South Africa

The first venture was to be a research project together with the Inkatha Institute. Furthermore, one official of the foundation would be stationed in South Africa.

Sources at the Foreign Ministry in Bonn said no decision had as yet been reached on 'unofficial' financial support to be extended to the establishment of a permanent Inkatha office in the West German capital.

Two approaches

'But prospects are good', one official added. The need for such an office was repeatedly emphasised by Chief Buthelezi, who had meetings with German members of Parliament and church leaders during his visit to the Federal Re-

public. He is also to see Mr Hans-Dietrich Genscher, the German Foreign Minister.

Chief Buthelezi told his hosts that there were only 'two basic approaches to liberation'.

One was to leave the country 'seek backing and training, and come back as an army and overthrow Pretoria by violence'. The other was by using 'non violent means and democratic procedures, one infiltrates every walk of life and establishes an irradicate presence'.

He emphasised that Inkatha had opted for peaceful change but warned at the same time there could be violence if recommendations as those laid down in the Buthelezi commission's report were not accepted.

'We can say, if white South Africa does not accept the kind of recommendations the Buthelezi commission has made, then there is nothing left for us to do but to harden attitudes and to prepare for the worst.'

Impasse

Whites had no other options to these recommendations, whereas black options multiplied as 'we consider what strategies and tactics to employ to bring whites to their political senses', he said.

It was unlikely that the Prime Minister was going to lead the country into anything but a political impasse within the walls of apartheid. Chief Buthelezi told the Adenauer Foundation.

Buthelezi's talks in Bonn end on sour note

Mercury Correspondent
Mercury 1/4/82

BONN—The talks of Chief Gatscha Buthelezi, Inkatha president and Kwazulu leader, ended on a sour note here when he met the West German Foreign Minister, Mr Hans-Dietrich Genscher, diplomatic sources said.

Mr Genscher — whose ministry maintains a contact with the ANC — remained very much non-committal, the sources emphasised. He had told Chief Buthelezi that the West German Government supported all developments which could lead to peaceful change in South Africa. After the one-hour meeting, a spokesman for the West German Foreign Ministry declined to comment on projects devised by the conservative Konrad Adenauer Foundation to aid the Inkatha movement.

Public funds

In reply to a question, the spokesman said each project would be judged on its merits and then a decision about granting funds was made. 'If we consider a single project unworthy of support, we shall say so. After all, there are public funds involved,' he said. German politicians — who asked to remain unnamed — added that it would be difficult for the foundation to get approval for their Inkatha projects. The reason was that Mr Genscher, on advice of his embassy in South Africa, seemed to think that support for Chief Buthelezi was dropping and more attention should be given to other black movements, the politicians said.

Mr Genscher — whose ministry maintains a contact with the ANC — remained very much non-committal, the sources emphasised. He had told Chief Buthelezi that the West German Government supported all developments which could lead to peaceful change in South Africa. After the one-hour meeting, a spokesman for the West German Foreign Ministry declined to comment on projects devised by the conservative Konrad Adenauer Foundation to aid the Inkatha movement.

53%

Buthelezi denies 'sour note' in Germany

(57)

2/4/92 Mercury Mercury Reporter

THE Chief Minister of KwaZulu, Chief Gatsha Buthelezi, has denied that his talks with the West German Foreign Minister, Mr Hans-Dietrich Genscher, ended on a 'sour note' this week.

He said on his arrival at Durban's Louis Botha Airport from a week-long visit to West Germany, that no mention of so-called falling support for the Inkatha movement was made at the hour-long meeting. Chief Buthelezi had been a guest of the Konrad Adenauer Foundation.

An original report, emanating from Bonn, quoted 'unnamed German politicians' who said it would be difficult for the foundation to get approval from the German Government to finance Inkatha projects.

Chief Buthelezi, who was accompanied by the Minister of Education and Culture for KwaZulu, Dr Oscar Dhlomo, and the Minister of the Interior, Dr Frank Mdlalose, said reference was made by him to the selective recognition in certain European countries of groups such as the African National Congress.

Chief Buthelezi said that, although he had been invited as the guest of the Konrad Adenauer Foundation, Mr Genscher had sent him a telex indicating that he wished to see him.

Chief Buthelezi said he was loath at first to comply with this request since he had already received a separate official invitation from the West German Government and did not necessarily want to undertake Government appointments during this visit.



CHIEF Buthelezi yesterday ... in his hands, cheques given to KwaZulu projects by German well-wishers.

German promises to assist Inkatha

Mercury Reporter THE Chief Minister of KwaZulu and president of Inkatha, Chief Gatsha Buthelezi, has been promised practical assistance for the region by Premier Lotha Spath of Baden-Wurttemberg, in West Germany.

Chief Buthelezi said yesterday Mr Spath had offered aid through educational assistance, health care, the obtaining of doctors, scholarships and help in the field of agriculture.

KwaZulu has long felt a desperate shortage of doctors and health care ser-

vices, have been described by experts as being close to collapse.

Chief Buthelezi also had talks with leaders of the Roman Catholic and Evangelical Churches.

He told them that KwaZulu, being part of South Africa, could get aid mainly through churches and institutes.

He explained to the church leaders that Bishop Desmond Tutu, general secretary of the South African Council of Churches, would have nothing to do with Inkatha.

Buthelezi v Raw row goes round further

Mercury Reporter THE Chief Minister of KwaZulu, Chief Gatsha Buthelezi, has replied to an allegation by the leader of the New Republic Party, Mr Vause Raw.

Mr Raw had said that the Chief Minister's use of terms such as 'dinosaur, jackals and scavenging' about the NRP was likely to create the same sort of resentment and backlash which he felt about his name being given to a dog.

Chief Buthelezi said yesterday that he was not surprised that Mr Raw had raised the issue of the dog.

That is the level of the mentality of Mr Raw, he added.

Last week Mr Raw rejected an attack on the

NRP by Chief Buthelezi and accused him of 'immoderate and denigrating language'.

The row between the Zulu leader and the NRP stems from the fact that Mr Ron Miller, leader of the party in Natal, did not sign the Buthelezi commission report and the rejection by the NRP of the commission's major recommendations.

Both the National Party and the New Republic Party have rejected the basic findings of the 42-man inquiry.

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

	Internal	External
(1)	(2)	(3)
	10	
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	52	53
Examiners' Initials		

books, notes, pieces of paper or other material 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.

The front part of an answer book is to be torn out.

Answer books must be handed to the commissioner or to an invigilator before leaving the examination.

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DANGER!

Rip-off men at work

By PAUL LANGE

S. Twiss 4/4/87

SHIFTY companies promising top-flight training and claiming their students will be instantly placed in highly paid jobs are ripping off blacks desperate to qualify for white-collar positions.

Prominent among these are private training organisations which "guarantee" success for their pupils who want positions in the computer industry.

Useless courses

A government department, a computer-industry watchdog body and personnel-placement agencies warned this week that rip-off companies were making a fortune operating in Johannesburg and on the East Rand.

Students, who often pay up to R1 000 for "useless" courses, take "diplomas" in subjects ranging from computer science to instrument reading and switch-board operating.

An East Rand personnel agency says the students, many of whom are family men who have saved up money in a desperate attempt to qualify for higher-paid jobs, are promised they will "walk into any computer job if they show their certificate".

Others are out-of-school youngsters who are looking for an entree to the "glamour" and big salaries available for qualified white-collar workers.

The Johannesburg office of the Department of Education and Training has launched an investigation into at least eight companies which, it believes, have failed to meet registration requirements for training of black students.

"A fulltime inspector would be kept on the run all day checking out these training companies.

Fly-by-night

"When we find companies which have not been registered, or made any effort to conform to the requirements of the relevant Act, we come down on them like a ton of bricks.

"But more than anything we need people who have had experience with these operators to come forward and tell us who they are," the regional director of the Department of Education and Training, Mr Jaap Strydom, said.

Problems have in the past been identified at training establishments offering courses as diverse as computer science and department.

Fly-by-night companies specialising in bogus office-routine courses have operated successfully in the Johannesburg area.

When officials catch up with them they close down



MR JAAP STRYDOM ... "They are in for a shock"

Companies prey on blacks who want white-collar jobs

and open under a new name and continue to advertise in publications aimed at black readers.

Mr Strydom said that there were a number of reputable companies, however, who were operating without all the necessary permits and registration.

Normally this is a result of delays with the granting of Group Areas permits without which the training companies cannot operate.

"But if the facilities of these training centres appear adequate and if they can prove they have applied for a Group Areas permit, we won't close them down.

"Once we are negotiating with someone we feel we have an element of control over the quality of the service they offer.

"However, the unco-operative companies who have not complied with the legislation are in for a shock.

"We will move in on them without a qualm.

"It is our responsibility to make sure they produce a good product."

Dr Dewald Roode, executive director of the Computer Users' Council (CUC), said the computer industry was well aware of the rip-off companies.

Some of these had been approached and had promised to improve their service.

But positive action was being taken in that the CUC had

established a basic examination for people seeking initial training to enter the computer world.

Legitimate training companies were applying these standards, which Dr Roode said, would in time be recognised as the only worthwhile qualification.

Machine-technician training was another area in which black students, in particular, were being ripped-off.

Problems

Omnitec, a training centre for electronics technicians which operates in both Durban and Johannesburg, has experienced problems with aspirant students who arrive to attend a course believing they have already learnt the basics of electronics.

Principal of the centre Mr Jeff Hollingdale said an indication of the quality of training was in the number of hours of instruction which were necessary to allow the student to qualify.

Industry-recognised courses would include 750 hours of instruction, while rip-off "colleges" promised expert qualifications in 10 hours.

Legitimate courses were priced between R300 and R400 while some of the rip-off training centres charged up to R1 000.

Deaths

was a crowd of domestic servants standing around. Some were at the discovery, others excitedly," Mrs Botha said.

They had gathered around to see if anybody in the house was behaving strangely.

They thought a mother would at least wait for anybody to find her baby.

Mrs Botha and her maid, Mrs Miriam, took the baby into their home.

They were surrounded by sewing ladies crowded round in a room where we bathed him in the sink.

They cut his umbilical cord with a piece of string," Mrs Botha said.

One of the excited crowd in the room said: "He could be a future Prime Minister."

He died then and there that he should have been.

They had killed him Moses because of the way he had been abandoned.

They could easily have died, but God had wanted him to live because he was a good child," Mrs Botha said.

When the police were called and they arrived for an ambulance which took the baby to Baragwanath.

At the time the baby had left in the room, the refuse bags had been taken to the garbage grinder.

Filed for homicide

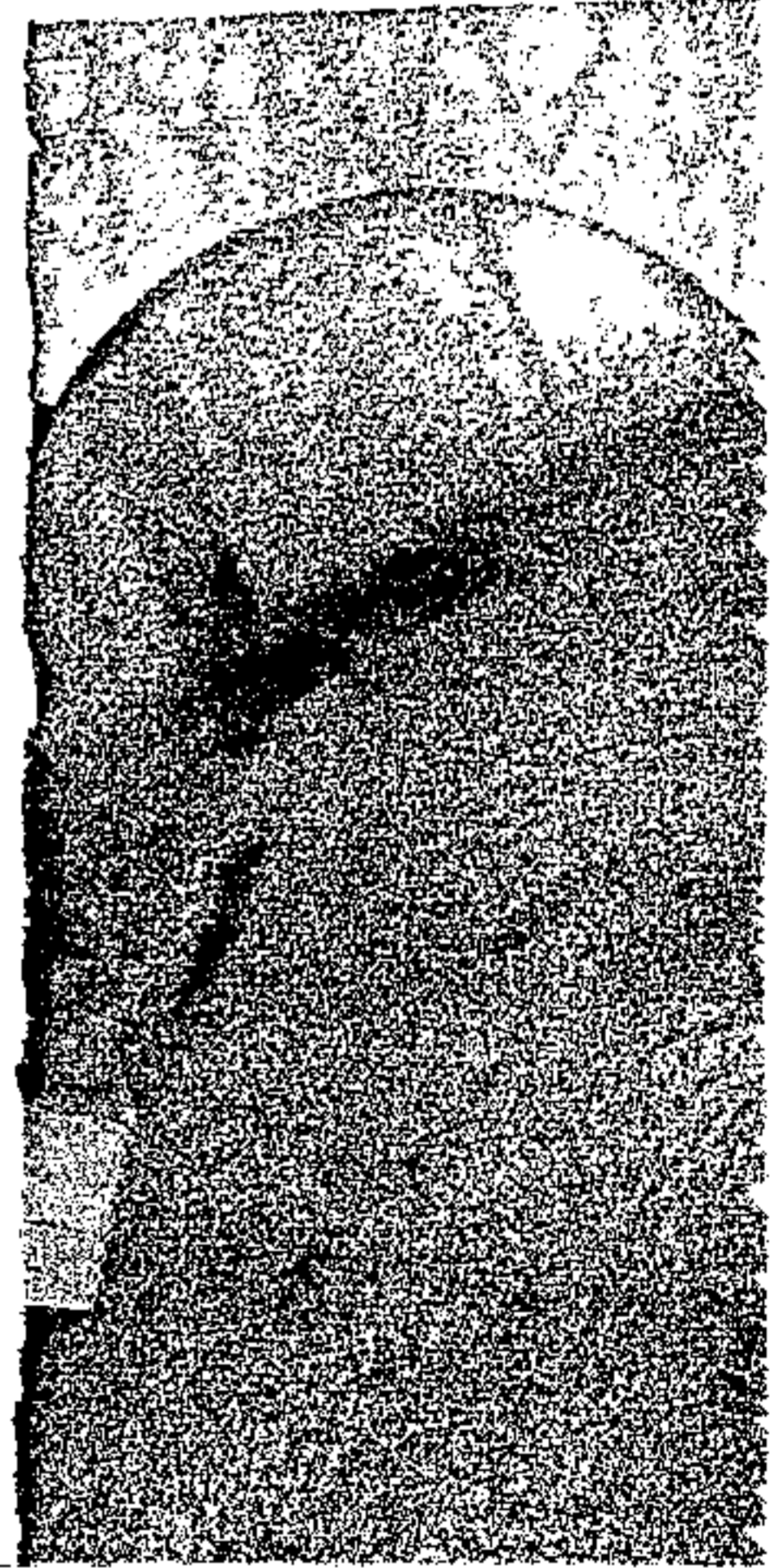
DR Rhodessa van der Walt, who was sentenced this week to a year in jail for an arms cache in his

Salisbury Regional Council heard that Van der Walt had collected the weapons to safeguard his family from African nationalist

By DAVID S.

guerrillas after Zimbabwe's independence a year ago.

Van der Walt was shot through the chest while serving in the



Louw stresses need to end race wage gap in provincial service

Post Correspondent

CAPE TOWN — The Administrator of the Cape, Mr Gene Louw, this week expressed his "total agreement" with the Opposition that the wage gap based on race in the provincial service should be ended.

Mr Louw reaffirmed a stand he took shortly after becoming Administrator that salaries should be paid to men or women, black or white, on the basis of service alone.

He pointed out that the Government was already committed to ending the wage gap.

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

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

He also stressed the urgent need for adequate beach and holiday facilities

for all in the Cape and said "funds would have to be made available.

He agreed with members that environmental and conservation officers were inadequately paid for their work and said an urgent plea would be made direct to the Cabinet Minister concerned for better pay and conditions of service for these men.

The Administrator said that in the present financial conditions he regarded the Cape's 1982-83 budget as "nothing less than a triumph". The executive committee and senior officials had managed to cut expenditure so that the budget could be balanced without any increase in taxes or service fees.

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

At the same time, he was convinced the channels between the Provincial

Administration and central Government were inadequate.

"This is a matter the four administrations will discuss in an attempt to sort out how we can obtain the correct priorities for our needs," Mr Louw said.

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

As from March 1, all black personnel could belong to a medical aid scheme, with the same 60% subsidy granted at present in coloured, Indian and white medical aid schemes.

The second reading of the 1982-83 Appropriation Draft Ordinance, to apply R1 313 064 000 to the running of the affairs of the Cape during the year, was approved in a division by 42 votes to 10.

The PFP opposed the approval.

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137 57 270 178 RDM
22/5/82

Minister balks on black rail workers

Pretoria Bureau

THE Minister of Transport Services, Mr Hendrik Schoeman, has balked at giving black railway apprentices the same employment benefits as are available to whites.

As a result he is in serious conflict with the Artisan Staff Association.

The Minister's refusal to accord black apprentices all benefits enjoyed by white apprentices follows a demand by the ASA that, because the 30 black apprentices in railway workshops are on the same grade and get the same pay as whites, they should get the same fringe benefits, including housing loans.

The president of the the ASA, Mr Jimmy Zurich said in Pretoria yesterday that most black apprentices were members of the ASA.

"It is completely unacceptable to us that black

apprentices should be discriminated against in this way.

"It makes no sense, especially at a time when there is, for the first time serious talk of reform," he said.

Because of the Minister's attitude, Mr Zurich said the ASA had told him the association was not prepared to accept black, coloured or Indian apprentices in 1983.

"If we can't give them equality with whites in all aspects of their employment then we are not interested in indenturing them," he said.

Mr Zurich said he was at a loss to understand just how the Minister could defend or justify his attitude.

The official attitude seemed to be that full work equality — including pension and sick fund membership — for black apprentices might only be possible in 1987. This was also unacceptable to the ASA.

Long call-ups 'help blacks advance in the work place'

S. Post 26/5/82

254
57

Post Reporter

THE new extended military call-up system could retard the economy, according to the editor of the Institute for Industrial Relations' *Information Sheet*, Mr Mike Anstey.

In the latest edition, Mr Anstey said a number of recent trends and events indicated that a process of change was well underway. Employers had to give serious consideration to its implications if they were to adapt effectively over the next few years.

Recent issues which had an important bearing on labour relations included the anticipated downturn in the economy, the rapid growth of "emergent" trade unions, extensions of call-up duties and deadlocks in wage negotiations.

"The economy is slowing down, although there is a debate to what extent this is occurring," Mr Anstey said.

Stellenbosch University's Bureau for Economic Research had predicted the economy would remain on a downturn for the remainder of the year with an anticipated real growth rate of 1%.

A recent survey of 1 200 companies in 30 commercial and industrial sectors indicated a drop in the demand for labour, although few employers expected to lay off workers during the next three months.

The growth in the number of registered black apprentices contributed to a belief

that serious efforts were being made to remove such "physical restraints" as the shortage of skilled and semi-skilled labour.

However, the extended military call-up could inhibit the best use of labour in industry. Firms were likely to find themselves in a dilemma. Economic and "moral" demands were for black training and induction into the world of work as skilled manpower but military and political demands were for increasing periods "in uniform" by whites.

The trends were incompatible.

There were signs of resistance by whites to growing numbers of black apprentices — and this was likely to be aggravated by increasing military call-up periods which blacks did not have to perform.

"In a recent informal discussion, an Industrial Relations Department official in Zimbabwe pointed out that one of the paradoxes of extended call-ups for whites in the country's war, was the opportunities it created for blacks to attain skills," Mr Anstey said.

Businessmen "faced with problems of survival" with white males in uniform for up to six months a year, found it necessary to train blacks.

The paradox was that the more time whites spent in the bush "protecting" their positions, the more opportunities they provided for those whose participation they were resisting.

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Fosatu Annual Report 1980/81

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Telephone: (021) 433658

Corporation Street
Cape Town
8001

Officials: Secretary: A. Frazer

Area of Operation: Western Cape

Founded: 1939

Registration: Yes

1974 affiliated to TUCSA and had disaffiliated by 1977/78 and with other unions formed FOSATU in 1979

(57) S. Times 4/7/82

Use black power!

TECHNIQUES for identifying and promoting potential in black employees can be learnt, says the Centre for Black Advancement, which is planning to run a course on this subject.

"Employers are finding that traditional interviews and psychometric tests do not provide an adequate basis for judging such poten-

By Vera Beljakova

tial," says the centre's director, Dave Jackson.

"We are now investigating other techniques, including project assignments, assessment centre exercises and short-duration training experiences.

"The key to the whole process is the accurate definition of what attributes make for success or failure in supervisory and other senior positions."

There is already a substantial body of applied research available on this topic, and several companies have developed effective measures for early identification.

STW
US firms
to improve
conditions

Chief Reporter

American companies in South Africa are planning to boost their drive to improve standards among blacks.

The improvements form part of the rapidly accelerating programme in terms of the Sullivan Principles formulated by the Rev Leon Sullivan.

Dr Sullivan's right-hand man, Mr Dan Purnell, executive director of the International Council for Equality of Opportunity Principles visited South Africa this month and disclosed the goals of the Sullivan code for 1985.

In 1985 US firms in South Africa will:

- Train 5 000 blacks in management and supervision.
- Award 6 500 scholarships to students.
- "Adopt" 1 000 schools with 700 000 pupils.
- Support 24 technical centres training 10 000 people.

Mr Purnell said that for the first time since progress reports in terms of the Sullivan Code, were prepared in 1978, firms will have to have them certified by a public accountant.

He stressed that, while US companies employed only a small part of South Africa's workforce, the Sullivan Code acted as a guide for other overseas companies as well as South African companies to follow.

Several companies operate their own codes while some European firms follow the European Economic Community principles.

Mr W H Magruder, chairman of a committee of task group chairmen who head various aspects of the Sullivan Principles, said that in joint ventures with local firms Gencor and Samancor these companies "are progressing faster than us."

● Page 5: Operation Upgrade!

Treatment of workers still falls short of code

of E 112645
3/17/82

~~60~~ ~~63~~ 57

Argus Correspondent

BONN. — Treatment of their black workers by West German firms operating in South Africa is improving but still falls short of the principles recommended by the European Community, according to the Government here.

The Government commented on the third set of reports on compliance with the community's Code of Conduct since it was approved in 1977.

Forty-seven German-owned firms, employing 36 904 people, about 90 percent of all those employed by German companies in South Africa, sent reports this year.

About 19 200, or 52 percent, of people employed by these firms are black.

"Overall the reports give the impression that, above all among the larger employers, an awareness of the problems of black African workers and

the necessity of taking special supportive measures has increased," the Government said.

"But in a number of cases the practice does not yet meet the demands of the Code of Conduct.

"Positive developments are observed mainly in the areas in which economic interests have triggered a relaxation of discriminatory barriers in South Africa, that is, in internal company relations and in training.

"The Government remains convinced that the policy laid down by the Code of Conduct is correct and is showing results.

While understanding the short-term burdens that greater realisation of the code of conduct would bring, the enterprises should not overlook the fact that removal of racial discrimination, which is the aim of the code, also could be a contribution to long-term securing of their investments."

NEWS

Amnesty letter drive on bannings

The human rights organisation Amnesty International, has extended its letter campaigns in South Africa to the subject of banned persons.

Until now the organisation has mainly paid attention to the sentences and health of prisoners and detainees in this country.

Recently, however, there has been a flow of letters from many countries to the Minister of Justice, Mr H J Goetsee, urging the lifting of the bans on a Johannesburg attorney, Mr Nicholas Haysom, and an executive member of the Natal Indian Congress, Mr Pravin Gordhan.

Both men were served with banning orders when they were released this year after a period of detention.

The writers sent Sapa copies of their letters to the Minister.

The letters on behalf of Mr Haysom were all from legal people.

They referred to Mr Haysom as a 29-year-old attorney, a researcher at the Centre for Applied Legal Studies at Wits and a former president of Nusas.

They stressed that his two-year banning order prevented him from practising as an attorney and pointed out that, in the past, banned attorneys had been granted an exemption allowing them to follow their profession.

The letters said Mr Gordhan had not been convicted of any offence and was considered "a prisoner of conscience." — Sapa.

'Treatment of workers falls short of code'

Own Correspondent
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680-m litres of milk go down the drain

Own Correspondent
South Africa pours 680 million litres of milk — one quarter of the annual production — down the drain each year, because of mastitis.

This meant an estimated annual loss of R270-million to the dairy industry, said Dr J H du Preez, of the Department of Pathology of the Veterinary Science faculty at the University of Pretoria.

These losses were direct and indirect through the loss of actual and potential milk production, he said.

The various bacteria that caused mastitis could be harmful if consumed. It depends on how well milk is pasteurised.

For a number of years representations had been made to the department of Agriculture and Fisheries for

financial assistance to start a National Mastitis Action Council, but this had been refused, Dr du Preez said.

"We asked for a 0,1 percent levy to be added to the price of a litre of milk, to go towards the formation of this council," he said.

"If we could raise R10 million to control mastitis we could cut the losses by about 50 percent to about R50 million, and consumers would be able to buy milk for less."

The Dairy Board's public relations officer, Mr J de Bruyn, said: "Mastitis is always mentioned when farmers ask for an annual increase in subsidy.

"It is the one problem they spend the most money on, and it is a very real economic problem."

S. Times 1/9/82 (57) 20/13

Postponement on non-racial employment

Municipal Reporter

THE Divisional Council yesterday postponed by a one-vote majority, a decision on whether to adopt the principle of non-racial employment practices.

However, the idea of a non-discriminatory employment code put forward by Mr Neil Ross was referred to the staff committee for investigation.

After a lengthy speech by Mr Ross in support of first adopting such a code in principle and then getting the staff committee to investigate the mechanics of implementing it, the vote swung against him.

The councillors who opposed the immediate ap-

proval of his motion, were the chairman, Mr L J Rothman, the deputy-chairman, Mr G M Basson, Mr M J Aggenbach, Mr P J Grobbelaar, Mr W J Schultz, Mr A L Powell, Mr H C Langley, and Mr D Lambert.

The councillors who supported Mr Ross were Mr C Bilski, Mr L Pothier, Mr F Sturrock, Mr P Andrew, Mr S Collins, and Mr J Walsh.

Mr Ross said he was aware that certain posts were reserved for different race groups "for historical reasons", and added that of all the council's black workers, only 25 were permanent staff.

5. In the light of the 1979 amendments to the Industrial Conciliation Act, could you please indicate if your union has made any application for extensions in scope. If so,
- a) where.....
 - b) to whom
 - c) for what additional area.....
 - d) has this been granted.....
 - e) if so,

4. AFFILIATIONS TO INDUSTRIAL FEDERATIONS CONTINUED:

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

Equal opportunity is vital, says Ackerman

Own Correspondent

PORT ELIZABETH. — Equal opportunity in the business world would create a climate which would give politicians the chance to sort out the constitutional side, Mr Raymond Ackerman, head of Pick 'n Pay, said here.

In an address to the Cape Midlands branch of the Institute of Management and the East Cape branch of the Institute of Personnel Management he said businessmen could do more than politicians to make people feel that South Africa had a place for everybody.

He urged businessmen to become involved in politics because equal opportunity was partly political, partly social and partly economic and said they could change the face of the country to allow the political moves needed to give everybody a share in it.

"The social and economic consequences of equal opportunity will be

said and led by businessmen. They have a role to play as important, and possibly more effective, than the government."

He saw social responsibility and equal opportunity as two of the cornerstones of management's priorities in the next five to 10 years. The aim must be to create a climate of human dignity where people felt they had a place in the sun.

This would lead to increased morale and motivation which meant higher productivity and better profits, or possibly lower prices to the consumer, because improved productivity went hand in glove with lower prices.

Mr Ackerman said a Soweto survey had shown that better housing and education were the two most cardinal points and higher on the list than a fair wage.

It was important, therefore, not to have different housing and education policies for the different

race groups if equal opportunity really was to work.

Selection, training and promotion must be entirely on merit. Although he was not a pro-union man but he believed that an equal opportunity programme needed to be tackled in close liaison with the unions on the understanding that things do not happen overnight in South Africa.

Businessmen must work closely with their staff, works and liaison committees and unions to make them realize that growing expectations would be satisfied through fulfilment.

He said it was important to put words into deeds and prove to staff that a equal opportunities existed by providing equal facilities for equal positions. It was equally important to keep staff informed about what was being done to provide equal opportunities.

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

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

4. AFFILIATIONS TO INDUSTRIAL FEDERATIONS CONTINUED:

continues indefinitely. — Christian Science Monitor News Service.

The runway at the new Syferfontein airport near Lenasia. Philip Littleton took the picture. Mr Philip Hesselson (inset).

The Bible, condensed

The Star Bureau

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

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

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

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

Race pay gap widens

By Anthony Duigan

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

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

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

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

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

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

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

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

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

"But a 14 percent

increase on a salary of R1000 a month works out at a lot more than 20 percent on a wage of R250 a month," Mr Hipkin said.

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

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

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REMEMBER?

THIS WEEK 5 YEARS AGO

WEEK ENDING SEPTEMBER 25, 1977.

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



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



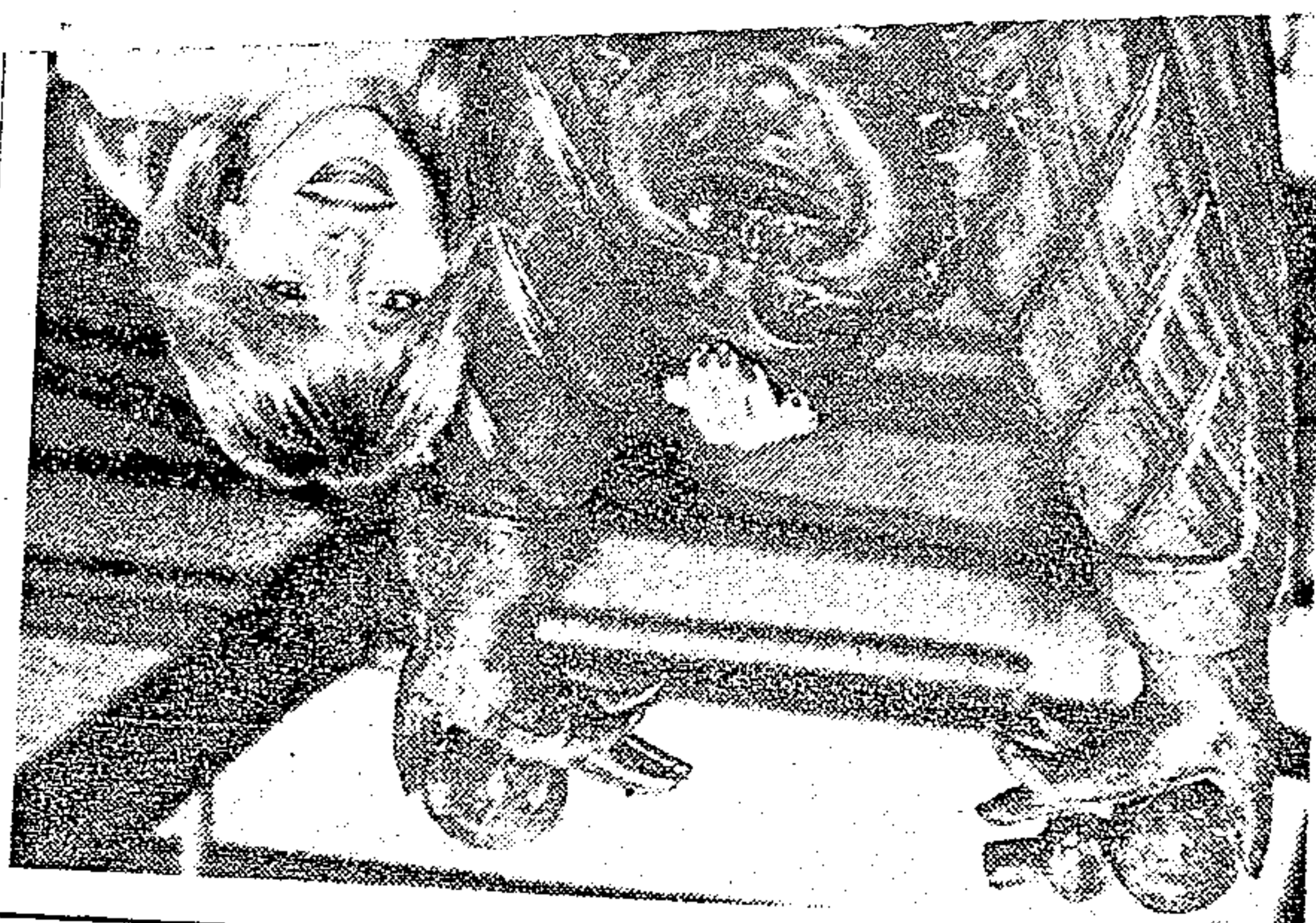
HOLLAND - 7 SOUTH MOLUCCAN TERRORISTS WERE JAILED FOR UP TO 9 YEARS FOR HIJACKING A TRAIN AND SEIZING A SCHOOL. THEY HELD 150 HOSTAGES UNTIL THE DOUBLE SIEGE WAS ENDED BY DUTCH MARINES.

IN BRISBANE, AUSTRALIAN POLICE DISCOVERED **SLAVE LABOUR** CAUGHT PEOPLE, MOSTLY VAGRANTS AND BRUTALISED AND FORCED TO WORK IN BARBARIC CONDITIONS. ONE VAGRANT HAD BEEN HUNG BY HIS HEELS AND SAVAGELY BEATEN.

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

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

CHRISTIANITY BROUGHT ST...
The Star Bureau
LONDON — Israel Defence Minister, Ariel Sharon, says Christian militiamen responsible for the Beirut massacres have been arrested.



Two South African citizens have been arrested by Zimbabwe security police on a farm near the South African border. They are Mr Hendrik Boshoff (70) and his son Hendrik (27).
Mr Boshoff's son-in-law...
By Joao Santa Rita

Harare
police
hold
SA men

29/82

Why I WANT more American companies here

MORE than 360 American firms operate in South Africa. The total American investment in South Africa amounts to R2 300-million, and American firms employ more than 150 000 people of all races.

If one assumes an average family unit of four persons, then there are more than 600 000 people whose lives, ambitions and aspirations can be affected by the policies of American companies.

There is an enormous potential for influencing an even larger circle if these corporations continue to set the pace in dismantling discrimination in employment, in the civilised treatment of their employees, in their training and promotion programmes and in the granting of socio-economic benefits which substantially benefit those employees and their families.

I argue strongly and persistently for the extension rather than the diminution of American interests in South Africa.

I argue for the extension of diplomatic, cultural, athletic and economic ties with South Africa.

I argue for increased investment, not boycotts — for US corporations to lead by example, not to isolate by withdrawal.

To demonstrate in an effective and in a practical manner that enterprises can be run on a non-discriminatory basis and yet remain viable.

To maintain moral integrity and at the same time to achieve constructive gains. To use the carrot instead of always the stick.

And to lead, as the world expects you to. There is no need to become a part of the system.

Visitor

Every time an international coloured sportsman plays in South Africa, racial barriers tumble and changes in attitudes occur for the better.

And every time a black visitor to South Africa is refused admission to a restaurant, other restaurants clamour to admit blacks on an integrated basis.

Every time an American corporation desegregates a canteen, promotes a black manager, increases the skills and job opportunities for black staff members, other corporations gain the courage to do so.

Payment of the rate for the job, training programmes, promotion opportunities, pension benefits, medical aid assistance, housing subsidies, educational bursaries for employees' children and legal counselling are but a few of the constructive and positive programmes in which US business can continue to involve itself, and not only from philanthropic motives — in most cases it makes good economic sense as well.

Anything that promotes and influences the material wellbeing of workers in

By
**TONY
BLOOM**



An extract of the keynote speech this week at the important Yale-Harvard Conference on South Africa.

The conference was attended by the chief executive officers of leading United States companies with major interests in South Africa.

South Africa is worth doing.

I go further: in the non-business field I would like to see a flood of academics, artists and athletes of all races coming to South Africa — by all means firm in their intention to perform before desegregated audiences only.

I believe it would be difficult and extremely embarrassing for the Government to do anything but go along with the situation in the face of their often expressed, but seldom carried out, intention to move away from discrimination.

There are often-heard objections to co-operation in the sporting and cultural fields — based on the premise that South Africa's isolation has been responsible for much of the removal of petty apartheid.

Values

This is undoubtedly true to an extent, but I believe a great deal more can be accomplished by active and constructive leadership.

I consider that all of us involved in the free enterprise system must re-examine our role in society and question to what extent the scope of our activity should be extended to protect the values which we have built up over the years and which we cherish.

All of us must ask ourselves, more than ever before, to what extent our particular areas of expertise and knowledge can be put to use in effectively improving the environment and opportunities for all in South

Africa, and correcting patent injustices.

I am sorry to say that too many South Africans have been guilty of sitting on the sidelines for far too long.

For a South African, it is a basic duty to involve himself or herself in every aspect of South African life, whether political, economic or social.

Courage

Indeed, in a highly complex country like ours, many issues tend to be all three.

I have urged business and professional leaders to be honest and outspoken in their beliefs and to have the courage to state those beliefs, openly and in public.

To do this we need the support of like-minded friends and allies — friends and allies who have strategic, moral and business interests in the promotion of a stable and democratic region in Africa.

South Africa is very much at the crossroads. The Government now has to summon its courage and choose its road.

If it chooses the road which will carry its bold statements about adaptation and the removal of discrimination into practice, then one can proceed with some confidence that the potential of our great country can be realised.

If on the other hand, South Africa were to cling to the obstinacies of the past, retreat into its heavily armed white stockade and embark upon another dis-

graceful wave of arrests, bannings and detentions without trial, then although I have no doubt that we will survive, the period that lies ahead is not going to be a pleasant one.

The responsibility for the choice is heavy and it is here that the US and its political and commercial interests can make a positive and lasting contribution.

Economic and political isolation is a negative and retrogressive step — it will not persuade South Africans to accept otherwise unacceptable formulae and would undoubtedly intensify the paranoid siege mentality which ripples below our national psyche.

The stifling of US interests would merely remove a positive and constructive influence, and would cause hardship and suffering among those who need help most.

No problem was ever solved by walking away or quitting on it.

In the words of President Banda of Malawi: "You cannot convert anyone if you isolate him because you then deny yourself the opportunity of preaching to him — persuading him to change his attitude."

Chaos

There will be other views — the vocal minority of radicals and revolutionaries who profit from anarchy, destruction and chaos, and who are resolved to destroy any structure that strives to harmonise with Western, democratic capitalist values.

It only remains, therefore, for those companies who are operating in South Africa to ask themselves these questions:

● Are wages for non-whites in their companies advancing fast enough?

● Have they moved towards equal pay for equal work and do they provide equal employment opportunities?

● Are they spending sufficient time, money and effort on training their workers?

● Are they promoting on merit alone and actively seeking out blacks with the requisite qualifications for managerial positions?

● Can they do more in South Africa to improve the living standards and job opportunities for workers?

● Are they making a significant and constructive contribution towards the quality of workers' lives outside the work environment.

● Are they providing sufficient support for general charitable and philanthropic projects which will benefit all sections of the community?

A reasonable future for all the people of South Africa cannot possibly be linked to a lessening of economic ties between your country and mine; disinvestment, partial or total,

will achieve little other than its value as a moral salve and perhaps the applause of the Third World and Eastern Bloc.

It will certainly not achieve what the black South African needs for himself and his family.

Let us ask ourselves the question — would a lessening of economic ties give him freedom from hunger, unemployment or fear?

Will it contribute towards the goal of equal opportunity?

Or will it bring with it the chaos of a Congo, the civil strife and misery of a Ghana, the grinding hunger of a Burundi or the despotism of a Uganda?

The answer to a diminution of ties must be an unequivocal NO.

I am convinced that there is a much more important role for you to play — to join with the enlightened South African and other companies in being the cutting edge of the movement for acceptable change in South Africa.

I take strong issue with the conclusions of the report issued by the Rockefeller Foundation in so far as it suggests "non-expansion" of US interests in South Africa — economic growth in South Africa can only be beneficial to the process of dismantling apartheid generally, and the faster the growth, the faster that process will be.

Six- to eight-million jobs for new black work-seekers alone will have to be found in the next 20 years — it is obvious that this cannot be done without the aid of foreign investment.

Inevitably this process and the growth in the economy will bring with it improved political rights.

Interest

US corporations can and must assist in this process — it is to their own commercial and economic, political and moral advantage, and in their country's strategic interest.

It also accords with their humanitarian ideals and proud record on human rights.

US policy, as George Ball wisely pointed out some years ago, should be directed not towards isolating South Africa further, but to bringing it into harmony with the 20th century and providing social values that are espoused by other non-communistic democratic nations.

Diplomacy, he argues, is "like politics — the art of the possible; if the US uses its leverage towards unachievable ends it will merely create a mess.

"This is no time for flamboyancy or moral blustering, but for that quiet, carefully conceived, consistently articulated, arm's length diplomacy which is the essence of statesmanship."

● Mr Bloom is chairman of Premier Milling.

D. Dispute 14/10/82

Equal pay for farm workers proposed

57

DURBAN — It would be in the general interest of South African society if farm labourers were persuaded to remain in employment in the rural areas by being given wages equal to workers in the towns rather than by legislation preventing them from entering urban areas.

This was said in a memorandum submitted by the SA Domestic Workers Association (Sadwa) to the National Manpower Commission which is investigating the position of farm and domestic workers.

The association said an "adequate" supply of labour could be better maintained by the "operation of market forces" rather than to restrain the movement of farm labourers.

This would lead to better productivity on the part of the employee and an opportunity for the employee to acquire and develop skills which would be useful to their employers.

But bad conditions of employment, poor living conditions, lack of job security, seasonal and

migrant labour militate against a "stable workforce."

Sadwa said the present level of wages of domestic servants and farm labourers were "quite insufficient" to sustain the worker and his family and "completely inadequate" as a basis for developing and advancing the welfare of the employee and his family.

Sadwa urges that the manpower commission introduce a basic minimum wage for all workers and suggests that this be R120 a month for a 40 hour week plus a transport allowance of R1,20 per day.

In the case of daily employees, it suggests, that a minimum wage of R10 per day for an eight hour day or R1,25 per hour for a maximum of eight hours.

The memorandum also suggests that labour laws guaranteeing minimum working conditions, unemployment pay and compensation for on the job accidents should be extended to farm labourers and domestic workers. — DDC.

recognition agreement signed with the NUTW two years ago.

Similar disputes have occurred between a number of unions and companies this year, but what has made this one significant is the strategy used by the NUTW in the vigorous campaign it has launched since the dismissals. The NUTW and Fosatu leadership, aided by students at the University of the Witwatersrand, have accused Barlow Rand of violating its well-publicised enlightened code of employment practice.

Barlow Rand executive chairman Mike Rosholt, who is also the recently-elected chancellor of the university, has been singled out for special attention by students. A pamphlet distributed by the university's economic research committee clearly aims to embarrass Rosholt, who has consistently spoken out in favour of progressive labour policies.

Barlow spokesmen have questioned the accuracy of many claims made in the pamphlet and have clearly been nettled by the students' and the union's tactics.

Pressure groups

However, it seems likely that increasing use will be made of such tactics as more employers adopt employment codes. And, as one experienced industrial relations practitioner points out, the more a company publicises its code, the greater the danger of the code being used by unions and other pressure groups as a stick with which to beat the company.

"I don't want to knock codes," says Unisa labour academic Johan Piron, "but if you adopt a code, you have to live up to it, and be seen to be living up to it." He and other industrial relations practitioners agree that it is essential to educate lower levels of management to accept and implement a code.

Barlow Rand industrial relations director Reinald Hofmeyr concedes that in a large corporation, which has a vast array of operating units, it is likely that there will occasionally be problems in administering a code. Emphasising that he is not referring to the Veldspun dispute, he says: "Not all companies can move as fast as others."

Although the adoption of a code can yield problems, Hofmeyr is convinced that the advantages far outweigh the disadvantages. Rosholt's decision to adopt the code was a courageous one, he says, adding that Rosholt places great emphasis on an enduring commitment to improve employment practices.

"We are convinced that the code has had a significant effect on improving the living standards of the disadvantaged people within our group as well as their families." One of its most important effects so far has been in raising pay in traditionally low-wage industries, he says.

"People can use the code as a means to attack us, but if we had to draw up a code again, we would not hesitate to do so."

LABOUR CODES FM 22/10/82

Penalties of progress

The dispute between the Barlow Rand textile company, Veldspun International, and the National Union of Textile Workers (NUTW) must make some employers question the wisdom of adopting and publicising an enlightened code of employment practice.

About 1 000 Veldspun employees, many of whom are members of the NUTW, an affiliate of the Federation of SA Trade Unions (Fosatu), were dismissed several weeks ago. They say they went on strike in protest against the company's retrenchment policies. Management, on the other hand, maintains the strike contravened a

Edman 11/11/82

It's a new deal for women workers

1551
1551
1551

IF THE woman who rings up your purchases on Monday seems somewhat more congenial than usual, it could be that she knows that at the end of the week or the month her pay packet will be substantially plumper.

Categories affected by the new determination cover such diverse occupations as alteration hands and chauffeurs, clerks and managers and include the all-important sales personnel, cashiers and till packers.

November 15 is the day when thousands of women in the commercial and distributive trade will benefit from new wage determinations which eliminate discrimination on the grounds of sex and impose an increased minimum wage for both men and women, with women's increases bringing their wages to the level paid to their male colleagues.

The move is in response to an amendment to the wage act last year which outlawed wage discrimination of any kind, either on grounds of sex or race. As a result, when any wage determination is revised, the wage board is bound to remove any discriminatory pay scales.

The move, coming at a recessionary time, has caused a certain amount of concern among employers. Some of the increases are as high as 40 per cent - but several major retailers said the increases would make little difference, since they had always paid well above the minimum.

Increases may not be significant in big stores, where sex discrimination is generally absent and wages tend to be above the regulated minimums.

But the increases could cause problems for smaller businesses. Small shops do a large share of the retail business. In just one category - purveyors of

groceries, toiletries and confectionaries - these shops represent 42.4 per cent of the trade county-wide.

Mr Mike Wright, Chairman of the Association of Employers (Assempt), which represents the retail trade, cautiously welcomed the move, pointing out that wages in the commercial and distributive trade had been very low, especially as far as women were concerned, and that the retail trade in South Africa was traditionally a woman's field.

"It's been a healthy increase. The people it is going to be most important to are people at the bottom end of the scale." But "it's going to prove very costly to close the

wage gap. We're into a situation where sales generally are dropping. It's not a good time but it's the law and we must do it."

The move, said Mr Wright, was not unexpected. "We knew it was coming. The wage board hearing finished in May and we had a shrewd idea of what its decision was going to be."

Mrs Emma Mashinini, general secretary of the Commercial, Catering and Allied Workers Union (Ccawusa), hailed the move towards non-discrimination as "a good thing. The most important thing is the rate for the job and that it's not sex that counts. We'll wait and watch and see if companies are going to do it and when they are going to do it. We have a lot of women in the CDT so we think it will be a great achievement."

Mr Richard Blackwell, General Manager, Personnel, of the OK group was unperturbed about the increases, saying it would affect his company very little. "We have no problems at all in terms of general assistants because we are so well above the



of a total of 24 000 employees, Mr Blackwell said.

"If we had had to give the same sort of increases across the board there would be trouble. They are substantial increases, but the previous minimums were ridiculous. Some of the smaller businesses which were paying at wage determination levels (which, in some cases, were as low as R129 a month), deserve to be caught out a little

But Mr De Wet said Pick 'n Pay generally paid far more than the wage determination minimums which, he said, had been "laughable" in the past.

There were few cases of discrimination between the sexes in jobs in the company's stores, Mr De Wet said, and those categories had been evening out in recent years. In those categories in which employees were paid less than the new statutory

"In the case of sales assistants and clerks there are some rises of 44 per cent. On the whole, we think the increases are reasonable although they err a little on the generous side."

The increases would have an appreciable effect on his company's wage bill, he said, "though in many instances we are paying the market rate, which is well above the minimum wage."

Mr Staegemann

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But the increases could cause problems for smaller businesses. Small shops do a large share of the retail business. In just one category — purveyors of

new wage determinations which eliminate discrimination on the grounds of sex. PAT SCHWARTZ reports.

groceries, toiletries and confectionaries — these shops represent 42,4 percent of the trade country-wide.

Mr Mike Wright, Chairman of the Association of Employers (Assempt), which represents the retail trade, cautiously welcomed the move, pointing out that wages in the commercial and distributive trade had been very low, especially as far as women were concerned, and that the retail trade in South Africa was traditionally a woman's field.

"It's been a healthy increase. The people it is going to be most important to are people at the bottom end of the scale." But "it's going to prove very costly to close the

wage gap. We're into a situation where sales generally are dropping. It's not a good time but it's the law and we must do it."

The move, said Mr Wright, was not unexpected. "We knew it was coming. The wage board hearing finished in May and we had a shrewd idea of what its decision was going to be."

Mrs Emma Mashini, general secretary of the Commercial, Catering and Allied Workers Union (Ceawusa), hailed the move towards non-discrimination as "a good thing. The most important thing is the rate for the job and that it's not sex that counts. We'll wait and watch and see if companies are going to do it and when they are going to do it. We have a lot of women in the CDT so we think it will be a great achievement."

Mr Richard Blackwell, General Manager, Personnel, of the OK group was unperturbed about the increases, saying it would affect his company very little. "We have no problems at all in terms of general assistants because we are so well above the wage determination anyway."

The only area in which the OK was slightly under the new minimum, he said, was in the case of sales assistants in the more qualified grades — third, fourth and fifth years of experience. But that affected only a small percentage



of a total of 24 000 employees, Mr Blackwell said.

"If we had had to give the same sort of increases across the board there would be trouble. They are substantial increases, but the previous minimums were ridiculous. Some of the smaller businesses which were paying at wage determination levels (which, in some cases, were as low as R129 a month), deserve to be caught out a little bit."

Pick 'n Pay's Raymond Ackerman and personnel director Mr Rene de Wet were caught on the wrong foot by the gazetting on October 29 of the new determination. They had, they said, been told it was not due for some weeks.

But Mr De Wet said Pick 'n Pay generally paid far more than the wage determination minimums which, he said, had been "laughable" in the past.

There were few cases of discrimination between the sexes in jobs in the company's stores, Mr De Wet said, and those categories had been evening out in recent years. In those categories in which employees were paid less than the new statutory minimum, he said, the difference would be in the region of between R3 and R5 a week, increasing to about R20 a week in some of the senior categories.

To Mr Vernon Staegemann, Groups Personnel Executive of the Checkers group, the increases seemed "generous".

"In the case of sales assistants and clerks there are some rises of 44 percent. On the whole, we think the increases are reasonable although they err a little on the generous side."

The increases would have an appreciable effect on his company's wage bill, he said, "though in many instances we are paying the market rate, which is well above the minimum wage."

Mr Staegemann agreed with those who felt that the move could hardly have come at a worse time, given the economic situation, but added that "one appreciates that inflation and the cost of food and rents are hitting the pockets of our workers, so it's totally necessary from that point of view."

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Call for labour code of conduct

E-Port

24/11/22

(57)

Business Editor

PORT ELIZABETH industrialist Mr Peter van der Merwe appealed today to trade unionists to meet with businessmen and draw up a code of conduct for the Eastern Cape.

Such a code, said Mr Van der Merwe, was required to dispel fears of potential investors in the area that Port Elizabeth was South Africa's major management-union "battlefield".

Delivering his presidential address at the annual general meeting of the Midland Chamber of Industries, Mr Van der Merwe argued that a need had arisen in South Africa to launch a "new deal" similar to that initiated in the thirties by the then president of the United States, Mr Franklin D Roosevelt.

Essential ingredients of such a new deal included commitments from local industrialists and public authorities and the Central Government, a pact with labour hammered out in the form of a code of conduct, and a new political dispensation.

Industry had listened to the wishes of the Government, and it was now time that it invited the Government in turn to listen to its own wishes.

On the subject of a "pact with labour", Mr Van der Merwe said: "Industrialists and would-be investors rightly or wrongly believe that our region is a prime battlefield for labour confrontation, and that anyone who sets up a plant here can expect continued labour unrest.

"There is a need for our organised industry and our trade unions to get together to establish a code of conduct for the role management and the unions must play in order to convince investors that they have nothing to fear if they locate their business here."

Interviewed after the address, Mr Van der Merwe said that to his knowledge this was the third time the appeal for a jointly-established code of conduct endorsed by management and labour had been made.

"The former MCI president, Mr Joe Kristal issued a similar appeal in his address last year, and I repeated it during my mid-year report this year."

"The point I tried to make in my report was that trade unions should appreciate that their responsibility was not only to those with jobs, but to all those without jobs. I stressed that it was not just employers who had responsibilities to ensure that everyone got a fair deal: it was the responsibility of the work force as well."

Mr Van der Merwe said, however, that at this stage nothing concrete had been undertaken to translate the idea into reality and it was now important to promote the concept of such a code.

In his address Mr Van der Merwe also referred to President Roosevelt's State of the Union message on January 11, 1944, in which the United States leader listed what virtually amounted to a second Bill of Rights in referring among things things to the right of every man to good education and a job at an adequate income level, a home and security and to an old age free of financial worries.

"I think it is up to us in the Eastern Cape to show the way along similar lines," concluded Mr Van der Merwe.

"Let us, the private sector, the unions and the public sector, get together and thrash out a programme to bring about a 'new deal'. I can see no other way of doing what the US did at a similar time in its history."

● A full report on Mr Van der Merwe's speech appears on Page 20.

4. Do not write in the left hand margin.

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

WARNING

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

Sullivan Code findings point to black training need

'Progress' on race by US-SA firms

~~42~~
57
S. Tribune

12/12/82

Finance Reporter

UNITED States investors in South Africa have "made progress" in implementing the Sullivan Principles of Fair Employment Practice, according to the latest report on compliance with the six-point code just published by the Boston management consultancy Arthur D. Little.

But the report says more attention needs to be given to training and advancing blacks, and it points to a widening wage gap between white and black employees.

It details the efforts of 93 companies, employing 69 000 people, to pay equal wages for equal work, desegregate workplaces and amenities, advance blacks into senior jobs and improve the quality of employees' lives in their home communities.

The Sullivan code has been signed by 146 out of the 360-odd US companies with investments in this country.

Signatories appear to be taking the monitoring procedure increasingly seriously. They have called in outside auditors to verify their replies, and moves are afoot to appoint a national co-ordinator to liaise between the companies and the

Rev Leon Sullivan (the black American churchman who initiated the principles in 1977) and his staff.

According to the report, companies spent R111 million on community development projects in the year to June 1982, up from R4,8 million in the previous 12 months.

Projects included the "adoption" of schools and clinics in black townships and support for legal aid groups. The reporting companies have adopted 120 schools, providing them with materials and equipment.

Educational assistance to non-employees totalled R1,2 million in the form of bursaries for almost 8 000 students. The companies also contributed R2,9 million directly to schools, universities, technicians and training colleges.

On the other hand, the report records disappointing progress in advancing blacks to supervisory and, especially, managerial posts.

Blacks accounted for only 3 percent of employees moved into managerial jobs in 1981/82. The proportion promoted to supervisory position — 28 percent — was more encouraging.

Almost a quarter of the 93 respondent companies reported that at least one white employee in their

service is supervised by a black.

But this was the same number recorded last year, and the report notes that while blacks, coloureds and Asians account for 63 percent of the companies' workforce, only 0.004 percent are in jobs where their responsibilities include supervision of whites.

Thirty-two companies were judged to be making "good progress" in implementing the Sullivan principles. They include Ethnor (believed to have scored the highest number of points), Union Carbide, Kellogg and most of the US computer companies.

At the other end of the scale, 37 companies "need to become more active". This list includes such well-known names as Envirotech, Motorola, Carnation, Fluor and NCR.

NCR has the unenviable record of being the first company to be downgraded from the top category to the third.

Managing director in Johannesburg, Jim Houston said: "We are very disappointed. I'm not sure we fully agree with it."

He said one reason for the demotion may have been that NCR contributed 100 000 dollars to the American Chamber of Commerce's Pace school in Soweto in 1980, but nothing last year.

State has ⁽⁵⁷⁾ 'passed buck on black management'

Finance Editor

THE ISSUE of black management has become a national crisis of epidemic proportions, Eric Mafuna, president of the Black Management Forum, told a meeting of the Institute of Personnel Management in Durban.

"With Government, business and pressure groups participating in the shouting contest, the debate is now deteriorating into hollow rhetoric," he said. "A situation has arisen where nobody knows which part they ought to play in the advancement of black management leadership."

He added that Government had quickly and subtly exonerated itself from playing its crucial role in black advancement. It had passed the buck to the private sector.

"Government should cease to be slow and reluctant in removing the remaining statutory impediments that preclude the smooth training and development of black managers," he added.

"Legislation encourages the perpetuation of a management style that says blacks cannot supervise workers of other colours. It has encouraged the exclusion of black managers from participation in after-hours social intercourse that is so vital to management development."

"Legislation bars upwardly mobile black managers from moving into 'managers' residential areas just as their white counterparts move from the poorer suburbs to the more affluent neighbourhoods. With black managers this escape hatch is unavailable."

"Therefore, it is nonsense to expect a black manager to take unpopular decisions over his black workers, knowing full well that he has to live next door to the men and women he fired this morning."

Mafuna said too much lip service was paid to the crisis, but the best the private sector did was to create charitable black advancement organisations and then sit back and watch how they got on with the job.

Alternatively most major companies now had an equal employment opportunity policy. This was fine because it kept Sullivan and overseas shareholders at bay.

"Every senior manager you speak to these days will confide that their company has embarked upon this hush-hush project that is training black and white prospective managers together," he said.

"A lot of these schemes sound like political philanthropy. Usually it is the chief executive's baby."

"Most of these schemes are doomed even before they get off the ground. They often do not enjoy the full acceptance and support of middle managers — that is the people whose jobs are immediately threatened by the intake of outsiders such as blacks."

Mafuna went on: "We at the BMF have been investigating and experimenting with alternative

solutions to the problem of black advancement. We are increasingly becoming convinced that the system of mentor or executive sponsorship will help bring more competent black managers into real management positions this time.

"The mentor system ensures that right and talented people are placed or promoted into jobs for which they are best qualified. It ensures that your black manager develops a sound understanding of the company's ethos — with the result that the manager is less likely to be driven out where there are mild disputes."

"This is particularly important as it ties in with black cultural upbringing — that a good employer is as good as a father and a good company is as good as an emotionally secure home."

"The mentor system also ensures that the black trainee is protected against some of the more destructive forces that exist within our companies. As he learns to stand on his own feet, the trainee is allowed to fend for himself — but not until he has developed the right arsenal for defence."

Blacks 'under-utilised' (57)

By Julian Kraft *S. Times* technical, finance and general management.

SERIOUS problems over assimilation of blacks into skilled jobs are occurring in spite of a dramatic growth in the number of blacks who have moved into management positions at all levels.

Whereas assimilation and acceptance of blacks have been readily achieved in some areas — notably industrial relations, marketing and personnel management — in others almost insurmountable difficulties have occurred.

Blacks are virtually unrepresented in engineering,

simulation have achieved noteworthy results," the journal says.

These are some of the findings of the PE Consulting Group publication, *People Journal*, which conducted a spot survey among leading companies in the country to identify problems encountered over the creation of equal job opportunities for all races.

"Only companies which have understood the disadvantages with which the black graduate enters a company and have persisted with formal and informal programmes of induction and as-

simulation have achieved noteworthy results," the journal says.

"More often than not companies which set out to create equal opportunities — particularly medium and small companies — have failed in their effort to utilise black graduates in production-oriented or general management positions."

Most personnel managers attributed the assimilation problems to inferior basic education, lack of technical training facilities at post-school level, cultural differences and racial discrimination.

Any British firms in SA still paying poverty wages

Secret Report insists Top 9

LONDON - British companies are still paying poverty wages to their 130 000 workers in South Africa - despite British government support for the EEC Code of Conduct.

And unpublished figures submitted to the British government by some of the country's largest employers reveal that the number of black workers paid below the Minimum Living Level actually

rose last year. The EEC code recommends that European companies operating in South Africa pay their workers above the Supplemented Living Level (SLL).

For British Prime Minister Margaret Thatcher the figures are particularly embarrassing - her husband Denis is a director of Quinton Hazell, which has in the past year more than doubled the number of its Johannesburg workers paid

below the SLL. At the same time, Quinton Hazell Superite in South Africa had "a particularly good year" - its profits rose to R3 140 000.

I have obtained copies of the 1982 submissions to the British government by leading UK companies operating in South Africa.

These annual submissions, which measure progress in implementing the EEC Code of Conduct on

South Africa, are now being analysed by the UK Department of Trade.

My survey of company submissions already received by the British government shows that the EEC Code of Conduct has still not been fully implemented.

Ten years after a British parliamentary investigation into South African wages, UK companies still pay thousands of workers less than a living wage. And thousands of black workers in British firms are not represented by trade unions for wage negotiations.

Among the companies, with their South African subsidiaries in brackets, are:

BRITISH ELEC-TRIC TRACTION: 649 workers below the SLL. Lowest wage R158 a month.

BURMAH (Quinton Hazell Superite and Castrol): 351 workers below the SLL. Lowest wage R222.

DUNLOP: 1 025 below the SLL. Lowest wage R209. Dunlop already recognises five trade unions and is currently negotiating with the Chemical Workers' Industrial Union.

GUEST, KEEN AND NETTLEFOLDS (GKN): 192 workers below the SLL. Lowest wage R234. GKN companies are affiliated to the Steel and Engineering Industries Federation which negotiates with trade unions.

ASSOCIATED BRITISH FOODS, Britain's largest employer has still not released its report to the British government - although it should have been published last September. The ABF-controlled Premier group, which has 18 000 workers in South Africa, paid 1 763 employees below the SLL in 1981.

LONRHO (Western Plats, Tweefontein United Colliery, Alpha Anthracite, Witbank Consolidated, Wandrag Asbestos, Bosveld Mines, Piet Retief Colliery and Clyde Trading): No figures for miners below the MLL, but 2 479 miners in the lowest grade. Lowest wage R82, plus R97 food and accommodation. Eight non-mining workers below the SLL. No trade unions.

LOW AND BONAR (Bonar Canvacor and Bonar Long): 178 workers below the MLL. Lowest wage R119. A further 190 workers were below the SLL. Three trade unions represented.

TURNER AND NEWALL (Ferodo and Turnall): 777 workers below the MLL. Lowest wage R141. During the past year the company has negotiated with four unions, but no recognition has yet been granted.

GEORGE WIMPEY: 243 workers below the

The Minimum Living Level (MLL) for a family of five/living in Johannesburg, compiled in February 1982, is R236 a month. The Subsidised Living Level (SLL) is the MLL plus 50 per cent.

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WARNING

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for Southern Africa in London recently published a report called "Speaking Out: Secret Interviews With Black Workers," which points out: "Until now, everybody except the workers concerned has claimed to speak for them."

The CCSA report quotes a worker who explains how "equal pay for equal work" really operates. The companies bring in different job descriptions for the blacks and the whites: "In fact they do the same work, it's just that they're classified differently, so the black is called 'assistant so-and-so'. Although the whites often have lower qualifications than us, they have the better jobs."

Quinton Hazell Superite spokesman Mr A E Dixon-Seager told GCP some of the points in the survey were vague. "But I haven't read the report to be tabled in British parliament, so can't say much at the moment."

The Quinton Hazell Superite R54 weekly wage quoted in Press reports was misleading he said: "That is the pay of some of our new employees, mostly those ladies who make tea."

He said "suitable workers" got an increase to R61 after eight weeks.

MLL. Lowest wage R188, plus R60 in food and accommodation. A further 250 workers were below the SLL. The company claims that no approach has been made by any trade union officials.

But in some cases the company submissions are incomplete. Lonrho did not report on Dimbaza Foundries in the Ciskei. The minimum wage there is only R100 a month.

Reports

South African workers are often unaware that copies of all the company reports for 1981 can be consulted at the British Embassy in Pretoria or at British Consulates in Cape Town, Durban and Johannesburg. The labour attache at the British Embassy, Mr Terrence Curran, also has a responsibility to monitor the EEC Code. Copies of the 1982 reports are available by post from the head offices of the companies in the UK.

But one of the problems is that the South African reality is often rather different from the picture portrayed in the company reports submitted to the British government.

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672 + 31 = 703

49%

Handwritten initials



SOUTH Africa will come under continuing pressure in the International Monetary Fund this year and beyond to remove the various racial barriers to the most efficient use of manpower.

This is clear from a study of the detailed debate by the IMF's executive directors over South Africa's successful application last year for R1 240-million loan facilities.

It may well be, in fact, that unless South Africa makes remarkable progress in the training and use of black labour, including promotional opportunities to senior positions, over the next few years the IMF window will eventually be closed to us.

A strong majority of the Western powers, who together effectively control the fund, voted in favour of the IMF loan.

They believe that the IMF should be essentially non-political and they were not swayed by major efforts within the United Nations and by third world members of the IMF to treat South Africa as a leper case.

But this country's critics did not all rely simply on conventional anti-apartheid campaigning for their case. Instead they deliberately tried to challenge the loan in terms of the IMF's own strict economic criteria.

They argued that South Africa's economic ills were largely self-inflicted — that racially determined labour policies fuelled inflation and distorted the proper running of the economy generally.

Why should South Africa be allowed access to cheap credit from the IMF, they demanded.

In doing so, of course, these critics argued in some ways no more than what has been widely urged in South Africa.

True, there was a lot of over-simplification in certain cases.

After all, when the bottom drops out of the market of a country's overwhelmingly largest export — gold in this case — there is no escaping a crisis.

Ask the oil producers, such as Mexico and Nigeria.

Mr L A Whittome, European director of the IMF, put the South African economy into better perspective when he reminded the executive directors' meeting that "in the short run ... even substantial changes in the labour field would not have a decisive effect on the balance of payments."

There is no way in which changes in labour practices are likely to resolve any immediate economic crises.

But even those most important countries in the IMF which backed the South African loan application conceded the argument of the critics that South Africa was, under an obligation to correct structural imbalances in the economy arising from labour policy and practice defects.

Mr Richard Erb, the United States director, said: "The (South African) authorities should be encouraged to utilise the country's labour resources effectively, avoid labour supply bottlenecks and expand the pool of skilled labour through appropriate training and education programmes."

Mr John Anson, of Britain, said: "If growth is to be maintained in 1983 ... a greater effort will have to

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

	Internal	External
(1)	(2)	(3)
30	14	15
20	12	
16	15	16

All answers

Number

Number

Surname

First Name

Date

Degree /
you are

Subject...
(to be)

Paper No
(to be)

NOTE C.

- The answer should be written in blue ink on the rough work.
- Enter the blue ink in the box you are given.
- Blue ink should be used for the answer. The use of green ink should be avoided.
- Name (e.g. examination)

All's not right with SA labour policy at IMF

Handwritten: 57, BDM, 3/2/83

Howard Preece



Economic Spotlight

haps the most vexed issue of all within the IMF.

Third world countries, in particular, see it as some kind of neo-imperialism.

But the main Western countries, led by the US, have generally stood firm, arguing that it is pointless to give help without trying to get the source or partial source of the economic difficulties put right.

In those circumstances the demands are bound to grow, and may well prove irresistible in time, that the conditions of any loans to South Africa should include racial policies and not simply the more conventional areas such as money supply, government spending, exchange rate policy, import controls and other standard economic headings.

South Africa has, I think, a much more compelling reason than this to sweep away restrictions or to make fundamental reforms (including, vitally, in black education) where policy and/or practice obstruct the best use of labour.

Unless these measures are taken the country will not be able to achieve the kind of sustained economic growth rates that are potentially there.

The IMF might, however, help to concentrate the Cabinet's mind on this issue.

be made to increase labour mobility, use more of the available labour resources and enhance the supply of skilled labour through government and government-assisted training programmes."

The official report says (my italics) that Mr Anson hoped that labour policy would be surveyed more fully during the next Article 4 consultation and would be addressed directly in any follow-up adjustment programme.

Mr Gerhard Laske, of West Germany, said: "Given the considerable unemployment among the high and low-skilled portions of the labour force there is a particularly urgent need to intensify training activities."

Mr Bruno de Maulde, of France, said that the IMF staff papers on the background to the South African

application contained a "serious omission".

This was "the lack of a thorough examination of the greatly needed supply action in the labour market".

Italy's Mr Giovanni Lovato said the gold price boom over 1979-80 had given South Africa an "opportunity of make badly needed structural reforms" to overcome widespread shortages of skilled labour.

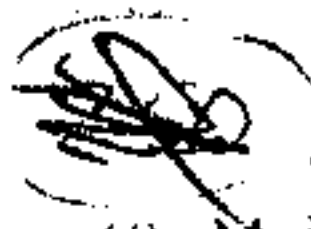
But the chance had not been taken.

It can be seen that none of these spokesmen for major Western countries urged that radical changes in South African labour policy be made a contractual condition for IMF assistance.

Not this time, that is. But "conditionality" — the right of the IMF to insist on economic policy changes as a condition for giving aid to needy members — is per-

Any dishonesty will render the candidate ineligible for the award of a degree.

the University



Parity in salaries
Hansford Q. 601.64
9/2/83

57

69 Maj. R. SIVE asked the Minister of Internal Affairs:

- (1) In what categories has full parity been achieved in salaries paid to public servants of different race groups;
- (2) what further progress towards full parity is it anticipated will be made during the current financial year, with specific reference to the different categories of work?

The MINISTER OF INTERNAL AFFAIRS:

- (1) *Coloureds and Asians*: Clerk Grade I and comparable and higher grades;
Blacks: Principal Clerk and comparable and higher grades.
- (2) None.

51 For written reply: ~~23/2/83~~ 23/2/83 Hausland
Q. 61, 276
Defence Force: equal pay for equal work

32. Mr. P. A. MYBURGH asked the Minister of Internal Affairs:

- (1) What is the estimated cost of the introduction of equal pay for equal work and responsibility for all races in the South African Defence Force for the first year;
- (2) whether it is his intention to apply a system of equal pay for work of equal value; if so (a) when and (b) at what levels?

The MINISTER OF INTERNAL AFFAIRS:

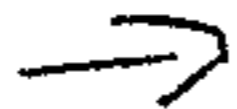
- (1) The programme for the narrowing and elimination of the salary gap between the various population groups for comparable work, qualifications and productivity on a horizontal basis is implemented in phases together with certain general salary adjustments. It is exceedingly difficult to determine in advance the expenditure involved in implementing a phase of the programme as there are many variables present in salaries at any point of time.
- (2) The system of equal remuneration for equal work, qualifications and productivity has already been applied to several levels.
 - (a) and (b) The implementation of further phases of the total programme will be considered in the light of available funds when salary adjustments can be effected in the government sector in the future.

266 Hansard Q. Col. 289
 (57) Postmen 24/2/83 292
 167. Mr. A. B. WIDMAN asked the Minister of Posts and Telecommunications:

- (1) How many (a) White, (b) Coloured, (c) Asian and (d) Black postmen were employed by the Post Office in the latest specified year for which figures are available:
- (2) whether the rate of pay is the same for postmen of all population groups; if not, (a) why not and (b) what are the respective rates?

The MINISTER OF POSTS AND TELECOMMUNICATIONS:

- (1) (a) 1 912,
 (b) 1 044,
 (c) 387,
 (d) 1 423,
 as at 31 December 1982;
- (2) the rate of pay is the same for White, Coloured and Asian postmen;
- (a) the salary parity programme has not yet reached the stage where the remuneration of Black postmen can be placed on a par with that of the remaining population groups, and



(b) White, Coloured and Asian:		
Witwatersrand, Pretoria and Durban =	R4 446×312-5 070×429-7 644
Other centres =	R3 822×312-5 070×429-7 644
Blacks (all centres) =	R2 985×243-3 957×336-5 973

Star 28/2/89 57

“South Africa has a legacy of neglect of its black communities. Although it remains the prime responsibility of the government to correct this, I believe industry and commerce have an important role to play,” says the new co-ordinator of the Sullivan Code in South Africa.



For a normal society in the workplace

By Moira Levy

New life is to be given to the Sullivan Principles code of employment with the appointment of Mr Roger Crawford, Personnel Manager of Ethnor Pty Ltd, as co-ordinator of the scheme.

The Sullivan Principles, designed by American preacher the Rev Leon Sullivan in 1977, prescribe a code of management conduct for American companies in South Africa. It aims to remove discrimination and unfair labour practises.

Mr Crawford's job will be to liaise between the seven committees behind Sullivan's guidelines for fair employment practises, and to work in hand with South African organisations, such as the Manpower Management Foundation, involved in similar social responsibility projects.

“I see myself as a referral point, as a base where signatory companies can find the information and knowledge they need for their projects.

When the Sullivan Principles were introduced they provoked a storm of controversy. Black community and trade union leaders slammed the proposals, saying they did not go far enough to combat discrimination and inequality in South African industry and commerce.

“We have achieved a great deal,” Mr Crawford said. “We have created a normal society in the workplace, and the rub-off effect of that is apparent.

“South Africa has a legacy of neglect of its black communities. Although it remains the prime responsibility of the government to correct this, I believe industry and commerce have an important role to play,” said Mr Crawford.

He said individual American subsidiaries could not hope to solve the deep-rooted problems of South African society — “the Sullivan Principles cannot be the panacea for all our labour ills” — but they could provide a model for South African firms and labour officials.

The first phase of the implementation of the Sullivan Code has been largely achieved, he said. The 147 signatories have desegregated their facilities and introduced equal pay for equal work.

“But that was the easy part. Referring to the role American companies have played in uplifting black education, Mr Crawford said “providing the school buildings, equipment and facilities is not enough. Now we have to concentrate on upgrading the quality of education.

“Last year's black matriculation rate was very low. In spite of what we have contributed to township schools we still have matriculants ill-equipped to take part in the modern world of industry.

“The white labour pool in South Africa has practically dried up and industry is going to have to look more and more to black school leavers as their future management”.

He emphasised that his job is not to monitor the implementation of the Code: “I am not here as Sullivan's prefect.”

He has been released from his duties at Ethnor to take up his new position for two years.

Role of big business in a new SA

5/2/83
E. P. 031
57

Weekend Post Reporter

BIG business in South Africa should play a major role in solving the country's growing social and educational problems and not just leave them to the Government, Mr Lou Wilking, managing director of General Motors SA, said this week.

"Multinational and large companies should become increasingly involved in uplifting general standards in the communities from which they draw their manpower," he told Weekend Post.

"Smaller companies and businesses, throughout the country, have opportunities to contribute significantly by initiating programmes and projects aimed at uplifting the general living and educational standards of local communities.

"South Africa, as a country with a fast developing economy, finds itself in a situation where many employees work in a first-world environment and live

virtually in a third-world environment.

"This is a very unhealthy situation. Despite the Government's attempts to accelerate social and educational improvements, industry and commerce must be prepared to play a leading role."

Mr Wilking referred to examples of his company's commitment towards its employees and their communities.

This included financial contributions towards national and local social bodies, direct involvement in uplifting the facility standards of 21 schools in the Eastern Cape, clean-up campaigns at black secondary schools, making engines and components available to technical schools and colleges throughout South Africa for tuition purposes, and sponsoring a Junior Achievement Programme for pupils at black and white schools to help them gain a better insight into the background to business.

19 57

Monitoring Sullivan



Roger Crawford is the new national co-ordinator of the Sullivan Code (SC). He is a South African and has been seconded from his post as a personnel manager at Ethnor to handle the recently-created position.

FM: How is the SC monitored?

Crawford: There is a task force to monitor progress in the application of each of the code's principles such as housing, health care and equal pay for equal work. The chairmen and members of each task-force are drawn from signatory companies. All chairmen sit on the chairmen's task-force committee which has a watching brief on the overall application.

The committee of chairmen decided that a co-ordinator was needed to pull the whole thing together and so created this job. However, I believe the best monitor is the workforce itself.

Do you agree that since collective bargaining became common, the SC has become somewhat anachronistic?

No. When the code was established the right to bargain collectively was not institutionalised. Now it is; but this doesn't mean it's necessary to drop the SC. I understand that some black employees want greater impact and faster application of the principles, but one has to understand that the principles are being applied against the backdrop of the current SA situation.

I believe that an organisation which applies the SC will in fact achieve more for its workers than any union. As a result of my experiences, I think that management has a better understanding of the needs of its own workforce than a union.

There has been talk in the US Congress of tax penalties and sanctions being imposed on American companies that do not comply with the SC's principles.

I think the pressure is going to increase. It's certainly not going to dissipate. Connecticut is the first state to

have formally enacted legislation, but this is also being discussed in a number of other states.

What do you feel about mandatory compliance?

I don't think anything will be achieved by forcing compliance.

However, there's a growing awareness among management that the SC principles are merely good management tools. They are being applied because management now believes that those principles are necessary to create a new SA.

But Sullivan himself has voiced dissatisfaction about the performance of some signatory companies, and the fact that there are still non-signatory companies.

That is true. But the major American companies are all signatories. The majority of non-signatory companies are probably agency-type operations with small personnel complements. However, the whole thrust would be given greater impetus were all American companies to be signatories. I hope this will eventually happen.

A move by liberals to enforce the use of the Sullivan Code on US concerns operating in South Africa has met with vociferous opposition from the Reagan Administration.

Opposition moves on labour practices

APR 1983

BAW
57

By John D'Oliveira,
The Star Bureau
WASHINGTON — The Reagan Administration is fighting a move to force fair employment practices on United States corporations operating in South Africa.

Mr Frank G Wisner, principal deputy-assistant Secretary of State for Africa, outlined the Administration's opposition at a hearing this week of the House Foreign Affairs Committee's sub-committee on international operations. He opposed a rider to the State Department Authorisation Bill that would require mandatory compliance with the Sullivan Code of fair employment practices, prohibit new loans to the South African Government or its agencies and prohibit the importation of South African gold coins.

The rider was introduced by Mr Stephen Solarz. Mr Wisner's appeal was rejected, the rider approved and sent to the full foreign affairs committee.

It is expected that the committee will also endorse the "Solarz Amendment" and that the issue will then shift to the House of Representatives.

If the House approves the Authorisation Bill, together with the amendment, the Bill will then have to go to a conference of representatives of the two Houses who must iron out the differences and then submit a single piece of legislation to both Houses.

If the Solarz Amendment is the only remaining obstacle to the State Department getting the money it needs for the next financial year, it is possible the Republicans in the Senate will reluctantly accept it.

Although this is unlikely, the Administration is working hard to persuade congressmen that the Sullivan Code, which is voluntary, had made the United States corporate community in South Africa one of the main catalysts for change.

The hunt for black managers

By BARBARA LUDMAN

THERE is "only a handful" of fully-fledged black managers in South African business, says UNISA academic Karl B Hofmeyr ... who has devised strategies to increase the number.

Awarded a Doctorate in Business Leadership last month from the UNISA School of Business Leadership, he spent two years researching his thesis, which formulates a model for the development of potential black managers in South Africa.

It is largely due to oddities of perception, a prevalence of stereotyping, the wrong sort of training and restrictive legislation that so few black executives achieve full managerial status, says Dr Hofmeyr ... for the black manager is a marginal man.

"Our policy of separation has meant that blacks have grown up in a different culture, not geared to success in business. The black manager lives somewhere else; he doesn't interact with white people on a social or informal basis.

"He's in the business world but he's not part of the business world.

"He's not fully accepted as a colleague and as an equal. Whites don't really expect blacks to be able to perform."

Because of these attitudes, the training of black managers is faulty ... and the expectation of failure is a self-fulfilling prophecy.

"People are put into jobs as window dressing," he says. "There are many blacks who are called managers but do not carry full managerial responsibilities. That's just not good enough."

In his thesis, Dr Hofmeyr argues that blacks must be put in meaningful jobs with tasks and career progression clearly defined. In addition, the potential manager must work with a fully-fledged manager prepared to coach his subordinate.

"He will learn to be a manager by getting experience, not by fancy training courses," he says. "Management development occurs on the job.

"Feedback from his manager is of critical importance. Every interaction with a manager, every discussion or performance appraisal, is part of a developmental process."

The manager as mentor is crucial; but so is a certain clarity which must accompany the entire project.

"Black advancement must start with an overall manpower plan," he says. A company must decide first whether it wants black managers.

If the answer is "yes," then management needs must be defined; the company must state clearly how many blacks should be recruited and trained to fill management positions.

Training, he adds, must be designed specifically for the recipient, and it must be relevant to the job at hand. He differentiates in his thesis between education — upgrading language and other skills bad-



Dr KARL HOFMEYR ... "Black advancement must start with an overall manpower plan"

ly taught in black schools — and training, which would include those management skills necessary for the particular job.

Training, he writes, "should be made 'experiential' wherever possible, in order that the individual may apply theory continuously to a practical work situation".

Dr Hofmeyr, a senior lecturer in organisational behaviour and personnel management, has a strong business background ... in London, Canada and South Africa.

A trustee of the South African Council for Higher Education (SACHED), he notes a personal commitment to black advancement ... but says the economy also requires more highly-trained managers.

"South Africa's manpower profile is bottom-heavy," he says. "There is one manager to every 52 employees below managerial status. In the UK and in America, it's one to 15. Management here is being stretched extremely thin.

"At supervisory level, at skilled level, economic necessity is forcing companies willy-nilly to take on blacks and advance them. But at the management level companies still argue that they don't really need blacks."

The lack of black managers-in-training is illustrated by the difficulties he faced in finding enough potential black managers to compile a meaningful survey for his thesis.

"In order to find a sufficiently large sample," he writes in his thesis, "it was necessary to draw on the more 'progressive' organisations in the private sector ...

"While this limitation of scope may impose constraints on the extent to which the findings can be generalised, it can be argued that it is only among the more progressive companies that meaningful black advancement will take place."

What he was looking for should not have been hard to find ... senior black employees who reported directly to fully-fledged managers.

But he had to go to 19 companies to find enough managers to make the survey worthwhile.

And what he found — even in this highly liberal milieu — was depressing.

Managers — most, but not all, of them white — asked to

rate the performance of senior black staff said blacks working for them were not sufficiently assertive, did not have a propensity for taking risks and lacked initiative.

"When you analyse all the information," says Dr Hofmeyr, "the training needs were quite simply an emphasis on planning, problem solving, decision-making, control and organising skills."

Senior black employees, asked what sort of training they thought they required, asked for on-the-job experience.

"One of the black managers put it well," says Dr Hofmeyr, "when he said: 'The reason why we can't plan, organise and make decisions is that we are never given the opportunity to do that in our jobs. We're always delegated parts of a job, or given routine jobs. Planning is what the whites do.'

"I maintain that all the methods and strategies devised to train white managers can be applied equally well in the case of potential black managers," he says.

"Companies are looking for packaged training programmes which will solve all their problems.

"But there are no short-term answers. What black advancement really requires is a great deal of hard work, on the part of the company and on the part of potential black managers themselves."

24/5/83
BCH
BCH

Call to probe Parks Board

Pietermaritzburg Bureau

A CALL was made in the Provincial Council here yesterday for an inquiry into possible 'administrative sloppiness' within the Natal Parks Board.

Speaking during the budget debate, Mr Rodney Haxton (PFP, Pinetown) said it appeared that, after initially dragging their heels, the S A P were making up for lost time in investigating allegations of theft of rhino horns.

Mr Haxton said the list of allegations associated with the scandal read like the script of a cheap TV thriller, and included illegal dealing in the horns, murder and suicide.

He said he had information that 'nationally known and respected' people were still to be drawn into the web of intrigue surrounding the affair.

Committee

However, when police investigations were complete and those responsible brought to justice, there would be a need for an inquiry to investigate 'those questions which need to be answered in public'.

Mr Haxton called for a select committee, comprising all three parties in the Provincial Council, or an independent committee possibly consisting of retired legal practitioners, to be set up.

Mr Haxton appealed to the MEC in charge of the Parks Board, Mr D Stainbank, to act on his request and to pledge that nothing would be left to the public's imagination.

Mr Stainbank is likely to reply to the debate today.

Closing

(57)
of NPA

Mercury
wage gap

26/5/83
'delayed'

Pietermaritzburg Bureau

THE narrowing of the wage gap in the Natal Provincial Administration had been delayed by the decision not to give public servants a general salary increase this year.

This point was made in the Provincial Council yesterday by Mr Rodney Haxton (PFP, Pinetown).

Mr Haxton listed several senior provincial appointments which demanded identical qualifications, regardless of the population group from which an incumbent was drawn but where the salary scale varied according to race.

Policy

The Provincial Secretary had confirmed this situation six months ago, but pointed out that complete parity had been attained above certain salary levels, 'with a few minor exceptions'.

Still quoting correspondence with the Provincial Secretary, Mr Haxton said it was Government policy to narrow the gap every time salary scales were revised — which happened usually once a year.

This suggested the NPA was bound by Government policy on these issues although 'a lot of people I know take a great deal of pride in the fact that Natal does not have a Nationalist-controlled administration'.

Mr Haxton pointed out that calls had been made last year for the closing of the salary gap and for pressure to be put on the Government to do the same.

He asked what, if anything, had been done to achieve this.

FM 27/5/83

INDUSTRIAL RELATIONS

Code's utility ~~57~~

Endorsement of the Sullivan Code of employment practice by South African companies could aid organisations opposing disinvestment legislation in the US, says Fred Ferreira, Ford's director of industrial relations.

Speaking at the Afrikaanse Handelsinstituut congress this week, Ferreira pointed out that SA companies — and not just subsidiaries of US companies — are free to subscribe to the Sullivan principles.

"Endorsement of this specific code offers a great measure of protection to those companies in America which are coming under pressure from legislation aimed at enforcing the withdrawal of investments from companies with South African connections," he said.

"About half of the American states, as well as a large number of cities, have already either adopted such legislation or initiated it."

In addition to damping the fire of the disinvestment lobby, endorsement of the code by SA companies could, to some extent, cancel out the negative reaction to the Orderly Movement and Settlement of Black Persons Bill, Ferreira said. Groups in favour of disinvestment have focused particular attention on this Bill.

Ferreira also spelt out a number of measures the SA government can adopt to promote better labour relations. Among these are:

- The granting of full property ownership to urban blacks;
- Allowing unregistered unions entry to industrial councils;
- The granting of official State sanction to agreements concluded on the factory floor; and
- The decriminalisation of strikes.

Ferreira said the right of members of industrial councils to veto the entry of new

unions should be scrapped. Entry should be based on representation only, he said. Collective bargaining agreements should also not be arbitrarily extended to non-parties without taking their wishes into account.

He also warned that "as long as the State exposes people to police detention without trial, there will be suspicions about the State's motives especially where union leaders are concerned." In such cases, suspicion was also directed at the employer, he said.



Ford's Ferreira ... suggesting labour reforms

This article, by Leon Sullivan, appeared in The Washington Post last month. The author, who is pastor of the Zion Baptist Church in Philadelphia, in 1977 drew up the Sullivan Principles, a code of employment practices for American firms operating in South Africa.



Place more pressure on SA, urges Sullivan

The so-called Sullivan principles that I initiated six years ago were intended to bring the actions and influences of American companies in South Africa to bear against the racist practices and apartheid laws of that country.

It was my hope that the principles would initiate similar efforts by multinational companies from other parts of the world, thereby creating a global multinational campaign in South Africa against the racial injustices that have existed there for 300 years.

It was also my intent that the principles would serve as a catalyst to help change segregation practices in other private and public places throughout the country.

I have attempted to make it clear from the beginning that the principles are not the total solution to the South African problem, and that even if they were implemented to the optimum, the principles alone could not end apartheid.

Apartheid is a ruthless, inhumane system of practices and laws deeply embedded in the world's most racist society, and in order for apartheid to be completely eradicated, it requires the combined efforts of many forces, including governments, companies, churches, unions, the United Nations, those who believe in justice within the country, and world public opinion.

But it is my firm opinion that the multinational corporations have a major role to play.

In the past they have been the main beneficiaries of cheap labour and profits from this evil and unjust system and among its main supporters.

It should be the responsibility of these companies to help change that system. Otherwise, they have no moral justification for remaining in South

No one is more aware than I that the principles and other codes must be pushed harder for greater and faster results.

It is my view that if the principles and codes of other nations are enforced and vigorously implemented and monitored, they can work for change, but in order to bring this about, more pressure is needed on the companies for fuller and swifter compliance.

In my opinion, the voluntary support of the principles has been effective, but it is not getting the desired results quickly enough. More enforcement is needed.

As I have testified before congressional committees on several occasions: "The full compliance with the principles of all American companies with operations in the Republic of South Africa should be made mandatory by the United States Government, and backed up with embargoes, tax penalties, sanctions, loss of government contracts and any other effective means."

There are 150 American companies operating in South Africa that have not as yet signed the Sullivan principles, and against those companies there should be immediate divestment actions by stockholders, institutions, pension funds, government bodies and other fiduciaries.

These companies represent 20 percent of the investments of American companies in South Africa.

Of the remaining 150 companies that have signed the principles, one-third are receiving "failing grades" in compliance, according to the annual Arthur D Little report published recently.

These companies should be contacted by stockholders and fiduciaries and asked for written assurances they will do better in the coming year, accom-



system. Otherw... they have no moral justification for remaining in South Africa, and should be compelled to leave the country.

The principles were never intended to be a camouflage for corporations to hide behind, but were meant, along with other thrusts, to help end race discrimination and apartheid in South Africa.

It was hoped this could be done by peaceful means, without the need for devastating war, and the loss of millions of lives and the predictable involvement of most of the rest of the world that could lead to an atomic confrontation.

Though progress is still limited in comparison to the enormous size of the problem, the principles are beginning to work.

Starting from where we began six years ago, at a near "zero" base where blacks were not even legally considered "employees" in that country, some significant changes are occurring:

- Throughout South Africa, plants are being desegregated in spite of the laws.
- Blacks and other non-whites are being upgraded, for the first time, to administrative and supervisory jobs.
- Blacks are supervising whites, for the first time, in South Africa.
- Blacks and non-whites are being trained for skilled jobs in ever increasing numbers.
- Black representative registered and unregistered trade unions are now beginning to be recognised.
- Technical schools training blacks and other non-whites are being built.
- Black businesses are being initiated in increasing numbers.
- Equal pay for equal work is beginning to be instituted.
- Companies are beginning to improve the quality of life for blacks and other non-whites outside the workplace: in housing, health care, and education.
- For the first time, some company executives are beginning to lobby for an end to all racial discriminatory laws and the apartheid system.



Also, the principles have led the way in the initiation of similar codes of conduct for companies operating in South Africa from around the world, including a group of South African companies that employ nearly one million workers, most of them black.

In conjunction with the principles, the Arthur D Little Co has formulated the most stringent and comprehensive measurement requirements for fair employment and social responsibility practices ever developed for multinational corporations operating in a foreign country.

As a result of the principles, the last six years have marked the beginning of a revolution in industrial race relations in South Africa.

Unfortunately, even considering these beginnings, the vast changes necessary are not happening fast enough. The necessity for greater changes — visible, broad, effective and quick — is imperative.

do better in the coming year, accompanied by a plan for doing so. Otherwise there should be targeted divestment actions against those companies.

Companies receiving "passing grades" according to the Little Report should be urged by stockholders to remain in their top categories, or face divestment.

American companies employ less than one percent of the workers in South Africa. For these efforts on the part of multinational companies to be broadly visible and effective, participation will have to be global.

I have travelled abroad and have urged divestment actions against foreign companies in South African subsidiaries that are not living up to their codes. I have appealed for strong government action by the nations and their parliaments as pressure against company noncompliance.

Foremost, I see the necessity for the recognition of the rights of association for black workers, and the recognition of their representative registered and unregistered trade unions, thereby empowering black workers to speak out for their rights on the job, as they will one day speak out for their rights in society.

The growing strength of the black worker is one of the greatest hopes for peaceful change in South Africa.

It is clear that the main problem in South Africa is not just fair employment practices, or equal opportunity, or better schools.

The main problem is freedom, including the end to influx control, an end to the incredible homeland policy, and full political equality for the black population.

Therefore, beyond the principles, it is my position that until apartheid ends and full equality is achieved for blacks, there should be no new expansion in South Africa by American companies, no new bank loans to the South African Government, and no sales to the South African police or military.

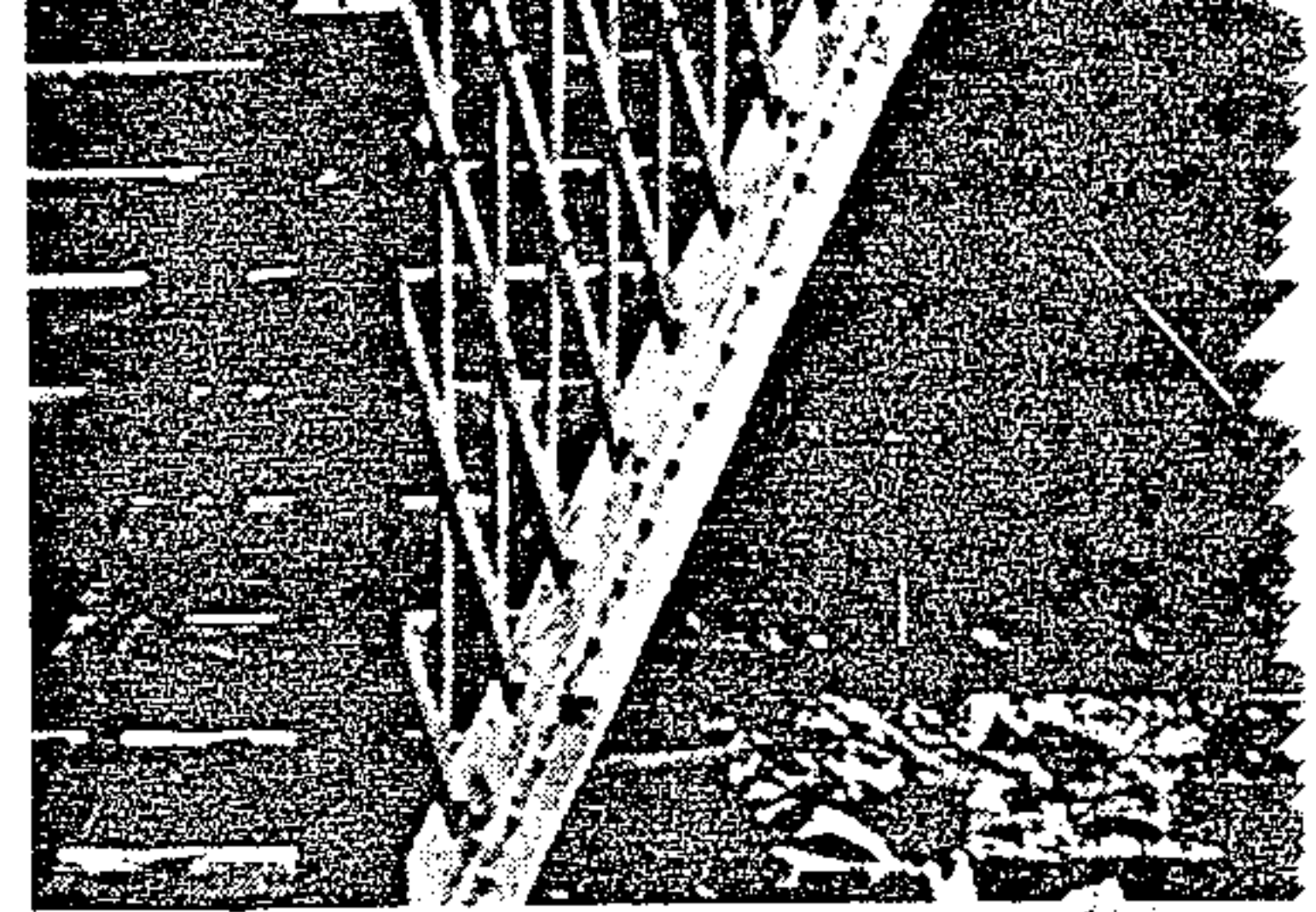
Perhaps the Sullivan principles and the other codes in the world will only do so much, and only go so far. Perhaps the only way South Africa can be fundamentally changed is by massive conflict and a devastating war.

But I believe that attempts must be made to find peaceful means for change if it is still possible.

If these world multinational company efforts are aggressively initiated, broadly and effectively applied and closely monitored, they will have to make a difference.

None of us can be sure the total goals of the principles will ultimately be attained; but things are beginning to happen in South Africa as a result of the principles. They are a catalyst for social change in South Africa.

In this endeavour, powerful support will be needed beyond the companies, including unrelenting and much clearer commitments to racial justice in South Africa from the President of the United States, Congress and other government leaders and nations.



Apartheid in the city... but these two blacks choose to ignore the sign over a railway bridge crossing.

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Further narrowing of racial salary gap

57 S. Times 5/6/83

BLACKS EASILY DOMINATE THE MIDDLE-INCOME GROUP AFTER WHITES

By Alec Hogg

A THOROUGH analysis of the recently released 1980 census figures by Volkskas Bank's economic unit has dispelled a number of misconceptions about the earnings differences between population groups and geographical areas of South Africa.

The unit also comes to the conclusion that the nation is by no means dominated by the public service, and, although there is still a great difference between salaries paid to the four racial groups in South Africa, the gap is narrowing.

There are now more blacks in the middle-income group than Indians and coloureds combined, and the number is fast approaching that of whites.

Although the census figures show that the number of blacks in the middle-income group is only slightly above

half the number of whites, Volkskas states in its June Economic Spotlight that this position is changing.

The bank says: "In the case of coloureds and blacks it is an undeniable fact that there is a large measure of poverty.

"However, progress is being made in improving their incomes, as is evidenced by the fact that the average wage or salary in real terms rose by only 2,4% in the case of whites in the period 1970 to 1980, compared with an increase of 15,2% for coloureds, 36,8% for Indians and 68,5% for blacks."

Volkskas notes that this trend is continuing. In 1982 the salaries of whites increased by 15% compared with increases of 19%, 18,1% and 23% for blacks, coloureds and Indians respectively.

Nevertheless, it will be some years before any other racial group challenges the lead which whites have in the number of people in the high-income group.

The bank's analysis shows that a mere 10 280 blacks earned more than R700 a month in 1980 (equivalent to R1 000 today) compared with more than 700 000 whites.

But that blacks are approaching the figure of top income earners in the other two population groups is significant.

Geographically speaking, there is only a slight gap between the salaries paid to people working in the different metropolitan areas.

Of those earning an annual income of more than R35 000 in 1980 (equivalent to R45 000 today), 2,2% live in the greater Johannesburg area, 1,5% in Cape Town, 1,4% in Durban and 1,2% each in Port Elizabeth and Pretoria.

Statistics derived from the

census show that 80,5% of the economically active population is employed by the private sector.

There is a bias when the individual population groups are examined.

About 34,1% of all whites are employed by the State (compared with the national average of 19,5%), while Indians, in particular, prefer the private sector, with only 12,2% of this group getting paid through the SA Reserve Bank.

Further, it is also apparent that few blacks or coloureds have the capital resources or the support to establish their own businesses.

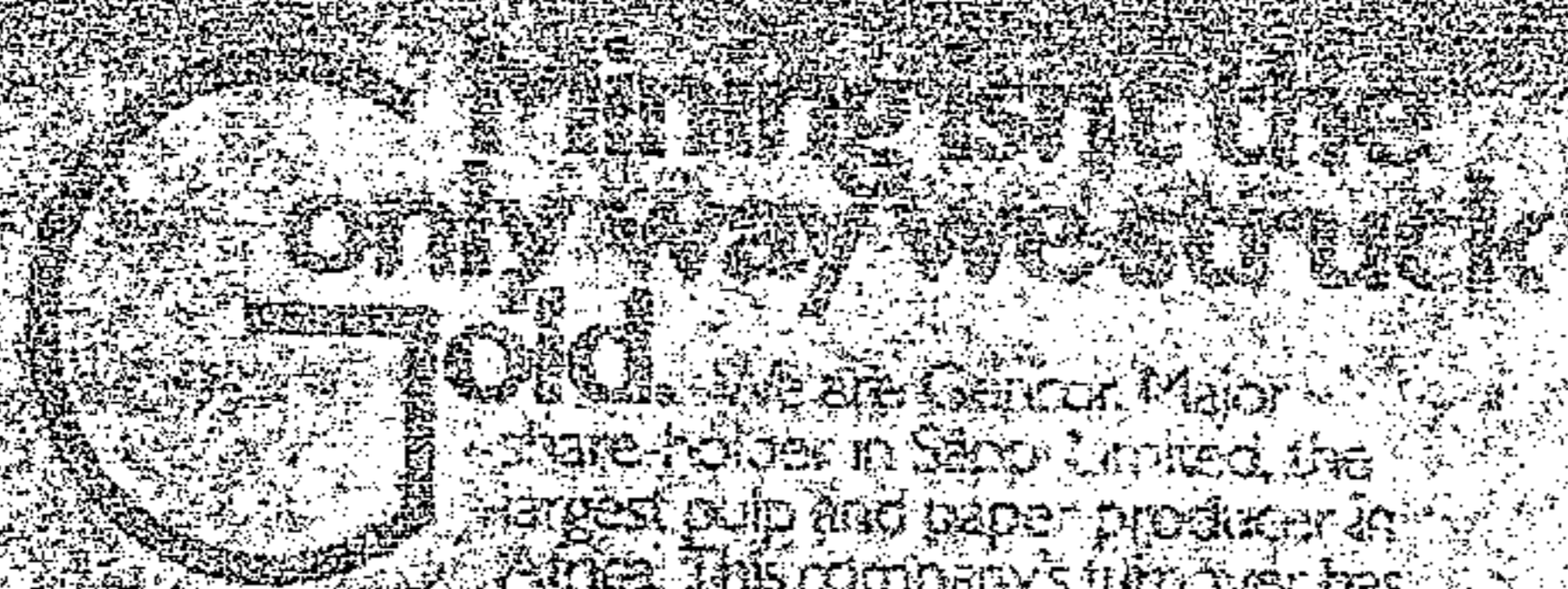
With the national average of employers at 3,9% of the economically active population, only 1,8% of blacks and 1,3% of coloureds fall into this category.

By contrast, 10,8% of whites and 8,6% of Indians run their own operations.

WHO EARNS WHAT

Income group	Monthly earnings *	Whites	Coloureds	Indians	Blacks
Low	Up to R290	199 260	680 160	114 340	4 873 800
Middle	R290 to R999	942 320	214 560	122 640	454 980
High	R1 000 and more	719 280	11 020	13 360	10 280
Not known	N/A	44 200	22 040	5 480	237 980
Total		1 905 060	927 780	25 820	5 577 040

* Income in 1980 adjusted to current terms
Source: Volkskas Economic Spotlight: 1980 census figures



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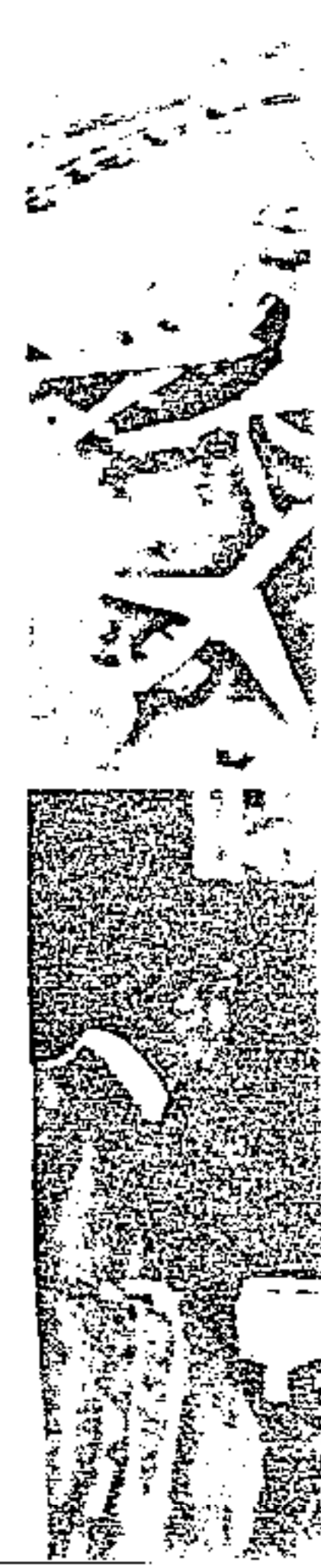
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Why
who
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Sullivan wants more muscle for bar on US operations in SA

City News

5/6/83

(B) (57)

CP Correspondent
WASHINGTON — Six years after the introduction of the Sullivan Code of employment for US companies operating in South Africa, 150 firms are still refusing to sign up.

And a third of those who are participating have received "failing grades".

Because of this dismal record, the Rev Leon Sullivan, who drew up the code in 1977, wants the US government to enforce it.

In an article written for the Washington Post recently, Mr Sullivan said: "The vast changes necessary are not happening fast enough. The necessity for greater changes — visible, broad, effective and quick — is imperative. No one is more aware than I that the principles and other codes must be pushed harder for greater and faster results. It is my view that if the principles and codes of other nations are enforced and vigorously implemented and monitored, they can work for change, but in order to bring this about, more pressure is needed on the companies for fuller and swifter compliance."

He called on the US government to intervene.

"The full compliance with the principles by all American companies with operations in the Republic should be made mandatory by the US government, and backed with embargoes, tax penalties, sanctions, loss

of government contracts and any other effective means."

Despite the limited progress, Sullivan said the principles were beginning to work.

He cited some "significant" changes since the code was introduced, such as the desegregation of many factories, the increased training of blacks in

"It is clear that the main problem in South Africa is not just fair employment practices, or equal opportunity, or better schools . . . the main problem is freedom."

Even if they were implemented to the optimum, the principles alone could not end apartheid. Apartheid is a ruthless, inhumane

who believe in justice within the country, and world public opinion.

"But it is my firm opinion that the multinational corporations have a major role to play. In the past they have been the main beneficiaries of cheap labour and profits from this evil and unjust system and among its main supporters. It should be the responsibility of these companies to help change that system. Otherwise, they have no moral justification for remaining in South Africa, and should be compelled to leave the country."

And he added that until apartheid ended, American companies should not expand their South African operations, or lend money or sell military equipment to Pretoria.

Sullivan concluded that despite its limitations, the code had become a catalyst for social change.

'Push harder for faster results'

supervisory jobs, the increasing recognition of representative unions, and the commitment by companies to improve the quality of workers' lives.

He cautioned, however, that the code should not be seen as a solution to South Africa's problems.

system of practices and laws deeply embedded in the world's most racist society, and in order for apartheid to be completely eradicated, it requires the combined efforts of many forces, including governments, companies, churches, unions, the United Nations, those

Law to rule US firms in SA likely to be passed

(57)
ROOM 11/6/83

WASHINGTON. — Proponents of legislation that would require United States businesses to follow fair employment standards in South Africa predict the Bill will easily clear its second hurdle in the House of Representatives.

The legislation has already passed the Foreign Affairs Committee as an amendment to the controversial Export Administration Act.

It has 64 sponsors, including 12 members of the Banking Committee, to which it has been referred.

The Bill establishes a set of legally enforceable fair employment standards for American firms operating in South Africa with more than 20 employees. It also bans loans by US banks to the South African Government except those made for integrated educational, housing and health facilities.

It would also ban the sale of the popular South African

gold Krugerrand in the US.

The proposal is unpopular with the banks and with the Reagan Administration.

Five major banks declined to testify this week on the Bill before the House Banking subcommittee on financial institutions. Subcommittee chairman, Mr Fernand St Germain, said invitations were sent to seven of the nation's largest banks.

"I regret to report that none of the seven was anxious to testify," he said as he opened the hearing. "Their failure to appear highlights the moral nature of the apartheid issue."

Mr St Germain said Bankers Trust, Chase Manhattan, Chemical, Morgan and Wells Fargo Banks declined to testify, although Chase, Chemical and Wells Fargo sent statements.

Citibank submitted a statement saying it would appear if it were not the only bank to testify, and Bank of America

"indicated its willingness to send "a not-too-qualified witness" since their only "expert" on South Africa had recently suffered a heart attack," Mr St Germain said.

State, treasury and commerce departments officials and the Export-Import Bank testified against the bill.

There are 350 US companies in South Africa, employing more than 100 000 workers, 70% of them black.

The Reverend Leon Sullivan, author of the "Sullivan Principles", by which US firms voluntarily subscribe to fair employment practices in South Africa, said the principles can only go so far.

Support for restrictions on South Africa has been growing in the House. Last month, the Banking Committee adopted an amendment requiring the director of the International Monetary Fund to oppose lending privileges to any country practicing apartheid. — UPI.

Apartheid inhumane

C. Herald 11/6/68
Sullivan

(51)

THE principles I initiated were intended to bring the actions and influences of American companies in South Africa to bear against the racist practices and apartheid laws of that country.

It was my hope that the principles would initiate similar efforts by multinational companies from other parts of the world, thereby creating a global multinational campaign in South Africa against the racial injustices that have existed there for 300 years.

The principles are not the total solution to the South African problem, and even if they were implemented to the optimum, the principles alone could not end apartheid.

Apartheid is a ruthless, inhumane system of practices and laws deeply embedded in the world's most racist society, and in order for apartheid to be completely eradicated, it requires the combined efforts of many forces, including governments, companies, churches, unions, the United Nations, those who believe in justice within the country, and world public opinion.

But it is my firm opinion that the multinational corporations have a major role to play. In the past they have been the main beneficiaries of cheap labour and profits from this evil and unjust system and have been among its main supporters.

It should be the responsibility of these companies to help change that system. Otherwise, they have no moral justification for remaining in South Africa, and should be compelled to leave the country.

The principles were meant to help end race discrimination and apartheid in South Africa — hopefully by peaceful means. Though progress is still limited in comparison to the enormous size of the problem, the principles are beginning to work, and some significant changes are occurring.

UNTIL apartheid ends and full equality is achieved for blacks, there should be no expansion in South Africa by American companies, no new bank loans to the South African Government, and no sales to the South African Police or military.

So says the Rev Leon Sullivan in an article published in the Washington Post recently. The Rev Sullivan is the man who, six years ago, drew up the Sullivan Principles, a code of employment practice for American firms operating in South Africa. This is a summary of his article.

Among these are:

- Throughout South Africa, plants are being desegregated in spite of the laws.
- Blacks and other non-whites are being upgraded, for the first time, to administrative and supervisory jobs.
- Blacks are supervising whites, for the first time, in South Africa.
- Black and non-whites are being trained for skilled jobs in ever-increasing numbers.
- Black representative registered and unregistered trade unions are now beginning to be recognised.
- Technical schools

training blacks and other non-whites are being built.

● Black businesses are being initiated in increasing numbers.

● Equal pay for equal work is beginning to be instituted.

● Companies are beginning to improve the quality of life for blacks and other non-whites outside the workplace: in housing, health care, and education.

● For the first time, some company executives are beginning to lobby for an end to all racial discriminatory laws and the apartheid system.

Unfortunately the vast changes necessary are not happening fast enough. The necessity for greater changes — visible,

broad, effective and quick — is imperative.

The voluntary support of the principles has been effective, but it is not getting the desired results quickly enough. More enforcement is needed.

I have travelled abroad and have urged disinvestment actions against foreign companies and South African subsidiaries that are not living up to their codes. I have appealed for strong government action by the nations and their parliaments as pressure against company non-compliance.

Foremost, I see the necessity for the recognition of the rights of association for black workers, and the recognition of their representative registered and unregistered trade unions, thereby empowering black workers to speak out for their rights on the job, as they will one day speak out for their rights in society.

The growing strength of the black workers is one of the greatest hopes for peaceful change in South Africa.

It is clear that the main problem in South Africa is not just fair employment practices, or equal opportunity, or better schools. The main problem is freedom, including the end to influx control, an end to the incredible homeland policy, and full political equality for the black population. Therefore, beyond the principles, it is my position that until apartheid ends and full equality is achieved for blacks, there should be no new expansion in South Africa by American companies, no new bank loans to the South African Government, and no sales to the South Africa police or military.

5 000 miners laid off as recession hits Amcoal

By BRENDAN RYAN

ANGLO AMERICAN Coal Corporation laid off 5 000 workers from its collieries in 1982 and about half of them were placed by the group in other jobs.

Amcoal was hit by the depression in world and domestic coal markets as well as domestic steel markets in 1982 and was forced to close several collieries.

The chairman, Mr Graham Boustred, expects lower earnings in the current financial year than the R113 444 000 attributable profit in the year to March 31.

Many of the jobs lost are not likely to be replaced when conditions improve as Amcoal has mechanised more of its operations.

Amcoal no longer supplies coking coal to Iscor from its No 5 seam mining operations. The Main section of Springbok and the Navigation section of South African Coal Estates were closed last October.

Springbok's Hope Section was closed at the end of May this year.

Mining of metallurgical coal from the No 5 seam section of Bank was reduced to a single-shift operation in mid-1982 because of depressed conditions in the ferroalloy industry.

Coke production from Vryheid Coronation is to be phased down over the next few months and the long-term position of the mine is under discussion.

The reduced demand for anthracite coal both in South

Africa and on world markets forced Amcoal to close Balgray colliery in February this year and Natal Anthracite is now the group's only producer of anthracite coal.

Coal sales by the Transvaal Coal Owners Association to the South African market dropped to 17 900 000 tons in 1982 from 19 200 000 in 1981, and are expected to fall to about 16-million tons in 1983.

Amcoal also had to reduce output from some collieries supplying Eskom in the second half of its financial year to March.

Mr Boustred says in his annual review: "Collieries supplying coal to Eskom for power generation are expected to remain at lower levels of output throughout the current financial year.

"An unknown factor is the possible change in the pattern of power station burning which may have to be brought about by Eskom as a result of the serious water shortage now being experienced.

"In spite of the planned commissioning of three large new projects later in the 1980s it is unlikely that the group will return to previous employment levels for some years, as the collieries closed were extremely labour-intensive, hand-got operations."

Amcoal's managing director, Mr David Rankin, says the average number of employees on group collieries in 1982 dropped to 21 289 from 22 860 in 1981.

The number of colliery employees in Amcoal peaked at 24 743 in 1977, but dropped to 17 863 in March 1983.

He says it is expected that trade unions will represent black employees at wage negotiations in 1984.

Three unions, the National Union of Mineworkers, the Federated Mining Union and Black Mineworkers Union, have been granted access to mine property for the purpose of recruiting and other unions have requested access.

"Discussions are being held with the Underground Officials Association regarding the possible cancellation of job determination No 27 which provides for the reser-

vation of positions of surveyors, samplers and ventilation officials exclusively to white employees.

"The agreement sought would provide for the appointment of these underground officials irrespective of race, but with certain safeguards guaranteeing the interests of members of the association.

"The implications of this development for non-racial manning are encouraging, as also are discussions with the SA Boilermakers, Shipbuilders and Welders Society regarding the issue of licences of exemption to semi-skilled employees for certain specified work, and for the introduction of operators into semi-skilled positions."

SACC
57
307
says no
to racist
25/6/83
business

By ANTON HARBER

THE South African Council of Churches has called on its member churches to practice a form of "local disinvestment" by ending dealings with organisations or businesses that practice apartheid.

In a resolution passed unanimously yesterday at their national conference in Bosmont, Johannesburg, the SACC said that it had repeatedly condemned apartheid as a heresy.

In the light of this, it called on churches to stop supporting or investing money in industrial, commercial and other institutions directly engaged in defending apartheid.

This follows a call from the president of the Methodist Church, Dr Xhosa Mgojo, who said that many churches continued to rent property to businesses that practised discrimination.

The conference welcomed the suggestion by Archbishop Dennis Hurley, of the Roman Catholic Church in South Africa, that a major church conference in be held in 1986 with a view to starting a major Christian initiative for peace.

The conference also called on the Transkei authorities to lift their bannings on the Methodist Church of SA and the SACC.

In other resolutions, the conference:

- Called on the authorities at Medunsa and Turfloop universities to liaise more closely with student representatives and to refrain from arbitrary expulsions.
- Called on the Government to change its ethnic system of education and implement free education for all.
- Called on church congregations to observe the third Sunday in October each year as a National Day of Prayer for Detainees.
- Called on the Government to accept the Rhikoto ruling and to provide housing for those affected by it.
- Established an SACC task force on human rights.
- Decided to establish a workshop to deal with the Constitutional Bill, the homeland policy and relocations.
- Called on the Government to end the eviction of families who do not have alternative accommodation.

The story of the Adopt-A-School Programme is a story of co-operation. The Star's TEACH Fund and the READ organisation are joint sponsors with private companies, the department of Education and Training, teachers, parents and pupils united on a planned and co-ordinated basis to improve the quality of black education.

Adopting a school: not all roses

By Zenaide Vendeiro

In the beginning it was a case of too many cooks in the black educational kitchen — and not enough co-operation.

Knowing that black children were at a tremendous educational disadvantage and realising that the upgrading of their education could not be left solely to the Government, a few companies, organisations and charitable trusts began informally adopting schools.

Many of these adoptions were successful but some resulted in disaster.

A company poured money into a school only to find that it had another sponsor. Schools were given expensive educational aids and books but, because no-one was trained in their use, they lay on shelves gathering dust.

Some companies chose schools where there was no leadership from principals and staff and little community involvement. Gradually they became frustrated with the one-sided relationship.

The Adopt-A-School programme was launched to "harness the collective goodwill and potential of commerce, industry and the private individual to the task of raising the quality of life of the community by improving the level of education".

The path did not run smoothly at first and it is only now, says the director, Mrs Cynthia Hugo, that "a co-ordinated pattern is emerging from the confusion. It is not so much of a hit-and-miss affair now".

Records are kept of adopted schools and their parent companies. It still happens that companies adopt schools without informing the programme or the Department of Education and Training but, fortunately, it does not occur too often.

"Companies who want to adopt a school come to us and are given a list of schools with their priorities and needs. We discuss the extent of their commitment and try to 'marry' them to the right school.

"It must be a mutual commitment. Companies must choose a school where the headmaster, the staff and the parent body are willing to become actively involved.

"After a period of probation the company decides whether or not the relationship is going to work. If not, it should feel free pull out and concentrate its efforts on a more deserving school."

The Adopt-A-School Programme hit upon a five-step plan which was "a synthesis of the experience of many hundreds of companies who had contributed to black education". The five steps involve:

- Formally deciding to participate in the programme, authorising a budget for this purpose and appointing responsible staff.

- Attending a briefing session to learn the details of the scheme and then selecting a school for adoption, guided by officials of the DET. "The choice of the school is probably the most important decision to be made," says Mrs Hugo. "Headmasters, staff and parents must be willing to play a role."

Wherever possible, companies are encouraged to adopt schools nearest to them. "In this way the adoption becomes a direct expression of the organisation's programme of corporate social responsibility and benefits the community most closely associated with it."

- Forming an adoption committee which includes representatives of the company's management, the school's staff and parents.

- Defining priorities and formulating plans for achieving these involving staff, parents and pupils of the school and officials of the department.

"It is most important that companies liaise with the Department of Education and Training to avoid duplicating work," says Mr Jaap Strydom, the DET's director of planning. "Some firms, for example, have provided the finance for a particular building when the Department of Education and Training has also budgeted for it."

Kodak, which has adopted a school in Soweto and one in Alexandra, has sensible advice to companies adopting schools: "Don't work for them, work with them."

- Implementing the improvement strategy and monitoring its success.

"It's most important that parent companies do not disturb the routine of the school," says Mrs Hugo. White schools, for instance, would never allow children to be taken out of their classes during school hours for presentations. These must be done after school.

"Proper appointments must be made with the headmaster. It is inconsiderate of sponsors to drop in at their schools without telephoning first."

Adopt-A-School is flourishing in Soweto. There is only one school in Alexandra which needs adopting and an Association of Adopted Schools has been formed there.

The programme was recently launched on the East Rand. Mr Dirk Scholtz, regional director of education for the East Rand, and his inspectors are enthusiastic about it. "Our relationship is excellent," says Mrs Hugo. "Their lists are completely up to date and telephone calls have immediate results."

The Adopt-A-School programme is spreading further afield than first envisaged. Many companies have adopted schools in rural areas. AECI, for example, has adopted the Dr M J Madiba school near Pietersburg after receiving a challenging letter from the headmistress, Mrs A Monyamane.

Mrs Monyamane made it clear she did not want charity but pointed out that many of her pupils' parents worked for AECI. She proposed that AECI match rand-for-rand the money the school raised.

"We were impressed. She is a special person," said AECI's group personnel manager, Mr Neil Natrass.

Mrs Hugo also reports that READ representatives in the Cape and Natal have been approached by companies wishing to adopt schools.

If you or your company are interested in adopting a school, telephone Mrs Hugo at (011)788-6833.

TEACH/
READ



ADOPT-A-
SCHOOL

Sullivan examines SA moves towards his labour code

Labour Reporter

A former American community and religious leader, Mr Dan Purnell, is in South Africa to investigate the operations of United States subsidiaries.

Mr Purnell is the active arm of the Rev Leon Sullivan, the creator of the Sullivan Code of Employment Practices which define how these subsidiaries should move towards equal opportunities for their workforces.

An articulate and humble man, Mr Purnell comes with the title of executive director of the International Council for Equality of Opportunity Principles Inc.

He makes an annual pilgrimage to South Africa to look into the operations of the Sullivan Principles here and report back to Dr Sullivan.

"I will talk to anybody — church leaders, community leaders, labour leaders — and I've found no difficulty in doing so," Mr Purnell says.

Subsidiaries are graded on certain criteria on the basis of the codes. They are said to be making good progress, making progress or needing to be more active.

Funding for the Sullivan operations in the US and in South Africa comes from the signatory companies on a voluntary basis.

But this in no way means that these firms have any say in the implementation of the principles, Mr Purnell says.

The present US draft legislation in the Solarz Bill results from a feeling that in spite of their government's policy of "constructive engage-

ment" towards South Africa the authorities here have been complacent in making movement towards change.

The forced resettlement of squatters has been widely publicised in the US and used by groups favouring disinvestment legislation.

Various labour and other reforms are still considered to be cosmetic, Mr Purnell says.

Dr Sullivan fully supports the Solarz Bill — it contains many principles he has been advocating for more than four years.

While in South Africa, Mr Purnell will deal directly with the representatives of various US firms which are signatories to the Sullivan Principles.

Mr Purnell will also meet non-signatory US companies in South Africa and hopes some of them will soon join.

He sees three major reasons for these subsidiaries not committing themselves to the Principles:

- Firms feel they are too small and therefore not relevant to the operations of the Principles.
- Some firms feel the report-back process is too laborious and not productive for their South African operations.
- Other firms just are not interested in the Principles at all.

(57) (S) (S)
SA firms do
not sit back'

CAPE TOWN — South African companies had a better record than America when it came to helping black industrialists, the acting general manager of the Small Business Development Corporation (northern region), Mr A M Kedzierski, told the Nafcoc conference yesterday.

Mr Kedzierski said he was amazed that Nafcoc had been unable to get more companies to allow black-owned companies to manufacture under licence or to sub-assemble.

"I have spent many hours trying to convince overseas companies to give work to our industrialists — especially those companies who make speeches about their assistance to the less privileged sector of our economy.

"There seems to be a massive difference between what some, especially American, companies say and what they actually do.

"We have met with better success with the South African-oriented companies and even smaller companies," Mr Kedzierski said. — Sapa.

Refused to toe the line

Sowetan
57
5/8/83

A MAMELODI woman who was assigned to train a white woman to be her supervisor has resigned in protest.

Mrs Elizabeth Lebala terminated her services this week after she was told "to either train a newly employed white lady or do what you think is best for you."

Mrs Lebala told The SOWETAN that she had nothing against training her new colleague but found it odd to train someone to be her supervisor at a later stage. She said trouble started when she enquired why, suddenly, the company

felt a need for another person to run the beauty counter she had been in charge of. She said she was told that she was incapable of doing the job properly.

Mrs Lebala said she became aware that her only fault was being a black person.

When The SOWETAN contacted the manageress, Mrs Grace, she confirmed Mrs Lebala's resignation but said her statement was untrue and that it was motivated by personal matters. She however declined to comment further.

Bongi's flair has put her on top

Sweetan
8/8/83

By SINNAH KUNENE

Bongekile Mbili's flair for figures has taken her right to the top. She is head of the administrative section of Ebony Management and Secretarial Services, a black-owned company which aims at developing all black-owned and run businesses to a competent level.

Publicity-shy Bongi spends her time figuring out and planning business strategies for various businessmen, while she also administers the work of six staffers in her department.

She receives clients' business information from the directors and allocates it to the clerks. She also has to review the work, analyse and interpret financial statements and make necessary recommendations to the directors who complete a detailed report for the client.

Bongi worked for an auditing firm for 29 months, and during that time she studied commerce with the Univer-

sity of South Africa. She completed her B.Comm. degree last year, but her thirst for advanced education has urged her to study tax law, a 12-month university course. This is an in-depth study on income tax, State duty donations, etc.

Born in a family of five in Natal, and with both parents and three sisters in the teaching profession, Bongi believes her instinctive urge to learn has been inherited. She believes in spending her free time on constructive matters. For instance, time wasted while one is held up in traffic after work could be used at the library and later transport, which is often faster, can be used, she says.

Bongi is a typical Tauran, always determined to reach her goal. She went to school in the Golden City, and being separated from her family was a secondary issue, though like any



MS BONGEKILE MBILI: Manager of administrative section of Ebony Management and Secretarial Services.

other scholar (she admits) she would have liked to share her schooling tasks with the family.

Although she had no insight into her present kind of career, she imagined herself playing around with numbers and becoming involved in business. The 1976 unrests at Fort Hare University brought her back home, but her perseverance and determination helped her reach her goal.

Her advice to students, especially those doing correspondence courses, is: "Try to do all assignments and

make sure you go through the whole syllabus before preparing for exams. For, if you lag behind, you may be cheating yourself."

Bongi adds that there is a bright future ahead for black women and more opportunities are opening that only need to be explored.

"The idea is to be yourself and never give up until you are assured that you've reached the peak," she says confidently.

Having male colleagues under her supervision, Bongi has not for a moment felt uncomfortable. She also gets co-operation without having to scream for it and treats her staff in like manner.

Regarding black businesswomen, Bongi advises that they should not sit back and let their husbands run the show. She says there are financial houses which offer courses for owners of small businesses and they should make use of such facilities.

PLEASE IS A...
national phone calls.

EMPLOYEE BENEFITS

New idea from Ford

Worthwhile insights into the advantages of trade union involvement in the provision of employee benefits have been given by Fred

Financial Mail August 12 1983

Fen 19/8/83

Ferreira, director of industrial relations of the Ford Motor Company of SA.

In a recent speech to the Institute of Pension Consultants and Administrators, Ferreira dealt at length with the problems that many companies — including Ford — have faced due to black employees' opposition to government's pensions preservation legislation.

While Ford's experience with the pension issue could generally be described as "tragic," he said, the opposite applied to union involvement in the provision of medical aid benefits.

Ferreira said that during 1980 the company was approached by unions representing mainly coloured and white employees. They proposed that hourly-paid employees be allowed to resign from the Ford medical aid plan and join another which called for significantly lower contribution rates.

"The end result of these negotiations was the disbandment of our own plan, which provided identical benefits to all employees regardless of position or race within the company, and the linking up with two separate plans — a white plan and a non-white plan, administered by the same organisation.

"While the vast majority of black and coloured employees are now members of the non-white plan, they are provided with the option to join the white plan and thereby qualify for superior benefits at higher contribution rates.

"I believe that in our anxiety to establish non-discriminatory medical aid programmes, we have in fact created material discrimination," he went on.

"The employee reaction was, therefore, possibly motivated by the view that non-white members were subsidising white membership. Despite the lack of medical services in the non-white residential areas, compared with white services, this claim is often disputed — although it still has to be disproved."

Ferreira said this new arrangement has had a number of interesting consequences: "Firstly, as a result of union involvement, there was a decrease in both employee and company contributions. At the same time, the demand for refunds where no claims were made was dropped.

"Secondly, the concept of different benefit structures for different employee levels was found acceptable. It is doubtful whether this action would have been possible if it had been implemented at management insistence.

"Thirdly, for the first time, union officials, rather than company employees, gained access to the management committees which run the two plans. Therefore, these officials now share in the responsibility for the development of benefit levels, contribution rates and general administrative matters. This arrangement reduces the heat on management to provide better benefits and to maintain contribution rates at current levels in the face of escalating

costs. This is especially true in view of the fact that we no longer run an in-house plan."

Ferreira said that while Ford does not negotiate, in the true sense of the word, on a number of employee benefits, the company is prepared to discuss any aspect of its various plans with trade union officials.

"Their comments and suggestions for improvement have proved to be of value in the past and in certain circumstances have led to change," he said.

Codes of Conduct

South Africa and the Corporate World

by Renate Pratt



Maureen Paxton

One of the consequences of the Sharpsville massacre of 21 March 1960 was the unequivocal demonstration of the importance to South Africa of foreign capital and technology. The international business community feared internal chaos and their confidence was severely shaken. 1960-61 recorded a net outflow of \$194 million of private foreign capital and a complete halt to new investment.

The South African government and its international friends recognized the extreme vulnerability to which the white economy was hostage if foreign investment was to stop.

During the months following the Sharpsville massacre the IMF, the World Bank and a group of American financiers secured major loans for the troubled South African government. Within a short time the economic situation was stabilized, and with the South African government demonstrating a new determination to crush any opposition to apartheid, the confidence of the international business community returned. Massive foreign investment resumed, neutralizing any internal and international pressure on South Africa to abandon its racist policies.

There is no record that foreign TNCs claimed at the time that they viewed their role in South Africa as one that would bring beneficial changes for black South Africans.

The post-Sharpsville shock and the fear that events at any time might lead to a spontaneous withdrawal of foreign investment was so persuasive that the American financier, the late Charles Engehard, founded the American-South African Investment Corporation which offered to underwrite foreign investment in South Africa. At the same time South African and foreign corporations founded the South African Foundation to improve South Africa's image abroad. Ever since, the South African Foundation has arranged annual visits to South Africa for opinion makers in industrialized countries judged to be susceptible to appeals for acceptance of South Africa's racist policies. Foundation offices in most western capitals cultivate links with business leaders and governments.

From 1960 to 1980 the South African Government implemented most of its oppressive legislation: the banning of all black opposition parties under the Unlawful Organizations Act, three separate security laws permitting detention without trial for 90 days, 180 days and for indefinite periods, the creation of the powerful Bureau of State Security (BOSS, now renamed the Department of National Security), the creation of the now infamous Ministry of Information, and laws banning all effective organizations and many individuals

for fundamental change. The "lands" policy was accelerated, driving more and more black South Africans of their citizenship and millions of black South Africans were forcibly removed from their homes under the Group Areas Act.

There is no evidence that foreign investors protested or modified these harsh and inhuman measures. The apartheid system and foreign investors served each other's interests. The investors contributed greatly to the sustained economic growth enjoyed by white South Africans. In turn, to the degree that repression was successful, it provided a "stability" that was attractive to investors.

By 1979, total investments by foreign TNCs in South Africa was \$22.8 billion (US). The major sources of these investments were in order of importance: the United Kingdom, the US and West Germany. The rate of investment continues to be high. In 1981, for example, US investment comprising some 350 companies, rose by 13.3 per cent, with a combined book value of \$2.63 billion.

By comparison Canadian investment is small. In 1979, according to the latest statistics available, Canadian controlled Canadian investment stood at \$60 million, up from \$44 million in 1978. It is noteworthy that Canadian investment in South Africa by foreign controlled companies is higher — \$88 million in 1979, representing a decline from \$109 million in 1978. Thus in 1979, the combined total of South African investment, both Canadian and foreign controlled, was \$148 million.

Among the most important Canadian companies investing in South Africa are: Alcan, Bata, Cominco, Dominion Textile, Falconbridge, Ford Motor Company of Canada, the Hudson Bay Company, Inco, Massey-Ferguson, Moore Corporation, Noranda's Wire and Cable, Placer Development, Quebec Iron and Titanium, Seagram and Rio Algom. Rio Algom and the Hudson Bay Company have investments in Namibia. Some 28 companies are involved.

In addition 59 US and 32 other foreign controlled companies whose parent companies have major investments in South Africa and who at times use Canadian facilities for export or for technological transfers to South Africa are operating in Canada.

Although the actual Canadian investment is small by comparison with other states, the high level of corporate concentration in Canada and the resulting interlocking directorships between these companies and Canadian banks with South African loans, render these companies and banks extremely influential. For example, the 28 Canadian

companies with operations in South Africa share among themselves and the big five Canadian banks, 90 interlocking directorships.

Post Soweto

The uprising in 1976 in Soweto and in many other black townships, the murder of Steve Biko while he was in police custody, and the South African Government's callous and harsh responses to these events, created an international scandal and caused deep embarrassment to South Africa's friends abroad. Within a year Western governments and their corporate investors in

There is no evidence that foreign investors protested or modified the harsh and inhuman measures enacted by the South African Government in the 60s and 70s. The apartheid system and foreign investors served each other's interests.

South Africa realized that the relationship of TNCs to the racist regime was increasingly and effectively challenged. Something had to be done to assuage the international outcry. A formula had to be found which would permit rhetorical condemnation of the South African Government but which would avoid a condemnation of companies for their continued involvement with the apartheid system.

Thus, for the first time in the history of South Africa, foreign investors actively began to portray themselves as potential agents for change. A rush of codes of conduct appeared during 1977 and 1978. These were initiated separately by the EEC Foreign Ministers, the

Canadian Government and by a private effort on the part of the Reverend Leon Sullivan, a director of General Motors of the US.

Each of these codes enjoin TNCs operating in South Africa to improve the wages, benefits and working conditions of their black employees, desegregate facilities, pay equal wages for equal work, accept black union activities and free collective bargaining, assist with housing, education, training, and generally contribute toward a higher living standard for their black workers. All codes are voluntary. Companies were asked by the initiators of the individual Codes to report on the progress made in their implementation.

The first and only thorough published report came in 1979 from the British Department of Trade and it constituted a devastating indictment of conditions in many of the 184 English companies which reported. Under the Thatcher government no further reports naming companies were published.

In other countries of the EEC, reporting is sporadic and vague. For example, in West Germany only 46 companies out of 187 responded to a government questionnaire in 1980 and 1981, and the matter is not pursued.

The Sullivan Code of six principles is the most tightly written and precisely worded. It requests a commitment by a signatory that the company will proceed immediately to implement the principles and that they will report every six months with a clear definition of each item to a unit established for this purpose. Out of 350 companies operating in South Africa, 149 or less than half have signed this pledge.

It is interesting to note that the wording of the six principles was checked with the South African Ambassador before publication. Where one of the principles would have committed companies to seek modification of existing South African laws and customs, the wording was changed on the Ambassador's advice to refer only to a modification in *working conditions*.

A tale is told by Elizabeth Schmidt in her book *Decoding Corporate Camouflage* which is worth repeating for Canadian readers.

In order to assess the implementation of the Sullivan principles, Arthur D. Little, a major consulting firm of Cambridge, Massachusetts, analyses and summarizes the compliance data gathered from US companies who have signed the Sullivan Code. It was an odd choice.

A.D. Little has more than a passing acquaintance with apartheid. For over a decade this firm had economic and managerial links to Space Research Corporation (SRC), a Canadian-US

aments company. During 1977-78, SRC had made its highly coveted technology available to South African arms manufacturers and had illegally shipped some 53,000 extended range artillery shells to South Africa. According to the Rutland Herald, A.D. Little had acquired 50 per cent ownership in SRC in the mid 60s. In September 1968 four A.D. Little executives joined the Board of SRC. A few years later A.D. Little bequeathed its SRC holdings to its own holding company the Memorial Drive Trust. The chief Executive Officer of Memorial Drive Trust, Jean de Valpine, was chairman of the Board of SRC until 1977. The Trust fund remained a major shareholder until 1978 when SRC became the subject of a grand jury investigation in the US. American opponents of apartheid expect little from the Sullivan Code exercise.

The "Canadian Code of Conduct" was published by the Government in April 1978. It was one of a variety of measures announced in December 1977 designed to phase out all "Government-sponsored commercial support activities in South Africa." The timing of these measures is important. In January 1977 Canada had taken its turn on the UN Security Council where it played a crucial role in warding off a resolution for mandatory sanctions against South Africa because of its continued and illegal occupation of Namibia. To make Canada's support for the establishment of the five-nation contact group of states (Canada, UK, France, West Germany and the US) more convincing, to negotiate a settlement for Namibia, Canada needed to demonstrate credible anti-apartheid policies before engaging in what were to become four years of fruitless and concessionary negotiations over the future of Namibia.

The Canadian code, written after consultation with the appropriate Canadian companies and other groups, is the most feeble of all the codes. Like all the others, it is voluntary. Its reporting requirements are so vague that in 1981 and 1982 only one company of 28 initially named submitted a report (Alcan).

Responding to a parliamentary question on October 14, 1981, the Secretary of State for External Affairs said:

"annual public reports which the government believes should be made by companies on their implementation of the code of conduct are intended to provide pertinent information to interested Canadians. The extent of progress in realizing the objectives

of the code is a matter for their (interested Canadians) judgement."

Reports issued in earlier years by some Canadian companies to External Affairs were neither analysed nor published. No one has been asked to do so.

Questioned in July, 1981, about the progress made by companies in implementing the Canadian code, the Secretary of State confessed that the code was unsatisfactory and that he had asked for a revision. By March 1983 no new code had been issued.

The "Canadian Code of Conduct" is the most feeble of all the codes. Like all the others, it is voluntary. Its reporting requirements are vague and reports issued were neither analyzed nor published.

Limitations of Codes

No one can be against a code of conduct that seeks to establish the decent management practices and equitable industrial relations to which the various codes of conduct appeal. But the leap from this limited appeal to the beliefs and the hopes expressed in the Canadian and Sullivan codes "that they will contribute to the general economic welfare of all people in South Africa" is extremely misleading. So much so that the Swedish Government has dissociated itself from these time consuming public relations efforts and refused to issue a code of conduct. Instead, since 1979 it has legally prohibited all new Swedish investment in South Africa and

Namibia and has prohibited loans and other capital exports.

In Canada, the repressive practices of Bata Limited in its Kwazulu Shoe Factory in South Africa have come to light not because of any reporting on Bata's application of the Canadian code, but because the South African union which Bata refuses to recognize in violation of the Canadian code provided a detailed report earlier this year. Because of the entirely voluntary nature of the code, no consequences arise for any company that does not implement or report its practice.

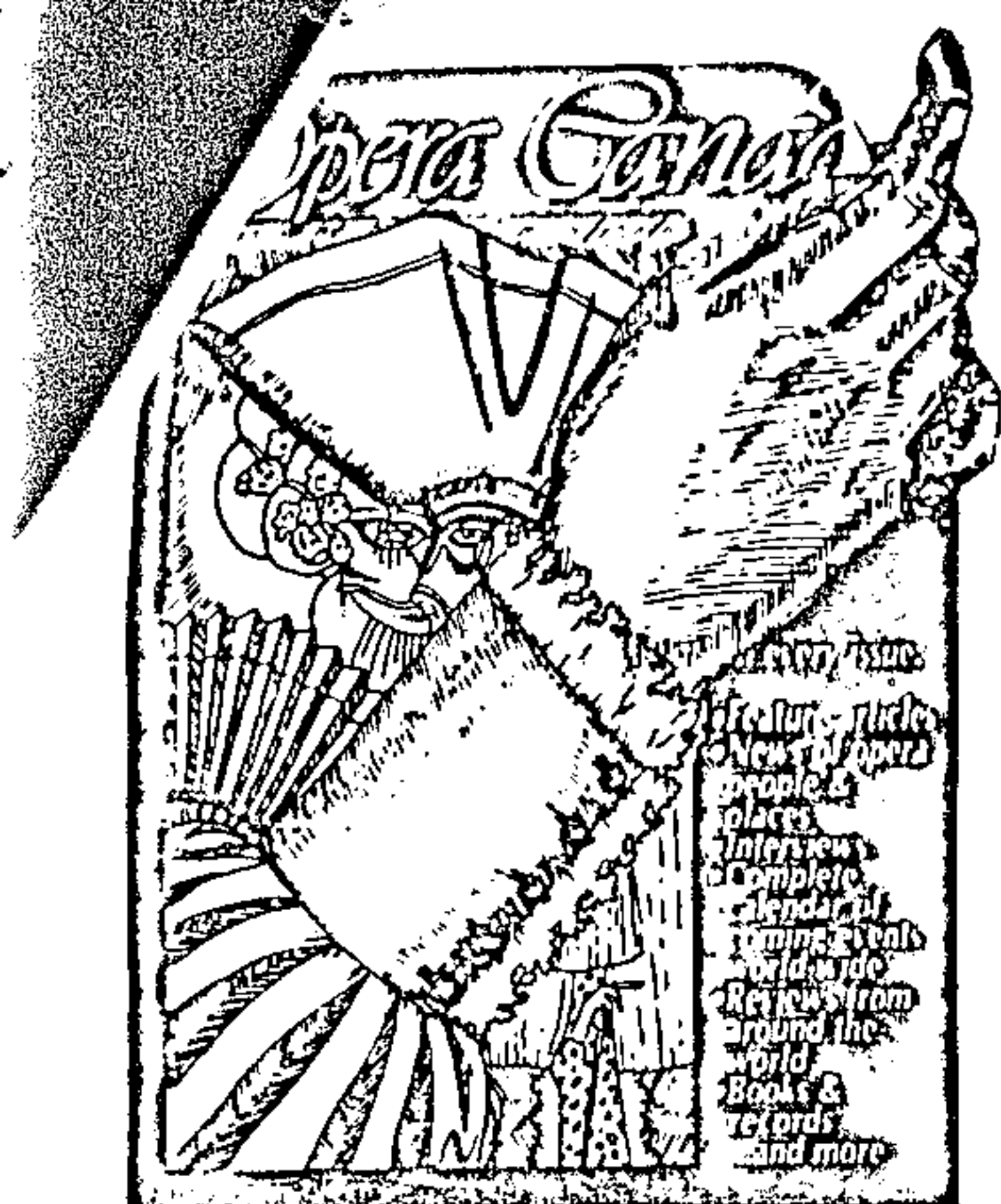
Furthermore, the Ford Motor Company of Canada, much praised for its application of the code in its South African operations, continues to supply, under contract, vehicles to the military and police. This direct and continued collaboration in oppression renders inconsequential any limited value a code of conduct might otherwise have. The Ford example is symptomatic of the ways in which TNCs continue to be involved in the fundamental structure of apartheid and the South African regime's preparation for its defence.

To make sure of the continued collaboration of foreign, including Canadian companies, the South African government has recently passed two laws. The first was a direct and immediate response to the rush of codes of conduct. In 1978, coinciding with the first report on the implementation of the Sullivan code, the government passed the *Protection of Business Act*, "to restrict the enforcement in the Republic of certain foreign judgements, orders, directions, arbitration awards and letters of request; to prohibit the furnishing of information relating to business in compliance with foreign orders, directions or letters of request; and to provide for matters connected therewith."

Second, in 1980 South Africa passed the *Key Points Act*. This provides that the Minister of Defence may declare any company a Key Point and require the storage of weapons and the training of a company militia unit in preparation for the defence of company equipment and premises. The penalty for non-compliance is \$25,000 or five years in prison for company executives. A number of Canadian investors, including Alcan, Ford and Rio Algom are caught in this designation.

In addition, *The National Procurement Act* originally passed in 1970 was pointedly displayed. It was a reminder to TNCs that in emergencies the state will require production and delivery of goods it deems strategic. In the event of non-compliance companies will face a take-over.

None of the codes of conduct



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address themselves even obliquely to measures such as these which ensure the continued collaboration with the directives of the apartheid apparatus. Indeed, in regard to the Ford Motor Company's compliance with the *Key Points Act*, the Canadian Government in a letter to the Task Force on the Churches and Corporate Responsibility, speculates that the Act is required for Ford South Africa's own security, that it is seen to be in the public interest; and that non-compliance would be deemed to be in breach of South Africa's defence regulations. The Government's acceptance of the link between a Canadian company and the South African military and police could not be clearer.

Finally, none of the codes address themselves to the operations of TNCs in Namibia. Canada, for example, has a small corporate presence in Namibia and there was some vague desire expressed in 1977 to extend the Canadian code to Namibia. This intention was dropped when Canada joined the contact group of states. The Canadian government seems to accept the South African administration in Namibia because Canadian companies there are allowed to deduct from their Canadian taxes corporate income taxes paid to the illegal regime. This policy for example, will apply to Rio Algom which has a 10 per cent interest and membership on the board of directors of the Rossing uranium mine. Rossing, like the Key Point Industries in South Africa itself, has its own trained militia unit and a weapons cache to protect the company from Namibian claims. The policy also pertains to Falconbridge which has just sold its almost exhausted copper and silver mine, Oamites, but continues active exploration in Namibia.

These facts do not mean that no changes have taken place in the industrial sector of South Africa. The rapidly growing and increasingly automated manufacturing sector needs skilled workers more than it needs unskilled or "migrant" workers. Employers want a permanent labour force with acquired skills to be retained within the company. The demand for skilled and semi-skilled labour has seriously over-reached available white workers which had undermined the practice of reserving jobs for whites. The growing militancy of black workers has led to limited acceptance of black unions and to some improvement in wages and working conditions. Those who achieve these changes have paid dearly. Hundreds of union leaders and organizers have been detained and banned; several have died in police custody. The absolute gap between black and white incomes has not been reduced.

The circumscribed changes that

have occurred, however, have nothing to do with codes of conduct. According to a UN study for the Economic and Social Council of the Commission on Transnational Corporations (July 1981), these changes, mainly in the manufacturing sector, have taken place across the board. The foreign TNCs have records on wages and other industrial improvements no better than average for the sector as a whole including domestic South African companies. The UN study concludes that even with their own narrow parameters of fair employment practices the codes cannot claim to have made a significant contribution to improvement in wages or industrial relations. The study finds that the TNCs' contribution to South Africa's white economy, its technological development, capital inflow and the increasing diversification in the strategic and energy industry far outweighs any benefits brought to black workers as a result of the codes.

A code of conduct genuinely designed to become a "progressive force" would mean a challenge to the entire apparatus of apartheid. Apartheid is far more than racial segregation and unequal treatment of black workers. Apartheid is an all pervasive legal structure which consolidates wealth, power and privilege in the hands of the white minority. The black majority is by law disenfranchised, by law deprived of citizenship and controlled by a technologically sophisticated police and military state. The poverty and powerlessness of the black majority is no accident; it is designed to provide a continuous, large and dependent labour reservoir for the white economy. In the face of the total integration of TNCs into this structure and into its defence codes of conduct are irrelevant. At best they make a point about past and present employment practices and foreign corporations in South Africa. At a more cynical level, they provide Western industrial states and corporations operating in South Africa with a new rationale for continued collaboration with the system of apartheid. □

Renate Pratt is co-ordinator of the Task Force on the Churches and Corporate Responsibility. A version of this article was originally presented to the UN Seminar on the Role of Canadian TNCs in South Africa and Namibia in Montreal in December, 1982.



BAN JOBS APARTHEID,

SAYS NIC WIEHAN

(57) #16
City Press

6/11/83

CP Reporter

THE SOUTH African Government should outlaw racial discrimination in the labour market and make it criminally punishable. Professor Nic Wiehahn, said this week

Prof Wiehahn, who is attached to the Unisa school of business leadership and is chairman of the Wiehahn Commis-

sion, said that it was "embarrassing to admit" to the world community that despite the progress made in the labour field here, job reservation still existed in some circles.

He said job reservations have been exposed in the mining industry

and it was up to employers and trade unions to negotiate that it be phased out in terms of his commission's recommendation.

He said parliament will have to act soon to bring this industry into line with others in which racial discrimination no longer existed.

Discrimination based

on facts, race and colour should be outlawed and made criminally punishable, he said.

He conceded that he will be the last person to expect the legislature to do the impossible as he was fully aware of this matter in the mining industry and of the political vulnerability of the government.

"But I do not think that at the same stage, in the near future the legislature will have to make any further initiative to bring that industry into line with the rest where a statutory job reservation no longer exist."

ROM
8/11/83

Move to widen Sullivan code

57

By RICHARD WALKER

NEW YORK. — More than 100 American companies met last week to consider setting up a permanent anti-apartheid lobby in South Africa.

It is one of several proposals to extend the Sullivan Code of Conduct for US business in SA, and is being advocated by its formulator, the Rev Leon Sullivan.

An annual progress report reveals the six-year-old code is under stress, with the number of US companies committed to it down by 20% to 116.

The 29 deleted from the programme include Revlon, Champion Spark Plug, General Tire, American Airlines, Pan American and Trans World.

Most have been dropped through failure to pay an assessed participation fee, says Mr Arthur D Little, the company that rates the performances of Sullivan signatories. Of those remaining, 44% are deemed to be making progress and 6% given a failing grade.

Top marks go to Ford, General Motors, Mobil, Exxon and IBM. The failures include Firestone, Carnation, Olin Industries and Masonite.

Tomorrow, Mr Sullivan will be at Exxon headquarters to meet representatives of those still in the programme.

The big question, says Mr James Rawlings, Union Carbide's chief in South Africa, is "whether we try to make more of a splash" by operating collectively. "We've come to a kind of crossroads."

As well as the proposal for joint lobbying, Mr Sullivan is expected to suggest that signatory companies deal only with South African suppliers sympathetic to the code's principles of equal treatment and opportunity for all workers.

A major prod has come from militant trends in Congress against American business in South Africa. Of particular concern is a Bill to ban all new investment and require every US company not only to abide by the Sullivan Code, but also to report progress to the State Department.

Though unlikely to become law, the Bill's approval by the House of Representatives is considered a significant achievement by SA's foes.

The Bill is a "bureaucratic monstrosity", impossible to enforce and "probably illegal", a Ford director, Mr William Broderick, has protested.

FOREIGN PRODUCTION SLUMPS

Parity plan to cost R400m Schoeman

Pretoria Bureau

THE South African Transport Services had moved strongly towards parity in the service conditions of white, coloured, Indian and black employees, the Minister of Transport Affairs, Mr Hendrik Schoeman, said in Durban yesterday.

Addressing the congress of the SAR Indian Staff Association, he said partial or full parity had been reached on leave, payment for public holidays, travelling concessions, salaries of certain higher graded posts and holiday bonuses.

Total cost of the five-phase parity programme would be about R400-million, he added.

The Minister also announced proposed staff cuts in the drive towards a

smaller and more efficient service.

By consultation with the staff associations and their support the administration had been able to reduce staff from 279 000 last June to 245 000 in August this year.

"And this was achieved without retrenching permanent or fixed personnel or temporary workers employed for more than two years."

The administration now planned to reduce personnel by another 8 000 by next March.

The minimum level would then be reached to enable transport services to cope with the increased volume of traffic that would be generated after the expected upswing in the economy.

not dead after another

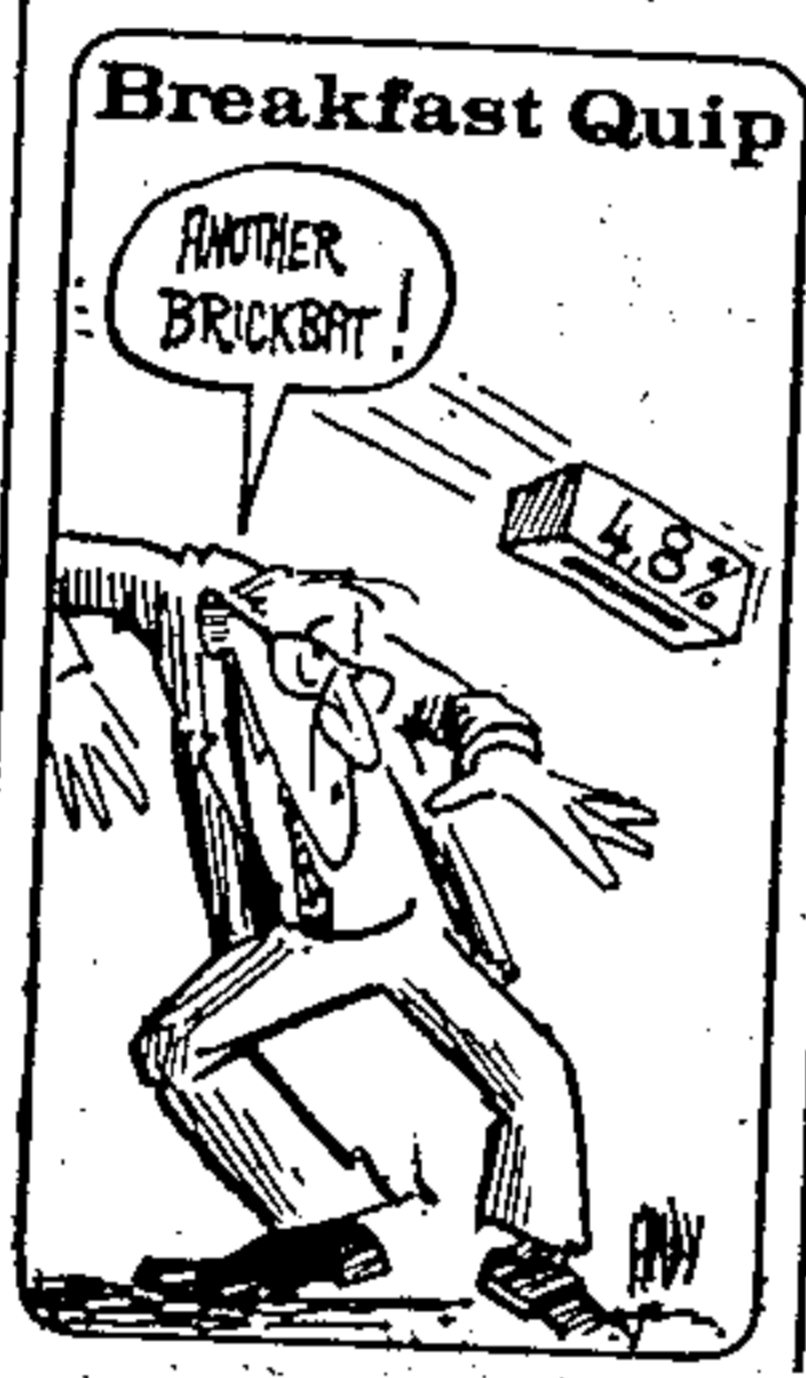
about 11am yesterday.

Mr Troskie, an office furniture salesman, was found lying on the carpet, his head in a pool of blood and dressed only in shorts.

Mr Brett was lying on his back across the bed, dressed in a fashionable blue overall, his fists clenched.

Acquaintances of the two men told police they had been seen arguing violently over a third person in a Hillbrow hotel on Wednesday night. Police are investigating.

● Picture — Page 2



about my family," Mr Van Deventer said.

Col Smit said he was "scared of nothing".

Yesterday he was not available at his home or office.

It was also established yesterday that Stander and McCall were served by the owner of the roadhouse next door to the Fontainebleau gunshop three weeks ago.

That was a week before they "sprang" their new teammate, Allen Heyl. Stander and McCall ordered a chicken but could not pay for it.

Police declined to talk about the progress of the nationwide manhunt, saying only that they would confirm that three men having a braai at The Fountains were mistakenly swooped on in one of several leads that turned into "wild goose chases".

The men — mistaken for the three escaped and heavily armed convicts — were seen near The Fountains in Pretoria. They were camping out and a white car was parked nearby.

The description sounded right: Stander, Heyl and McCall were last seen driving a white Cortina XR6 Interceptor with false number plates and with camping equipment in the back.

But the men, whose peaceful braai was interrupted by sudden heavy police activity and subsequent apologies, were only some of the victims of false but well-meaning reports to police yesterday.

Police have now drawn even more men into the search, but they know that Stander, the rogue ex-police captain, knows it's only a matter of time before pressure of work forces the police to cut back on the manhunt.

course at the Personnel Service the Reeva Forman Trophy leadership and academic re Permanent Force. She was SADF, Major-General H D V servicemen and Permanent

Bureau cuts th

By PHILLIP VAN NIEKE

THE Department of Co-operation in Pretoria declined to comment on the case of a coloured man reclassified black, because he has no number.

Mr Thomas Sechel, who has now been identified as a Bophuthatswana citizen because he is not a Bophuthatswana travel document holder.

Mr Sechel is Afrikaans-speaking and has never been in Bophuthatswana.

A spokesman for the department yesterday he could not comment because Sechel had no identity number and no document of his uncle, Mr Richard Sechel, was that of a coloured man.

Without an identity document the department was thus unable to locate Mr Sechel's records.

Mr A Bayne, the department's corner for Johannesburg, said he had never seen Mr Sechel. "Why does he run to the papers?" he said. "Why doesn't he come and sort it out here?"

Mr Sechel, who was reclassified

Apology to

THE Rand Daily Mail apologises to subscribers who did not receive their paper yesterday — or got it late. A mechanical press fault significantly delayed publication.



South Africans were in the majority of well-to-do advantageous, the large dairy products can only be "While a moderate intake of others.

full cream milk, among fats, like butter, cheese and taining saturated animal by consuming food con-blood could be increased the cholesterol level in the problem can arise where healthy person's diet but a ally irreplaceable in a "Dairy products were virtuo-products.

rate confusion about dairy points should help elimi-The board said the following up programme.

in the diet, after a follow- the role of dairy products siderable confusion about grammes there was con-received after the pro-cording to information it However, the board said ac-disease".

eating habits and heart the general public about were intended "to inform, televised programmes, and in particular the two "Heartweek" campaign, programmes, said the viewed about the recent ern Africa, when inter-HEALTH FOUNDATION OF

Spotlight on US firms

after Press
27/11/83

UNITED States companies in South Africa came under heavy fire this week — for their lack of effective black management training following Sullivan Code findings that a number of them no longer support the code.

The annual progress report of the Sullivan Code reveals the 20 percent of companies have abandoned it over the last six years.

Those out of the programme now include Revlon, Champion Spark Plug, General Tyre, Pan American and Trans-World Airlines.

"There is very limited commitment from these companies in their training of black management — at least there's no commitment visible," said Martin Sebesho, president of the Black Management Forum.

Mr Sebesho has become the latest addition to the growing number of voices critical to these US companies — criticism which surfaced recently in the influential New York Times and the US Congress with calls to ban all new investment.

Also to require every US company in SA not only to abide by the code but also to report progress to the US State Department.

But in a wide-ranging examination of the effects of the code, which aims to raise opportunities for black workers employed by US companies in South Africa,



● MARTIN SEBESHO ... "you're never going to be given political power".

ranks: inferior education, the lack of business culture among blacks, resistance among whites and the fear of senior blacks that they will be labelled as sellouts by their colleagues," said the newspaper.

Mr Sebesho did not hide his disappointment at whites who claimed there were no black candidates for managerial jobs in these companies: "we have a lot of people with potential who are unemployed at the moment."

He also pointed out that those blacks with managerial potential were faced with a multi-faceted problem.

"You are never given political power but you usurp it. With economic power you have to gain it. We have to look at a number of strategies," he continued.

This brought Mr Sebesho to the oft-repeated accusation that black managers were used as buffers against the country's masses in their struggle for liberation.

"Yes we are going to be buffers. But in this case we are spying on the enemy"

Sullivan Code drop-outs slated

By ZB
MOLEFE

the New York Times concede that thorough application of the code had led to many gains

for black workers.

But the newspaper also pointed out that most of these companies knew that their biggest challenge lay in the need to move blacks into

managerial ranks.

"White managers trot out a litany of claims to defend their failure to come up with black candidates for promotion through management

ONCE blacks become aware of their oppression and exploitation by whites, they will develop a black consciousness which eventually leads to black nationalism.

"This is the point we have now reached in South Africa. One does not need communism as an explanation of what is happening at the moment," declares Swaziland's Head of the

Black man, you are STILL on your own

'ZB MOLEFE reviews a new book on apartheid

grabs the reader by the scruff of the neck.

For example: "South Africa is still bent on a course which will plunge the whole of the sub-continent into a state of primordial chaos".

And finally it is the church and its role that worries Bishop Zwane. The accusation levelled at it in the critical situation of Southern Africa is its apparent inability to speak and act re-

Sullivan in SA probe

Soretan 7/12/83

THE Reverend Leon Sullivan, author of "Guideline Principles for American Companies Operating in South Africa," is investigating ways of allowing black trade unions to monitor the code.

The Sullivan Code, drawn up seven years ago, spelt out principles of equal pay, equal opportunity and improved facilities for black workers in South Africa.

According to a recent report issued by the United States Information Service (USIS), Mr Sullivan told a Washington Press conference that black trade unions were "the most important force emerging in South Africa for peaceful change."

Mr Sullivan, head of the Opportunities Industrialisation Cen-

tre, has been invited to explain his principles at the International Confederation of Free Trade Unions (ICFTU) meeting in Germany next year, specially convened to "evaluate ICFTU's support of the black unions in South Africa."

The USIS report quotes Patrick O'Farrel, director of the African-American Labour Centre, as saying he "strongly believes that companies should not be the sole arbiters of compliance or employee involvement with the Sullivan Code."

PE bosses urged to close wage gap and train workers

By LOUIS BECKERLING
Business Editor

A SOMBRE warning that the yawning gulf between the living standards of whites and blacks in South Africa should be closed was issued yesterday by Mr Wally Life, American-born president of the Midland Chamber of Industries.

Echoing an injunction earlier this year to Port Elizabeth businessmen from the US Ambassador to South Africa, Mr Herman Nickel, Mr Life observed that failure to close this gap would lead to rejection of the free enterprise system.

Mr Life's comments came during his presidential report to the MCI annual meeting.

"Any company with an investment in South Africa has to ask itself the question whether this large disparity between the living standards of the whites on the one hand and the blacks on the other, is not a source that will breed rejection of the free enterprise system with potentially disruptive consequences.

"I think that most South Africans agree that it is not desirable to have such a large disparity between the living standards of the various groups that make up this country.

"If this is so, who is to take the initiative to close the gap between the two

extremes?"

Observing that South Africa ranked 35th in terms of world population, 24th in terms of gross domestic product, and 18th in terms of passenger cars in use, Mr Life said it was no surprise that with such important rankings — "which in fact understate the importance of SA as a market" — that the world expected South Africa to have achieved the same ranking in the field of social and political development.

"But averages tend to mask the two wide extremes. Many of South Africa's 4,7 million whites have a standard of living as high, or higher, than that enjoyed by North Americans and West Europeans.

"They have sophisticated consumer tastes and operate within a modern industrialised economy.

"The black population largely lives at a level which in many respects is equal to that of the inhabitants of the low-income Third World developing countries and it is this perspective that complicates comparisons."

Noting that income and living standards could only be raised by enriched working situations, Mr Life said simple redistribution of wealth would not solve the long-term problem of closing the gap.

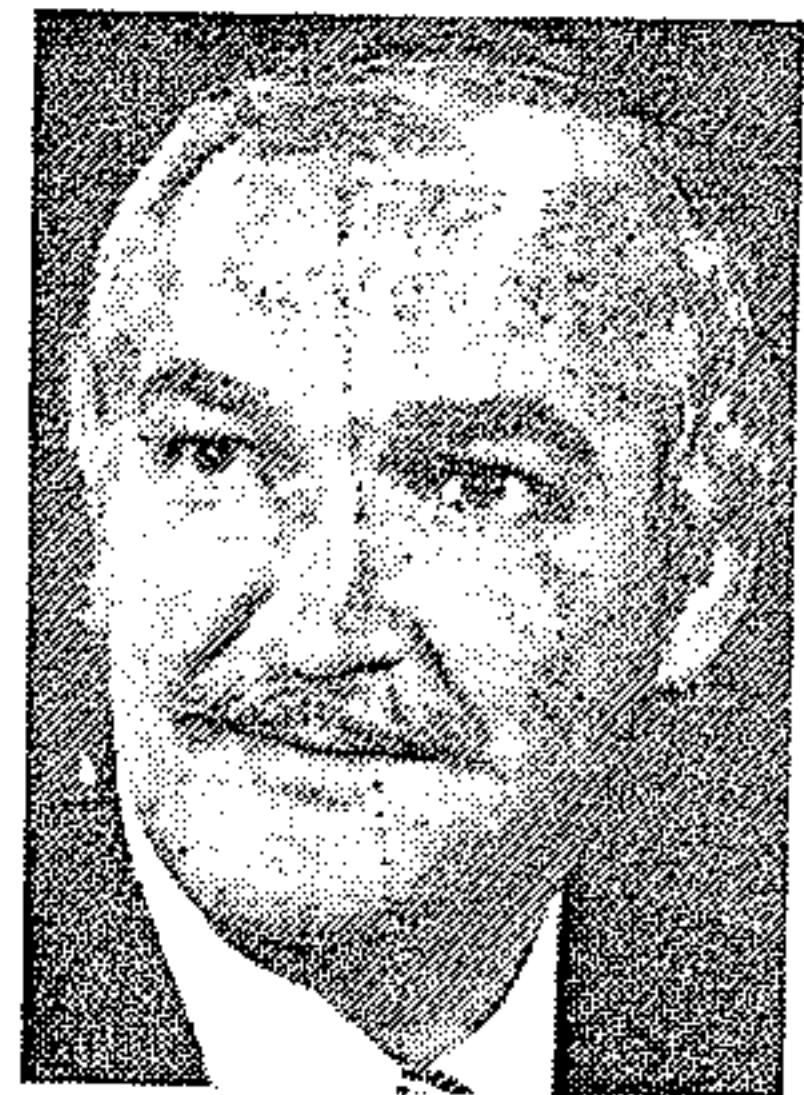
"Only sustained growth in wealth generation can achieve this. Closing the standards of living gap can only be achieved through improved education and more work opportunities for more people."

Accordingly the Midland Chamber of Industries, undertaking its responsibilities in this regard, would establish a "special task force to optimise all the available training facilities that its members have".

"We will ask MCI member companies to increase the number of openings for courses they are conducting by 25% and make extra places available to matriculants who are not employed.

"In this way we will be able to show the workforce of the future that we believe in training, that we want them to gain experi-

ence in the environment of industry, so that when a job opportunity does occur they will understand how private enterprise works and thus will be better prepared to contribute to its stability."



MR L BRITZ has been appointed manager of Santam's Port Elizabeth Branch.

BACKED

3

57

E. Post
7/12/83

UK
social
structure

Gallo agrees to equal pay for women

By STEVEN FRIEDMAN
Labour Correspondent

THE Commercial, Catering, and Allied Workers' Union (Cawusa) has signed an agreement with Gallo (Africa) which will ensure that women doing the same work as men receive the same pay.

The union also described wage increases negotiated between it and employers as "perhaps the best this year".

Cawusa also said yesterday it had reached an agreement with wholesalers Makro which would increase pay for all workers at three of the company's outlets by R50 a month.

At Gallo, a Cawusa spokesman said an agreement signed yesterday would raise the pay of workers earning R100 a week or less by R8,25 a week. Those earning between R100 and R150 would receive an R11-a-week rise and those earning above R150 would get R13,50 extra.

He said the agreement was valid for six months. The two sides would negotiate a further increase in mid-year.

The spokesman said pay discrimination between men and women workers would now be eliminated.

Before the agreement, the minimum for women had been R2 a week lower than that for men, and women earning the minimum would therefore receive a R10,50 a week increase, he said.

A company spokesman, Mr Malcolm James, confirmed the agreement and said about 300 workers were covered by it.

He added that the difference between men and women's pay had, in the past, been much greater than R2 a week, but the company had been moving towards pay equality between the sexes for some time.

"The agreement therefore completes this process, which was initiated by the company", Mr James said. He added that about 5% of the company's women workers were doing the same jobs as men.

At Makro, the R50 increase will apply for the whole of next year and is the result of a verbal agreement between the company and the union. A formal wage agreement is due to be signed soon.

The increase covers the company's outlets at Pretoria, Amalgam (Industria) and Germiston. It is understood that minimum wages will rise by about 22%.

A company spokesman has confirmed the agreement.

FAIR EMPLOYMENT ~~REPORT~~
FROM
1984 - 1985

- AREA A: Bellville, The Cape, Goodwood, Johannesburg, Randburg, Simon's Town, and Wynberg,
- AREA B: Camperdown, Durban, Inanda, Paarl, Pinetown, Port Elizabeth, Sasolburg, Uitenhage, Alberton, Benoni, Boksburg, Brakpan, Delmas, Germiston, Kempton Park, Krugersdorp, Nigel, Oberholzer, Pretoria, Randfontein, Rodepoort, Springs, Vanderbijlpark, Vereeniging, Westonaria and Wonderboom.
- AREA C: Bloemfontein, Kimberley, Klerksdorp, and Pietermaritzburg, and the municipal area of East London.
- AREA D: Kroonstad and Worcester.
- AREA E: Municipal Areas: Bethlehem and Ladysmith

... and in the job queue

Cape Herald By Portia Maurice

EQUAL job opportunities for all. Is it fact or fiction?
Job discrimination along racial lines has been a feature of South African society for centuries, and even in this, the age of the new constitutional proposals, it has not disappeared.

Despite proclamations by many business companies that job reservation no longer exists, a Cape Herald survey of employment notices in an afternoon newspaper has shown that at least a quarter of all these advertisements cater only for a specific race group.

The Dairybelle Corporation, which does business in many black areas, recently advertised a vacancy for an experienced and mature telesales lady — with the important condition that she be a "European".

POLICY

When asked to comment on this peculiar preference, a Mrs Coates, who was to interview the applicants, said: "It is company policy to employ only whites in the head office. I don't know the reason for this, but those were my instructions, and I just followed them."

Once the explanation became too difficult to handle, she offered to refer me to her boss, but after a few minutes a disgruntled Mrs Coates returned to say that the company had no further comment to make on the matter.

Mr Dawood Khan, chairman of the Western Cape Traders' Association, said: "Dairybelle is not affiliated to us precisely because of this kind of attitude."

Later, after speaking to the manager of the company, Mr Khan said: "He claims that the advertisement was a mistake, and has given me the assurance that he will withdraw the racist conditions it involves — but I don't believe a word he says."

DISCRIMINATION

"If the company continues with this kind of filthy discrimination, there will be no alternative, but to call for a black consumer boycott of their products."

A similar example was an advertisement for a meat market manager for Kanhym Karoo Limited — addressed to "coloured matriculants".

Mr Peter Warnich, an employee of the company, said only coloured applicants would be considered for the job because "we want to give them a chance to improve themselves".

"We have many stores in Checkers shops in coloured townships, and the whole operation there is under the control of coloured management. This is Checkers' philosophy, and it avoids problems."

It would seem then that job discrimination is still very much in force. Employment opportunities are by no means equal, and it will need much more than a new constitution to make the necessary changes.

but men nature called — and with it came humiliation. I entered their spotlessly clean loo area and immediately noticed the signs on the doors. Well, it was difficult not to see the big, bold letters.

I was quite clear about the "White Male", "White Female" part. But what on earth, I wondered, did they mean by "NE Male", "NE Female". No, I thought, I'm sure it doesn't mean North-Eastern".

Suddenly, the solution dawned on me: "Of course, it's that old favourite: Non-European". And the store was simply practising that old Government favourite of separate but equal facilities.

I did what I had to do and returned to the shop, bitterly angry that a business, which relied on the custom of everyone

... and in the surf

By Portia Maurice

IS it important to know the colour of a man's skin when he is on the verge of death? Some lifesaving-types seem to think so.

Mr Norman Sauls, 25, from Paarl ran into difficulties while bathing at Koggelbaai early on Monday morning. Members of the Koggelbaai Surf Lifesaving Association were called in, but by the time they had reached the scene, Mr Sauls could not be found.

"Mr Sauls went into the water with a tube, but when he started to panic, he deserted this apparatus. This was his biggest mistake," says one of the life-savers.

"We searched for him for about two hours, but could not find him. One of our members came within 15 metres of his body, but his reel was too short, and he could not rescue him."

HELICOPTER

The life-savers asked a Mr Williams, a council worker on the beach, to call the John Rolfe helicopter services to retrieve Mr Sauls' body.

But the first question which the pilot of the plane asked when contacted was: "Is the man black or white?"

Perhaps the answer to this question would determine just how quickly the pilot would react to the situation," the lifesaver suggested. "Or perhaps he asked merely as a matter of interest?"

The John Rolfe helicopter services could not be contacted for comment on the matter.

to make a profit, should humiliate many of its clients in this way.

Checkers has many stores in so-called coloured group areas like Westridge, Athlone and Hanover Park, and I thought it strange that they discriminate against those who support them.

However, I refused to let the matter rest. Still seething, I telephoned Checkers head office in Cape Town and asked the group's executive general manager (Western Cape), Mr LR Clencher for an explanation.

EMBARRASSED

He sounded embarrassed.

"The signs were put up by the builders," he said. "And I was not aware of it. But I can assure you, they will be taken down immediately."

Asked whether the signs had been put up on the instructions of Checkers, he said: "I am not aware of any such orders."



BOLD perspex signs on the doors gave clear directions: White Female; NE Female; White Male; NE Male.

Yes, apartheid was thriving — in the loos of the new Checkers branch in Plumstead.

My brush with this little ogre some people here call petty apartheid started innocently enough with a shopping expedition to the store "which saves you more".

Mr Van den Heever says: "We will not be bribed into joining a multi-racial body. We save lives, but there is more to it than that. We are non-racial sportspersons, and as such, we cannot isolate sport from the broader struggle within the country."

APARTHEID STORES

By Nazem Howd
57
C. Heever
5/1/84

PRESSURED

The Koggelbaai Surf Lifesavers' Association are also complaining that they are being pressured to join the predominantly white Surf Lifesaving Association of South Africa (SLASA).

Mr Jacques van den Heever, a member of the club, said although the club is not affiliated to Sacos officially, it supported Sacos policy.

Mr Van den Heever said he received an anonymous telephone call from a woman suggesting that his club join SLASA for "more money and better equipment."

By Malcolm Fothergill

After a year in which Toyota increased its market share without introducing new lines, MD Mr Colin Adcock is confident everything will keep going right for South Africa's premier motor maker in 1984.

Among big developments in the pipeline are the launch in April of at least four new trucks in the Hino and DA Super Dolphin range, the probable launch of a front-wheel-drive Corolla late in the year and a move into making components.

Details of the move into components will be announced "fairly soon", but plans for the next car launch are being kept under wraps for the time being.

Mr Adcock makes no secret of his end-of-1985 target — 25 percent of total SA vehicle sales. This might sound ambitious, but given Toyota's steady growth since the late 1970s it need not be beyond reach.

An idea of how quickly it has grown: in 1973, when it was basically a commercial vehicle operation, it sold 6.5 percent of all passenger cars. By November 1983 (the latest figure available) it held 20.4 percent, against 18.6 percent a year earlier.

NOWHERE NEAR LIMIT

Its share of the total vehicle market had grown to 22.7 percent by November, against 21.6 percent in November 1982, while its share of the total commercial vehicle market remained 27.4 percent.

Is the company not approaching the limit of its market penetration? Mr Adcock thinks not.

"I don't believe there needs to be a point at which we have to stop growing. In any market, you reach a point where it's hard to increase your

It's not often one comes across someone like Dennis Etheredge, an academic turned businessman — almost by accident — who rose from part-time clerk to chairman of the world's most powerful gold mining group.

And, somewhat surprisingly, he is the archetypal favourite uncle.

He shows no outward sign of the power which his position as head

Big developments in pipeline

Toyota driving for 250% of the market



MD Colin Adcock... no stopping growth

market share, but we're nowhere near that point yet," he says.

Reasons for Toyota's success? Mr Adcock lists them as producing highest quality for lowest price, which implies getting the production line running smoothly, and marketing.

He also notes that except for Renault, every other car maker has at least three lines, against Toyota's two.

He believes that far from being an advantage extra lines could dilute his competitors' marketing efforts while denying them some economies of scale.

Much of Toyota's efforts in the coming year will be to establish its Super Dolphin trucks, which at 10 to 15 tons capacity will slot in above its present F series.

The long-term aim is to achieve in trucks the same position in South Africa as Toyota has internationally — No 2 to Mercedes-Benz.

Again, the target looks well within range. In the first month after the F series was introduced last year, Toyota moved from eighth to third

in truck sales charts.

A long-time fighter for equal pay for equal work, Mr Adcock is proud that pay and promotions at Toyota have been based on merit only since 1973, the year after he took over.

Inter-racial friction has been all but non-existent, he says, but the chauvinism of many South African men has caused some problems.

"I'm not really a philanthropist. At the end of the day it's a business decision — in return for better pay I expect better productivity."

Quality circles, introduced at senior levels and moving down the line, have reached middle management, including shop floor black supervisors.

KEEPING THEIR JOBS

Next, Mr Adcock hopes to move towards another Japanese idea — guaranteed lifetime employment.

Black men tend to favour "last in, first out" during hard times, he says. But in the 1977/78 recession, Indian women who make Toyota's seat covers all asked to work short time

rather than have anyone sacked.

On the national scene, Mr Adcock believes gold will improve slowly in 1984, finishing the year above \$400.

He also expects American interest rates to ease, bringing a small improvement in the rand/dollar rate.

Since exchange rates began floating in the early 1970s they have caused headaches for companies like Toyota which deal daily in foreign currencies.

If Toyota SA made no attempt to correct the swings in foreign exchange rates it could theoretically lose R17 million a year. So it closely watches exchange rates, buying forward where necessary to protect its position.

"We don't aim to make money out of managing our currency; we just aim to match our budgeted targets."

Mr Adcock, who rates 1983 as the most fascinating year of his career, expects to see "real growth across the board" in the second half of 1984, after a pedestrian first half.

American's size is omnipotent.

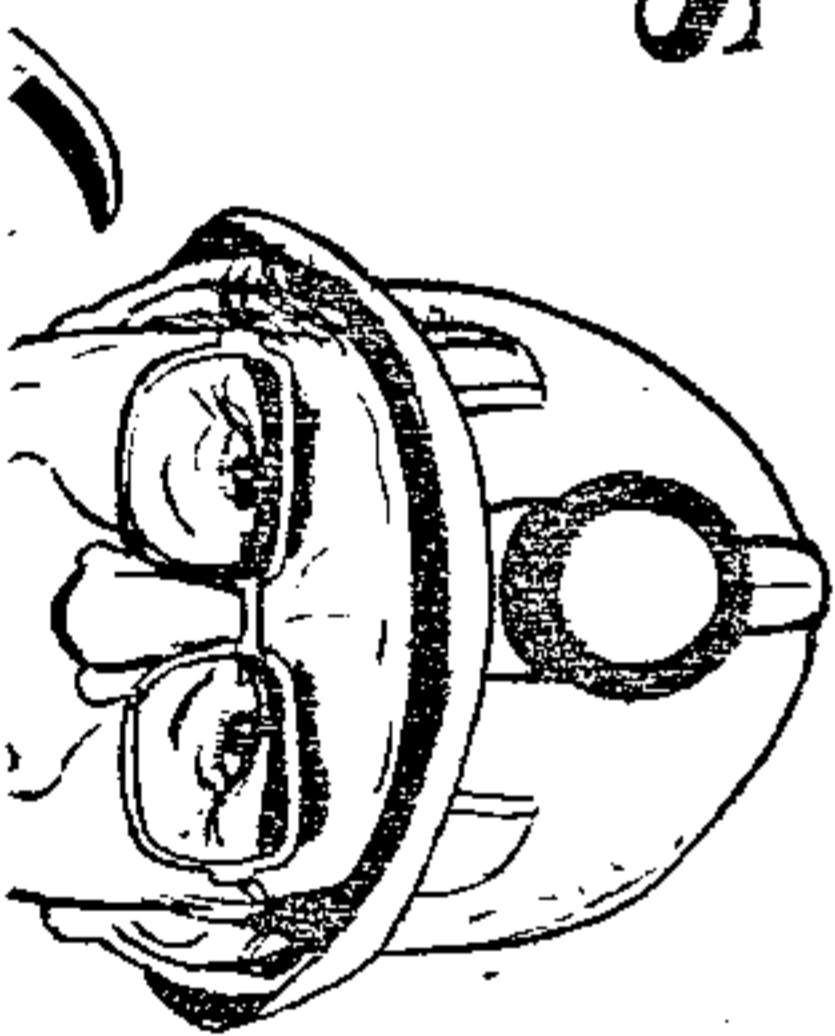
But, he says, the big companies and, ultimately, the people who control them, can have little impact in politics — unless individuals are ready to forsake all and join the party they believe will bring change. "Businessmen of goodwill, however important, can do very little in direct political matters."

For this reason he has played no part in the political arena since his

Etheredge's

retirement

will lead



Volius's most powerful gold mining group.

And, somewhat surprisingly, he is the archetypal favourite uncle.

He shows no outward sign of the power which his position as head of Anglo American's gold and uranium division commanded.

His retirement last week will therefore leave a much more difficult space to fill than might otherwise have been the case.

Mr Etheredge's career has been well documented, from his active days as secretary of the United Federal Party in the then Southern Rhodesia through his efforts during the "Zambianisation" of the Copperbelt.

He is a director of many organisations, ranging from president of the Bureau of Literacy and Literature to the Atomic Energy Corporation. They mainly embrace his longstanding commitment to improving the quality of life for all races.

Predictably, retirement will not entail a withdrawal from the public stage. In many ways he will probably be busier now than ever before.

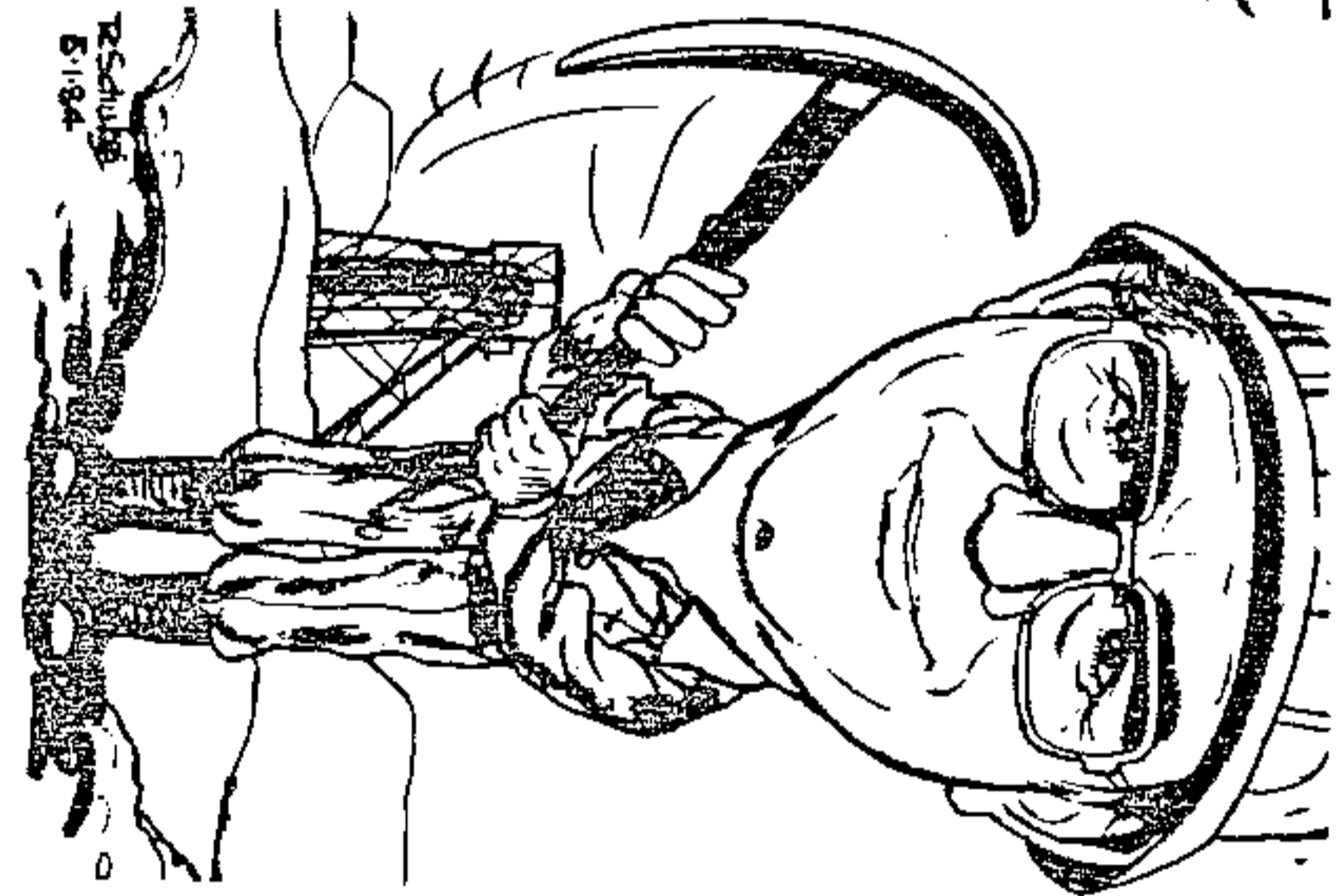
In fact, he still has something up his sleeve — that cannot be revealed at this stage — which will involve becoming chairman of a rather influential organisation.

Given his continuing commitments he feels the aspect of Anglo he will miss most is his secretary. "I will now have to do all my own filing, buy my own stamps and pay my own telephone bill."

Not one to be put off by new challenges, he went to pay his 'phone bill

Retirement will lead to busy new role

Mr Denis Etheredge retired at the end of 1983 as chairman of Anglo American's gold and uranium division. Peter Farley spoke to him about his contribution to South African mining.



Denis Etheredge... hanging up his pick and shovel.

the other day for what must be the first time in 20-odd years. "I was amazed how easy it was."

But that is the lighter side of a man respected worldwide for his honesty and professionalism.

As a regular speaker at international gold and investment conferences, he is often accorded the accolade of being at the top of his field.

But he has no illusions about such a billing being ephemeral.

Recently asked to address yet another conference later this year in the US, he politely declined and sug-

gested selection of someone closer to the pulse.

Candid as ever, Mr Etheredge says: "I no longer matter." While some of one's experience is relevant for a long time, he says, "a lot of it becomes outdated very quickly."

His early days with Anglo, amid the torrid politics of Southern Rhodesia, taught him a lifelong lesson.

He says there are many illusions about the power of big business. Many people believe, and often expect, that a corporation of Anglo

politics — unless individuals are ready to forsake all and join the party they believe will bring change. "Businessmen of goodwill, however important, can do very little in direct political matters."

For this reason he has played no part in the political arena since his return to SA from up north almost 10 years ago — and has no intention of becoming more active.

One certainty: he will not be playing any golf in the few spare moments he will get during retirement.

With good reason he well remembers December 15 1975, about 5.15. He had just completed a round of golf at Vaal Reefs gold mine's Orkney course as the last fourball in a hit and giggle tournament — where the men and women play together.

He returned to the clubhouse with a meagre eight points. Bad enough to have come last, but then the final blow — to be told his wife had won with 38 points. Enough to make even the mildest chauvinist hang up his clubs for good!

Other occupations during the next few years — as if he doesn't have enough already — will be keeping a closer watch over the trout farm he runs and more careful tending of his collection of Japanese miniature bonsai trees.

Certainly few men can deserve a break as much as does Mr Etheredge. His wife Meg will readily agree.

But there is no doubt that those whom he leaves behind at Anglo would rather see him back at his desk on Monday morning.

Sacking after racist job ad

C. Herald 12/1/84
THE giant Dairybelle Corporation has fired a woman employee who last week placed a racist job advertisement on behalf of the company, in a daily newspaper.

The advertisement, which invited "mature European ladies" to apply for a post of telesales lady at the Corporation's head office, was condemned by Western Cape Traders' Association chairman Dawood Khan.

"If the company continues with this kind of filthy discrimination, there will be no alternative, but to call for a black consumer boycott of their products," Mr Khan said.

Earlier, the woman who placed the advertisement — a Mrs. Coates — had told Cape Herald: "It is company policy to employ only whites in the head office. I don't know the reason for this, but those were my instructions and I just followed them."

But this week, Mr Martin Henning, general manager of Dairybelle's Western Cape operation said: "Mrs Coates was talking nonsense. She had only been with the company for a few months and perhaps she didn't know. But it is not Dairybelle's policy to discriminate on the grounds of race, colour or creed."

TERMINATED

"She acted on her own and when I found out what she had done, I gave instructions for her employment to be terminated immediately."

"In the first place, she had no right to place the advertisement. It should have been done by the manager."

Mr Henning said more than 60 percent of his company's workforce consisted of blacks.

"And not all of them are labourers," he said.

"We have black managers, clerks, secretaries, fitters, dairymen and mechanics. When it comes to work, the only thing which matters to me is ability."

Mr Henning added that he was "upset" that Mr Khan had seen fit to lash out at the corporation.

"He is well aware of our employment practices. His attack on us is nothing more than an attempt to further his own political aims."

"But I would like to challenge him to state openly how many members of other ethnic groups — whites — his organisation employs. I'm prepared to bet that the answer will be none."

Call to end SA business apartheid

57 ROM 19/1/84

Financial Reporter

RACIAL discrimination should be eliminated from South African business says the Association of Chambers of Commerce (Assocom) in its submission to the President's Council on the provision of amenities for all races.

It says South Africa should have a single, integrated economy based on private enterprise and should not be restricted on the grounds of race or sex.

Assocom points out that the effects of discriminatory practices are most evident in the transportation and tourism industries.

It recommends that transport, national museums, parks and theatres should be open to all races and that this should include all facilities connected to such amenities.

Amenities such as hotels and restaurants, sport and entertainment facilities open to the public, but pri-

vately owned, should be subject to certain minimum levels of control.

"The permit system, in whatever legislative guise, should be eliminated and it should be left to the discretion of the individual to decide to whom they will make their facilities available," Assocom says.

"Restrictions imposed on the use of certain amenities, together with the inadequacy of similar amenities for other race groups, may result initially in overcrowding and subsequent friction.

"For this reason, Assocom realises that all restrictions should not be lifted simultaneously and recommends that their removal should be phased in to allow for orderly change."

Alternatively or in addition to this, the association recommends that owners of facilities should be encouraged to charge for their usage.

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Employers in mos-
of South Africa's key
industries - mining, me-
talwork, transport, ener-
gy and distribution -
have been hit by the
workers' actions.

Unionists and labour
observers attribute the

and recession and infla-
tion have hit the poor-
est section of the popu-
lation hardest.

But they have warned
that the new constitu-
tion and the Black Tax
Act have increased the
focus of workers on the
country's political situa-
tion and what their taxes
are spent on.

More than 20 000
workers have so far
downed tools this year in
a strike-wave that has hit
bosses at, among others,
AECI, Coca Cola, Impala
Platinum Refineries,
Wynne Rubber Compa-
ny, OK Hyperama, Riet-
spruit Collieries, BMW,
Pick 'n Pay and Spar. A
host of other small firms
have been hit hard.

SA Allied Workers'
Union general secretary
Sam Kikine said the
industrial relations si-
tuation was "tense".

One industrial rela-
tions expert said the
strike-wave confirmed
patterns of recent years.

Workers are willing to
use the strike weapon,
despite the insecurity
created by the econo-
mic recession, in solidari-
ty with sacked collea-
gues and in the fight for
higher wages.

Kikine said that
"since employers voted
'yes' in the referendum,
they feel they are safe
and can do what they.

IMPALA RACIST, SAYS UNION

CP Reporter
City Press

THE National Union of
Mineworkers has accused Im-
pala Platinum Refineries -
which sacked about 1 400
striking miners - of being
racist and encouraging racial
insults between black and
white workers.

In a statement, the
Union's general secretary, Mr
Cyril Ramaphosa, said the
sacking of the miners "em-
bittered our entire member-
ship and will make them
more militant against the
managements in mining in-
dustry in future".

Impala Refineries sacked
the workers after they had
been on strike for four
days over the dismissal of
seven colleagues and after
they had claimed that white
supervisors called them kaf-
irs. The workers left the
company on Wednesday.

In a hard hitting state-
ment Mr Ramaphosa said
that the entire workforce
stood strong against ma-
nagement, which "when
faced with black opposition
to racial abuse . . . decides
to fire black workers."

Meanwhile about a thou-
sand miners at Rietspruit
Collieries near Witbank are
on strike in protest against
the dismissal of a colleague.



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YOU. YOUR WIFE. AND OUR CHILDREN.

Three reasons why you need



Thatcher visit sparks off controversy

The wages paid to black workers by foreign firms in South Africa are a fertile field for propaganda but have also been a powerful pressure point on the social conscience of business.

Renewed attention has been focused on this controversial issue by the visit to South Africa of Mr Denis Thatcher, husband of the British Prime Minister.

Mr Thatcher is a director (non-executive) of a local motor components manufacturer, subsidiary of a British concern, which has been picked out as one of those companies paying a major part of its black workforce significantly less than the minimum laid down by the European Economic Community code of conduct for employers.

SENSITIVE SPOT

Twelve years ago black wages, whether those paid by local or overseas firms, were very much a domestic topic which caused few ripples outside South Africa. Then, in 1973, a British journalist, Adam Raphael, touched a sensitive spot in some consciences in Britain with a series of articles on the deprived living and working conditions of blacks employed by some very large British firms in South Africa.

As many as eight out of 10 black workers employed by British firms in South Africa in 1972 were paid a good deal less than the established minimum level needed to keep a family going, Raphael claimed.

The pressure was on. The political roadshow got into gear and the labour practices of overseas firms operating in South Africa became an

Pressure renewed on SA labour codes

Labour codes aimed at improving black pay and working conditions often generate heated argument. But they seem destined to stay and continue attracting attention, even to the point of having the husband of the British Prime Minister fly out to South Africa to investigate allegations of low pay in a firm of which he is a director. ANTHONY DUIGAN reports.

uncomfortably public topic.

In 1977 the Rev Leon Sullivan, US civil rights activist, initiated the now well-known Sullivan Principles which laid down a code of conduct for the 300 American firms operating in South Africa.

Shortly afterwards the European Economic Community (EEC) drew up a code of employment practice for British and European firms in South Africa.

Both codes have seven broad principles covering the following:

- Recognition of black trade unions.
- Elimination of segregation in the workplace, including integration of toilets and canteens.
- Improvement of fringe benefits for black workers and equal conditions of employment for all races.
- Equal pay for equal work and a bottom wage well above the laid-down minimum living wage for a family.
- Initiation of training programmes to upgrade black worker skills.
- Emphasis on increasing the number of blacks



Denis Thatcher ... put spotlight on SA.

in managerial positions.

● Special financial aid for housing and other facilities to improve the workers' quality of life outside the workplace.

The Sullivan Code has had the biggest impact so far as a result of its author's high profile in US political and business circles and the annual monitoring of the signatories to the code.

To date more than half the US companies — close to 200 — have aligned themselves with the code. The EEC code, in a much lower key and without the intense focus that American companies have to endure, has not made the same headway

although most major European and British firms have aligned themselves with the principles of the code.

DISCRIMINATION

Many black trade unions believe they are either toothless (in the sense that they are non-compulsory at this stage) or do not go far enough in practically eliminating the effects of real racial discrimination in the work place.

On the other hand many local businessmen have no commitment to these codes or the local version — drawn up by the Urban Foundation and representatives of employer bodies — seeing them as outside interference at worst or as being too general to bother about at best.

Still, they have had a marked effect on South African business, believes Mr Reinald Hofmeyr, director in charge of industrial relations at Barlow Rand, one of South Africa's major employers of black labour.

"The codes have achieved much in fields such as non-discriminatory pay and promotion policies, developing black managers and upgrading black education," he wrote in Leadership SA.

As for Mr Thatcher's company, Quinton Hazell Superite, the wage scales of its black workers are currently being reviewed by Mr Thatcher and his co-directors, according to

a statement from the company.

This follows adverse publicity in Britain over a long period about QHS pay levels which are below the bottom line (about R430 a month) set by the EEC code.

At the same time the company was paying its workers of all grades "considerably in excess" of the rates agreed on by the motor industry, a company spokesman said.

The codes have pros and cons and cannot solve South Africa's problems but there is little doubt they have pushed employers to move faster than they might have to reform labour practice by acting as both catalyst and model.

COMMUNALISM'S FAILURE

FROM SAM MABE IN WEST GERMANY

FRANKFURT — The Reverend Leon Sullivan, author of the Sullivan Principles, admitted before an international labour conference held in West Germany at the weekend that his principles were too weak and had failed to effect any meaningful change for black workers in South Africa.

He was addressing about 100 trade unionists from all parts of the world at a conference where the International Labour Movement examined the apartheid laws and problems faced by black trade unions.

A Baptist priest in Philadelphia, USA, and member of the board of directors of General Motors, Mr Sullivan said his principles failed because companies were under no obligation to subscribe to them. He said he was going to fight for the passing of a legislation that would make it mandatory for all American companies operating in South Africa to apply the principles in their firms and to be penalised for flouting them.

The conference, organised by the International Confederation of Free Trade Unions (ICFTU), was also attended by four South

African trade unionists representing the Media Workers' Association of South Africa (Mwasa), Commercial, Catering and Allied Workers' Union of South Africa (Ccawusa), the Council of Unions of South Africa (Cusa) and the Federation of South African Trade Unions (Fosatu).

Mr Sullivan said that being black in South Africa meant being subjected to the most dehumanising applications of laws in the world, and being stripped of dignity, self-worth and honour. His principles were an attempt to influence US companies in South Africa to abide by the same employment standards as those in the US.

Among others, the principles advocate an increase in the number of blacks in management and supervisory positions and the improvement in the quality of employees' lives outside the work environment in such areas as housing, transportation, schooling, recreation and health facilities.

"It was my intention that the principles would become a catalyst for change throughout

South Africa in business as well as other private and public places and that they would have a substantive effect in moving other companies in South Africa from other nations and South African companies in similar actions.

"I have never imagined or assumed that the principles alone could bring about an end to apartheid," he said.

He said the least any company operating in South Africa could do was to live up to the highest standards of social responsibility possible, and work to help change the inhumane system or they should be forced to leave the country.

"Let it be heard in the board rooms of the companies of the world that either they should shape up or ship out of South Africa," he added.

Mr Sullivan further called on trade unions of the world to join with churches, educational institutions and other public and private bodies to help in creating monitoring groups to enforce the principles.

He called for heavy penalties against compa-

nies which failed to comply with the principles.

He said union and pension funds should also be disinvested from companies refusing to recognise representative trade unions and where necessary, work stoppages and boycotts should also be effected.

Mr Sullivan appealed to the International Labour Movement to use its resources and educational capabilities to assist and protect the growing independent black trade union movement from destructive fragmentation and in-fighting.

"My friends of labour, the black workers in South Africa need the International Labour Movement to act on their behalf. You can help bring justice to South Africa non-vio-

lently if you act decisively now. I ask the ICFTU to swing the hammer of freedom with your resolutions and your actions."

Mr Herman Rebhan, general secretary of the International Metalworkers' Federation (IMF) said ever since the Sharpeville massacres, the conscience of the world has been affronted by the apartheid system. Around the world, there were people who like to pretend that trade union activity was somehow completely separate from political activity.

On the contrary, every advance in terms of trade union organisation by black workers is a defeat for apartheid. Mr Rebhan said he rejected calls that there should be a complete ban on visits to and from South Africa.

He said contact had to



THE REV LEON SULLIVAN: Code not working well.

be maintained with spokesmen and elected representatives of the black workers. Also, trade union delegations from Europe and North America should undertake visits to South Africa, though such visits were to be carefully prepared and undertaken on terms agreed upon with black unions.

Mr Rebhan went on to condemn the minimal coverage given by the English Press to trade union activity. He said foreign correspondents, by and large, knew little and cared less about trade union activity. He also condemned South Africa's continued occupation of Namibia and what he called "criminal" military incursions into Angola and Mozambique.

Chief praises motor giant

Veram
African Affairs (57)
Correspondent (142)

2/2/84
THE Chief Minister of KwaZulu, Chief Gatsha Buthelezi, has told the chairman of the Ford Motor Company, Mr P Caldwell, that his company had the courage to 'act out of its convictions' in labour matters before being 'pressurised' to accept trade unions.

Chief Buthelezi met Mr Caldwell and several international and South African directors of the giant United States company at Ulundi.

The Chief Minister said Ford had recognised black trade unions before it was 'the accepted thing' to do in South Africa.

He said trade unionism was 'vitally important' to the goals of liberation.

'But trade unionism loses its very particular value when it is regarded as the sole, or perhaps even the dominant vehicle of liberation.'

He urged Western industrialists to support organisations with a constructive and 'multi-strategy approach'.

More blacks holding middle-level positions

By Sheryl Raine,
Pretoria Bureau

The number of blacks holding middle-level jobs in South Africa has increased dramatically over the last 15 years, a Human Sciences Research Council (HSRC) study has shown.

The percentage of whites who hold clerical, sales, artisan and

supervisory jobs has decreased from 82 percent in 1965 to 66 percent in 1981 while the other population groups have more than doubled their participation in these fields

The falling percentage of whites at the middle-level of the country's manpower structure does not mean, however, that the actual number of whites in

such jobs has decreased, but merely that the proportion of whites to non-whites has decreased

Black men and women of all races have begun to play an important role at this level of employment.

In 1965, for example, only nine percent of clerical workers were black. By 1981 the percentage had increased to 18 percent.

The number of black foremen and supervisors has also increased. In 1965 only 13 percent of these posts were held by blacks but this had increased to 26 percent by 1981.

In 1965 about 88 percent of all artisans were white. This dropped to 73 percent in 1981.

Only 0,4 percent of those who were employed as artisans in 1965 were black. By 1981, six percent of all artisans were black.

Even more dramatic than the population-group shifts in the labour field are the changes in male-female ratios in middle-level jobs.

While 59 percent of the white clerical workers in 1965 were women, the percentage increased to 75 percent in 1981.

CLERICAL FIELD

The participation of Indian and black women in the clerical field increased more than six-fold during the same period.

According to the HSRC study these changes could have taken place because of a sharp increase in the number of pupils who obtained higher education.

The number of coloured pupils who obtained matric with university exemption increased at the highest annual rate — 14,5 percent a year — for the period 1970 to 1980.

The rates for Indians and blacks over the same period were 21 percent and 13 percent respectively.

The number of white matriculants with exemption increased at a rate of only 5,3 percent.

Although the number of trainees enrolling to become tradesmen increased from 10 800 in 1970 to 14 400 in 1982, the HSRC said there would still be a shortage of artisans in the short term.

• See Egoli on Page 11,
World section.

57

Star 16/2/84

Maize
The shortage brought about by unfavourable climatic conditions, will be met through imports.

Oil seeds
In view of the fact that production is largely dependant on climatic conditions, it is not the Control Board's policy to influence producers regarding their choice and quantity of production. The Department issues permits to the processing industries to import ground nuts, vegetable oils and oil cake where shortages occur. The commodities are imported at price levels which will not have an inflationary effect on the end product.

General *Hereward*
16/2/84
Agricultural exports
19. Mr M A TARR asked the Minister of Agriculture:

(1) What were the total exports of each of the agricultural products falling under the jurisdiction of the various control boards during the latest period of 12 months for which figures are available:

(2) whether any losses were sustained on the above exports; if so, what was the nature of such losses:

(3) whether any agricultural products were destroyed by the control boards during the latest period of 12 months for which figures are available; if so, (a) why, and (b) what quantities, in each case?

The MINISTER OF AGRICULTURE:

(1) Citrus: 25 million cartons.
Dried Fruit: 22 128 876 kg.
Deciduous Fruit: Total export value—R270 million.
Wheat: 157 000 ton.
Rooibos Tea: 61 294 kg.
Oliseeds: 3 ton groundnuts.
Potatoes: 108 000 pockets.
Dairy Products: 6 449 ton skimmed milk powder.

Bananas
13 700 kg
Skimmed milk
690 000 litre.

Official visits

138. Dr F A H VAN STADLEN asked the Minister of National Education:

Whether he paid any official visits abroad in 1983; if so, what (a) were the dates and was the (b) duration, (c) cost and (d) purpose of each visit?

The MINISTER OF NATIONAL EDUCUCATION:

(a), (b) and (d). A break in a private visit from 11 to 13 December 1983 and from 16 to 19 December 1983 was made to honour official obligations arranged by the Embassies in Israel and Italy respectively.

(c) 11 to 13 December 1983 - Israel—Nil.
16 to 19 December 1983 - Italy—R468 98.

Hereward *O. G. I.*
16/2/84 572517
Postmen
182. Mr A B WIDMANN asked the Minister of Posts and Telecommunications:

(1) How many (a) White, (b) Coloured, (c) Asian and (d) Black postmen were employed by the Post Office in the latest specified year for which figures are available:

(2) whether the salary parity programme has yet reached the stage where the rate of pay is the same for postmen of all population groups; if not, (a) why not and (b) when is it anticipated that parity will be reached; if so, what are the respective rates?

The MINISTER OF POSTS AND TELECOMMUNICATIONS:

(1) (a) 2 012.

(b) 1 101.
(c) 400.
(d) 1 485.
as at 1983-12-31.

(2) only as far as White, Coloured and Asian postmen are concerned. Although the wage gap between the aforementioned groups and Blacks is narrowed from time to time it is unfortunately not possible at this time to furnish a date on which full parity is likely to be reached. The applicable salary scales are as follows:

Whites, Coloureds and Asians

Witwatersrand, Pretoria and Durban = R4 446×312-5 070×429-7 644 (Plus 12%)

All other centres = R3 822×312-5 070×429-7 644 (Plus 12%)

Blacks (all centres) = R2 985×213-3 957×336-5 973 (Plus 12%)

Telephones

184. Mr A B WIDMANN asked the Minister of Posts and Telecommunications:

How many applications for telephones were outstanding in (a) each departmental region, (b) Johannesburg, (c) Cape Town, (d) Durban, (e) Port Elizabeth, (f) East London, (g) Pretoria and (h) Soweto as at 31 December 1983?

The MINISTER OF POSTS AND TELECOMMUNICATIONS:

(a) Western Cape	28 766
Eastern Cape	13 993
Transvaal (excluding the Witwatersrand)	45 739
Witwatersrand (including Soweto)	84 021
Orange Free State	10 489
Northern Cape	2 615
Natal	47 910

Changing face of black employment

THE impact of the Sullivan code on employment practices in South Africa has been outlined in a report from the American Chambers of Commerce in South Africa (Amcham).

"By 1983, of the approximately 350 American companies operating in South Africa only 147 had endorsed the code," observed Amcham in its report just published.

"These companies, however, employ over 71% of the total workforce employed by US companies. Of the balance, 21% work for companies over which the US parent companies do not have majority control.

The rigorous attention to the code's principles meant that by 1983 "99% of signatories reported fully integrated facilities, 100% reported equal pay for equal work with significant focus of effort on education, training, health, welfare, housing and black entrepreneurship.

"The extent of the effort is measured by reported expenditure in these areas: In constant 1983 dollars it increased from \$1.8 million (R2,25 million) in 1978 to

\$48.7 million (R60.875 million) in 1983, or, reflected in another way, from an average expenditure of \$35 (R43.75) per employee in 1978 to \$383 (R478.75) per employee in 1983."

In its report Amcham endorsed the principle that black workers could best secure a fair economic stake in South Africa by acquiring work skills.

The report provides some evidence of the success of such an approach, by noting that the black-white wage gap in South Africa was steadily narrowing.

From R3 for every R1 in 1980, the ratio of a skilled wage to an unskilled wage was now approaching 2.5:1, in comparison with the 2:1 ratio prevalent in the industrialised West.

According to Amcham nearly all American companies in SA now pay equal wages for equal work, and black real wages had increased by an average of more than 20% a year over the past four years.

This had come against a background of skills and literacy training.



Rev LEON SULLIVAN

In the Eastern Cape, for example, US and other companies had contributed \$1.6 million (R2 million) to build a technical college for blacks and a major contribution to the upgrading of black education was the School Video Project costing about \$2.5 million (R3.1 million).

Advancement of blacks had not been without its problems, confessed Amcham. In the 1970s American companies began open-

ing higher-level job opportunities to blacks. Most of these endeavours proved a sad disappointment.

"The vast majority of blacks in the workforce were inadequately educated."

Consequently most companies were engaged in ongoing efforts to upgrade skills and functional literacy.

Against this background, Government policy to teach blacks in their own vernacular, combined with inferior educational facilities seriously curtailed black potential to acquire satisfactory basic education.

Following student unrest in 1976, however, the Government had made significant changes and since 1979 parents have been able to select either English or Afrikaans as a medium of instruction for their children after the third year of schooling.

Furthermore, compulsory education was now being extended to blacks, the report said.

Black participation in

higher education has continued to grow. Of the 158 836 students registered in the country in 1982, 27.5% were black — an increase of 14.7% from 1972.

Vital to this process of educating blacks was an improvement in the quality and qualifications of teachers at black schools. Amcham was therefore giving top priority to in-service teacher training.

In addition the R7.5 million Pace Commercial College was entirely the creation of American business, the report said. Pace has 28 classrooms, a theatre-cum-assembly hall, a library, a kitchen and canteen, a gymnasium and a wide variety of other sports facilities.

Setting goals in employment practices

By Anthony Duigan

United States civil rights leader, Reverend Leon Sullivan, has stamped his personality very forcibly on the South African labour scene.

At least 120 American firms with more than 66 000 employees, two thirds of them black, coloured or Asian, have committed themselves to a code of employment laid down by Dr Sullivan seven years ago.

The Sullivan Principles, as this labour code is called, were initiated in the heat of debate that sprang up in the mid-1970's about the often low wages being paid by the huge multinational firms to their black staff in South Africa.

Initially a believer in US firms withdrawing from South Africa as a protest against the country's racial policies, Dr Sullivan was persuaded that blacks would benefit more if US firms took the lead in pushing exemplary labour practices.

Shortly after the Sullivan Principles were introduced the European Economic Community drew up its own code of employment practice for British and European firms in South Africa.

The latest report on the companies that have signed the Sullivan code indicates that 120 of the 280 US firms in South Africa have committed themselves to revising their labour practices. Last year 29 signa-

ries withdrew from the code and three new ones signed up.

Each year an audit of the code endorsers is carried out and in the latest report on these firms it was found that 67 were making progress in the way they had opened facilities and opportunities to their black staff.

Many trade unions believe the Sullivan and EEC codes — and a little-used South African code (inspired by the Urban Foundation and employer body representatives) — are toothless and do not go far enough in practically eliminating the effects of discrimination in the work place.

It is clear that local businessmen

regard them by and large as outside interferences in the market place. Nonetheless they have had marked effects on South African business, believes Mr Reinold Hofmeyr, a labour expert and director of a big multinational company.

"The codes have had a profound affect on the thinking of South African businessmen," he said in a recent article in Leadership SA. "They may not agree fully with the content of overseas codes but many of them are attracted by the concept underlying them — namely, that one should set oneself concrete goals in the employment practices field and then conscientiously measure one's progress towards the achievement of those goals."



New move on Sullivan Code

Star 57
4/4/84

By Neil Lurssen, The Star Bureau

WASHINGTON — The Rev Leon Sullivan, author of the fair employment code for American companies in South Africa, has launched a world-wide campaign to persuade 1 000 multinational companies to practice equal rights in this country and to take a stand against apartheid.

Mr Sullivan, who recently returned from Europe where he has promoted

his campaign, is also lobbying here for the Sullivan Code to become mandatory in US law for the 350 US companies in South Africa.

Many of the larger US companies already adhere to the code, but if a measure shortly to come before a conference of the US Senate and House of Representatives is approved, all will have to observe the code or face financial penalties in the US.

Mr Sullivan wants to extend his equal rights campaign to companies based in Europe and Japan.

He argues that US adherence, even if mandatory, is not enough to eliminate apartheid.

At a meeting here attended by Secretary of State Mr George Shultz, Mr Sullivan said he had met government, industrial and religious leaders in Europe.

"The beginning of a network of mutual interest has been established that, if developed, can assist in bringing about this world multinational effort," Mr Sullivan said.

He called on the US Congress to make the Sullivan Code mandatory, saying that it would influence the actions of companies and governments throughout the world.

Kidnapped tourists alive in Zambia?

HARARE — Zimbabwe has denied a rebel gang commander's claim that six foreign tourists kidnapped in Matabeleland were alive and being held in neighbouring Zambia.

"Zambia was consulted on the matter and the results were negative," Minister of Security Mr Emerson Munangagwa said in an interview with the Harare Herald newspaper today.

Mr Gilbert Ngwenya, head of a rebel gang alleged to have kidnapped the tourists on July 23 1982 told a court in Matabeleland on Monday that the two Americans, two Australians and two Britons would be freed if certain demands were met by the Zimbabwe government.

Mr Ngwenya, a former guerilla commander for opposition leader Mr Joshua Nkomo in the seven-year independence war, told the magistrate that if properties confiscated by the government from Mr Nkomo two years ago were returned, the six abducted tourists would be returned.

Mr Munangagwa told the Herald there was no evidence the tourists were alive in Zambia — Mr Nkomo's base during the war. — Associated Press.

Pik, Steyn meet for talks

Political Staff

CAPE TOWN — The South African Ambassador in London, Mr Marais Steyn, has started talks with the Minister of Foreign Affairs, Mr Pik Botha, in Cape Town.

Mr Steyn was recalled after the arrest of four South Africans in Britain, who appeared in a British court charged with illegally exporting arms to South Africa.

French pay tribute to Mark Raubenheimer

The Star's Foreign News Service

PARIS — About 500 people attended a concert here by four leading young French professional pianists in memory of their South African colleague Mark Raubenheimer.

Mr Raubenheimer (31) was killed in an air crash

in Madrid in December. Critics had predicted a brilliant future for the South African, who won the International Piano Concours at Santandar, Spain, in 1982.

The South African Ambassador in Paris, Mr Robert du Plooy, and about 40 members of the South African community here attended the concert.

Red navy flexes its muscle

The Star Bureau

LONDON — Large-scale Russian naval manoeuvres now taking place in the Norwegian Sea seem designed "to show the Soviet navy's ability to defend its homeland," the North Atlantic Treaty Organisation said.

The manoeuvres, the biggest seen in north Atlantic waters, are mainly concerned with practising anti-submarine warfare.

Yesterday more than 20 submarines had been detected with three groups of warships, the largest of which is being led by the 22 000-ton nuclear-powered Battlecruiser Kirov, from the Northern Fleet.

The Kirov group of 15 warships was spotted last week heading west past the North Cape from its bases near Murmansk.



The 22 000-ton nuclear-powered Soviet battlecruiser Kirov, pictured during her sea trials in 1981 reported by the British Defence Ministry to be

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LOUNGE 2.75 3.50

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Mother dives under bolting horses

The Star Bureau

LONDON — A TV film sequence turned to near-disaster when horses drawing a coach carrying Sir Harry Secombe suddenly bolted into a crowd of onlookers.

His mother dived under the flailing hooves to drag him to safety.

A woman was taken to hospital with suspected broken ankles and five other people were treated for shock and bruises.

The drama happened during filming for Sir Harry's

MONDAY, 9 APRIL 1984

+Indicates translated version.

For written reply: ~~SSB~~ *Howand*
O. 6/1.881
Medical University of Southern Africa:
applications for admission

79. Mr D J N MALCOMESS asked the Minister of Education and Training:

How many applications by students for admission to the first-year course in the faculties of (a) medicine, (b) dentistry and (c) veterinary science have been (i) received and (ii) accepted at the Medical University of Southern Africa in respect of 1984?

THE MINISTER OF EDUCATION AND TRAINING:

	(i)	(ii)
(a) 1 033 for MBChB 1 011 for courses in supplementary health services	166	212
(b) 287 for BChD 380 for courses in supplementary health services	23	26
(c) 96 for BVMCh	24	

Official visits abroad

147. Dr F A H VAN STADEN asked the Minister of Education and Training:[†]

Whether he paid any official visits abroad in 1983; if so, what (a) were the dates and was the (b) duration, (c) cost and (d) purpose of each visit?

THE MINISTER OF EDUCATION AND TRAINING:

Yes.

(a) 18 June 1983.
6 December 1983.

(b) One day, in each case.
(c) Will be furnished by the Honourable the Minister of Foreign Affairs.

(d) My predecessor visited the Ciskei on 18 June 1983 in order to attend the graduation ceremony of the University of Fort Hare and I visited the same country on 6 December 1983 to finalize matters regarding my previous portfolio.

~~SSB~~ *Howand*
~~SSB~~ *Howand*
~~SSB~~ *Howand*
57 Public Service 9/4/84
304. Mr S S VAN DER MERWE asked the Minister of Internal Affairs:

(a) How many (i) White, (ii) Coloured, (iii) Indian and (iv) Black persons are there in the Public Service and (b) how many such persons in each category hold posts classified in the (i) administrative, (ii) clerical, (iii) professional, (iv) technical and (v) general A divisions?

THE MINISTER OF INTERNAL AFFAIRS:

(a)	(i) White	137 416
(ii) Coloured	35 201	
(iii) Indian	16 728	
(iv) Black	105 265	

(b)	Category	White	Non-White
(i)	Administrative	8 709	328
(ii)	Clerical	15 459	223
(iii)	Professional	8 618	1 041
(iv)	Technical	6 802	33
(v)	General A	1 636	72
Total		41 224	1 697

Note: It is at present not possible without more ado to separate the number of Coloureds, Indians and Blacks in the various divisions of the Public Service and therefore only the total number of non-Whites has been indicated. To separate the figures, a survey in each individual

Call to ban job discrimination

CME Tink 9/4/84 57

Political Correspondent
THE MAN who started recent labour reforms believes South Africa now needs laws to make discrimination in the labour field a criminal offence.

Professor Nic Wiehahn, whose commission reports in 1979 led to recognition of black artisans and black trade unions, said yesterday that this was no longer enough.

In an interview published in the Nationalist

newspaper Rapport, he said South Africa could face the sort of labour unrest which broke out in the United States in the 1960s unless labour discrimination was prohibited legally.

Professor Wiehahn called for laws to forbid labour discrimination on the grounds of race, colour or sex.

It was no use removing discrimination from labour legislation while allowing it to continue in practice.

He said America's "black revolution" arose largely because US legislation paid only lip-service to non-discrimination. The laws were non-discriminatory, but discrimination was not actually prohibited.

"It was only after the coloured minority in America, prompted by discrimination in practice, began burning down the cities that the American government realized it had explicitly to prohibit discrimination."

While white workers might resist such legislation because they felt threatened, Professor Wiehahn believed all minority groups, including whites, would benefit in the medium and long term from anti-discriminatory legislation.

'Affirmative action'

There were indications that multinational companies would be forced by labour codes and legislation in their own countries to apply reverse discrimination and the promotion of racial quotas irrespective of merit — the American phenomenon of "affirmative action".

Everybody, including whites, would be protected against this by anti-discriminatory legislation. It would also help whites get away from their obsession with colour.

Professor Wiehahn regretted the reaction of

some who regarded his ideas as revolutionary. Not only were labour reforms irreversible in that it would be disastrous to reintroduce job reservation and ban black unions and apprentices, but prophecies of doom made when the reforms were instituted had not materialized.

The abolition of job reservation had not produced white unemployment, nor were there indications that black unions were about to dominate the labour field in a sort of "black Solidarity".

It reminded him of when the government changed the law to allow black people to buy liquor. They had not become alcoholics as was predicted, in fact their drinking habits had changed little if at all.

Professor Wiehahn also called for "ideologization" of trade unions in favour of the free-market system. Employer bodies made public comments and took part in symposiums, but nothing was done to encourage similar activities by the unions.

The unspoken fear was that they would not come down in favour of free enterprise. But what was happening instead was that black union leaders attended seminars from Socialists International and communists in Europe and America.

He believed it was no foregone conclusion that black unionists here would be overwhelmed by communism or similar ideologies, especially if their support for the free-market system was actively sought.

Professor Wiehahn pointed out that black unions had existed since 1919 and Trotskyites and communists, even when legal, had not had much influence or success.

UK firms in SA (57) meeting fair employment code

Stow
11/4/84

The Star Bureau

LONDON — British companies in South Africa are making "continued progress" in meeting the fair employment standards set by the European Code of Conduct.

This was said by Mr Paul Channon, the Minister of Trade, in the House of Commons yesterday.

Mr Channon referred to the Department of Trade and Industry analysis of the reports submitted by British companies operating in South Africa and covering the period from July 1 1982 to June 30 1983.

The analysis includes the following points:

- There has been a "marked shift" towards recognition of the rights of black workers to become members of

unions of their own choice and to be involved in pay and working condition negotiations.

Formal recognition of black trade unions increased from seven of the 139 "A" companies (those employing more than 20 workers in which the British stake was more than 50 percent) reporting in 1980 to 29 in 1983.

- Against a background of recession in South Africa, there had been a marginal decline in meeting the wage levels set by the code.

- Most companies (129 of the 139 "A" companies) now accepted the principle of equal pay for equal work.

- Progress in eliminating racial discrimination continued, with a quarter of the "A" companies reporting "complete desegregation in all fields".

Jobs ⁵⁷
for ^{CAPE TOWN}
sex: 12/5/84
Director
in court

By RONALD MORRIS

A WOMAN who went for a job interview at the City head office of a shoe concern, was told by the director to undress and commit an indecent act with him, a Cape Town magistrate was told yesterday.

The woman, who may not be identified, was giving evidence in the trial of John Anthony McCullough, no age given, of Boshoff Avenue, Newlands, who pleaded not guilty to two counts of criminal injury.

The State alleged that on November 11 last year, at Buitenkant Street, he had told the woman to undress and had made an indecent suggestion.

'Good job'

It was further alleged that later the same day he had told another woman to take off her clothes and that he would give her R300 and "a very good job".

One of the women testified that she had met a friend that day who had recommended that she apply for a saleslady vacancy at Manne Brothers, the shoe firm where Mr McCullough had been director. Her friend had also worked for the same firm and had arranged an appointment with Mr McCullough over the phone.

Wait

She had arrived for the appointment at 4.30pm and had to wait till 4.55pm before Mr McCullough interviewed her. Except for a female employee present in the reception area of the office, the office staff had left 10 minutes earlier, she said.

After she had sat down, Mr McCullough had asked her to take off her jacket. He had then asked her to undress and

To page 2

A

R.T. 12/5/84
57 A
From page 1.

had made the indecent suggestion.

"I became very scared and embarrassed and cried," she said.

Application

Asked by Mr William Booth, for Mr McCullough, why she had not left the office when the suggestions were made, she said she had still wanted to know whether her application had succeeded.

The hearing was adjourned to July 11. Mr McCullough was warned to appear.

Mr R A Duraan was the magistrate. Mr P Steyn appeared for the State.

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Anglo firm removes apartheid toilet signs

57

Pretoria Correspondent

Representatives of one of the country's property giants removed apartheid signs outside toilets in Pretoria's Sunnypark shopping complex when they discovered the facilities were segregated.

Anglo American Property Services (Pty) Ltd, which owns the centre, has launched an investigation into the "white" and "non-white" notices which appeared at the public toilets.

A spokesman for the company said on Friday the signs had been removed on a "trial basis". Although the company was committed to the sharing of facilities by all racial groups it would not like to push integration down people's throats, he said.

The matter was brought to the attention of the company after complaints that blacks were prevented from using toilet facilities of their own choice at the centre.

Pinetown/Field's Hill by-pass area

*31. Mr R M BURROWS asked the Minister of Transport Affairs:

- (1) Whether he intends visiting the Pinetown/Field's Hill by-pass area before making a final decision on the toll facilities there; if not, why not; if so, when (a) will the visit take place and (b) is it anticipated that a final decision will be reached;
- (2) whether he will meet with interested parties on this visit; if not, why not; if so, (a) when and (b) where will this meeting take place;
- (3) whether he has invited any persons and/or bodies to make representations to him in this regard; if so, what persons and/or bodies;
- (4) whether any construction on the Field's Hill toll plaza is taking place at present; if so, why?

The MINISTER OF TRANSPORT AFFAIRS:

- (1) Yes.
 - (a) 5 July 1984.
 - (b) After the whole matter has been duly discussed on that day with various representative bodies present.
- (2) Yes.
 - (a) 5 July 1984 at 10h30.
 - (b) Pinetown Civic Centre.
- (3) Yes. The Natal Provincial Administration, Local Authorities and various other parties affected by the introduction of toll facilities.
- (4) No, only preliminary site clearing has been done. The construction of the road itself however has been in progress for several months.

House and
Leandra: removals
Q. 6/1728
20/6/84
*32. Mrs H S UZMAN asked the Minister of Co-operation and Development:

- (1) Whether any families in Leandra are to be moved; if so, (a) how many, (b) why, (c) when, (d) where are they to be moved to and (e) what facilities are available to them at the resettlement site;
- (2) whether his Department has consulted with these families in connection with their removal; if not, why not; if so, (a) when and (b) with what result;
- (3) whether he will make a statement on the matter?

The MINISTER OF CO-OPERATION AND DEVELOPMENT:

- (1) No.
- (2) and (3) Fall away.

Public Service: recruitment of staff
Q. 6/1728
20/6/84
*33. Mr S S VAN DER MERWE asked the Minister of Internal Affairs:

- Whether his Department intends to take steps to recruit more (a) Blacks, (b) Coloureds and (c) Indians for the Public Service in the (i) administrative, (ii) clerical, (iii) professional, (iv) technical and (v) general A divisions; if not, why not; if so, what steps?

The MINISTER OF INTERNAL AFFAIRS:

The Department of Internal Affairs does not normally recruit personnel for other departments and the question probably pertains to the Commission for Administration. Every department is authorised to recruit its own personnel whilst the Office of the Commission for Administration also recruits on behalf of departments.

All the race groups participate in the rendering of governmental services. The relative share of the Black, Coloured and

Indian groups in the divisions referred to gradually increases as more candidates who comply with the qualification requirements become available. Recruitment takes place in accordance with the needs of the Public Service and the specific functions that have to be executed.

The Government's policy with regard to the employment and utilisation of members of the various race groups has been fully debated during the discussion of the Vote of the Department of Internal Affairs.

Commission of Inquiry into the Promotion of the Creative and Other Arts

*34. Mr H E J VAN RENSBURG asked the Minister of National Education:

- (1) Whether the Commission of Inquiry into the Promotion of the Creative and Other Arts has completed its work; if not, when is it anticipated that it will complete its work; if so, when (a) was the last full meeting held and (b) is it anticipated that the report of the Commission will be available;
- (2) whether the Commission inquired into the possibility of making donations by individuals and/or companies to art museums tax deductible; if not, why not; if so,
- (3) whether any interim recommendations on this matter have been made to him; if so, what steps are being taken in this regard?

The MINISTER OF NATIONAL EDUCATION:

- (1) Yes.
 - (a) 30 March 1984.
 - (b) September 1984.
- (2) Yes.
- (3) No.

Porter Reformatory: escapes
*35. Mr R R HULLEY asked the Minister of Internal Affairs:

- (1) Whether, with reference to his reply to Question No 2 of 11 May 1984, any of the 124 escapes from the Porter Reformatory in Tokai were recaptured; if not, why not; if so, how many;
- (2) whether there were any escapes in May 1984; if so, how many?

The MINISTER OF INTERNAL AFFAIRS:

- (1) Yes, 67.
- (2) Yes, six of which four have been readmitted.

Constantia Reformatory: escapes

*36. Mr R R HULLEY asked the Minister of National Education:

- (1) Whether there were any escapes from the Constantia Reformatory in 1984; if so, how many as at the latest specified date for which figures are available;
- (2) whether any steps have been taken by the relevant authorities to prevent escapes; if not, why not; if so, what steps?

The MINISTER OF NATIONAL EDUCATION:

- (1) Yes, thirty-seven boys absconded from the school during the period 1 January to 18 June 1984. Twenty-one boys were either brought back to school or returned on their own accord.
- (2) Yes. The Department is continually giving guidance to principals and staff of the schools concerned to motivate and assist the pupils to make the best use of the educational opportunities they are offered. A relaxed atmos-

Jan Kempdorp, are to be moved; if so, (a) why, (b) when, (c) where will they be moved to and (d) how persons are involved;

(2) whether his Department has held discussions with the Valspan community regarding the proposed move; if not, why not; if so, (a) when and (b) what was the response of the community;

(3) whether he or any member of his Department has received any representations from the Valspan community; if so, (a) when and (b) what was (i) the nature of the representations and (ii) his response thereto?

THE DEPUTY MINISTER OF CO-OPERATION:

(1) Yes. Rehousing is already taking place.

(a) Due to the fact that they are Tswana and due to the proximity of Bophuthatswana it was decided to rehouse the people of Valspan on a voluntary basis at Pamierstad. Planning for this took place since 1965.

(b) Since 1979 when the first houses became available.

(c) Pamierstad.

(d) 2 332 persons have so far been rehoused and 5 697 are still to be rehoused.

(2) Yes.

(a) On various occasions and negotiations are still taking place.

(b) The response varies, but the majority are in favour of rehousing.

(3) Yes, but from some members of the community only.

(a) On various occasions.

(b) (i) They expressed an unwillingness to move.

(ii) Negotiations are being continued.

*7. Mr R W HARDINGHAM asked the Minister of Agriculture:

What quantity of ground-nuts was imported into the Republic during the latest specified period of nine months for which figures are available?

†THE MINISTER OF POSTS AND TELECOMMUNICATIONS (for the Minister of Agriculture):

1 April 1983 to 31 December 1983:

Edible ground-nuts 13 189 ton

Ground-nuts for peanut butter 3 858 ton

TOTAL 17 047 ton

(A further 24 956 tons ground-nuts were imported during the period 1 January to 31 May 1984.)

Howard O. 6/1. 1756
22/6/84
Transport Services: recruitment of staff
*8. Mr S S VAN DER MERWE asked the Minister of Transport Affairs:

Whether the South African Transport Services intend to take steps to recruit more (a) Blacks, (b) Coloureds and (c) Indians for (i) administrative, (ii) clerical, (iii) professional, (iv) technical and (v) general A posts within the Transport Services; if not, why not; if so, what steps?

†THE MINISTER OF CO-OPERATION AND DEVELOPMENT (for the Minister of Transport Affairs):

(a), (b) and (c) (i), (ii), (iii) and (iv) The S.A. Transport Services continuously devotes attention to the employment of Blacks, Coloureds and Indians.

The Organisation is, for some considerable time, busy reducing its personnel complement with the result that it is expected that the complement of

all personnel groups will decline over the short term.

(v) No such posts exist in Transport Services.

*9. Mr S S VAN DER MERWE asked the Minister of Posts and Telecommunications:

Whether his Department intends to take steps to recruit more (a) Blacks, (b) Coloureds and (c) Indians for (i) administrative (ii) clerical, (iii) professional, (iv) technical and (v) general A posts within the Post Office; if not, why not; if so, what steps?

†THE MINISTER OF POSTS AND TELECOMMUNICATIONS:

Yes, in those grades in which vacant posts are filled by means of recruitment and provided that staff needs continue to increase as in the past. No special steps in this regard are contemplated since the Department's existing recruiting machinery, which operates on a well-organized and continuous basis, is considered adequate. Over the past five years the number of Blacks, Coloureds and Indians occupying posts in the divisions referred to increased by 917 (or 57,7%) to 2 506. During the same period the total number of Blacks, Coloureds and Indians employed increased by 11 063 (or 37,16%) to 40 834.

Founding congress of cultural organization:
firearm

*10. Mr F J LE ROUX asked the Minister of Law and Order:†

(1) Whether a (a) charge and/or (b) complaint has been laid with the South African Police against a person who allegedly carried a firearm at the founding congress on 4 and 5 May 1984 of a cultural organization the name of which has been furnished to the South African Police for the purposes of the Minister's reply; if so,

(a) what is the name of the (i) person and (ii) cultural organization and (b) what was the nature of the charge and/or complaint;

(2) whether the charge and/or complaint has been investigated; if not, why not; if so, what was the result of the investigation?

†THE MINISTER OF CO-OPERATION AND DEVELOPMENT (for the Minister of Law and Order):

(1) (a) and (b) Yes.

(a) (i) It is neither the policy nor the practice to disclose the name of the person against whom a complaint is lodged with the South African Police.

(ii) Afrikanervolkswag.

(b) An allegation of a contravention of section 38(1) of the Arms and Ammunition Act, 1969.

(2) Yes. The senior public prosecutor declined to prosecute.

Commission of Inquiry into Health Matters

*11. Dr M S BARNARD asked the Minister of Health and Welfare:

Whether, with reference to his reply to Question No 24 on 8 February 1984, he intends to table the report of the Commission of Inquiry into Health Matters during the current session of Parliament; if not, (a) why not and (b) when is it anticipated that the report will be tabled?

†THE MINISTER OF POSTS AND TELECOMMUNICATIONS (for the Minister of Health and Welfare):

(a) and (b) Since the Commission has not yet indicated when its report will be

Jan Kempdorp, are to be moved; if so, (a) why, (b) when, (c) where will they be moved to and (d) how persons are involved;

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(a), (b) and (c) (i), (ii), (iii) and (iv) The S.A. Transport Services continuously devotes attention to the employment of Blacks, Coloureds and Indians.

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(a) and (b) Since the Commission has not yet indicated when its report will be

57 30/6/84

It's a matter of individ

The Sullivan Principles, enunciated seven years ago by Reverend Leon Sullivan, dictate non-segregation in work facilities, equal pay for equal work, fair employment practices, training programmes for blacks, those of mixed race and Asians, and improved facilities in housing, schooling and other quality-of-life areas.

Some South African businessmen and government officials ascribe any change merely to coincidence, saying it was inevitable and the Sullivan Principles have had little to do with it.

Union leaders insist that they are the only ones who can bring meaningful change to workers, as the Sullivan Principles are merely cosmetic-slick public relations with little effect on fundamental problems.

Others call the Sullivan Principles paternalistic, or dismiss their impact as only a small drop in the large bucket of South Africa's social problems.

And some give grudging credit. "A lot of South African companies were changing things before Sullivan," says Mr Gavin Relly, chairman of Anglo American Corporation, South Africa's largest company. "But I do think the Sullivan Principles have... focussed the mind on the issues."

Adds Mr Renald Hofmeyr, Director of Industrial Relations at Barlow Rand Ltd, a major South African conglomerate: "The American companies by and large have been the pace setters," he says.

Rev Sullivan, a longtime civil rights leader, first got involved in 1976. He called initially for withdrawal from South Africa by all American companies as a protest against apartheid.

Subsequent meetings with black South African leaders convinced Rev Sullivan that American companies had the potential to do more good by staying than going, he says. As a result, he modified his stance to demand withdrawal by any company that didn't comply with a code of conduct that came to bear his name.

Of the estimated 286 American companies doing business in South Africa

It is seven years since the Reverend Leon H Sullivan, a Philadelphia Baptist preacher and a director of General Motors Corporation, enunciated a code of conduct for US companies doing business in South Africa. In that time, says the US State Department, the Sullivan Principles, with their emphasis on bettering the lot of non-whites, have wrought "major change". Some South African businessmen believe, however, that change has been incidental.

In this report, the WALL STREET JOURNAL looks at the influence of the Sullivan Principles on large corporations in this country.



The Reverend Leon Sullivan

today, only 125 are signatories of the code. But they account for more than 70 percent of American companies' 120 000 employees in South Africa. And they include the major players like Ford Motor Co, IBM Corp, General Electric Co, Du Pont Co, Gillette Co, Citicorp and the Rev Sullivan's own GM.

All pay to have their compliance monitored by the independent Cambridge, Massachusetts, consultant Arthur D Little Co. While many were recently dropped for failure to report or pay their dues, such major companies as Dresser Industries Inc and Pepsico Inc have just signed up for the first time. Pressure has been applied by urging from the US State Department plus a Bill in Congress that would make compliance with the Sullivan Principles mandatory.

When the Sullivan Principles appeared in 1977, say companies involved, the first task was de-segregation. Standing in the way were racial antipathies and a South African law that required, and still requires, an employer to provide separate facilities for different races if so demanded.

Mr Fred Ferreira, director of industrial relations for Ford, says of the introduction of integration: "I talked to 100 employees individually and to many groups. I was hissed. We had employees and their relatives complain and threaten Government

action. But that's all in the past now."

For the most part, the Government turned a blind eye. "We went to the Labour Department and told them what we were going to do," recalls Mr Louis Wilking, manager of GM's facilities in Port Elizabeth. "They said: 'Go ahead, we didn't hear you'."

According to Mr Arthur Little all but one of the reporting companies has integrated all its facilities. Employees say, however, that at some companies white holdouts still bring their lunches and eat at desks or workbenches. As for equalisation of pay, Union Carbide officials say they had no backlash from white employees until they appointed the first black artisans last year to jobs previously reserved for whites. "A couple of whites objected. They don't seem to resent blacks doing the same job, just that they get the same pay," says Mr Hein Enslin, mine manager.

Companies also say they have run into some objections from black employees who wonder why management was spending millions on new locker rooms and cafeterias rather than raising salaries. And while most companies have equalised retirement pensions for blacks and whites, they have puzzled over health insurance. Under South Africa's segregated medical system, blacks get very low-cost public health care and cannot see paying em-

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The Reverend Leon Sullivan

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action. But that's all in the past now."
For the most part, the Government
turned a blind eye. "We went to the La-
bour Department and told them what we
were going to do," recalls Mr Louis Wilk-
ing, manager of GM's facilities in Port
Elizabeth. "They said: 'Go ahead, we
didn't hear you'."

According to Mr Arthur Little all but
one of the reporting companies has inte-
grated all its facilities. Employees say,
however, that at some companies white
holdouts still bring their lunches and eat
at desks or workbenches. As for equalisa-
tion of pay, Union Carbide officials say
they had no backlash from white em-
ployees until they appointed the first
black artisans last year to jobs previously
reserved for whites. "A couple of whites
objected. They don't seem to resent blacks
doing the same job, just that they get the
same pay," says Mr Hein Enslin, mine
manager.

Companies also say they have run into
some objections from black employees
who wonder why management was spend-
ing millions on new locker rooms and caf-
eterias rather than raising salaries. And
while most companies have equalised re-
tirement pensions for blacks and whites,
they have puzzled over health insurance.
Under South Africa's segregated medical
system, blacks get very low-cost public
health care and cannot see paying em-

ployee contributions into company plans.
Most companies now look on integra-
tion as old business. "At GM our workers
eat, wash and work together without any
problem. The problem is the different
worlds they go home to when they leave
the plant," says Louis Wilking. Respond-
ing to Rev Sullivan's call to improve the
quality of employees' lives, American
companies have "adopted" about 300 non-
white employees. They concede their im-
pact is small, but say they aim to show
others what can be done.

At Port Elizabeth and in Cape Town,
Ford and Mobil have provided backing for
new housing in the black and mixed-race
communities where their employees live.
Ford's method has been to put up the ini-
tial money for site clearance and installa-
tion of utilities and in some cases to build
the first houses for sale to blacks in areas
where banks had previously refused to
lend.

At its "Fordville" development, for ex-
ample, it built an initial group of maison-
ettes and sold them. Then it guaranteed
the loan by a local bank for a second
group. Now local banks are going ahead
on their own to develop the rest of the
site, says Mr Arthur Shipalana, a black
community relations manager who has
been watching over the project for Ford.

Critics complain that the price for the
maisonettes is far beyond the reach of
most blacks, but Mr Shipalana insists that
with growing black wealth there are
many living "in the horrible shacks"
around Port Elizabeth who can afford
good housing if someone will build it. Ford
decided to "be a catalyst to upgrade the
area," he says.

Integrating, equalising pay, adopting
schools and building community facilities
are all part of what many Sullivan signa-
tories are increasingly calling "Phase
One". Early projects "took management
into some deprived black areas and for
some white managers it was the first time
they had an opportunity to see the condi-
tions under which their employees were
housed and sent their children to school,"
says Mr Roger Crawford, a Johnson and

Johnson executive.
"We've done the basics. Now it's time
for a rethink," says Mr KP ("Pat") O'Mal-
ley, Director of Public Affairs for Mobil
South Africa. He criticises some of the
Sullivan activity as designed to score
quick public relations points, thereby
wasting resources and ending up in dead-
end projects.

For example, says Mr O'Malley, while
adopting schools has been popular with
companies, it has mostly just saved the
Government money and helped it improve
the status quo. Henceforth, companies
must sacrifice high-visibility public rela-
tions in favour of programmes that attack
long-range issues like teacher-training.

Meanwhile, South Africa's growing
black trade unions remain cool to the Sul-
livan Principles. "We had no part in draw-
ing up the codes. They were drawn up by
employers," says Mr Joe Foster, general
secretary of the largely black Federation
of South African Trade Unions (FOSATU).
"We don't need other people to come and
tell us how to survive. We know what we
need and we'll fight for it."

Mutual respect — and annoyance —
continue to characterise the relationship
of Rev Sullivan and his corporate flock.
The preacher goads them to do more, con-
stantly "amplifying" his principles with
new requirements. The companies for
their part complain of Rev Sullivan's un-
familiarity with South Africa, where he
has paid but two brief visits.

Companies that have declined to sign
the principles have been dropped from
the programme for failure to report or
have been marked down on compliance,
often criticise the reporting processes too
cumbersome — a claim generally reject-
ed by Arthur D Little as "talking through
their hats".

Singer Co, for example, was dropped
earlier this year for failure to report. It
claims it adheres to the Sullivan Princi-
ples but declines to allow a reporter to
visit its facilities. So did Masonite Corp,
which was marked down for paying low
wages, and Pepsico which only signed last
month. — *The Wall Street Journal*.

Racism a threat to ~~the~~ workplace survey

By Gary van Staden,
Political Staff

There is a strong belief among South African workers that they are discriminated against by the free enterprise system and this belief has grave implications for the economy and for political unrest.

This conclusion is reached in a research project headed by Professor Martin Nasser and carried out by Unisa's School of Business Leadership.

The study found that South African business must give priority to removing racial discrimination in the workplace, and to increasing understanding among their workers of how free enterprise operates.

Professor Nasser warns that if this task is left undone, there will be dire consequences for industrial relations.

"The majority of the unskilled workforce in South Africa believe that most of a company's profit is used to pay the salaries of managers and bosses."

Professor Nasser said: "While this belief is allowed to continue the chances of massive industrial unrest will remain."

Reacting to the survey, which was released today, Mr Chris Ball, MD of sponsoring company Barclays, said that the lack of understanding of business, the need for profits and the free enterprise system posed a serious threat to business in general.

Blacks advancing into management

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E-Post 14/7/84

Weekend Post Reporters
THE East Cape motor plants showed this week how they have steadily increased the number of African and coloured employees filling managerial, supervisory and technical posts over the past five years.

Their disclosures followed publication of the University of South Africa Business School report saying blacks throughout the country resented the free enterprise system.

One of the report's recommendations was that companies pay greater attention to eradicating racial discrimination and increase the number of Africans and coloureds in higher-level positions.

Mr Fred Ferreira, director of industrial relations at Ford, said the first few blacks were appointed to supervisory positions at Ford before the mid-1970s.

By December 1, last year, 112 African and coloured employees — 17,4% of the total — held salaried supervisory positions at Ford.

He said this was a considerable increase compared with 1978 when only 5,5% held supervisory positions — a high percentage compared with prevailing employment trends at the time.

He said this was a result of the company's equalisation programme which aimed at creating "equal opportunities for people of equal merit", irrespective of race, religion or sex.

This had been prompted by the shortage of whites filling supervisory, managerial and technical positions and the company's commitment to creating equal opportunities.

But the company had not managed to upgrade as many blacks to higher level positions as they had hoped to. This was because they

had struggled to find suitably educated candidates and the company's own training programme was a long-term one, Mr Ferreira said.

"It's also not as easy to transfer black supervisors to Port Elizabeth because once you have overcome restrictions on their mobility you still face the housing backlog in the townships."

In 1977, Ford became a signatory to the Sullivan Principles, which aimed at improving the quality of life of black South Africans in and outside the workplace.

However, in 1979 Ford commissioned an investigation to assess the extent to which these principles were being adhered to within the company. One finding was that, in reality, black employees had to be better qualified than the white candidate to obtain a promotion.

Mr Ferreira said the company had found it difficult to eradicate prejudice overnight among their white staff, who were often responsible for making decisions about who would be promoted to work with them.

He said Ford was currently working on a five-year plan which aimed to increase the current figure of 17,4% of African and coloured employees in supervisory and managerial positions to 25%.

Mr Graham Hardy, press affairs manager of Volkswagen, said 51% of Volkswagen's 278 apprentice artisans were black.

The company had an employee advancement programme which aimed at training and uplifting people from within the ranks, irrespective of their racial groupings.

As a result of this and the shortage of skilled labour, many Africans and

coloureds had risen rapidly into skilled categories.

The company also had more than 100 black supervisors and foremen at present, some of whom supervised whites as well.

In 1981, there were only two qualified black artisans in the country, both of whom were from the Volkswagen apprentice school, while it had also produced the first three coloured die and press toolmakers in 1971.

In 1978, Africans and coloureds comprised only 20% of employees in the top four hourly-rated grades. Now they were 53% of employees in these grades.

Mr Peter Sullivan, General Motors' public relations manager, said the number of blacks in GM salaried positions had increased 75% since 1979 and now represented more than 10% of the plant's salaried workforce, compared with only 4% in 1977.

The positions occupied range from managerial and supervisory posts to jobs requiring specialist technical and professional skills and qualifications.

General Motors had conducted several programmes aimed specifically at orientating and developing high-potential black employees for advancement.

The company's pre-foreman and co-op technician programmes and the college-graduate-in-training programme were examples of programmes designed to orientate and train blacks in company operating practices.

Such programmes also identified individuals having the potential to progress to positions of greater responsibility and ultimately supervisory and management status.

At present, half of GM's total apprentice trainee complement was black and



Mr FRED FERREIRA
... 112 supervisors

during the past three years 13 black apprentices had qualified.

Further, since 1980, more than 800 black hourly-paid employees had benefited from formal training in welding, metal finishing and other skills development programmes, resulting in movement to higher work grade classifications as skills were acquired.

Recognising that education was also a key factor in employee development, GM operated several in-plant programmes to help employees further their education and to prepare themselves for advancement.

The company's tuition refund plan for employees provided funding in advance to black employees enrolling in part-time study courses.

To help black employees get a technical education, preparatory classes were conducted in the company's training centre after working hours by plant training instructors and personnel from a local technical school.

Labour unrest unlikely

BLEAK second-half prospects for the motor industry have been dramatically underlined in latest statistics from Pretoria.

Estimates of trading revenue earned by retailers in motor vehicles and accessories show a sharp 17% decline for July (after the GST increase), compared with June.

Whereas countrywide vehicle sales in April (+42.3% on April '83), May (+57.1%), and June (+58.4%), were all strongly up on last year's sales, the growth rate dropped by more than half in July to 23.9%.

Though this arguably remains a considerable improvement in real terms on last year's sales, the decline was precipitated almost exclusively by the compensations for the large increases in sales ahead of the July 1 increase in GST from 7% to 10%.

Effects of the harsher HP demands introduced by the Government's August austerity package and further fiscal measures, still expected in a twin campaign to boost Government revenues and combat inflation (with rumours persisting of a further increase in GST) worse may yet be in store.

Such bleak prospects are perhaps feared most acutely in the Eastern Cape, where:

● A disproportionate contribution to regional



By Louis Beckerling
Business Editor

gross domestic product (GDP) — some 40% in the PE/Vitenhage metropolitan area, compared with an average of 22% for the country — comes from the manufacturing sector.

● Some 70% of factor income generated in the area by the predominant manufacturing sector come directly from the motor industry.

That adds up to a heavy dependence by retailers

in tight economic

and job-seekers in South Africa's "motor town" on the fortunes of the country's motor trade.

Since the area has also — largely unfairly, argues labour expert Professor Roux van der Merwe of the University of Port Elizabeth — become known as South Africa's strike centre, the latest threat to motor sales is greeted with some anxiety in Port Elizabeth.

However a recent study by Mrs Martheanne Finnemore, lecturer in Prof Van der Merwe's Institute for Industrial Relations at UPE, suggests immediate fears of strikes erupting as a result of threatened labour lay-offs, might be groundless if historical lessons remain relevant.

Recent events at

Volkswagen's Vitenhage plant appear to bear this out.

In a paper presented to a sociology conference at Wits University, Mrs Finnemore argued that a study of the strike record in the Eastern Cape motor industry suggests that during recessionary conditions "management was in a far more powerful position due to the lack of pressure for production".

Under the circumstances of plant shutdowns enforced by management for "economic reasons", Mrs Finnemore's research showed "workers' potential power was severely eroded".

Mrs Finnemore's findings, included in a study for which she was awarded a master's degree, support mobilisation theorists who

have demonstrated that it is not during periods of "absolute deprivation that a group is likely to mobilise, but rather when conditions are improving".

"This hypothesis is supported by events in the auto industry, as the strikes (of 1980, and again in '82), did not occur during the period of low wages or absolute lack of collective power, but only after the negotiated minimum wage (in 1979) had, for the first time, exceeded the calculated subsistence level."

The perception of such "relative deprivation", according to Mrs Finnemore, is one of several factors which contributed to worker mobilisation in the East Cape auto industry.

The second of the "structural" factors, and the most important of all,

she says, was the changing composition of the workforce and the growing dependence of the employers on skilled black labour.

At Volkswagen's Vitenhage plant, for example, the number of Africans employed in jobs graded from five to eight (trainee inspectors, artisans, assistant foremen, and technicians), rose from 64 in 1977 (or 1.9% of the 1 002 workers in these grades at the time), to 477 last year (or 8.4%).

At Ford the increase over the same period saw 237 African workers (or 5.4% of the total), employed in these grades in 1980, compared with zero 10 years earlier.

If coloured workers are included, the reliance on non-white workers in

skilled positions rose from 3% in 1971, to 54% in 1980.

"The increasing power on the shop floor was to raise expectations that some change in the material conditions of black workers was possible," Mrs Finnemore argues.

In Port Elizabeth, the emergence of a ethnically-oriented community organisation, Pecco (the Port Elizabeth Black Community Organisation), was a further factor promoting worker mobilisation "and also the philosophy of black consciousness".

An exclusively African union, Macwusa (the Motor and Component Workers Union of SA) enjoyed close links with Pecco.

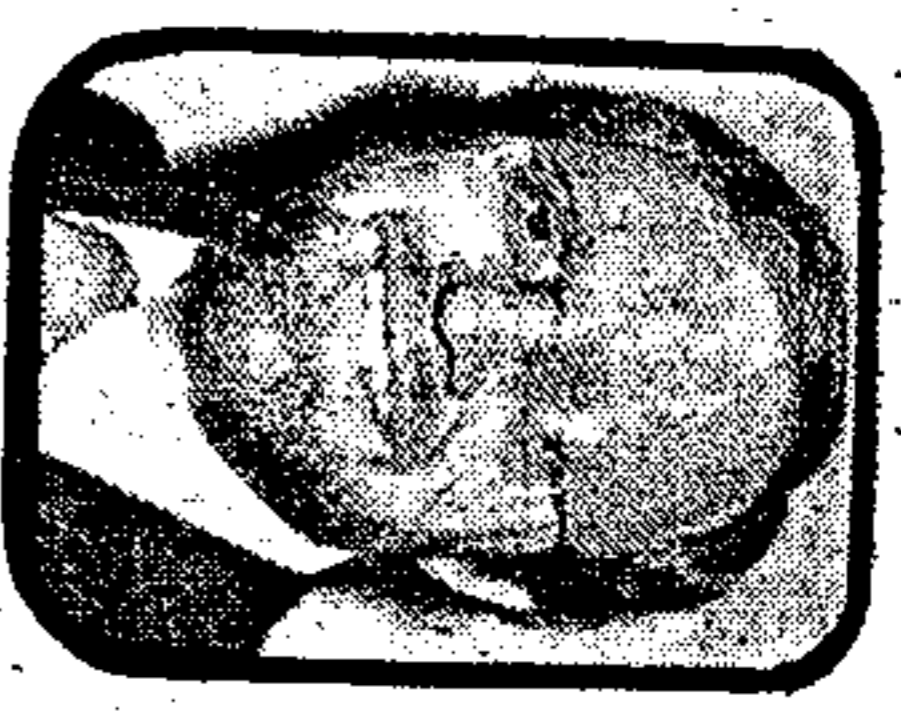
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By Louis
Beckerling
Business Editor

Labour unrest unlikely in tight economy

SA Post 9/9/84

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Repression, particularly of the more broadly "political" Macwusa union, also contributed to the mobilisation of workers, though this repression came from the State, not employers.

In an interview with BUSINESS POST, Mrs Finnemore said the incidence of strikes in Port Elizabeth during the first five months of the year had been relatively low and it would be "interesting to see whether there will be a further decrease during the second half of the year".

"What is already apparent is that in the case of the recent Volkswagen events there was pressure from workers to get back to work, and it seems under the circumstances there is a real need from all parties to find solutions."

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Charity has to 'equalise' staff pay

By Susan Fleming

The Johannesburg Child Welfare Society is paying out more than R104 000 a year to black and coloured staff to keep their salaries in line with those of whites — because Government subsidies are still based on race.

The director, Mr Howard Ferreira, says that unless the Government gives equal subsidies for all race groups the society could run into deep financial trouble.

A black social worker with the society is subsidised by R420 a month less than his white counterpart. Coloured people receive about R30 a month less.

UNEQUAL GRANTS

"To equalise pay between the different race groups, the society is paying out R100 000 a year to subsidise black salaries, and R4 300 for coloured salaries," said Mr Ferreira. "This money could be used to help children in Johannesburg."

"The Government has shown no inclination to review subsidies."

Mr Ferreira said the society also had the burden of providing its own funds to compensate for discriminatory foster grants given by the Government.

"A black foster child is given R40 a month, a coloured child R77, and a white child R114 a month," he said. Of the 4 000 children fostered by

the society, 2 800 are black.

"Black foster parents just cannot cope on these meagre subsidies, and the society has to cushion the blow by providing extra money."

"People assume falsely that food is cheaper in Soweto. In fact, it is far more expensive, and the food bill for our black children's home in Soweto is about 15 percent higher than in white homes."

Mr Ferreira said parents were expected to pay the cost of school uniforms, but grants did not increase when a child reached school-going age.

Mr Ferreira added that the present economic climate was not conducive to raising funds. "The recession, and the new tax law which does not allow company donations to be tax deductible, have been detrimental to our fund raising. Also, some companies have merged and are now giving one donation."

FUNDS CONFUSION

Another stumbling block for raising funds is that the South African National Council for Child and Family Welfare is based in Johannesburg, so many companies in the city give to the national organisation and ignore the local society.

"Having the national council in Johannesburg leads to public confusion. Often we approach people for money and are told that they have already given funds — to the national body."

● See Page 5.

AECI's policy on jobs ignores race, colour and creed, says MD

4/11/84 Star

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The Star Bureau

LONDON — If anyone working for AECI in South Africa is capable of doing a job "he will get that job, irrespective of race, colour or creed, and he will also get paid the same wage", according to the company's managing director.

In an interview with Richard Rolfe, published as an AECI-sponsored advertisement in the Financial Times in London on today, Mr Denys Marvin said: "In AECI we are colour-blind in the way in which we treat people, and that is the way it is going to stay."

Asked about the building of the "mega-methanol" plant which he has talked about in the past, Mr Marvin said: "It is strictly related to Government's attitude to investment in liquid fuels.

"Policy has always been to have at least a certain percentage of fuel requirements indigenously produced, for obvious reasons.

"As the market grows it is going to be necessary to build another plant," he said.

"Now, as to whether it is Sasol 4 or the 'mega-methanol' plant, leading to the use of methanol as a replacement for diesel, is something we are still waiting to hear about from government.

"If we do go ahead, it would be financed off-balance sheet — a separate entity in terms of financing."

On a related question about the development of diesanol,

Mr Marvin said that it had progressed to the point where the technology "has been completely proved in road trials with diesel engines".

He added that it was the company's belief that the product could well have "very interesting saleability overseas.

"Not only does diesanol enable methanol to be used as a diesel, but it will upgrade inferior diesels, and we see a potential use there."

Searching for excell

IF it ain't broke don't fix it, is a typical management philosophy. But the boardrooms are shedding their conservative approach in their search for human resources excellence.

Last week's 28th Institute of Personnel Management annual conference at Sun City did not provide personnel boffins with an instant recipe for excellence... but it supplied the ingredients and reinforced the need for emphasis on people rather than rands and cents.

Any of the 620 delegates who went to Bophuthatswana in search of instant remedies for personnel problems would have gone home disappointed. Commitment and hard work were given as the cures.

Jack Zenger, a university lecturer and US management consultant, killed the notion that excellence is inborn, saying: "There ain't no magic but just hard slog".

He talked of a management revolution sweeping the world with quality, innovation and service taking over much of the effort that has traditionally been placed on capital.

"I'll wager that companies that have been identified as excellent and excel in customer service spent much of their time and money in keeping their employees happy. The sales rep is unlikely to sell well if he's treated badly by an employer".

He stated companies that believed personnel function was to identify the sick and weird people in their ranks and 'fix' them.

Jargon

Personnel departments have been preoccupied with the search for excellence since Peters and Waterman published their book "In Search of Excellence" — it has become a jargon term in many organisations with little being achieved.

Although Dr Zenger's talk was spiced with jargon that the personnel fraternity thrives on, many of his off-the-cuff remarks are very close to the problems facing management.

"There are no awards in companies for saving money especially on training. Wisely spent money is where the rewards start".

Money is of no value unless you spend it and training is a very quantifiable reward for investment.

"Made in Japan" used to mean cheap and low quality but today is a different story. Sony, Honda, Nikon are a few of the trade names that support this statement.

Dean Cruze, Vice President, Customer Support, of the Boeing Corporation, puts this down to the Japanese philosophy of achieving success, not avoiding failure.

"Do the job right the first time, identify problems before solving them, encourage open mindedness and suggestions. These are qualities that have made Japanese companies and Boeing successful."

Boeing, based in Seattle, has built 4 500 jet aircraft in the last 30 years. Mr Cruze says its accent on developing human resources has been a secret for success.

Motivation

Says Mr Cruze: "Effective performance depends on motivation. It is no use blaming people for problems when the root cause could be management."

Mr Cruze makes the point that workers are often not aware that they have a problem as they have always worked the same way.

Back on the jargon bandwagon, he says it is not what you do that matters, but how it is done. Excellence comes only with turned-on people who do more than just a day's work.

"If employees do not perform well, it is the managers who have not done their jobs. They have to create the environment for achievement to give both employees and companies the competitive edge."

Mr Cruze and Dr Zenger were among eight overseas speakers — six from the US and two from Britain — who shared their experiences with the IPM delegates.

Drawing on local know-

ledge, Amcar's human resources director Mof Lemmer concentrated on the contribution that productivity negotiations can make to achieving excellence.

"To managers who complain that their workers are not motivated or not productive enough, one can pose the question whether their management style bars these freedoms.

"To union leaders, who complain that managers are unsympathetic, one could ask whether their one-sided strategies prevent a thorough discussion of problems and the needs of both parties."



Frederick Buntting... award-winning perspective

Still far too few blacks in business boards

SOUTH Africa cannot afford to continue its strong capital bias at the expense of its social responsibilities.

This observation by Bophuthatswana Manpower Minister Ronald Cronje in the opening address at last week's IPM Conference was also the theme of the winning paper on the subject of managing change.

Frederick Buntting, a University of the Western Cape graduate, won the Fedics IPM award for his article, "A Black Perspective of Job Opportunities for Black Executives in South Africa's Private Sector."

Both emphasised a shortage of white skills to see South Africa through to the turn of the century and the urgent need to promote blacks to decision-making capacities. Both also stressed that education programmes and training had to be adapted to encourage industry to appoint blacks to senior posts.

Mr Cronje, a former lieutenant to Ian Smith in the Rhodesian Cabinet, touched on the manpower problem only as a part of the whole South African scene.

He warned against playing profits and mechanisation against social responsibility and employment.

"Do we blindly follow the US and Europe or do we take cognisance of our growing population and create realistic employment opportunities for these people?"

Mr Buntting called 1973 the turning point in the fortunes of black employees in South Africa. That was the year of fierce labour unrest that started the industrial relations ball rolling.

His statement that it also marked the end of cheap labour in this part of the world is unlikely to meet with consensus from emergent black unions.

Cyril Ramaphosa's National Union of Mineworkers, for example, claims that the mining houses are still paying starvation wages to black gold and coal miners.

Although Mr Buntting acknowledges the efforts of employers who have upgraded their resources for black development, he says the flurry of industrial relations activity and advancement programmes are not enough.

"Alas, 11 years after we embarked on programmes of

reconstruction and renewal 95% of managerial and administrative and executive jobs are still held by white who represent only 15% the population."

In other words, there are still far too few boardroom blacks.

With manpower predictions showing that 62% of executive posts will have to be filled by blacks by the year 2000, he asks how the target can be met if black advancement is not speeded up.

Inferior

Restrictive legislation, the inferior black education system, the white backlash, the attitude of some militant blacks and poor communications between the races are popularly quoted reasons for these problems. Mr Buntting slates the fashionable practice of using social responsibility and advancement programmes as window-dressing, glossing over the real thing.

"If we are to do better than have more efficient fork lift drivers, some administrative clerks, a few industrial relations officers and a token black manager here or there a genuine senior management policy is needed to open

reaching for excellence

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Frederick Bunting ... award-winning perspective on black executives.

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"If we are to do better than have more efficient fork lift drivers, some administrative clerks, a few industrial relations officers and a token black manager here or there, a genuine senior management policy is needed to open

opportunities for blacks." An interesting observation he makes is that human resources and public relations should not be under the same roof because it is too easy for the corporate media ego to take precedence over managing human resources.

Boeing's customer support chief, Dean Cruze, also made a point that Mr Bunting's article took a step further. Mr Cruze said Boeing encouraged open mindedness and individualism and wanted ideas and innovation from individuals.

Mr Bunting was more emphatic, saying black recruitment was often left to whims and fancies of personnel assistants and line managers.

"Instead of opting for docile submissive Uncle Toms, we need capable and dynamic people who can hold their own in the corporate environment."

Without pointing a finger at a particular country — although Mr Cronje's former home springs to mind — he said SA employers preferred to recruit from "elsewhere in Africa" and have landed up with "people with racial prejudices who could not survive in an egalitarian society".

Makes you think, doesn't it?

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S. Twies
7/10/84

Schoeman: we need ~~the~~ the black ⁵⁷ 17/10/84 engineers

Pretoria Bureau *Stou*

The public service would have to consider opening its doors to black engineers in order to provide training for badly-needed manpower, Minister of Transport Services Mr Hendrik Schoeman said today.

Mr Schoeman told the Pretoria branch of the South African Institute of Civil Engineers that South Africa's shortage of trained engineers was reaching crisis proportions.

One neglected source of manpower, he said, was the black community.

The State could use black engineers in both urban and rural areas.

However, he said, the Government had closed one major training ground — the public service — to black engineers.

"We will obviously have to have a close look at this."

Mr Schoeman said he believed an engineer was not fully qualified until he had nearly 10 years' post-graduate experience under the guidance of practising engineers.

The Engineering Careers and Education Project (ECEP) identified and guided suitable scholars but there were still problems with providing post-graduate experience.

'Employers still sexist and racist'

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25/10/84 Star

By Marika Cohen

South African employers still tend to be sexist and racist when hiring workers, despite structural changes in labour legislation, according to recent research.

This conclusion was reached by Mr Stephen Bluen, a lecturer in the psychology department at the University of the Witwatersrand in a study entitled "Discrimination in Employment Practices".

Mr Bluen sent a questionnaire to 140 people randomly selected from the mailing list of a major South African personnel management institute, including personnel practitioners in all economic sectors, nationwide.

IDENTICAL

The questionnaire was completed anonymously and involved applicants for the job of credit control clerk who had identical work, education experience, and personality profiles, differing only in race and sex.

Results showed no significant differences in the hiring of either black or white, male or female applicants.

But there was a marked difference in how much prospective employers were prepared to pay workers of different sex and race groups for the identical job.

Employers would pay whites 23 percent more than blacks, men 11 percent more than women, white women 8 percent more than black men.

The greatest discrepancy was found between white males who would be paid 44 percent more than black females for the same job.

He said the results were particularly disturbing because the sample of employers were personnel practitioners, and traditionally, human resources managers were characterised as display-

ing a high level of concern for workers' well-being.

Mr Bluen said he found that while there have been structural changes regarding discrimination, these are apparently not reflected in day to day labour practices.

He said a possible explanation was prejudice, and said employers' attitudes and behaviour would have to be modified before equal employment practices could become a reality.

He said he conducted the study because there was a growing awareness of the need to eliminate discrimination in employment practices and there had been much talk about advances shown in structural changes to remove workplace discrimination.

All reference to race and sex discrimination had been erased from statutes administered by the Department of Manpower. International and local codes of conduct had been drawn up to facilitate fair labour practices, and companies had formed their own anti-discriminatory labour policies.

"I wanted to see how far employment practices had kept up with these anti-discriminatory measures," Mr Bluen said.

He noted that there was still institutionalised sex and race discrimination which permeated all of society.

DISCRIMINATION

Examples of institutionalised sex discrimination included the conflicting roles society expected the working mother to play, and the inferior legal status of certain categories of women.

Examples of institutionalised race discrimination included inferior education and training opportunities, housing, transport and medical facilities, restrictions on labour mobility and the mi-

grant labour system.

Discrimination, said Mr Bluen, was indefensible morally, psychologically, socially, economically, politically and from a labour relations viewpoint.

Sullivan tightens rules for US firms

Washington

The Sullivan Principles, which lay down standards which American companies in South Africa are urged to follow, are to be tightened. The new provisions will attempt to involve the companies in an effort to have all apartheid laws rescinded.

The Rev Leon Sullivan today outlined new provisions in his code of fair employment practices which would involve American companies more deeply in South Africa's political and social problems.

For the past eight years, United States companies operating in South Africa have been asked to adhere to Sullivan Code principles. They refer mainly to work conditions and advancement opportunities for blacks.

Each year they are graded publicly on their performance.

Now the companies are being asked to:

- Use their influence to support the rights of black businesses to operate in urban areas.
- Influence other companies to follow the standards of equal rights principles.
- Support freedom of mobility of black workers to seek jobs wherever they exist.
- Support the rescinding of all apartheid laws.

Mr Sullivan, a black Baptist preacher and social activist who is the main author of the code, announced the new provisions at a Press conference in Washington today where he presented the eighth annual report on the activities and gradings of US companies.

He said the companies were being asked to address fundamental issues which would contribute toward social and political justice for blacks.

Mr Sullivan said the recent violence in South Africa corro-

By Neil Lurssen,
The Star Bureau

borated his view that there was a race against time to bring peace to the country.

Although the Sullivan principles were not the total solution even if all US companies participated, they served as a model for all international companies, gave black workers a platform, and had created a revolution in industrial relations for blacks.

He said all the reporting companies had stated that they were paying all races equal rates for equal work.

Mr Sullivan said US companies which failed to use their influence to help change the system should get out of South Africa, and he called on individuals and organisations in America to withdraw their resources from companies which declined to sign the code.

He warned that there would be violence in South Africa as long as freedom was restricted, as long as there were forced removals and relegation of blacks to no recognisable citizenship.

If apartheid laws were not rescinded, violence would develop and spread until it was uncontrollable, and the whole country would be in turmoil.

9/11/87

Star

57

Whites blamed for tension on the factory floor

Foremen block way to blacks

By Angus Macmillan

THE clash between white foremen and aspirant black workers is one of the biggest barriers to black advancement in industry.

Lack of training is problem No 1, but black-white confrontation fills second spot, says John Burns, executive director of the Manpower and Management Foundation.

He pinpoints retraining of white managers and foremen, and an assurance by employers that their jobs are not threatened, as essential steps to defuse tension.

Group Areas

Dr Burns says: "Whites who impede this process do not belong in their particular positions."

"Although the Group Areas Act is the most comprehensive stumbling block for black advancement, it is not one which industry can overcome.

"It all but prevents development of black managers because no company is encouraged to advance staff who are geographically stat-

ic. Few, if any, of the laws that have been changed have encouraged the private sector to advance blacks."

Dr Burns bases much of his argument on the inadequacy of basic education for blacks and gives some figures on the lack of education of South Africa's economically active population.

Vary

According to Central Statistical Services, there were 6 030 000 economically active blacks in SA and the national states in June this year.

It estimates the total black population at 18 255 000, of whom 22 225 000 — 66% — are not economically active. Various government and private organisations give different numbers of the economically active population.

Twice as high

Dr Burns quotes 11-million as the total economically active population — including the other population groups — and says 30% of these people have no education, 36% have only completed primary school, and 4-million in the work force are illiterate. Central Statistical Ser-

vices puts black unemployment in June at 488 000. This figure is only 5 000 up on June 1983 and 0,5% down as a percentage of economically active blacks.

The Cape Town-based Southern African Labour and Development Research Unit says the figure is more like 2-million.

The University of South Africa's Nic Wilehain talks of a percentage about twice as high as the Government's 8% estimate.

Unlike Britain or the United States where unemployment figures are reasonably accurate, South Africa's figures are always questionable.

Unemployment benefit payments do not reflect the number of jobless workers as many do not register. Unemployment statistics in rural areas and the national states are often way off the mark.

Surveys

Central Statistical Services draws its information from monthly population surveys. Its quarterly releases provide comparative figures back to January 1980. The latest release, whether its figures are accurate or

not, gives an indication of the effects of the recession in rural areas of the national states.

It puts unemployment in these areas at 18,1% in June, the highest since June 1983. Next worse off are blacks in towns in the Cape who average a 17,3% unemployment rate. Cape cities fare worse than those in the other provinces with black unemployment above 12%.

Rights lost

Dr Burns adds an interesting observation on black unemployment and the effects of drought and recession. He says: "Being laid off is devastating enough for

whites. For blacks it is often the end of the line. Unemployed whites can move around the country job-hunting, but unemployed blacks invariably lose their rights to remain in the job market area and are forced to return to a homeland."

It has been estimated that by the year 2000, only one in 10 of SA's work force will be white and about 1-million blacks will be in managerial positions traditionally filled by whites.

Although most whites are employed, about 50% of the black population has yet to enter the job market and will comprise 80% of the labour supply in the next 20 years.



John Burns ... bugbears for blacks

Investment code should ensure black rights in SA

The Star Bureau

LONDON — The Financial Times is opposed to disinvestment in South Africa — but believes American and EEC companies should apply the Sullivan Code more stringently.

In an editorial yesterday headlined "The high costs of apartheid", the newspaper says the visits to South Africa by Senator Edward Kennedy and to the US by Nobel Peace Prize winner Bishop Desmond Tutu "have helped stimulate debate on a complex issue: the role of foreign investors in the Republic."

It adds: "The compelling argument against disinvestment is the adverse impact on black jobs. The views of black workers on this issue are difficult to determine. What is clear, however, is their demand for improved working conditions. These include trade union rights, the freedom to work where they choose and the right to live with their families, from whom most black workers in the Republic are separated."

It notes that last month employer responsibilities under the Sullivan Code were taken a significant step further. The code now asks the fifth of American companies in South Africa which subscribe to campaign for the right of black businessmen to set up in urban areas, and for complete freedom of mobility for black workers.

The Financial Times says the Sullivan Code is being backed by an increasingly concerned US lobby "which can back breaches of the code with consumer action".

No similar lobby exists in Europe — "perhaps the reason for the limited impact of the EEC Code of Conduct".

It points out that in "an unprecedented step" six South African employer groups, employing over 80 percent of the workforce, had this week called for major reforms.

"The new call comes after a watershed year. There has been almost daily black student unrest, mounting trade union activity including a two-day strike by black workers which just about paralysed Johannesburg, and the introduction of a new constitution which exacerbated rather than mollified dissent.

"All these pressures can only make more urgent the need to dismantle the apartheid system."

Death

(b) Concourse for Whites—approximately 42 000 per day.
Concourse for non-Whites—approximately 182 000 per day.

- (3) Yes, except in respect of train reservation facilities for non-Whites.
(4) Yes.

(a) and (b) Work on the improvements has already commenced and is expected to be completed by July 1985.

(c) R74 000.

Blue Train

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

- (1) How many passengers travelled on the Blue Train in 1984;
(2) whether all such passengers paid the full fare; if not, how many paid the full fare in that year?

The MINISTER OF TRANSPORT AFFAIRS:

(1) 18 480.

(2) No. 18 380.

Public Service: parity in salaries

203. Mr S S VAN DER MERWE asked the Minister of Home Affairs:

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

(2) what is the total number of non-White officers in the Public Service who enjoy full parity in salaries;

(3) in what categories has full parity not been achieved in the salaries paid to officers of different race groups in the Public Service;

(4) what is the total number of non-White Officers in the Public Service who do not enjoy full parity in salaries;

(5) (a) what steps are being taken to eliminate the existing disparities and (b) when is it estimated that such disparities will be eliminated?

The MINISTER OF HOME AFFAIRS:

(1) Salaries in the Public Service have been categorized in 21 standard salary levels. The highest standard salary level is 21 and the lowest is salary level 1. Full parity has already been implemented as follows in the salaries of the various population groups employed by the State:

Coloureds and Indians

Officials on standard salary levels 8 to 21 and 1 to 5.

Blacks

Officials on standard salary levels 11 to 21 and 1 to 5.

(2) Data is regard to the total number of non-white officials in the public service who enjoy full salary parity in the different categories is not maintained at a central point. Such data cannot be obtained from the individual institutions within the foreseeable future.

(3) Coloureds/Indians: Standard salary levels 6 to 7.
Blacks: Standard salary levels 6 to 10.

(4) With regard to the reply in (2), no specific data can be made available at this stage.

(5) The system of equal remuneration for equal work, qualifications and productivity is applicable to those levels where the salary gap has already been eliminated. The implementation of a further phase of the programme will be considered in the light of available funds when occupational specific

market related investigations are undertaken according to needs and/or general salary adjustments can be effected.

Blue Train

207. Mr B W B PAGE asked the Minister of Transport Affairs:

(1) What total number of passengers travelled on each trip undertaken by the Blue Train which departed from (a) Cape Town and (b) Pretoria/Johannesburg on each specified date during the period 1 December 1984 to 31 January 1985;

(2) what total number of passengers can be accommodated on the Blue Train?

The MINISTER OF TRANSPORT AFFAIRS:

(1) (a)

1984-12-02	: 47	1985-01-01	: 47
1984-12-04	: 44	1985-01-03	: 91
1984-12-06	: 56	1985-01-05	: 77
1984-12-08	: 21	1985-01-07	: 79
1984-12-10	: 33	1985-01-09	: 74
1984-12-12	: 28	1985-01-11	: 56
1984-12-14	: 20	1985-01-13	: 46
1984-12-16	: 37	1985-01-15	: 50
1984-12-18	: 31	1985-01-17	: 51
1984-12-20	: 35	1985-01-19	: 49
1984-12-22	: 39	1985-01-21	: 104
1984-12-24	: 9	1985-01-23	: 63
1984-12-26	: 44	1985-01-25	: 34
1984-12-28	: 77	1985-01-27	: 46
1984-12-30	: 49	1985-01-29	: 41
		1985-01-31	: 44

(b)

1984-12-02	: 39	1985-01-01	: 67
1984-12-04	: 36	1985-01-03	: 52
1984-12-06	: 88	1985-01-05	: 56
1984-12-08	: 59	1985-01-07	: 45
1984-12-10	: 76	1985-01-09	: 48
1984-12-12	: 45	1985-01-11	: 67
1984-12-14	: 88	1985-01-13	: 75
1984-12-16	: 59	1985-01-15	: 57
1984-12-18	: 67	1985-01-17	: 66
1984-12-20	: 58	1985-01-19	: 39
1984-12-22	: 84	1985-01-21	: 46
1984-12-24	: 89	1985-01-23	: 55
1984-12-26	: 82	1985-01-25	: 70

(2) 92. Provision is also made for 15 additional sleeping berths for children accompanying adults.

Infant mortality rate

224. Dr M S BARNARD asked the Minister of Constitutional Development and Planning:

What was the infant mortality rate for (a) Blacks, (b) Coloureds, (c) Indians and (d) Whites in the Republic in (i) 1983 and (ii) 1984 or the latest specified 12-month period for which figures are available?

The MINISTER OF CONSTITUTIONAL DEVELOPMENT AND PLANNING:

(i) 1983.

(a) 80.0 (Estimated-registration of births and deaths incomplete).

(b) 58.8.

(c) 18.3.

(d) 14.0.

(ii) 1984. Not yet available.

White South African citizens

231. Mr H H SCHWARZ asked the Minister of Constitutional Development and Planning:

(1) What was the total number of White South African citizens resident in the Republic as at 31 December 1984;

(2) (a) how many persons resident in the Republic as at that date had not taken out South African citizenship and (b)(i) what were their countries of origin and (ii) how many of them came from each such country?

- (4) what is the total number of non-White Officers in the Public Service who do not enjoy full parity in salaries;
- (5) (a) what steps are being taken to eliminate the existing disparities and (b) when is it estimated that such disparities will be eliminated?

The MINISTER OF HOME AFFAIRS:

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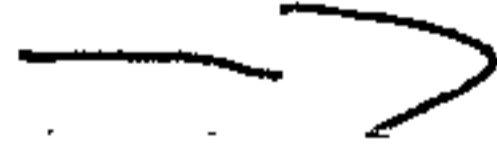
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US firm to support black education

AKRON (Ohio) — An American company is to spend about R1 million annually for the next three years to support programmes enhancing economic opportunities for blacks in South Africa.

Announcing this here yesterday, the Firestone Tire and Rubber Company said Firestone South Africa (Pty), in which the American firm had a 25 per cent equity interest, and other manufacturers in South Africa had frequently been confronted by serious shortages of skilled labour, despite the high level of black unemployment.

It also concluded that the South African company's future marketing opportunities would largely be determined by the ability of blacks to earn incomes sufficiently high to permit them to become active consumers of tyres and other automotive products.

"As a result of its deliberations, the board decided that Firestone could respond more effectively to its ethical and social responsibilities as a United States investor in South Africa, and to the long-term economic interests of its shareholders, if it dedicated approximately 25 per cent of the dividend income and trademark fees that the company receives from Firestone South Africa to support educational and training programmes that were

responsive to the needs of blacks in South Africa.

"Firestone will begin immediately to channel funds to the South African Council for Higher Education (Sached) trust and the Institute of International Education," and also intended to increase its support of the Iqhayiya Technical College, the company said.

Sached is a multi-racial, black-led organisation which addresses a wide variety of educational needs in South

Africa.

The New York-based Institute of International Education sponsors students from South Africa who attend American Colleges and universities on the understanding that they will return to South Africa on completion of their studies.

Iqhayiya Technical College, which has about 1000 students, is the first privately-funded technical college in South Africa, according to Firestone. — SAPA

More pressure for change

Sullivan takes up anti-SA cudgels again

The Star Bureau

LONDON — Representatives of major multinational corporations involved in South Africa will gather on Friday to hear the Rev Leon Sullivan plead for intensified pressure for change to be put on the South African Government.

The meeting — in historic Leeds Castle, south-east of London — has been organised by a group of leading American companies deeply involved with the author of the Sullivan Code of fair employment principles.

The code has been endorsed by most US companies operating in South Africa, including Goodyear, Control Data, Citibank, General Motors, Mobil and Caltex.

British companies at the meeting will include Shell British Petroleum, Barclays Bank, Rio Tinto Zinc and possibly the General Electric Corporation.

It is understood the meeting will also be attended by Swedish and Italian businessmen.

Mr Basil Hersov, chairman and managing director of the Anglovaal Corporation and president of the South African Foundation, Mr Tony Bloom, chairman of Premier Milling, and Mr Jan Steyn, head of the Urban Foundation, will attend as observers.

Invitations for the meeting went out from Mr Edward Heath, former Conservative Party Prime Minister, but his spokesmen deny that he will

chair discussions or that he has organised the event.

In a sense, the meeting is another in an annual series between the Rev Sullivan and British businessmen to "compare notes" on progress being made on fair employment codes in South Africa.

While most American companies in South Africa have signed the Sullivan Code, many British and European companies apply the earlier European Economic Community's Employment Code.

ENDORSEMENT

With increased pressure in the US for disinvestment, it appears a number of major US companies hope to pre-empt legislation on investment in South Africa by making the Sullivan Code tougher and gaining endorsement for it in Europe.

This code goes far beyond the EEC's voluntary code, requiring signatories to bring direct political pressure on the South African Government.

Company representatives due to attend the meeting refused to comment yesterday, but it is clear most British businesses remain opposed to moving from the EEC to the Sullivan code.

It is not certain what the approach of Swedish and Italian businessmen will be.

Most British companies operating in South Africa feel they have been in the vanguard of social change and that their efforts pre-dated the Sullivan Code.

March 1985

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Staw

Labour reforms are 'powder-keg'

By Sue Leeman, Pretoria Bureau

White tradesmen have uttered a resounding "no" to labour reforms of the Wiehahn Commission. These include the scrapping of job reservation, the same pay for the same work, and equal opportunities for advancement and training for all races.

The hardline attitude of 603 white artisans and technicians polled by the Human Sciences Research Council in the Pretoria-Brits area has indicated that Government, in trying to bring about reforms, could be sitting on a powderkeg which is waiting to explode.

More than 40 percent of the blue-collar workers polled indicated that they would resort to strike action to save their jobs from black encroachment, and a staggering three-quarters said they would rather resign from their jobs than work on an equal footing with blacks.

Nearly 90 percent warned that white workers would stand together on this, and said they saw (exclusively) white unions being called on to play an increasing role in protecting members.

Most (82 percent) said they felt the changes left the door open for black domination in the workplace.

LIVING STANDARDS

Another 17 percent said they felt the economy would suffer because of the poor quality of work done by blacks.

Most respondents took a strong stand against all reforms, with nearly 72 percent indicating opposition to equal training, 66 percent opposing equal promotion opportunities, and nearly 44 percent indicating that they were against equal pay for equal work.

An overwhelming 80 percent called for the reservation of certain work for whites.

Nearly 61 percent predicted that increases in the number of black artisans would lead to lower salaries and living standards for whites.

Supervisors inadequately trained — HSRC study

Pretoria Bureau

Supervisors employed by many South African companies are inadequately trained in staff management and therefore failing to deal effectively with conflict in the workplace, according to an HSRC study released yesterday.

Researchers said that although management did not usually regard supervisors as part of management, they were of crucial importance for sound labour relations because they were at the place "where white meets black".

However, after questioning the personnel managers of 44 companies, researchers found 73 percent were dissatisfied with the way their supervisors handled prickly situations of conflict and discipline.

A total of 64 percent said their supervisors were not up to scratch when it came to dealing and communicating with black workers.

Researchers note that many supervisors have only a superficial training, with only 48 percent of those who took part in the survey having attended management or supervisory courses of any kind.

Face reality, prof tells white artisans

Pretoria Bureau

An HSRC poll showing white blue-collar workers to be strongly opposed to labour reforms had "brought out into the open just how far removed from reality these people are", according to the head of the industrial relations unit at the University of Port Elizabeth, Professor Roux van der Merwe.

He called on employers to "look beyond the rhetoric" at the reality, which was that black artisans would become increasingly commonplace.

But white workers had no reason to feel threatened, he said. Their experience and superior education made them quite able to hold their own in the market place.

He said white workers had been protected from competition for too long and it was time that they stood on their own feet.

Govt lays down guidelines

Race policy shift in SA public service

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28/3/85

Political Staff

CAPE TOWN — New policy guidelines to do away with race discrimination in the "employment and utilisation" of people in the public service have been laid down by the Government.

The Cabinet took the step formally last year but it is publicly highlighted for the first time in the annual report of the Commission for Administration.

SHIFT

The report was published in Cape Town yesterday and the commission's chairman, Dr J de Beer, confirmed in an interview that the move amounted to "an important shift in Government policy".

The report says: "During 1984 the Cabinet, on the recommendation of the commission, laid down revised policy guidelines for Ministers, Administrators and heads of department with regard to the employment and utilisation of members of the various population groups in the public service.

"These policy guidelines . . .

- Are based on the non-discriminatory statutory basis for the staffing and administration of the public service;
- Acknowledge merit and efficiency as the primary principles in terms of which decisions affecting the public service must be taken;
- Keep pace with and are reconcilable with the new constitutional dispensation; and
- Recognise the diversity of the population composition of the

Republic, as well as the fact that the public service not only renders certain services directed at specific population groups but is also concerned with promoting the common good of all population groups."

Government sources said today that while the Public Service Act had never contained discriminatory measures, it had been Government policy in the past to put only whites in key administrative posts.

This was pure racism. Further, whites were the only people who had the vote.

Now, the sources said, things had changed and people of colour had been drawn into the system.

The new policy guidelines were apparently not highlighted before now because the Government feared a right-wing white backlash. But by all accounts the guidelines have been accepted in the public service without causing too many ripples.

BURDEN

According to Dr de Beer: "It is a fact that whites alone cannot carry the full burden of state administration. The time has come when one should consider people on merit and efficiency.

"The revised policy guidelines amount to an important shift in government policy, to the benefit of the population as a whole."

Dr de Beer said a form of affirmative action in administrations for "own affairs" was imperative — but he stressed that this would not involve any lowering of standards.

Sweeten 7/4/85

Union men lash Sullivan Code

(L2)
(11/22)
(57)

THE Sullivan Code of Employment is over-rated, say two top unionists.

The code, which lays down standards for United States corporations operating in South Africa, is probably the most highly publicised tenet of foreign investment in the country.

Hardly a month goes by without the media headlining it. This month its author, the Rev Leon Sullivan of General Motors, gave the opening address to the Leeds Castle conference of all the major multinationals operating in South Africa.

The code is a weapon in the disinvestment campaign. Mr Sullivan has appeared before US Congress to urge disinvestment by those companies that do not comply with his principles.

The code has made, he claims, almost unbelievable progress in advancing the well-being of the black people of South Africa.

The 140 US companies that subscribe to the code point to the R190 million they have invested in the training, education, health care

and housing of their South African workers. They also point to their desegregated eating facilities and their policy of equal pay for equal work.

But people on the ground, people who watch the interface between labour and capital in South Africa, have a different view of the code's worth.

Vague

Bernie Fanaroff, national organiser of the Metal and Allied Workers Union (Mawu), and Alex Irwin, national education secretary of the Federation of SA Trade Unions (Fosatu), said the code never went far enough and though it had a certain relevance when introduced in 1977, it had now been superseded by union-bargaining.

They both said the less-publicised EEC code of employment practices was more influential at the time.

"The Sullivan Code was vague on wage levels at first and didn't deal with union recognition," said Mr Irwin. "The EEC code was relatively explicit in

dealing with those matters."

The South African attempt to set standards for local companies, the Urban Foundation-Saccola Code, was useless.

"It was toothless," said Irwin. "We have never heard of anyone trying to apply it."

But none of the codes had made the sort of reverberations that Mr Sullivan claimed.

"The EEC code had a certain amount of moral force, but not so much as to make a difference," said Mr Fanaroff. "Those who claim otherwise fail to explain why South African companies — which were not answerable to Sullivan or the EEC — progressed at the same rate as foreign corporations."

A combination of pressure from South African unions, from brotherly overseas unions and a general recognition that companies were going to have to deal with unions and they might as well do it now, was making foreign and local firms improve their conditions, said Mr Fanaroff.

Sullivan 11/4/85

NEW US WAGE DEMAND

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THE Sullivan Code now categorically demands that signatories pay wages of at least the minimum living level plus 50 percent, according to the code's Co-ordinator for SA, Mr Lionel Grewan.

Mr Grewan, who works for Citibank in Johannesburg practices for US companies in SA was one of three introduced in 1977. The EEC produced a code for European companies, and the Urban Foundation (UF) and the South African Employers' Consultative Committee on Labour Affairs (Saeccola) issued a code for local companies.

From what the unionists and the codes' spokesmen said, it appears that:

- The EEC Code is the most influential.
- The Sullivan Code is the only one to maintain an independent monitoring system and is

now taking the lead in lobbying the SA Government.

- The UF-Saeccola Code is the least influential, partly because international pressures which can be marshalled against foreign firms defying the codes do not exist for local companies.

- Where strong unions exist, union-management bargaining makes the codes redundant.

Code

Replying to the charge that the UF-Saeccola Code was "toothless", Dr Robin Lee, managing director of the UF, said the code was designed to make companies aware of their responsibilities to employees and society.

The UF was not going to toughen the code because it realised that "collective bargaining had come to stay".

But in its defence Professor Blackie Swart of Unisa found in 1980 a high awareness of the UF-Saeccola Code among South African

companies and that it had an impact on policies.

Lionel Grewan said that although the EEC Code recommended a minimum wage level of the minimum living level plus 50 percent, the EEC Code had no mechanism for checking that firms were complying. The 140 Sullivan-signatory companies were monitored by Arthur D Little Inc of Massachusetts.

Mr Tony Gooch, the British Embassy's labour attache, pointed out that a major difference between the American and EEC codes was that Sullivan was a tightly-organised affair whose terms could be revised every year.

The European companies, however, were not "signatories", had no "co-ordinator", submitted reports to their various national governments, and their code could only be revised by joint decision of the EEC Council of Ministers.



ROM 1/4/85
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UK's SA firms may face stiff labour requirements

By JOHN BATTERSBY
London Bureau

LONDON. — The British Government has hinted at a review of its policy towards British firms operating in South Africa with a view to tightening the EEC Code of Conduct and making it mandatory.

In a BBC television programme on the desirability of economic sanctions against South Africa, the Foreign Office Minister, Mr Malcolm Rifkind, conceded for the first time at the weekend that a review of the EEC Code was under consideration.

"There may very well be a case for looking at the EEC Code and seeing if it can be improved," Mr Rifkind said during a sanctions debate with the Labour Shadow Foreign Secretary, Mr Denis Healey.

The first official hint of a review of the European Community's employment code came against the background of mounting domestic and international pressure on the British Government to use its economic muscle to back up verbal condemnation of apartheid with action.

Mr Rifkind's comments came the same day that the influential pro-Tory weekly, *The Economist*, called for a "direct con-

frontation with economic apartheid".

The magazine said: "The Sullivan and EEC codes of good employment practice can be extended to cover all foreign employers in South Africa. If need be, the companies can otherwise be denied government contracts back home."

The EEC Code, which lays down minimum wages and prescribed working conditions for black employees, is subscribed to on a voluntary basis by most British and Western European companies operating subsidiaries in South Africa.

Last week the British Department of Trade and Industry released its annual report on the performance of companies subscribing to the code.

More than 90% of British companies with South African subsidiaries reported to the department, but the analysis showed that only 27% had eradicated racial discrimination in the workplace and that a significant minority still paid below the minimum wage level.

Mr Rifkind said the British Government was in favour of the "maximum diplomatic pressure" on South Africa to abandon apartheid, but said sanctions would hit the blacks hardest and had proved ineffective.

ROM 2/4/85

UK FIRMS CLOSE TO CODE

By NEIL BEHRMANN

LONDON. — The UK Minister of Trade, Mr Paul Channon, says most British companies in SA meet most of the European Economic Community's codes of conduct to improve the lot of black workers.

He added that 171, or 95%, of British companies submitted reports under the EEC code. The returns "showed evidence of increased dealings with emerging trade unions in SA and a greater commitment to training, education and community projects."

A UK Department of Trade analysis of the reports, however, showed that only 27% of the companies reported

that they have total desegregation at work.

Out of the 171 companies, 115 have desegregated the working areas, 17 companies have integrated canteens and 41 integrated toilet facilities.

Critics of the EEC code say that it is too mild and that British companies should follow US companies and be far more active in ending discrimination between blacks and whites.

Mr John McQuiggan, executive director of the UK-SA Trade Association replies that most British companies were making deliberate efforts to develop the skills of their workforce.

RDM 11/4/85

Unions target multi-nationals

By PHILLIP VAN NIEKERK 57

A MOVE by the international trade union movement to "target" foreign multi-nationals in South Africa who do not adhere to international labour codes is on the cards.

An executive board meeting of the International Confederation of Free Trade Unions (ICFTU), representing 85-million workers throughout the world, began in Washington yesterday with the current situation in SA high on the agenda.

Meeting amid a climate of intense interest in foreign companies operating in SA, one of the aims of the conference is to "target" and plan international union action against "difficult" companies.

Mr A M Kailembo, the head of the ICF-

TU's Africa desk, told the Rand Daily Mail from Washington yesterday that this would include US companies who had not signed the Sullivan Code and European companies not respecting the EEC code.

● Senior EEC officials said yesterday the European Commission will debate recommendations for economic sanctions against SA, reports Sapa-Reuter.

A spokesman for the European Parliament's Socialist group said a majority of the commission's 14 members was expected to support the sanctions.

He said the British Labour Party's 32 members of the European Parliament, all attending a meeting in Madrid, tabled a motion for debate at the Strasbourg Assembly next week calling for the severance of all links with SA.

Ackerman wants SA version of Sullivan code

By PAUL DOLD

CAPE TOWN. — The chairman of Pick 'n Pay, Mr Raymond Ackerman, has called for the introduction of a Sullivan-type code to monitor the performance of South African companies.

He has warned that the next 18 months will be critical if the business sector is to neutralise the disinvestment attacks from abroad.

In an interview, Mr Ackerman said a South African code monitored by a panel which included black leaders should be introduced as soon as possible.

Although initially opposed to the United States' Sullivan code, Mr Ackerman said the depth of monitoring, and progress made, had been impressive.

"I used to criticise the US companies but have recognised that the Sullivan companies have actually forced us all into many of the changes made over the last eight to 10 years."

The adoption of a local code would show overseas critics what was being achieved by South African businessmen.

Mr Ackerman said he had attended a series of top-level meetings with black leaders, explaining what was being done by business to oppose discrimination.

"We have found black leaders quite unaware of the progress being made. But the significant result is that dialogue is under way."

Black leaders had been asked to propose a programme which could be adopted by the private sector.

Mr Ackerman called for three-cornered negotiations between Government, business and black leaders.

"Government must involve business more — not as partners, but as part of a negotiating triangle."

"To my mind the disinvestment problem is more serious than people like to think."

"It is a very wide problem linked to the rand-dollar rate and the recession. There is no question that disinvestment has been helped by the rand's sharp drop."

"The profitability of many of the American companies here has been affected and their assets have fallen in value. With profits falling, US companies have clearly found difficulty in opposing disinvestment."

"We are looking at a so-called moral issue and a hard business issue. A number of people have told me that if business was good in South Africa there would be little question of disinvestment."

Mr Ackerman, who believes businessmen, not politicians, will blunt the disinvestment campaign, said businessmen must accept the challenge.

"We have to show ourselves and our people that business is leading the way. We have to clearly stand up in areas such as citizen rights and forced removals."

(1) Whether, with reference to his reply to Question No. 34 on 19 March 1985, (a) he and/or (b) any member of the South African Police has, with the concurrence of the Minister of Communications in terms of section 118A (1) (a) of the Post Office Act, No. 44 of 1958, authorized the tapping of any telephones in terms of section 118A of the said Act since the insertion of this provision in the principal Act by the Post Office Amendment Act, No. 101 of 1972; if so, (i) on how many occasions, (ii) what was the rank of the person who authorized the tapping in each case and (iii) in respect of what dates is this information furnished;

(2) whether any criminal charges have been laid against any persons as a result of evidence gained from telephone tapping; if so, (a) in respect of how many cases and (b) what were the charges in each case?

†The MINISTER OF LAW AND ORDER:

- (1) No.
- (2) (a) and (b) Yes, but I do not consider it to be in the public interest to divulge the particulars as requested.

St Francis Bay: lighthouse

*8. Mr A SAVVAGE asked the Minister of Transport Affairs:

- (1) Whether the lighthouse at St Francis Bay is to be automated; if so.
- (2) whether the staff houses will still be required for staff; if not.
- (3) whether it is the intention to sell these staff houses; if so, in what manner are these houses to be sold;
- (4) whether it is the intention to dispose of the land adjoining the lighthouse; if so, on what basis will this be effected?

The MINISTER OF CONSTITUTIONAL DEVELOPMENT AND PLANNING: (for the Minister of Transport Affairs):

- (1) Yes.
- (2) Yes, for maintenance and security staff.
- (3) Falls away.
- (4) No.

Pretoria: renovation of board room

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

- (1) Whether the board room at the South African Transport Services headquarters in Pretoria is being renovated; if so, (a) at what cost, (b) what is the nature of the renovations and (c) by whom is the work being undertaken;
- (2) whether tenders were called for; if not, why not; if so,
- (3) whether the lowest tenders were accepted in each case; if not, why not?

The MINISTER OF CONSTITUTIONAL DEVELOPMENT AND PLANNING (for the Minister of Transport Affairs):

- (1) No. Obsolete air-conditioning units are being replaced departmentally.
- (2) and (3) Fall away.

Jan Smuts Airport: banks

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

- (1) Whether he will furnish the names of the banks which have facilities at Jan Smuts Airport; if not, why not; if so, what are their names;
- (2) on what basis are these facilities let to the banks concerned;

(3) whether tenders and/or applications were invited for the allocation of these facilities; if not, why not; if so, (a) how many (i) tenders and/or (ii) applications were received and (b) on what basis was the occupant chosen in each case?

†The MINISTER OF CONSTITUTIONAL DEVELOPMENT AND PLANNING (for the Minister of Transport Affairs):

- (1) Yes. Volkskas Beperk.
- (2) At a fixed rental of R16 700 per month for a period of five years whereafter the lessee may negotiate for an extension of the lease for a further period of 4 years and 11 months.
- (3) Yes.

(a) (i) 2. All banking facilities at the airport were included in a package deal in respect of which a single tender was called for by the State Tender Board.

(ii) Falls away.

(b) The highest rental offered. *Hawson Q. 6/1, 1081*
State Departments: employment of Coloureds/Indians/Blacks *16/4/85*
*11. Mr J B VAN ZYL asked the Minister of Home Affairs:†

- (1) Whether the Cabinet recently took a decision on the employment of (a) Coloureds, (b) Indians and (c) Blacks in State Departments falling under the Administration: House of Assembly; if so, (i) when and (ii) what decision;

(2) whether the Commission for Administration recently sent a circular on the employment and utilization of the various population groups in the Public Service under the new constitutional dispensation to the three Administrations for Own Affairs; if so, what are the contents of the circular?

The MINISTER OF HOME AFFAIRS:

(1) No. The Cabinet did not take a decision specifically concerning the employment of Coloureds, Indians and Blacks in the departments referred to. However, a general policy decision concerning the employment and utilisation of the various population groups in the Public Service was taken recently.

(2) No. A letter was addressed to Heads of Departments personally. I wish to refer the hon member to page 26 of the Annual Report of the Commission for Administration which contains the policy guidelines.

Action taken in Black townships on 21 March 1985 *16/4/85*

*12. Mrs H STEVEMAN asked the Minister of Law and Order:

(1) Whether the South African Police took any action in any Black townships in the Republic other than on L'Heunhae on 21 March 1985; if so, (a) in which townships, (b) what action and (c) what were the circumstances surrounding the incidents.

(2) whether the police used any (a) live ammunition, (b) rubber bullets and (c) teargas on these occasions; if so, why;

(3) whether any persons were shot and (a) killed and (b) wounded on these occasions; if so, how many in each case;

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

The MINISTER OF LAW AND ORDER:

(1) Yes.

(a) At Sebokeng on 5 occasions, Sharpsville, Evaton, Asherville, Galeshewe on 8 occasions, Zama-dela, Tumbahole, Kwa-Nobuhle

Ackerman calls for SA version of Sullivan code

57 E. Post 25/4/85

Post Correspondent

CAPE TOWN — Supermarket chief Raymond Ackerman has called for the introduction of a Sullivan-type code to monitor the performance of South African companies in promoting the interests of their black workers.

He has warned that the next 18 months will be critical if the business sector is to neutralise the disinvestment attacks from abroad.

In an interview, Mr Ackerman said a South African code monitored by a panel including black leaders should be introduced as soon as possible.

Although he had initially been opposed to the Sullivan code to which American companies are encouraged to subscribe, Mr Ackerman said the depth of monitoring, and progress made, had been impressive.

"I used to criticise the US companies but have recognised that the Sullivan companies have actually forced us all into many of the changes made over the last eight to 10 years," he said.

Mr Ackerman said he had attended a series of top-level meetings with black leaders, explaining what was being done by business to oppose discrimination.

"We have found black leaders quite unaware of the progress being made. But the significant result is that dialogue is under way."

Black leaders had been asked to propose a programme which could be adopted by the private sector.

Mr Ackerman called for three-cornered negotiations between Government, business and black leaders.



Mr RAYMOND ACKERMAN... impressed by effect of Sullivan Code on American companies in South Africa.

"Government must involve business more — not as partners, but as part of a negotiating triangle," he said.

"To my mind the disinvestment problem is more serious than people like to think.

"It is a very wide problem linked to the rand-dollar rate and the recession.

"The profitability of many of the American companies here has been affected. With profits falling, US companies have clearly found difficulty in opposing disinvestment."

Life insurance industry urged to create jobs

NM 2/5/85

Mercury Correspondent

CAPE TOWN— The Minister of Finance, Mr Barend du Plessis, has asked the life insurance industry to consider directing more of its accumulated funds towards the creation of jobs.

He also invited the industry to discuss this with him.

Speaking at the 50th anniversary dinner of the Life Offices Association in Cape Town last night, Mr du Plessis praised the contribution by the life insurance industry to the economic growth of South Africa.

Perhaps the most important contribution it had made, he said, was the mobilisation of capital contributed by the public and organisations through insurance premiums and contributions to pension funds.

Assets

The R30bn in assets held by the industry on behalf of policyholders helped to keep the wheels of industry and commerce turning.

At a time when public savings had shown a disturbing decline in recent years, the life insurance industry had shown a marked growth in premium income, contributing to the growth of South African society.

Mr du Plessis said, however, that he wished to pose a question connected, on the one hand, with the mobilisation of capital and; on the other

hand, with the achievement and maintenance of a high rate of job-creating economic activity.

The policyholder had the right to expect a double benefit in the earnings of his investment.

Firstly, he expected the direct earnings and bonuses which accrued from his policy.

Secondly — and of equal importance — he could expect the indirect benefits he shared when the economy grew, when there was peace, prosperity and progress through, for example, the provision of sufficient work opportunities for those entering the job market.

Control

He said all parties were aware of the responsibilities attached to the administration of trust funds.

He asked, however, whether ways could not be found to direct less of the industry's accumulated funds towards the achievement of control over existing companies.

He asked the insurance industry to consider, 'particularly in these exceptional times,' moving funds into investments in new job-creating assets.

'A greater role in the provision of pensions'

CAPE TOWN— There was little doubt the insurance industry would show many changes during the next 50 years in adapting to the changing society in which it will be operating, the chairman of the Life Offices' Association (LOA), Dr Morris Bernstein, said last night.

Speaking at the association's Golden Jubilee dinner in Cape Town, he said one of the areas in which the industry would play a greater part was in the provision of pensions. Advances in medical techniques and better standards of living would mean an increasing percentage of the population will be living longer, so requiring retirement incomes for longer periods.

'I do not wish to pre-empt the findings or considerations of the Parliamentary Joint Select Committee on pensions.

However, the fact that it has been reconstituted to consider the broad field of pension provision for the people of South Africa, indicates an awareness at Government level of an essential requirement,' Mr Bernstein said.

He was convinced the rôle the life insurance industry played would continue and it would make major contributions in the next half-century. — (Sapa)

Shipping lines make deal

CAPE TOWN— Safmarine and the Bank Line have announced that a space-sharing agreement has been reached in principle between the two companies in their U S-Southern Africa trades.

The agreement, which is subject to the approval of the Federal Maritime Commission, would take effect from July 1, 1985.

The main feature of it is space-sharing, which would enable both companies to load and book cargo on each other's vessels, and the co-ordination of scheduling to allow for a 14-day frequency both south and north-bound.

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S. Times

Housing perks go, but salaries rise

5/5/85

By Ciaran Ryan

BANKS and building societies have slashed preferential interest rates on housing loans to staff as part of a move to cash-based remuneration.

But all institutions report decreased staff turnover, caused by fear of the recession and the perks tax. Employees who may have been lured from financial institutions by more attractive perks are now hesitant until the market finds ways to compensate for perks tax.

United Building Society may increase interest rates on housing loans for new staff from 3% to 18%, pending senior managerial

approval. But salaries may be increased to compensate for the loss.

Standard Bank has increased the interest rates on housing loans to staff from 2.5% to 3.5%. Personnel manager Henry Fabian says the rate will be increased by 1% a year until a ceiling of 9.5% is reached "depending on how market rates perform in the meantime".

The cash portion of salary packages will be reassessed regularly in the light of movements in market bond rates.

"We believed employees should start to contribute more to the financing of their

□ To Page 3

Times, May 5, 1985

S. Times

Perks on way out

□ From Page 1

houses. Managers entitled to company cars no longer have to pay a nominal rent for them. They now have free use of the cars."

Barclays has kept its interest rate on housing loans at 2.5% for existing staff until 1990 when it will go up to 5%. New staff will have to pay 5% immediately. Interest rates on car and personal loans has been increased from 3% to 12%.

Volkscas has raised salaries and has kept interest rates on housing loans at 3.5%. Managers have been compensated for the introduction of the car tax by additional cash.

Public relations manager Jan Snyman says company policy is to increase salaries to make up for perks tax losses.

Nedbank has not changed its salary packages. Philip Bacchioni, general manager of personnel, says even when the tax on housing loans has been phased in employees will pay less than 10% on the benefit.

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Bugs in the employment code bedding

57 S. Times 5/5/85

RAYMOND Ackerman's proposed South African equivalent of the Sullivan Code is sound — but a multitude of difficulties will have to be overcome.

On the surface, it is logical for business to bring about change and reduce political pressures on South Africa.

But underneath lie a mass of problems regarding the monitoring and auditing of such a code and the objectivity of participants and organisers.

The Pick 'n Pay chief suggests that an SA code be established and monitored by a panel including Government, business and black leaders.

But there are bound to be differences of opinion between "partners" with such divergent backgrounds and goals.

Dialogue

Initially a critic of Leon Sullivan's code for US companies in SA, Mr Ackerman admits that many companies have been compelled to change their policies in recent years.

He says: "The adoption of a local code will show overseas critics what can be achieved by SA businessmen. We have found black leaders unaware of the progress being made, but it is significant that dialogue is under way."

Could it be that Mr Ackerman and others are playing into Mr Sullivan's hands, as one of the Baptist preacher's most recent pleas has been for signatories to spread the word to other companies?

Grading

Perhaps he wants out after starting the ball rolling with his code of 128 signatories employing more than 80 000 workers and an investment of about R20-billion in SA.

The Sullivan Code has not been without problems, particularly on the auditing side.

A Boston management consultancy, Arthur D Little, has kept tabs on signatories and graded them. Some signatories say the auditing is too subjective and companies not in the code are suspicious. Stephen Bisensius, former executive director of the American Chamber of Commerce in SA, believes the chances of Mr Ackerman's idea succeeding depend on the sincerity and objectivity of the monitoring panel.

Competition

"Some Sullivan companies are bitter about the way the code is audited and others have been intimidated into signing. For an SA code to work there has to be consensus on the aims between participating companies and the monitoring panel."

Mr Bisensius, who recently left Amcham to form the American Association for Trade and Investment, says the Sullivan Code must not be given too much credit.

He resigned his post because Amcham would not actively pursue an anti-disinvestment campaign.

He says some Sullivan signatories are in competition with one another to see who can score best on Arthur D Little's ratings. The public relations emphasis has too much significance.

Bureaucratic

"Some companies opt to keep jobs for their staff rather than go out of their way to meet a Sullivan requirement. What is more important, jobs or points?"

"Unrealistic demands and blind subjectivity would ruin any South African code, so the quality and foresight of a monitoring panel are crucial."

Like engineers who fail

one subject and thus an entire examination, Sullivan companies fail their test unless they meet its nine basic requirements.

These include freedom of association for workers, minimum pay levels and making Sullivan ratings known to staff.

Another fault of the Sullivan Code which Mr Bisensius says has scared off potential signatories is its bureaucracy.

"Companies don't want to be continuously bugged by filling in forms for audits and requirements. An employment code must not be a burden."

He agrees with Harvard University researcher Rob Conway that business has to play the major role in countering anti-SA opinion.

Enlightened

He says too little credit has been given to the efforts of SA companies in the past.

"Companies like Beacon and Barlow Rand had enlightened labour practices before Sullivan came on the scene. They get very little credit for that."



SIMON BRAND

Developing southern Africa

FACE
TO FACE



Simon Brand is chairman of the Development Bank of Southern Africa and until June, chairman of the State President's Economic Advisory Council.

FM: The Bank's original role was to promote the idea of a "constellation" of southern African states. Is this still a long-term goal?

Brand: The whole idea of a confederation of states is not specifically tied to the formation of the Bank. In fact, several of the present members gave their support to the formation of the Bank on the explicit understanding — and also the assurance from the SA government — that this does not commit them to supporting confederation or any other specific formula. Of course, there are others, including the SA government, who may have in mind the formation of a confederation. But there is not a one-to-one relationship between the formation of the Bank and any specific political formula.

Have there been any negotiations with any neighbouring countries?

There are two aspects which must be borne in mind. One is that we have concentrated our efforts on the original participating (homeland) states. We've had our hands full setting up our own activities and meeting the immediate applications from these states. That hasn't really left much time for looking further afield.

The second aspect is that there are obviously political reservations on the part of other states of the region. It is only realistic to accept that these states would first want to see the Bank establish a track record in terms of its ability to mobilise capital and to process projects expeditiously before they would be inclined to think of overcoming the political inhibitions they might have about co-operating with the Bank. For that reason, this is not something we have been pushing hard. I certainly believe that there is a wider role for the Bank to play, but it is something that will have to develop naturally.

In the meantime, we have been making informal contacts with various other states in southern Africa — obviously I wouldn't want to be specific on this — simply on the basis of exchanging information about what we are doing and trying to see whether there are lessons we can learn from development efforts in other countries. We have also made contact with other similar development institutions in Europe, the UK and North America on exactly the same basis without any commitments either way. So in that sense we have made known our presence so far.

One would imagine that Swaziland would be among the first to approach the Bank.

Yes, that could be a possibility. I would say that the way in which any sort of relationship between the Bank and any other states in southern Africa would develop naturally would be through a project of joint interest.

An example would be the development of a river system where there are interests on both sides of the border and where SA and the other member-states of the Bank could be involved. That would be the natural way to start this relationship, rather than pushing for membership.

What about Mozambique, after Nkomati?

The possibility exists. However, I understand that in the short-term Mozambique is more involved in rehabilitation of existing infrastructure rather than in new projects as such. That means, I think, that their needs are probably more for short and medium-term financing which is not the kind we specialise in. But as they reach the stage where they become interested in additional new projects requiring new financing, then they might look at the comparative conditions under which the Bank can provide financing compared to other sources.

Has the Bank had any success in tapping the international capital market?

No, we haven't tried so far. We have been in contact with a wide variety of banking institutions overseas and indications are that we have a good chance of raising capital on terms comparable to those that public sector bodies in SA can get. We are at this stage actively examining the various steps for a first entry into the market. Our approach is not to wait until we are in a tight cash situation and have to go to the market to meet our commitments, but to borrow while we are in a relatively strong funding position so that we can establish our name in the market. We will obviously try to do this in a way that will not disrupt the activities of other SA borrowers. So we would want to tie in with the scheduling of capital market issues by other SA institutions.

Is the disinvestment drive overseas expected to affect your plans to borrow from abroad?

I don't really think so. In the first place we are not looking at the American market. Right from the start we realised that that would be difficult because of political reasons. As far as the European markets are concerned, my impression is certainly that the pressure for disinvestment and for refraining from providing finance to public sector entities in this part of the world is not as strong as in the US. In fact, the fact that the Bank is mainly involved in financing basic development projects among the less well-off communities of southern Africa may even be an advantage.

There is a view that development occurs in response to economic forces and not as a

result of political manoeuvring which, arguably, was the original motivation for forming the Bank.

The whole orientation of the Bank is on the economic side. In fact it is explicitly written into the articles of agreement that in considering projects, the Bank must not take into account political factors, but must concentrate on whether or not viability of projects will pay. One of the first questions we ask when appraising projects is: has the market identified this particular area as one in which there is potential for industrial development? So we are not going to finance infrastructure somewhere in the bush completely against the stream of economic forces.

But the fact is that you approach your task within the framework of the homelands system, geographic separate development and you are developing points in the homelands.

We take the existing political constitutional framework as given. That is the framework in which we operate. We don't see it as the task of the Bank to either detract from that political framework or to build it out on the political side. We are looking for development possibilities as it is stated in the articles of agreement of the Bank, promoting development in the less developed parts of southern Africa, taking economic criteria as our exclusive norm.

Is there a long-term black influx control function in your work to keep blacks out of the cities?

No. We do not see our development efforts in the less developed parts of southern Africa as specifically aimed at supporting influx control. But I do think that from whatever political perspective one looks at the process of urbanisation in SA, there is a balance required between the pull factors of the urban areas and the push factors of the rural areas.

Quite often it is possible to create job opportunities and income generating opportunities in the rural areas at a lower cost than in the urban areas. So, yes, to the extent that development in the rural areas does succeed in these ways, it will reduce the pressure of influx into the cities. The fact is that all the governments involved in the Bank, including SA, have accepted the fact that there will be further urbanisation in SA.

Will Namibia, now that it is getting self-government, become a member of the Bank?

The articles of agreement do provide for Namibia's participation, but at this stage no decision has been reached on its membership. This will probably have to wait until Namibia is independent or at least until an independence date has been set. There is no reluctance on the Bank's part, but it will have to be a decision of an independent government. ■

SA firm signs Sullivan code

D. Despatch
27/5/81

JOHANNESBURG — Video Vision Enterprises, distributors of motion pictures, will be the first South African-owned company to become a signatory of the Sullivan Code, which aims at eliminating apartheid practices in the workplace.

The code is aimed at American businesses in South Africa and has been adopted by most of them.

Mr. Anant Singh, managing director of Video Vision, has written to all

public companies trading on the Johannesburg Stock Exchange, urging acceptance of and adherence to the code.

"This is a move to create an awareness of the code and the intention is to have private companies as well as public companies adopt the code. Its success is dependent on the response it receives among the South African business community, which I hope will be mostly positive," Mr Singh said.

He said the Rev Leon Sullivan had stated

when they met in America recently that the principles were "intended to improve the quality of life and to help build a peaceful South Africa for everyone."

"I would like to see South African-owned companies adhere to these principles and report on their compliance, including the stringent application of the principles, which calls on all companies to oppose all apartheid laws," Mr Singh said. — Sapa

(57) B. Day 27/5/89

SA film distributors to sign US Sullivan Code

VIDEO Vision Enterprises, distributors of motion pictures, will be the first South African owned company to become a signatory to the Sullivan Code, which aims at eliminating apartheid practices in the workplace.

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Its success is dependent upon

the response it receives amongst the South African business community, Mr Singh said.

He said Reverend Leon Sullivan had stated when they met in the United States recently that the code was not designed to advance the views of proponents of either investment or disinvestment.

"I would like to see South African owned companies adhere to these principles, report on the compliance, including the strictest amplification of the principles which calls on all companies to oppose all apartheid laws."

"To the contrary, the principles are a pragmatic policy, based upon the most judicious engagement of available resources and are intended to improve the quality of life."

An investment strategy to undermine apartheid

57 B. Day 28/5/85

FEW Americans, if any, defend apartheid in South Africa. But they are deeply divided on how to make it disappear. The hard line is called "disinvestment" — strong, legal measures to put pressure on US companies with SA investments to pull out. This strategy is supposed to make government recognise that apartheid is too costly to sustain. The second, softer, approach is described by the Reagan administration as "constructive engagement" and involves extensive economic and diplomatic contact to dissipate siege mentality in Pretoria and foster gradual change. Frustration with the "inadequate success" of constructive engagement has generated additional momentum in Congress for legislation on disinvestment.

But disinvestment would be a serious mistake, penalising SA's blacks and making the dissolution of apartheid more difficult. The concept is based on a misunderstanding of Afrikanerdom and a historically unjustified confidence in the effectiveness of boycotts.

Marginal

Disinvestment would have at most a marginal impact on SA's economy. Even if disinvestment did begin to bite, it would slow the workplace reforms pioneered by the progressive US companies in SA and weaken black unions while strengthening the position of conservative white workers. Most important, disinvestment could blunt the economic forces that are slowly, but inexorably, undermining apartheid's foundations.

It is the unstated premise of disinvestment that this policy will achieve reform only if the country is polarised further, leading to violent and bloody revolution — out of which, perhaps, a peaceful and stable democratic state will emerge. One trouble is post-colonial Africa offers no precedent for this.

Nor is constructive engagement, albeit much sounder than disinvestment, a sufficient policy. Rather than relying only on the diplomacy of such an effort, the US administration should fashion a more activist strategy, recognising that it is economic growth, coupled with the colour-blind employment practices of US companies, that poses the greatest threat to apartheid. The \$2bn in US assets in the country represents 20% of total foreign direct investment, dominating such areas as oil and computers.

STUART BUTLER

director, domestic policy studies, Heritage Foundation

Instead of disinvestment, increased US participation in the SA economy should be encouraged. The US government should provide special assistance through US companies to upgrade the educational and management skills of black South Africans and help them form businesses of their own. Assistance also should be given to US trade unionists to train black union organisers.

Finally, technical assistance and encouragement should be given to speed the recent decision by government to return to the private sector key segments of the nationalised economy, thus taking control from conservative bureaucrats.

A recent analysis by the Economist claims the effect of US disinvestment would be small and could conceivably boost the country's economy. Total investment from outside SA has "slowed to a trickle," falling below \$100m a year.

And the disinvestment rationale ignores the possibility of SA retaliation. Dividends sent abroad by firms in SA are three times greater than foreign investment entering at present. Disinvestment thus could be countered by a dividend export freeze. So disinvestment would be "once-for-all Marshall Aid".

Threaten

The British journal also points out that if US companies were forced to withdraw from SA the action would threaten the employment of 120 000 blacks, many of whom have learned new skills and earned promotions in progressive, desegregated US companies. If these firms closed, many of their black employees would be liable for deportation to the tribal homelands. More likely, government would nationalise the companies or allow local firms to take them over.

Black South Africans comprise about 75% of the country's workforce and half its skilled labour. As the economy has grown, shortages of white labour have allowed blacks to force themselves into occupations once reserved for

whites. Disinvestment may be favoured by black organisations and liberals in the US, but polls reveal that it is opposed by SA's urban blacks, who strongly support the presence of foreign firms that have done so much to improve their economic and social status.

SA's black National African Chamber of Commerce and Industry, for instance, sent a memorandum to Senator Edward Kennedy during his visit to SA attacking disinvestment as inhibiting economic growth, "which is a powerful catalyst in the process of peaceful social and political reform in the country". The same view was expressed by Chief Gatsha Buthelezi, a fierce opponent of apartheid. He called disinvestment "tactical madness."

The choice

Those SA blacks who oppose disinvestment are denounced by SA's militant black leaders and their US allies for two reasons. First, to be successful politically they must seek to persuade Congress and the American people that the choice is simple and stark — either one supports "the blacks" in SA, who are supposedly unanimous in their support of disinvestment, or one supports white racism. To recognise the deep disagreement among SA blacks regarding strategy would make it easier for Americans to oppose disinvestment.

Second, some advocates of disinvestment seem to favour revolutionary change in SA. For them, there is sense to the old revolutionary dictum: the worse, the better. As such, the fact that disinvestment would hit blacks harder than whites is a virtue, since it would drive blacks into economic despair and militancy.

The politics of Afrikanerdom reinforces the argument that disinvestment will fail. The history of SA has been characterised by Afrikaners seeking to retain their ethnic and social identity against outside threats — from the English, from the non-whites and even from erosion by industrialisation.

The US administration and Congress should reject the call for disinvestment and instead attack apartheid's soft underbelly by encouraging even more US investment in SA, thereby speeding up the corrosive effect of economic growth on the foundations of apartheid.

(57) S. Post 28/5/85

Sullivan sets deadline

WASHINGTON — Mr Leon Sullivan, a pastor whose guidelines have helped shape Washington's South Africa policy for eight years, said if apartheid was still in force in 1987 the US should impose a total economic embargo on the Pretoria Government

Mr Sullivan, in an article published in today's Washington Post, urged the Reagan administra-

tion to step up its diplomatic efforts for change in South Africa.

Mr Sullivan, a pastor at the Zion Baptist Church in Philadelphia, drew up a set of principles in 1977 to govern the business practices of US companies in South Africa.

Mr Sullivan added that through his principles, American companies had improved pay, working conditions and job prospects for some of the

country's majority black population but that 100 firms had not yet embraced the code.

"I believe the Sullivan Principles, along with other forces, should have 24 more months to work in South Africa," Mr Sullivan said.

Meanwhile, Mr Sullivan added there should be a moratorium on further American economic expansion in South Africa — Sapa-Reuter

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(57) B. Day 3/5/85
**Big SA companies
are also following
Sullivan code lead**

By CLAIRE PICKARD-CAMBRIDGE

BIG companies have fair-employment principles similar to the Sullivan code and, according to prominent industrial relations spokesmen, differences are rapidly diminishing.

They claimed this in response to news that Video Vision Enterprises — distributors of motion pictures — was going to be the first South African company to sign the Sullivan code which aims at eliminating apartheid in US companies operating here.

Pastor Leon Sullivan, whose guidelines have helped shape Washington's South Africa policy for eight years, said this week the US should impose a total economic embargo on the country in 1987 if apartheid were still in force.

Professor Blackie Swart, head of industrial relations at the University of Stellenbosch, said some big SA companies had subscribed to the Urban Foundation and Saccola (SA Co-ordinating Council on Labour Affairs) codes of intent at the same time as the Sullivan code was published in 1977.

Many had adopted their own codes from these but these practices were not monitored and publicised like those of Sullivan.

Some big SA companies were sometimes a bit behind in implementing them properly and a few smaller companies didn't even know that the employer federations they belonged to were committed to these codes.

Fred Ferreira, executive director of Samcor and president of the nine task groups co-ordinating the Sullivan code, said there were few differences left between US companies following the Sullivan code and big SA organisations.

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Sullivan in call for 'total U S embargo'

Simon Barber

WASHINGTON—The Rev Leon Sullivan, author of the Employment Code, has upped his demands again and is calling for a 'total United States embargo' of South Africa if 'statutory apartheid' has not been dismantled within two years.

In a letter to Sen William Roth last month, Mr Sullivan announced his support for Sen Edward Kennedy's S A Bill which would place a moratorium on all new U S investment in the country, including bank loans.

Writing in yesterday's Washington Post, the Philadelphia preacher nonetheless insisted that

his principles were working, particularly since being tightened to force signatories to campaign actively against apartheid.

'As a result, U S plants are desegregated, equal pay for equal work is beginning to be paid to black workers, blacks are being elevated to administrative and supervisory jobs, blacks are supervising whites, blacks are being trained with new technical skills, independent free trades unions are being recognised, schools are being built, housing developments are being constructed, health centres and programmes are being initiated and young blacks by the tens of thousands are

being assisted with better education,' he said.

Mr Sullivan noted with approval that 'a group of S A companies employing 1 000 000 workers, mostly blacks, is now using the principles. The princi-

ples have started a revolution in industrial relations across S A'.

In light of this, his hardened line might seem ironic. However, he wrote, 'time is running out for peaceful change.

While the principles and the company effort are making progress, South Africa does not have 10 years, or five years, to free its black population before there is a massive conflagration'.

57

NM 29/5/85

What American business wants

(Handwritten: 67, 57, E. Post, 6/2/85)

THE American Chamber of Commerce in South Africa (Amcham) recently presented a memorandum to Constitutional Development and Planning Minister Chris Heunis, in his capacity as chairman of the special Cabinet committee investigating the question of African rights outside the homelands, in which it emphasised that government should rest upon the consent of the governed.

"All adults, irrespective of race, should be accorded the right to representation in the legislature that has ultimate control of their lives," the memorandum said.

"While we are aware that all blacks in South Africa (broadly defined in this document to include homelands that were formerly part of South Africa) have a franchise for legislatures in the homelands, we do not believe that this alters the fact that ultimate control remains in Parliament in Cape Town and in the State President, who is vested with the control and administration of blacks' affairs."

This was "partly because almost half of the blacks in South Africa reside outside the homelands, partly because all 10 homelands are heavily dependent of Parliament to balance their budgets, and partly because some two-thirds of the homelands' collective gross national product is earned in the white-designated areas".

Amcham says it believes South Africans will ultimately devise a solution acceptable to the great majority of the country's population, and that the nature of the system (federal or unitary, protection of rights on a group or individual basis and so on) would ultimately have to be decided among South Africans of all races and political

Legislation is now being prepared in the US Congress that would impose certain economic sanctions against South Africa — with tougher measures on the cards if South Africa does not move demonstrably towards scrapping apartheid within 18 months. But what would American business like to see happen here? In a recent memorandum to the special Cabinet Committee investigating black political rights, the American Chamber of Commerce in South Africa (Amcham) spelt out its views. KIN BENTLEY reports:

parties "during appropriate negotiations".

It says it would applaud it if the Cabinet committee's process of consultation with black leaders proved to be a first step in that direction.

On local government, it says the Government should issue a statement saying that black local authorities are only a form of third-tier government "and not a substitute for black political rights".

It also warns against the proposed taxing of companies based on their number of employees, which could discourage business investment.

Instead of seeking finance on a local level to make up infrastructural backlogs in black urban areas, it says the Government should introduce direct subsidies for development and upgrading, on a similar basis to that provided to homelands.

It says it can see no "sound economic or administrative reason" for the exclusion of blacks from the proposed Regional Services Councils, which according to a Bill tabled last year would include whites, coloureds and Indians, but only allow blacks to obtain services on a contract basis, not as formal members.

It says the regional development advisory committees in the eight development planning regions (which straddle homeland boundaries) are a recognition of the "inevitability

of joint decision-making on matters of common interest".

It calls for such economic joint decision-making to "evolve into joint decision-making on regional, political and other issues".

This could be achieved through black and white negotiation and compromise and evolve into "component units of an ultimate federal political system for SA" if such a system was decided on.

Nationally, it says the above proposals for local and regional government would pave the way for the successful implementation of an "appropriate formula for black participation in Parliament".

The Government should announce that it intends granting parliamentary franchise to blacks (including homeland blacks), when a formula has been agreed upon by the leaders of all groups.

Blacks should also be given representation on the State President's Committee on National Priorities, "since it will play a major role in determining budget priorities".

Amcham says it believes "an appropriate political formula for SA can only be arrived at through an agreed process of negotiation".

For it to be effective, it says, "it must necessarily include leaders or organisations now proscribed and/or in exile". Such

organisations should be legalised and their leaders in prison or exile granted amnesty, "subject to their agreement to participate in lawful democratic procedures and to disassociate themselves from violence".

All people in detention without trial should be charged or released.

● The memorandum urges the Government to embark on "an explicit programme to phase out influx control within a stated period of time.

"The weight of international evidence shows that the process of urbanisation can seldom be indefinitely arrested.

"In addition, urbanisation is a necessary prerequisite of economic growth.

Influx control resulted in costs "of policing and administration, opportunity costs to the economy and to business resulting from artificial restrictions on the free movement of labour, and the social costs in terms of damage to goodwill between the races".

● The memorandum says population removals "do grievous damage to South Africa, both in terms of racial goodwill within the country and in terms of the country's image abroad.

Removals, it says, are "the one thing most likely to ensure success of the disinvestment lobby in the US, which would harm both American companies and South Africa itself.

They are frequently

accompanied by coercion, and once people have been removed, particularly into some of the more densely populated homelands, they suffer stress and deprivation, and become an additional burden on the taxpayer.

"Some of the communities removed are economically relatively prosperous, and it is tragic to see such communities destroyed."

There would be a saving through halting removals, "since the State would no longer have to provide housing for people who have been moved".

● The memorandum submits that "concomitant with the phasing out of influx control, the migratory labour system should also be phased out".

It sees the denial of a worker's right to live with his or her spouse and family for very large parts of his or her working life as "not morally right" or "compatible with the sanctity of marriage and family life".

Allowing migrant workers to bring their families to live with them would involve costs, but these could be partially met by the private sector.

● The memorandum also urges the Government to remove the "petty restrictions that inhibit formal and informal business development within the black townships".

"Amcham believes that in the interests of maximising job creation, restrictions on business development in CBDs and black townships should be reduced to the barest essentials."

● Calls by Amcham for freehold title for blacks in South Africa and for the opening of central business districts have, since the submission was made, largely been met by the Government.

57

Australian business rejects code on SA

B. Day 17/6/85

MELBOURNE — The Hawke Labor government has suffered a major setback in its campaign to take the international initiative on tough trade measures with South Africa.

On Friday the Confederation of Australian Industry, one of the two most important organisations that speaks on behalf of big business, rejected Canberra's proposed code of conduct for Australian companies operating in SA.

CAI spokesman Larry King said the

decision "in no way implies the CAI approves of South Africa's internal politics nor of apartheid".

He said the organisation was concerned that acceptance of the government-implemented code would price Australian companies out of the lucrative South African market, and could precede the introduction of similar obligations on companies operating in Australia or in other overseas markets.

The second major voice of business in

Australia, the Business Council, is still considering the proposed code suggested by Canberra. It expects to make a decision within the next few days, but informed sources said the vote is likely to give the plan the thumbs down.

One business leader, who asked not to be identified, accused Foreign Minister Bill Hayden of being "naive and unsophisticated" in his handling of the matter. He said there had been no consultation with industry before the draft code was released. — Sapa.

Avoiding the 'velvet ghetto'

Businessmen set course for black advancement

LEADING businessmen agreed at a Black Management Forum (BMF) conference in Johannesburg on Friday that business could play a far greater role in promoting black advancement and fair codes of employment in South Africa.

It was emphasised from the outset that the recognition and proper development of black managerial talent was essential because "token" appointments — aimed at buying black acceptance — left victims in a "velvet ghetto".

Colin Hall, management consultant from People Plus, called for the standardising of existing codes into one local code of employment practice.

"We need to rewrite the code so that it is much more than a minimum standard of performance with emphasis on 'fair'. The code must become a manual of 'good' employment practice and you can expect commitment to that if it helps a capitalist solve productivity problems relating to management succession and shortage of skills."

The term would have to be relevant to SA where black and white applicants automatically started on a different footing.

He said existing codes had played a role in drawing attention to shocking conditions, raising unacceptably low wage levels and removing discriminatory practices.

"But the real danger is that even firms who comply with the toughest codes tend to sit back and hide behind minimum achievements," he said.

He warned, however, that a single code was not going to solve SA's problems either, because not all companies would adhere to it.

Human resources had been badly and unfairly managed, and discrimi-

By CLAIRE PICKARD-CAMBRIDGE

nation had to be fought.

Conversely, Reid Weedon, senior vice-president of consulting company Arthur D Little — which monitors adherence of signatories to the Sullivan Code — argued that their code of fair employment practice had made significant achievements in SA.

Signatories collectively employ less than 1% of the black labour force, but in 1983 their black employees held 15% of the total 99-year leases due to company sponsored programmes on home ownership and housing loans.

Achievements also included obtaining 100% desegregation in the workplace and full compliance in recognising representative unions among the 100 US parent companies which had reported last year.

All the companies now have equal pay for equal work and all but three and a few rural signatory companies meet the code's minimum wage requirements of 30% above the Minimum Living Level.

Johan Van Zyl, chief executive of the Federated Chamber of Industries (FCI), outlined urgent steps the business community could take to advance black workers. These included:

□ The use of good screening techniques to select candidates for advancement and identify areas where training would develop potential.

□ A corporate strategy to involve such blacks in horizon-stretching programmes to persuade them they could aspire to higher.

□ Attending closely to company attitudes towards black advancement which was inhibited because the informal support and encouragement provided within corporations was not

necessarily extended towards blacks.

□ The sponsoring of institutions which seek to close the gap between the formal education structure and skills needed to develop black managerial capacities.

□ The setting up of a forum in each company by top SA management to consider job advancement, with the relevant trade union playing a pivotal role in discussions.

He stressed that black advancement was "central to businesses' own self-interest" because SA was in the middle of a skilled labour and management crises. But though black advancement provided business benefits, there were also associated costs.

There thus had to be sufficient productivity improvement in the longer term to justify the additional short-term cost in advancing black workers, he said.

Chris Ball, managing director of Barclays Bank SA, said that in comparison to other countries, SA experienced an intense focus on the role of its private sector in the community.

While he did not underestimate the role of this sector in pushing for government reforms, he believed business leaders could only pioneer change by putting together a strategy to develop understanding and communication in different business environments.

"This will require the input and thought of black people who are so often regarded as the object of ready-made schemes instead of the co-initiators," he said.

Discussion revealed that though the political system was partly responsible for thwarting black advancement, the attitude of white middle management — the key level where new recruits were evaluated — was one of the biggest obstacles to change.

Car industry E Cape social programmes impressive

FOREIGN-BASED companies in South Africa are facing continued pressure from the disinvestment lobby while battling with the country's worst recession since the 1930s.

The Eastern Cape depends largely on the motor industry which, on the whole, has played an important role with regard to social programmes for employees.

A brief record of some of these programmes is:

- This week General Motors South Africa announced that for this year and up to the end of 1988, a grant of R2,3 million had been earmarked for educational institutions and charitable organisations and that R1,6 million in low-interest loans would be made available to the Urban Foundation for "non-white" housing development in the PE area.

The nearly R2,3 million, a GMSA statement said, would be spent on a variety of things including university scholarships, overseas study and leadership skills development, commercial college training, training of medical doctors, dentists and veterinary scientists, educational guidance, career counseling and work-placement assistance, training of aspiring teachers and teacher upgrading, improved library facilities and training of more librarians, small business development legal advice and counsel, relief of hunger and malnutrition, and maintenance of recreational facilities.

"In 1980 GMSA completed a R9-million project, which upgraded and fully integrated dining facilities, comfort and locker rooms, and provided additional training facilities to prepare greater numbers of 'non-whites' for supervisory and management positions".

The statement said GMSA was one of the first 12 US companies to adopt the Sullivan principles in 1977. Between 1977 and 1984, its contributions to South African educational and charitable organisations amounted to nearly R4 million.

- Ford's housing project, KwaFord, at New Brighton, was started in the post-war depression years, flourished in 1974 and today the 380 units there house about 1 500 people.

In 1982 Ford, with the Urban Foundation, established 16 Spaceframe houses in Zwide for employees.

In 1984 R100 000 was granted by Ford to start "self-help" projects in association with the Urban Foundation, which will provide 64 further much-

needed homes in Zwide. This project is underway.

been built in the black township of Kwanobuhle, Rosedale and Scheepershoogte, and negotiations are underway for the development of further sites."

He said the total cost of this housing initiative currently stood at R3,4 million.

"Volkswagen has also been actively involved in the field of education, which involves, inter alia, co-sponsorship of the VW/Goodyear technical centre, part-sponsorship of a black pre-pri-

Reports on the disinvestment issue by KIN BENTLEY

All hourly-paid employees with a minimum of five year's service with the company are entitled to apply for a loan, either for a deposit on a house or for home improvement — repaid interest-free over an extended period.

- Mr Graham Hardy, communications manager for Volkswagen South Africa said: "Over the years VW and Uitenhage have become increasingly interdependent, and as such the majority of our programmes are confined to this area.

"The VW housing scheme got under way in 1982 with an investment of R1 million. To date 153 homes have

mary school, bursaries and scholarships, careers guidance programmes for black high school pupils, an extra lessons programme for black matriculants, and donations of video equipment and video teaching."

He said mini-computers had gone to local black high schools and school books to children of black employees.

On the training front, he said, VW had spent just on R18 million over the past three years.

"The VW apprentice training facility is by far the biggest in the SA motor manufacturing industry, and with approximately 300 apprentices, VW is currently training approximately 36% of all appren-

tics in the industry. At present 157 'non-white' apprentices are receiving training in 12 different trades.

"A unique feature is the one-year bridging programme of compensatory training for those applicants who lack the rudimentary skills needed for selection as apprentices.

"The first two black artisans to qualify in South Africa came from the VWSA apprentice centre, as did the first three coloured

die-and-press toolmakers.

He said that while they did not actively publicise these programmes overseas, the parent company in West Germany was kept informed on an ongoing basis.

"The EEC code of conduct provided the initial guidelines for our manpower policies and practices, but we have subsequently moved to a point where we are well in advance of these requirements," Mr Hardy said.

- Mrs Annelise van der Laan and Mrs Delene MacFarlane, spokesmen for Mercedes-Benz of South Africa, said the firm had embarked on several projects over the past few years:

They said the company

had, at its manufacturing division in East London, established a training centre at a cost of more than R1,3 million in buildings and equipment. A further investment of R700 000 was planned for further extensions to this facility.

"Since the establishment of the centre in 1981, more than 1 000 people of all races have been trained or are currently being trained in apprenticeship trades, skilled and semi-skilled trades, and for supervisory levels.

"These people receive all tuition totally free of charge. The number of people trained exceeds the requirement of this company and as a result are trained for employment with whatever employer they may choose and are totally free of any obligation to this company on completion of their training."

MBSA supported, by way of financial contribution or in kind, various other institutions, they said.

These included the Waltloo in-service-training centre near Pretoria and expenditure, to date, in excess of R250 000 on a teacher in-service training centre in Soweto (Johannesburg) and in excess of R60 000 in on-going support to various universities

"The furthering of education is being offered by this company to its employees by means of interest-free loans for financing of any courses undertaken at a technikon, college, university, or other recognised institution."

Financial support for the acquisition of homes was granted, in particular, to black staff who were making use of the scheme to an ever-increasing degree.

"To date, the sum total of loans granted repayable at an interest rate of 5%, amounts to over R500 000.

"The company conducts ongoing investigation into further possible fields where financial assistance can be given for the upliftment of "non-white" persons over and above its employees and their families.

Industry social times sive

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Sullivan Council SA's leading ally

THE personality behind multinational social involvement in South Africa and a man who has been much maligned over the years by white South Africans, could just turn out to be this country's leading ally in the battle against disinvestment.

The "corporate conscience" of the Rev Leon Sullivan — Zion Baptist Church pastor and a director of General Motors, who in 1977 drew up a code of principles to which US companies could voluntarily adhere — has seen signatories of the code, becoming, increasingly involved in the upliftment of company workers.

A similar set of principles — the European Economic Community's code of conduct — are voluntarily subscribed to by most European-based companies involved in South Africa.

Both codes seek to undercut the outright disinvestment lobby by showing more can be achieved by using the leverage of continued investment, than by

withdrawal and boycotts — a sort of economic constructive engagement.

In the light of Dr Sullivan's recent revision of his code to step up direct corporate pressure for SA Government reforms in areas such as trade unionisation, black mobility and influx control, the EEC is also looking at its code with a view to increasing its effectiveness.

This has occurred at a time when multinationals have stepped up their social programmes in South Africa, but, due to their lack of political involvement, these social programmes threaten to be obscured as the disinvestment spotlight falls more directly on basic political factors in SA.

Indicating a desire to put greater political pressure on the Government, this year, the outgoing managing director of General Motors South African, Mr Lou Willing (to be replaced on July 1 by Mr Bob White) raised publicly the need for urgent political reform in

South Africa, to assist the anti-disinvestment campaign.

Dr Sullivan is walking an increasingly tricky path, with Mr Dumisane Kumalo, the projects director of the American committee on Africa, and co-ordinator of disinvestment Bills in many American states and cities, in May, 1983, saying the code was a "corporate play" and irrelevant.

In January, 1982, the Motor Assemblers' and Component Workers' Union of South Africa, in a letter to Ford, condemned the code for "failing to demand black political rights and the abolition of the pass laws".

The six principles of the Sullivan code are: Non-segregation of the races; equal and fair employment practices for all employees; equal pay for equal work; initiation of and development of training programmes for blacks; increasing the number of blacks in supervisory and management positions and improving the quality of employees' lives outside the

work environment.

It is with the dilemma of the political role of business that Dr Sullivan is now involved, and he is not restricting his attention to the multinational companies.

In March this year, he organised a conference of leading South African, British and US business executives to consider his latest proposals, which call on signatories to play a direct political role in promoting reform, to undercut the disinvestment lobby.

(About 80% of US companies in SA are signatories of the code.) Under the chairmanship of former British Tory Prime Minister Mr Edward Heath, the meeting included the director of the Urban Foundation, Mr Jan Steyn, the executive chairman of the the Premier Group, Mr Tony Bloom, the executive chairman of Anglo Vaal, Mr Basil Hersov, and the executive director of Barlow Rand, Mr T R Hofmeyr.

The importance was stressed by the South Africans present of keeping Dr

Sullivan on the side of South African business, because he was less radical than Senator Edward Kennedy and other influential figures.

The South African businessmen agreed they had to see apartheid dismantled so there would no longer be grounds for a disinvestment lobby.

The South Africans, however, warned against forcing change by open confrontation, saying it would be counter-productive.

Capitalism, Dr Sullivan believes, has to show another side. "The enemy of capitalism is not communism, but selfish capitalism," he said in a reappraisal of his code published in May in support of proposed Bills in Congress to ban new American investment in the Republic.

He also said full economic sanctions — a total withdrawal of US business — should be imposed on SA unless apartheid was "legally and actually" ended within 24 months.

by KIN BENTLEY

Discriminatory ads cause resentment

By HELENA CAIN

THE term *Europeans only* — a phrase found frequently on job advertisements — frustrates and embitters those it excludes. This is the main finding from a major survey on racialism in SA advertising published in this month's *Reader's Digest*.

Every day blacks scan job advertisements that bluntly reject their skills because of their colour, says the writer of the article, Roger Kenyon.

Ironically, many of the newspapers that have racial ads in their classified columns openly campaign against discrimination.

Brian Kelso, SAAN's general manager of marketing, said: "We see ourselves as an advertising vehicle and cannot impose our own policy on clients."

The fear of racial friction is the excuse used by many employers who place

discriminatory advertisements but, said Pick 'n Pay general manager John Barry: "We'd be the first to admit that the breaking of the traditional racial barriers among senior personnel was done with some trepidation. Today few notice colour and we mix at every level."

Joe Horner, of SA Breweries, said that by advertising job opportunities openly "we have gained by getting the best talent available".

Johannesburg personnel consultant Nimrod Mkele said: "There is no point in trying to force prejudiced employers to employ blacks. But they should certainly not have the right to degrade us by parading their prejudice publically."

□□□ B. Day
⑤⑦
Unions recognised

MORE West German companies in South Africa are recognising emergent unions for black workers. Some 24 out of the 47 companies reporting to the West German Government in terms of the European Economic Community code of conduct, co-operated and recognised emerging trade unions in the past 18 months. In the previous 18-month period this was only achieved by 15. The 24 companies employ about 60% of the black labour force employed in West German subsidiaries in South Africa.

□□□ 12/7/35

57

Giving profit left-overs not enough

Firms 'must be with the people'

B. Day 23/7/8

By LAURENCE BEDFORD

COMPANIES not seen as being "with the people" would be isolated and attacked, the assistant general manager, group public affairs, Standard Bank Investment Corporate, Moses Leoka, told marketers this week.

Leoka was speaking on corporate responsibility at a convention on the black market organised by the Joint Industry Committee for the Promotion of South African Marketing (Jicsam), held at the Sandton Sun, Sandton.

Responsibility should be a priority for all companies that had a moral conscience, he said. The meaning of corporate social responsibility in the South African context had to be defined. What passed as socially responsible activities in Sandton might not necessarily be seen as such in Alexandra.

Leoka said responsibility would have to be spelt out in unambiguous terms for the blacks. Corporate executives would, therefore, have to be presented with something more than a vague and often

subjective idea of what is said to be corporate social responsibility.

Leoka said the need remained for some companies to do more than just distribute what was left of profits. A South African version of the Sullivan Code or some other form of social audit was not the answer.

"Unless businesses re-define their objectives soon, they and indeed the free enterprise system, run the risk of being rejected by the black community even more than it is now," he warned.

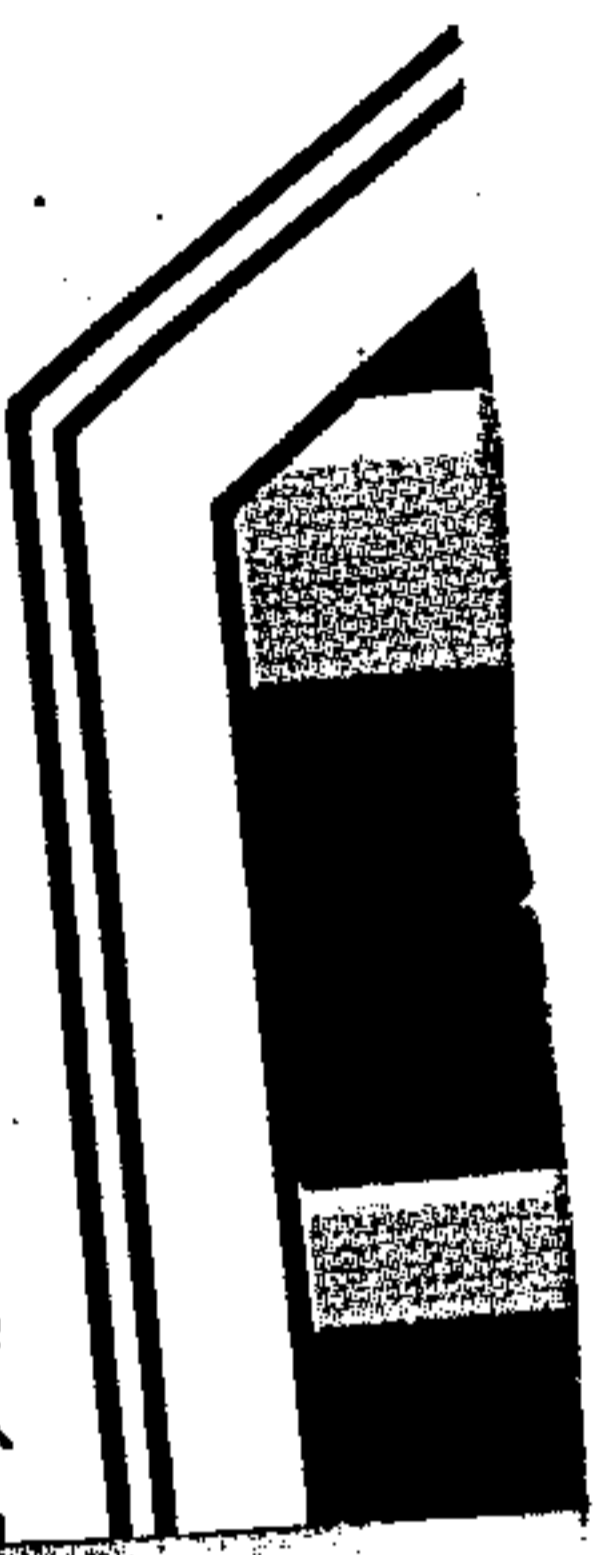
Nesta Morris, chief research officer, Urban Transport Group, National Institute for Transport and Road Research, said studies showed black commuters were becoming less tolerant of long total travel times to and from work.

New thinking on the location of residential and employment developments might, however, lead to a halt in the trend towards long travel times and new opportunities for marketers and advertisers, especially in the area of leisure activity.

EXTENSION of demands

RAIL W/ER

Windho...
Port Eliz...
Johanne...
Durban...
773-2178...
For more...
the wheel...
Fastreigh...
And best...
a containe...
You can se...
TRANSIT...



FM 26/7/85

centred in Witbank, where better qualities predominate. Although current reserve estimates are not strictly reliable, most experts agree it is unlikely another major coalfield will be discovered in SA which could handle long-term export contracts or supply another Escom power station.

to mine coal of a significantly lower quality than competitors, no-one would buy it." He says SA's best quality coal was mined out early this century. In the same way, what remains in 50 years will not be as good as that available now. However, he disputes Falcon's 20-year deadline. "The major producers, in particular, are capable of continu-

the banning of new bank loans to the SA government. "I expect the eventual outcome will be a strong message of US disenchantment with SA's racial policies. But I hope the beneficial impact of US business ties with SA will be allowed to remain largely intact," he says.

The major consideration, says National Coal Research Institute deputy director Mel van Vuuren, is not the adequacy of reserves of low-grade coal, but that "mining methods and utilisation are not wasteful."

But Falcon says both are wasteful: "Coal left in the ground is relatively inert in terms of its reactive components, which makes it difficult to burn, and private sector consumers are not geared up to use the lower grades. This is the trend overseas."

The issue is sensitive, says an industry source. More mining houses are aware of the problem and are trying to retain coal for export contracts.

Amcoal MD David Rankin is reluctant to discuss the issue, but adds: "It is complex."

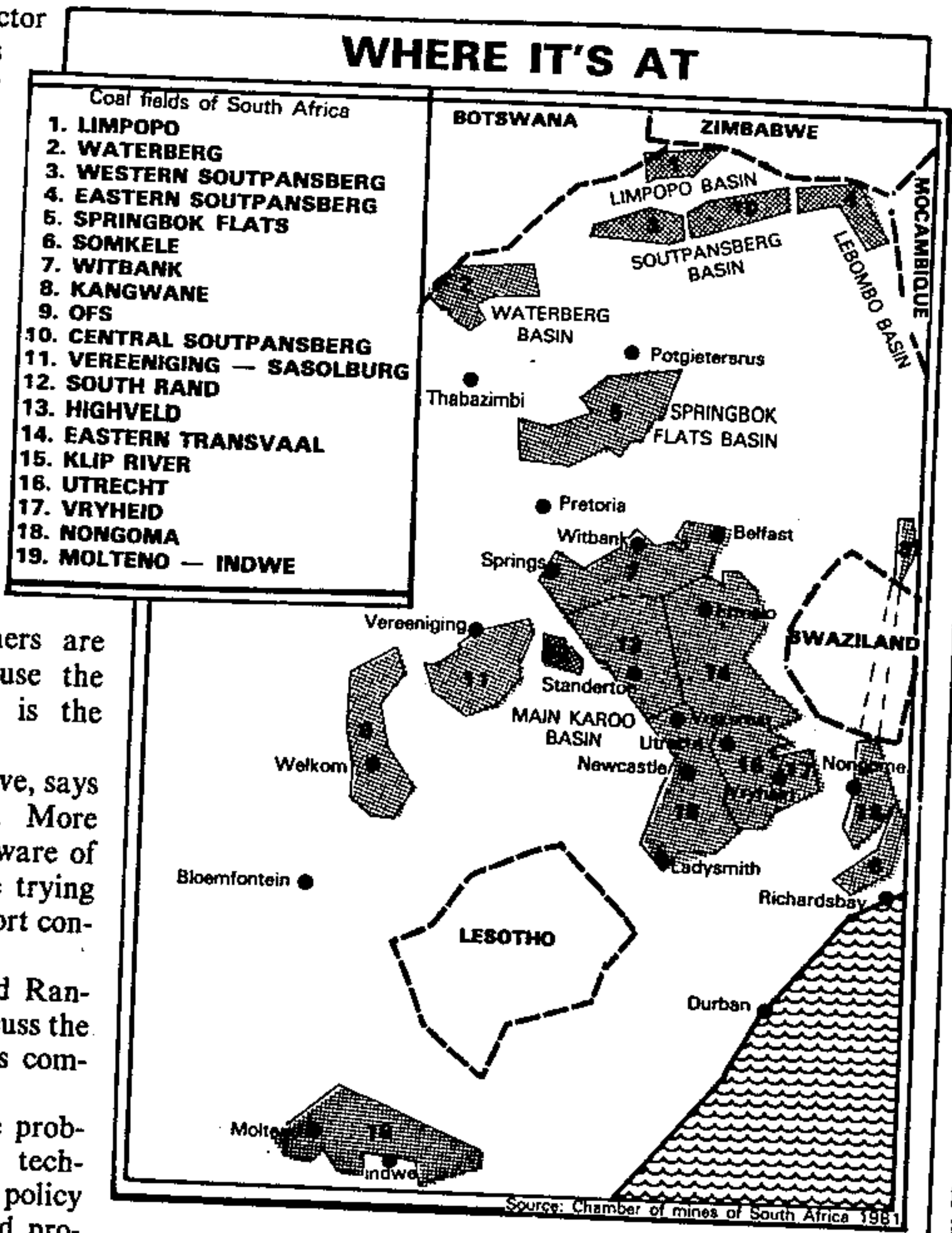
At the heart of the problem are coal mining techniques, government policy and long-term demand projections, both for export and local consumption. Consequently, producers differ in the degree of concern.

Rand Mines (RM) chairman Alan Sealy believes the industry is "very conscious of utilising collieries to the maximum." New mining methods enable previously sterile reserves to be exploited, he says.

"Multi-product" mining is also helping. Collieries tied to power stations, which burn low quality coal, can cream off higher grades for export. While government would like this applied more widely, Sealy says scope is limited as there are few consumers on the same scale as Escom.

In the same way, he says, production costs limit the exploitation of lower quality, less accessible coal. Sealy considers price structure to be the main obstacle. "Existing price differentials between grades provide neither producer nor consumer with incentive to develop the use of the poorer coals."

Trans-Natal planning manager, Gavin Turner, points out that "theoretically, in a free market economy we mine the coal for which there is a demand. If a producer were



ing to supply known market quality needs for at least 30 years," he stresses. "Government export quotas, granted in 1981 to be phased over 30 years, were allocated on that basis."

"The point is," he says, "there is a real benefit to the economy from mining the most cost-competitive coal now."

DISINVESTMENT (40) (57)

Countering threats

The American Chamber of Commerce in SA (Amcham) has come out strongly against US disinvestment and sanctions legislation.

Amcham president Frank Lubke says he hopes the legislation expected to come from the Joint Committee of the two houses of Congress this year will not be too serious, and that it will allow US companies to carry on business without too many restraints. He also trusts that the House's draft legislation banning new US investment in SA "will fall away."

Expected to remain — at this stage — is

Of Amcham's 180 US members — employing some 120 000 blacks — 149 are signatories to the Sullivan Code of business principles. Lubke says Amcham does not monitor compliance with these principles as "they have their own organisation doing this." Nevertheless, in the past six months another 20 US companies operating in SA have become signatories.

Lubke says Amcham made no direct representations to the US Congress on disinvestment legislation, but individual members keep their US parents informed of developments inside SA.

"Only significant political and social reform will remove the disinvestment threat from SA," says Lubke. "We are encouraged by the attitude of the State President and the government to reform. But the question remains: How soon and to what extent will this be carried out? The US Congress and Administration cannot determine the pace of change in SA — it is in the hands of the SA government and its black citizens," he says.

Guidelines include unofficial trade union recognition

Dr Owen prescribes ethics for European firms in SA



DAVID OWEN

LONDON — UK Social Democratic Party leader Dr David Owen has proposed the following Code of Conduct for European companies operating in South Africa. It embraces aspects of the Sullivan and EHC codes and introduces some new elements:

Pay: Equal pay for equal work, with the further condition that the minimum wage for employees should be equal to what is known

JOHN BATTERSBY

as the household effective level; a thorough study of incomes and needs;

Training: Equal pay provisions have little meaning if black employees are kept in inferior jobs. British companies would, therefore, be obliged to set aside a fixed sum for each employee annually for education and training schemes, with some of the cash

perhaps going to a trust that would set up industrial training centres and commercial colleges. Scholarships and bursaries might also be funded;

Desegregation: Employers would have to introduce desegregation of all company facilities; Outside benefits: Companies would have to contribute a sum in line with the size of their South African operation for the benefit

of the local black population. Such a programme has been an integral part of the Sullivan Principles. It would be used for improving local facilities such as housing and transport. Trade Unions: Companies should recognise and deal with the trade unions freely chosen by their workforces to represent them, regardless of whether such a trade union is registered or not with the government.

R10-m for trade

IBM has announced it will grant R10-million to expand its current Corporate Social Responsibility programs in South Africa.

The main thrust of the initial programs over the next five years will be in support of black business enterprise, with the emphasis on job creation and greater black participation in the economic system.

At the same time, the company has announced a special agricultural project, aimed at using computer technology to help transform low-level subsistence farming in KwaZulu into successful small-scale, income-generating agriculture.

IBM South Africa managing director Jack Clarke said the company was taking these initiatives because it believed it should be engaged in meaningful change in South Africa.

"We are on the threshold of accomplishing something truly worthwhile, which will benefit many people tremendously.

Mr Clarke was speaking at a special ceremony in KwaZulu, where IBM grants will support the construction of a R700 000 resource centre. The centre will provide various types of agricultural training for black farmers, including land use, management and productivity improvement.

When trainees have returned to their own areas, extension agents will monitor and guide their progress.

The resource centre forms part of the R2-million agricultural project, at the heart of which is an IBM 4 300 computer. Hardware and software computers have been donated to the University of Natal for use by the Institute of Natal Resources in land-use planning.

The Institute, funded by the private sector, will now be able to store valuable information about existing and potential water resources, crop land, grazing land, timber, infrastructure and population patterns. It will also display these graphically.

The IBM system will thus facilitate the planning process.

IBM is also donating R400 000 to a black housing project, to be operated in conjunction with the Soweto Building Contractors' Association.

The program will provide headquarters, a training centre and bridging finance, training and counselling for blacks wishing to enter the building trades and establish their own building enterprises.

This pilot program will generate employment and help reduce the housing shortage.

A total R300 000 goes to black organisations already working to increase black participation in the South African economy. Half will be given to the National African Federated Chamber of Commerce and Industry, and the other to the Get Ahead Foundation, which is involved in establishing black business in formal and informal sectors.

This sponsorship will be used to identify and provide a framework for changing those laws and regulations which at present impede the progress of black entrepreneurs seeking to participate in South Africa's free enterprise system. Some of the money will be used as venture capital for blacks wishing to set up their own business operations.

An IBM South Africa Projects Fund has been established to support charitable, educational and economic development work in this region. Some money will be granted directly to various organisations, but most of the money will be funded and administered by the Projects Fund.

IBM will ask for suggestions for future projects from organisations and individuals in South Africa and in the United States.

Computers 'for peace' change

IBM has announced a five-year program to help generate improvements in education and economic development among black South Africans.

The program significantly expands IBM's existing corporate social responsibility activities in South Africa.

The initial program will cost R20-million and will be funded from IBM South Africa's earnings. IBM will provide 250 schools with "Writing to Read" computer-assisted education systems - to serve more than 37 000 elementary school children each year.

These systems will be used to enhance English language reading and writing skills.

"We believe one of the most important things we can do to promote change in South Africa is to advance the educational development of black South Africans," said IBM president and chief executive officer John F Akers.

"We believe this program can help accelerate the process of peaceful and meaningful change."

During the program's two-year first phase, "Writing to Read" laboratories will be established at four black teacher-training colleges, where teachers will receive special training on the system.

Laboratories will also be opened at 42 black primary schools. ITM will provide self-contained, prefabricated buildings to house the laboratories at these schools. Each laboratory will have six IBM Personal Computers to run "Writing to Read" software, IBM typewriters and audio-visual equipment.

"Writing to Read" is a powerful teaching tool which reinforces learning, and helps make the transition to conventional spelling. Pupils listen to recordings of children's stories while they follow along in books.

"Writing to Read" was announced in the US last year following extensive testing by the Educational Testing Service of Princeton, New Jersey. The two year evaluation involved

more than 22 000 children and 225 primary schools in the US.

ETS says it found the system to be an exceptionally effective educational program for teaching reading and writing.

In response to IBM's initiatives, the South African Department of Education and Training has committed to change the curriculum in black schools and will provide teachers with the necessary training.

The department will also construct new facilities to house the remaining "Writing to Read" laboratories beyond the initial 42 being provided by IBM.

IBM is also providing funds to undertake and evaluate other initiatives in education and economic development programs for African, Asian and coloured South Africans.

The additional programs being undertaken by IBM include:

- Buying educational TV programs.
- Giving financial assistance to existing organisations for the identification of laws and regulations which inhibit the free enterprise system and the establishment of African, Asian and coloured businesses.
- Encouraging African, Asian and coloured entrepreneurship through artisan and management training, loans for projects such as the construction of housing for blacks by black subcontractors, and the identification of other business opportunities which will result in the creation of more jobs.

Commenting on the IBM initiatives, IBM South Africa managing director Jack Clarke said: "Traditionally IBM has made its contribution towards positive change in the areas of education and training. "Writing to Read" is therefore a logical extension of that effort.

"In addition we hope to make further contributions in another important area - job creation and the development of black entrepreneurs. But for this to take place with the correct momentum, obstacles on an individual's ability to participate in the free enterprise system will have to be changed.

"IBM will contribute towards a practical project aimed at identifying the legislation which inhibits the development of individuals and the free enterprise system.

Better pay for black teachers

PRETORIA — The Government has announced further steps to bring about parity in the salary scales of teachers of all races.

The Minister of National Education, Mr F W de Klerk, said in a statement released in Pretoria that the service dispensation of certain coloured, Indian and black teachers would be improved from October 1.

He said the Government would spend R56 million between October and March next year to reduce disparities between teachers of different races.

The adjustments were in accordance with the Government's commitment to the elimination of "unjustifiable disparities based on population group".

Mr De Klerk said about 100 000 teachers would benefit from the adjustments which applied to teachers in

the lower qualification categories.

Lower qualified whites had already been placed on parity scales and would therefore not be affected.

The same applied to teachers of other population groups who had already been placed on parity scales.

"Although good progress is being made with the elimination of disparities, in practice the process cannot be implemented faster than available funds allow."

Mr De Klerk said individual teachers would not receive the same percentage adjustment, because the disparities were not of equal size at all levels.

The announcement gave only a general indication of the adjustment and any further information would be supplied by the individual Ministers of Education. — Sapa

29.07.85
ST
E Post

School teaches transcendental meditation from age of four

By Susan Fleming,
Education Reporter

To develop well-integrated children through a holistic, relevant and practical education is the main aim of the Sagewood School in Cyril-dene.

Opened at the beginning of the year, Sagewood caters for pre-school, Grade 1 and Grade 2 children.

Next year the school will be moving to new premises and children up to Grade 5 will be accepted.

An important educational tool used by Sagewood is transcendental meditation. Pupils aged from of four to 10 practise this form of relaxation.

The head of the school, Mrs Gill Conradie, is convinced TM helps children to grow mentally and socially.

The school is based on the American Maharishi International University course, which follows an integrated system of education and creates an environment which is stress-free and ideal for learning, says Mrs Conradie.

Accepted by the Transvaal Education Department, Sagewood has 15 children in the nursery section and 15 in the primary class.

One important aim is to find a balance between freedom and discipline.

"Discipline must take place in a loving atmosphere. It has nothing to

do with shouting or smacking — it should be used to guide a child into making correct decisions," she said.

Mrs Norma Mervis, who teaches Grades 1 and 2, said: "A remarkable aspect is that this atmosphere allows for less stress and anxiety as the child feels free to express thoughts as they come to mind.

Yet, in spite of this freedom, children still follow instructions easily and happily."

Although the teachers stick to the TED syllabus, there is room to pursue issues not included in the curriculum.

"For example, if we are in a maths class and the children feel strongly about something unrelat-

ed to maths, we pursue it. "To have time and flexibility is one of the best aspects of this type of education."

Field trips once a week are an important part of the children's education and they relate directly to the theme under discussion that week.

For example, when the themes earth and space were discussed, the children went to the planetarium and, when food was explored, there was a visit to a bakery.

Parents are also urged to spend at least one day a year at the school so that they can fully understand the course of their children's education.

The school is open to all races.



Children from the nursery section are enthralled by a story read by teacher Meltzer (2), James Conradie (2), Jessica Conradie (5)

Code ~~(57)~~ (57) on a floppy disc ^{B. Day 6/8/85}

IT HAD to happen: computerisation of the Sullivan Code.

Now the 150-odd signatories to the Reverend Leon Sullivan's Fair Employment Code can record their social contributions on a floppy disc and send it as a complete annual report to the US monitoring company, Arthur D Little, say the creators of the concept, Zarab Software Applications.

Zarab, Cape Town-based arm of Britain's Complete Computer Group, say the database manage-

PETER HONEY

ment package is intended to streamline companies' progress reports and save on costly administration and auditing.

The system, known as Monitor, is geared to compiling reports on signatories' contributions towards the advancement of blacks in the fields of education, job training and advancement, improved medical care and housing.

Chicken factory closes after workers strike

30:08:85

DISPATCH

Dispatch Reporter throughout that time had built up a fine record of co-operation with its people.

EAST LONDON — The Panmure Chickens factory near Mdantsane closed down production temporarily yesterday following a strike called on Wednesday by more than 1,000 of its workers.

In a statement released here yesterday, the company's general manager, Mr Leon Schonknecht, said:

"The nature of industrial action taken has forced the company temporarily to cease operations and we will be recommencing shortly.

"During the recent unrest some of our workforce have been pressured from outside to take industrial action.

"The company deeply regrets that many of our longstanding and faithful employees have become victims of circumstances beyond their control," Mr Schonknecht said.

Mr Schonknecht said Panmure Chickens had operated in Ciskei for the past nine years and

"This is borne out by the fact that this period has been totally devoid of any form of industrial unrest or disagreement with the workforce.

"Our factory was recently awarded a five-star National Occupational Safety Association award which establishes it as a leading company in the Ciskei in terms of health, welfare and the safety of its employees," he said.

Mr Schonknecht said the company carried out a continual improvement programme and was constantly endeavouring to further better conditions of employment.

"Mr Samson Mtyukatya (the chairman of the workers' committee) has been in our employ for approximately five months and the published statements in the Daily Dispatch on Thursday are irresponsible and bordering on the

ridiculous," he said.

Mr Schonknecht said the company's management had attempted to hold negotiations with the workers' committee, but the committee had "abandoned" them.

The work stoppage at the factory on Thursday — the second one this week — occurred after a seven-man committee, elected by the workers, failed in attempts to negotiate with management for better working conditions and wages.

Following a work stoppage on Monday the company's management had advised workers to elect a committee to voice their grievances.

Mr Mtyukatya said the workers' main grievances were: fair treatment on the shop floor, pay of R2 an hour for all workers, that the company register its workers, proper times for clocking in and knocking off, and recognition of the workers' committee.

He claimed that white staff at the factory insulted the workers and the only day workers were given off during the year was Christmas Day. He said they did not receive leave pay, sick leave, notice pay or maternity pay.

He alleged women workers were paid between R15 and R20 a week and men between R25 and R29,50 a week, the same wage scale as when Ciskei became independent in 1981.

Mr Mtyukatya also claimed that R7 was deducted from a worker's pay if the worker had to consult the company doctor.

He said workers who had been employed at the factory for more than 10 years were still unregistered and were regarded as casual labourers.

Mr Schonknecht declined to comment on Mr Mtyukatya's allegations.

Mercedes Benz

workers strike

(57) ~~11/09/85~~ ~~11/09/85~~ ~~11/09/85~~
Post Reporter

WORKERS at the Mercedes Benz plant in East London were on strike again today following the suspension of a worker two weeks ago. E. Post

All 2 500 workers at the plant downed tools yesterday morning, bringing production to a halt.

According to a spokesman for the Mercedes Benz headquarters in Johannesburg, negotiations were again in progress between management and representatives of the National Automobile and Allied Workers Union (Naawu). 11/09/85

The worker around whom the strike revolves was suspended from work for a few days by management, who had decided to take disciplinary against him.

The spokesman said this was the first time the workers had all gone out on strike since the suspension of the worker two weeks ago.

There had been three minor work stoppages in that period, but these had been confined to certain sections of the plant, the spokesman said.

Mr Les Ketteldas, regional secretary for Naawu, was in East London today and not available for comment.

Deadlocked dispute at EL car plant

Dispatch Reporter

EAST LONDON — The worker action at the plant follows the dismissal of 250 workers at the plant after a strike. Mercedes Benz workers went on strike to demand the reinstatement of the dismissed workers.

The secretary for the National Automobile and Allied Workers Union involved in the negotiations, Mr Les Kettle, said last night negotiations would continue today.

All attempts yesterday to reach the public relations company for Mercedes Benz South Africa, as well as the managing director in East London, Mr G. Kamuf, were

Prince visits LAKENHEATH

Prince Charles, heir to the British throne, sat in the cockpit of an F-111 fighter bomber yesterday during a visit to Britain's largest US Air Force base here.

The prince said he wanted to take a close look at the 48th Tactical Fighter Wing, Nato's largest unit for the F-111.

DISPATCH

13/09/85

— Sapa-AP

Volkswagen plans to rehire fired workers

By CATHY SCHNELL

VOLKSWAGEN is prepared to rehire the 130 workers fired last Friday and production will be back to normal on Monday.

A spokesman said production on the Golf line would resume on Monday.

He said the workers would be reinstated, but with loss of service benefits. This decision had been taken after a week's negotiations between management and the shop stewards.

He said employees who adhered strictly to all company rules and procedures between now and the end of the year would have their original service dates re-introduced.

It had been made clear that participation in unauthorised work stoppages or failure to adhere to the company's grievance procedure would lead to instant dismissal.

The dismissed employees have until Monday to be re-employed, otherwise management will make alternative arrangements.

The 130 assembly and paint shop workers were fired last week after refusing to work in spite of final warnings relating to previous refusals to keep to schedules. This resulted in the Golf line being shut for six days — from Friday last week through to today.

CORPORATE SOCIAL RESPONSIBILITY

Codes of conduct need rewriting, says BMMF

The Sullivan and EEC codes of conduct for multinational companies operating in SA should be rewritten for South African conditions, says George Negota, president of the Black Management Forum.

"The EEC code is a very watered-down and sweetened version of the Sullivan Code," he told Business Day.

"The latter is more aggressive, more publicised and stricter on its members. Although not all company signalories toe the line, it has been effective in certain instances and, accordingly, should be given credit for that.

"It was originally based on the civil rights issues in the US, and so it is not tailored to SA circumstances. At present there are so many loopholes which, if they are not looked into, acts of unfair labour practice will continue unabated.

"Many companies have ways of dodging some of the Sullivan Code requirements. It needs to be more in line with the Labour Relations Act and perhaps even go ahead of it in a

bid to root out racism within corporations.

"I would like to see the Black Management Forum, Nafcoc and other black organisations, including union members, involved in rewriting the code so that it is allied to the South African way of life. This might take a year, but it would be worth it. It must force reforms in all spheres of life, and the code must be sufficiently elastic to cater for the complete eradication of inquiry and inequality that exists in corporations."

Sullivan members gain points for their efforts in social responsibility, for instance for the number of blacks in senior positions. According to Negota, some companies are not above fibbing about their achievements. Black managers exist only in name, he says, and how corporations get ratings out of that is highly questionable.

Further, he believes many companies regard social responsibility

ANTHEA DUGAN

programmes as a public relations exercise.

"It is not necessary to tell the whole of SA and the rest of the world the company is setting aside a percentage of its profits for the benefit of its black workers. Not only does this demean those for whom it is intended, but it also dampens their efforts to help themselves.

"Most companies owe their very existence to the labour force available in SA, so they should involve themselves in the day-to-day activities of those people.

"It is a matter of conscience. In return for the benefits of South African facilities, amenities and abundant labour, corporations should give something back to the country."

There should be a clear distinction between black advancement and social responsibility, he says.

Black advancement is a procedure to bring black workers into the mainstream of the economy by training them and exposing them to jobs at all levels. If a black is sufficiently competent for the job, he should be allowed to take it.

Instead of researching what is needed by the blacks, many companies invest where they will receive publicity. Many give money for black education, which is an honourable cause, but when the money is spent on fencing, painting classrooms and providing toilet facilities when there is an acute shortage of trained teachers, it is money misspent.

"Their priorities are wrong. Such companies are pushing forward their ideas and trying to take over government's responsibility where education is concerned.

"The black people in SA need better quality education and this can be achieved only by better quality teaching staff. Fences and toilets are of trivial importance by comparison.

"Companies, in their efforts to fulfil their obligations to the Sullivan Code, are also donating sophisticated equipment, such as computers, to primary schools where nobody knows how to operate them. They lie in corners gathering dust until they fall apart. Care should be taken to see that the recipients of donated computers and high-tech machinery are sufficiently educated to make use of them."

With the aims of the Black Management Forum in mind, he says: "Black management skills are needed, both within charitable organisations and corporations. Unfortunately, money is seldom offered for this type of training which, in the long run, would help to secure white investment in black organisations.

"If a black man within an organisation has leadership and entrepreneurial skills and an ability to run his own business, he should be given the opportunity to prove them. Every opportunity to develop should be pro-

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Why b Show i

A LEADING labour relations consultant calls it the "why aren't they grateful" syndrome. It is, he adds, most common among small employers hit by a strike for the first time.

"The employer remembers the time he helped pay for Jacob's wife's operation or helped put Simon's kids through school. He can't understand why his workers don't remember it, too," he says.

Nor, he might have added, are small employers the only ones who have found, to their cost, that gestures of largesse to their black workforce often go unrecognised by workers — or sometimes spark outright hostility.

Consider the evidence: In 1980, thousands of Eastern Cape motor workers struck, demanding a "living wage". What made the stoppage noteworthy was the fact that their employers were among the few in the country who were paying above the poverty datum line (PDL), the minimum a black family is supposed to need to survive.

But workers and their union rejected the PDL: they said it had been drawn up by academics without consulting workers and they demanded that they, not the professors, decide what they needed to live.

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Why black workers show little gratitude

STEVEN FRIEDMAN

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In 1981, employers throughout the country were given an even bigger jolt when workers in scores of factories struck, demanding the return of their pension contributions. Many of the companies saw the schemes as an important reform but, again, workers had not been consulted and, again, they refused to accept a "benefit" which was extended without negotiation.

There are countless other examples, all underlining the same point: workers, and the unions that represent them, will not accept, still less be grateful for, any employer's social responsibility programme which has not been negotiated with them.

This may explain why a good deal of union ire has been directed at the various codes of conduct which were introduced in the mid-Seventies.

While the codes set out a variety of social goals which employers vowed to meet — minimum wages, black advancement programmes and community development projects figure prominently — none of these aims

was negotiated with the unions and their members.

Though most of the codes also urged employers to negotiate with unions, this tended to be the one clause which companies tended to ignore.

Nor were unions or their members invited to monitor employer compliance with the code. Indeed, in 1979, when a union tried to gain access to a report submitted by a British company in compliance with the EEC's labour code, it faced outright hostility from the British consulatage in Durban.

This meant, inevitably, that unions came to see the codes as a direct threat. They were, they argued, an attempt by employers to deny workers a say in their own conditions. Not only did employers reserve the right to decide what was good for their workers, but many seemed to see these programmes as a substitute for union recognition, for giving their workers a say in decisions which affected them.

Their suspicions were reinforced in the late Seventies and early Eighties when countless employers countered union recognition demands by insisting that they were applying one of the codes and that their workers therefore did not need bargaining rights.

It soon became clear, however, that what employers, or the drafters of codes, thought what workers wanted was often not what they wanted at all.

Workers join unions precisely because they want a say in their work conditions and the chief goal of the union movement is to win the right to negotiate on all aspects of work conditions. This means any employer programme which denies them this say is certain to be resisted, no matter how well-intentioned. Far from offering a key to stability, the codes often became a prime focus for union hostility.

This is not to say all employer codes are doomed to union rejection. While the unions are still hostile to codes like that drawn up by the Reverend Leon Sullivan, which commit employers to specific programmes, the early Eighties brought a different

type of code which they quickly welcomed.

The best example is the Federated Chamber of Industries' labour guidelines which were released in 1981. They did not urge employers to implement any specific programmes; instead they called on them to negotiate all aspects of work conditions with unions which represented a majority of their workforce.

As the unions have grown, they have used their new muscle to seek an ever-greater say in factory decisions — and in those which affect their members' lives beyond the workplace. Inevitably, they have increasingly demanded the right to set the agenda for employer social responsibility programmes both within and outside the factory.

In 1983, it was union members who first demanded that employers actively lobby against influx control — a demand which was resisted then but has now been accepted by most major employers. They have also challenged employers' right to make contributions to political campaigns — in 1983, shop stewards demanded to know whether their companies were backing government's "yes" campaign in the referendum on the new contribution — and to sponsor sports events. Only a few months ago, a decision by Volkswagen to put vehicles at the disposal of the All Black rugby tourists prompted a strike which ended only when the planned tour was called off.

This greater union role has not always been a threat to employers. Indeed, at times, it has helped them by showing the sort of programmes which are likely to be acceptable to workers. Thus employers have tended to assume that workers would prefer housing programmes in the cities to those in the "homelands". But, in the metal industries, where unions have won seats on the pension fund board, they have demanded that pension money be used to build houses in the homelands.

The lesson is clear: by negotiating social programmes with workers and their union representatives, employers not only avert unrest but ensure that the programmes, which are often costly, are valued by those who they are supposed to benefit.

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...ual skills, will increase the number of small black businesses." Corporations are not preparing their management to accept blacks, he says, and, if this continues, blacks will never achieve managerial positions.

On the contribution of black businessmen and management, he says: "The need to help others is inherent in our black culture; a fact which is not always accepted nor understood by whites. While remaining here at Mobil, I would also like to be permitted to help small black businessmen by using the skills I have acquired. They need my help."

There are countless other examples, all underlining the same point: workers, and the unions that represent them, will not accept, still less be grateful for, any employer's social responsibility programme which has not been negotiated with them.

This may explain why a good deal of union ire has been directed at the various codes of conduct which were introduced in the mid-Seventies.

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We lead the retail field by meeting consumer needs and demands, providing a stable environment for employees and helping to create a fairer society for all South Africans.

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Promotion is purely from within the company, and is based only on merit and ability, regardless of race, sex, religion or creed.

YOUNG & RUBICAM HIGHT GRP INC

Equality in every respect is Sullivan Code's major aim

THE Sullivan Code is audited annually by independent auditors simultaneously with the mandatory completion of a questionnaire designed to evaluate progress in the implementation of the Sullivan Principles, namely:

- Nonsegregation of races in all eating, comfort, locker rooms and work facilities;
- Equal and fair employment practices for all employees;
- Equal pay for all employees doing equal or comparable work for the same period of time;
- Initiation and development of training programmes that will prepare blacks, coloureds and Asians in substantial numbers

for supervisory, administrative, clerical and technical jobs;

- Increasing the number of blacks, coloureds and Asians in management and supervisory positions; and
- Improving the quality of employees' lives outside the work environment in such areas as housing, transportation, schooling, recreation and health facilities.

The adherence to the above by each signatory is compared with the performance of the other signatories during the same period, and progress is reported accordingly, and subsequently published and distributed to shareholder organisations and investor groups.

FEW people have much good to say about them, but codes of conduct, such as the Sullivan Code to which about half the US companies doing business in South Africa are signatories, are being adopted by more and more companies.

The Sullivan Code, particularly, has been variously criticised for being prescriptive, not addressing real problems, being too soft and/or irrelevant.

Perhaps the most serious objection, however, comes from the Perm's MD, Bob Tucker, he told *Business Day*:

"We have seriously considered signing the Sullivan Code as a South African company, but rejected it for the reason that so many of its conditions are themselves discriminatory and purely quantitative instead of being qualitative.

"For example, the Sullivan Code requires minimum wage levels.

"Can Sullivan claim to have done any good for SA when he has increased the minimum

People are being kept out of jobs — Perm MD

HEATH YOUNG

wage level but halved the number of employees?

"My answer is rather double the number of people who are employed and perhaps reduce the wage level by 20%.

"In a significant number of respects we do comply with the Sullivan Code, and we actually monitor ourselves against those principles which we accept as sound."

Transnationals and responsibility



Bernie Fanaroff is national organiser for the Metal and Allied Workers' Union.

Three representatives of the Federation of SA Trade Unions (Fosatu) gave evidence at the recent hearings of the UN Sub-Committee on transnationals in SA. The representatives from the Metal and Allied Workers' Union (Mawu) and the National Union of Textile Workers (NUTW) presented very substantial reports to the sub-committee, documenting in great detail the anti-union and anti-worker activities of transnationals BTR, Bata, Tidwell and Transvaal Alloys.

In evidence to the committee, and in answering questions, our representatives made the point very forcibly that the various codes of conduct — Sullivan, European Economic Community, and the Urban Foundation/SA Consultative Committee on Labour Affairs codes — have been an abject failure and that the international community has to create more satisfactory mechanisms to prevent unacceptable behaviour by transnationals in SA.

It has to be accepted that transnationals are here to exploit the markets and the labour conditions. They have not come here with the objective of improving the living conditions of the people of SA. For many years they, like other companies here, have benefited from apartheid.

Workers are no longer prepared to accept this situation. The codes of conduct have,

however, failed to make any significant change. They are not mandatory or enforceable. They cannot deal with the sophisticated union-busting tactics of the transnationals nor the disputes which result. They do not require corporations to commit themselves to eradicate apartheid as a national policy and practice.

A radically new approach is required. We proposed at the hearings that the international community create a mechanism whereby breaches of internationally-accepted labour standards could be aired. Where such a breach is established, the metropolitan governments should undertake to take action against the offending transnational corporation (including, for instance, refusal of government contracts, export guarantees, trade credits, etc.)

Obviously, pressure would have to be exerted in SA first. In the case of BTR, for instance, massive pressure by Mawu members, other Fosatu unions and the community have all failed to move BTR. So, up to now, has pressure from the international labour movement through the International Metalworkers' Federation, Trades Union Congress and the International Confederation of Free Trade Unions. Given BTR's union bashing in other countries, this is not surprising, and clearly something more is needed.

Besides their unacceptable labour practices, the four companies about which our representatives testified directly and indirectly, support apartheid. BTR, for instance, has had the SA Police extensively involved in their labour affairs for the past 12 years. And their chairman, Peter Fatharly, is on record in the London *Sunday Times* as saying that the State of Emergency was neces-

sary and that change should not come too quickly in SA.

It is clear, then, that BTR, their advisers Andrew Levy & Associates, and many other transnationals are substantially out-of-step with even the conservative business establishment. This obviously raises the question of whether they should stay or go.

Our attitude, which was explained at the hearings in New York, is straightforward. We believe that maximum pressure should be exerted on the apartheid regime. To the extent that disinvestment is one pressure, it should be maintained and intensified. Proper account must, however, be taken of the fact that the greater part of the wealth and assets of the transnationals in SA has been created by South African workers — so transnationals have no right to ship out this wealth.

The South African employer representatives at the UN hearings seemed to understand that something more is needed than simply more talk of codes. During their session, they argued that they are well placed to facilitate negotiations between the political groups to end apartheid, and that if they had not fulfilled this responsibility within one year, they understood that the international community would have to go ahead with economic pressures. They also committed employers to one-man-one-vote, albeit within a federal system.

The media in SA seemed to be scared to report this. Despite the extensive coverage of the hearings and press statements from Mawu, there was very little reporting of the union delegates' presence or evidence. Nor was there a report of the remarkable commitments of the employers' representatives. It seems that it is not only the SABC which is "protecting" the public. . .

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PICK 'N PAYC. P. P. P.
20/10/85**AS AN EQUAL OPPORTUNITY COMPANY**

Pick 'n Pay came to the realisation a long time ago that because we live in a multi-racial society, it had to take positive action to do justice to all groups. This will obviously necessitate employing people from all race groups. There must be no discrimination between race groups, as all people are equal. The Company has done its fair share of developing relationships between the different groups and, at the same time, trying to fulfil the role it has to play with regard to social responsibility.

How does the Company go about doing this? The first and most important area to commence with is abolishing basic discrimination in the workplace. This is best achieved by creating facilities that are not based on colour and, here, one automatically thinks of canteen and toilet facilities.

Job security is very important to everyone and, therefore, the Company does everything possible to stabilise its workforce. Because people are the Company's greatest asset, it goes to great lengths to secure an ongoing relationship with its employees. Employees' needs are catered for in the housing field, through company housing loans, as well as subsidising building society bond repayments for its employees. Education grants, as well as other financial aid, are given to the children of employees, particularly at secondary and tertiary school levels.

The development of people is very important in a retail organisation, where its livelihood depends on the success of the interaction between employees and customers and employees and management. In this area it is absolutely essential that there is a colour-blind policy and Pick 'n Pay's track record here has been good.

It is interesting to note that 509 Blacks, Coloureds and Asians are presently in supervisory and management positions, out of a total of 1 904 employees in this category. Not only are there a large number of people who have joined the Company in such positions, but there are also numerous people who have started with the Company as shelf packers and, through development, training and purely on merit, have moved up into senior management and supervisory positions.

Special attention is paid to the training and development needs of all people, and the necessary inputs are made where required, to achieve the best results.

On the social level, it is worthwhile to note that Pick 'n Pay was one of the founder members of the Urban Foundation, which not only assists with housing, but also acts as a very forceful lobbying agent for meaningful change in South Africa.

The Company believes firmly in doing its share towards social responsibility and is committed, on an ongoing basis, to helping the community it serves and the needy. As an example, it raised over R600 000 for Operation Hunger within a period of five weeks by organising a "trolley pushing marathon" from Cape Town to Johannesburg by some of its employees, as a fund raising exercise.

On the business scene it must be stated that Pick 'n Pay is the leading force when it comes to fighting the rising cost of living. It is Pick 'n Pay who fought the Government to enable it to sell bread at cost, and Pick 'n Pay is still fighting to do the same for petrol. These are just a few examples of Pick 'n Pay's contribution towards social responsibility. This earned the Company an international award for Social Responsibility in 1984.

When you read an advert for positions of employment with the Company, then you must realise that the Company is serious about its policy of equal opportunities and that the people filling such vacancies will be selected purely on merit and not on race, sex, colour or creed.



A R40-million township development by a consortium of six private builders, formed to speed the building of housing in black urban areas, was launched in Mameiodi, near Pretoria, this weekend. It is the first major building consortium bringing together business interests which want to build homes in black urban areas. A quarter of the homes will go to individual black buyers and individual home builders. The agreement setting up the consortium was signed by (left to right) Mr M. A. E. Nel, General Manager Family Housing Association co-ordinating development; Mr S. F. Marusea, Secretary of Mameiodi Town Council; Mr J. P. Nel, Town Clerk of Mameiodi Town Council; and Mr A. Kabir, Gough Cooper Homes, chairman of the Mameiodi Consortium; Mr E. Ndiaz, Acting Mayor of Mameiodi.

THE LARGEST US companies doing business in South Africa have formed a group which is designed to link up with local businessmen to work out a lobbying strategy for reform.

Called the US Corporate Council on South Africa, the group was started by General Motors chairman Roger Smith and former Secretary of the US Treasury and Burroughs Corporation chairman Michael Blumenthal at a New York meeting on September 11.

The meeting was attended by the chief executives of the companies who are joining forces to set up group. They subscribe to the Sullivan principles on anti-apartheid practice, which stipulate equal treatment for black and white workers.

The group will be headed by Mr Blumenthal, IBM chairman, and Mr Smith, GM chairman.

Mr Blumenthal, who said the companies stated at the meeting that their cooperation intended to stay in South Africa.

US firms

back

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reform

The US Corporate Council stated that it aimed to influence positive change through dialogue.

The council has invited all other signatory companies of the Sullivan principles - about half of the 350 US companies operating in South Africa - to participate.

Letters have also been sent to inform local South African businessmen of the council's objective.

The local contact points in South Africa have been designated as Burroughs SA through chief executive Mias van Vuuren and General Motors SA through its managing director Robert White.

Among those who have been contacted in South Africa Prof. P. P. F. van der Merwe chairman Raymond Ackerman said that the move was significant as it showed that for US companies wanted to stay in South Africa and still arms with local business leaders in their fight against apartheid.

He said that the council had indicated that it also wanted to communicate directly with the Government at the highest level.

"This is the first time that US and local business leaders are getting their act together in fighting for change," Mr Ackerman said.

Mr Van Vuuren says that six local business-

men have responded to the council's call.

A meeting with the US group is planned for next month at a venue either in the US, Europe or South Africa.

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Sanctions deadline looms

FEATURE

American companies in SA employing more than 25 people have until the end of the year to ensure that their employment practices comply with the principles enunciated by President Ronald Reagan in the sanctions package he announced last month. Failing this, they face a ban on US government export assistance to them in other parts of the world.

But with the deadline just over two months away, the US State Department has not yet indicated precisely how adherence to Reagan's principles is to be monitored.

And a spokesman for the American Chamber of Commerce says he is not unduly concerned that the scheme will have serious consequences for US business because most of the firms which have SA operations already comply with the principles and the penalty for non-adherence is not very onerous.

Reagan's principles, which closely mirror those contained in the Sullivan Code, are that:

- Facilities in all US companies must be desegregated;
- US companies must provide equal employment opportunity for all employees without regard to race or ethnic origin;
- Remuneration systems must be applied to all employees without regard to race or ethnic origin;
- Companies must establish a wage and salary structure based on an appropriate local minimum economic level which takes into account the needs of employees and their families;
- Firms must undertake increasingly to place employees who are disadvantaged by the apartheid system in managerial, supervisory, administrative, clerical and technical jobs to increase significantly their representation in such jobs;
- Reasonable steps must be taken to improve the quality of employees' lives outside the work environment with respect to housing, transportation, schooling, recreation and health; and
- Fair labour practices must be instituted which recognise the right of all employees, regardless of race or other distinctions, to organise, form, join or assist labour organisations, without penalty or fear of reprisal. The right to refrain from such activity must also be recognised.

According to guidelines received from Washington by the US embassy in SA, companies which have not become signatories to the Sullivan Code will be encouraged to do

so. To determine whether American companies are complying with Reagan's fair employment principles, the US will rely, at least in part, on the regular reports produced by the Sullivan auditors, Arthur D Little Inc. The intention is that this will obviate the need for the US government to set up a bureaucratic structure to do the monitoring.

But according to a spokesman at the US consulate in Johannesburg, the process of drawing up full regulations to implement this section of Reagan's executive order has not been completed. And regulations on how non-signatories to the code will be assessed still have to be promulgated by the State Department.

Other difficulties

The State Department also faces other difficulties. Some of the principles, for instance, will be difficult to assess quantitatively. Others are less specific than the Sullivan Code itself.

For example, the Sullivan standard on wage and salary levels is that the minimum wage in particular geographic areas should be at least 30% higher than two regularly-published guidelines — the University of SA's Minimum Living Level and the University of Port Elizabeth's Household Subsistence Level. It is unclear whether Reagan intends to use the same criteria.

The State Department will also have to clarify exactly which US companies are covered by the order. Employers of 25 or fewer workers are exempted.

But there are scores of subsidiaries where less than 50% of the equity is owned by the US parent company. Where is the cut-off point? And in some cases ownership is indirect, through a subsidiary operating in another part of the world.

Sullivan Code signatories employ 60%-70% of the total number of people working for US companies in SA. In the last Sullivan Report, issued in October 1984, 115 US subsidiaries were evaluated. Of these, 83 were categorised as "making good progress" or "making progress" in implementing the codes' requirements.

The report lists 123 US companies with more than 10 employees which are not signatories to the code. It is not known how many of these have more than 25 employees and are therefore covered by the executive order.

Commenting on the executive order, American Chamber of Commerce executive director Ken Mason says that US companies in SA, which employ about 120 000 people, have generally made great efforts to develop their employment practices.

He points out that they have spent large amounts of money on social programmes — R100m on social and economic welfare

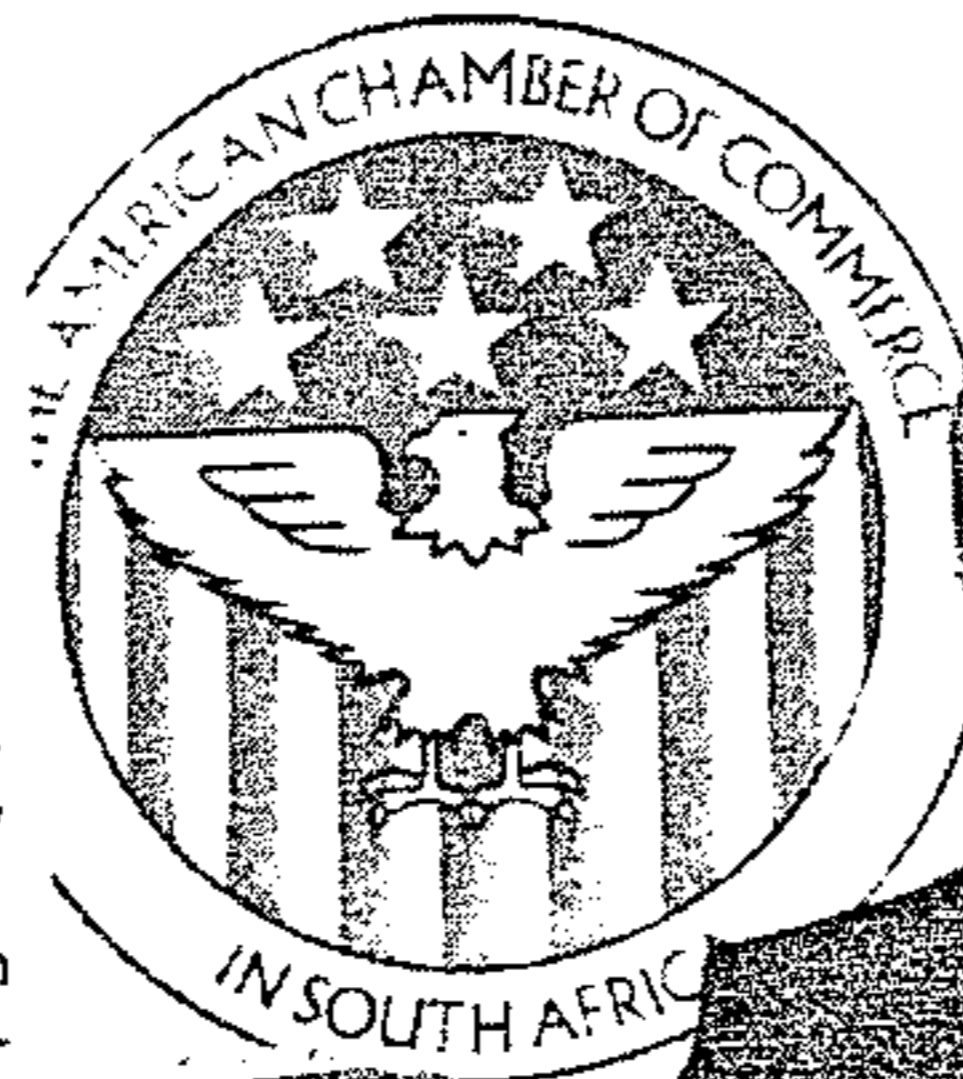
schemes and R11m on training employees. (These figures include expenditure by companies which have not signed the Sullivan Code.)

Mason describes the intent behind this section of the executive order as "meaningful." Companies whose employment practices are not presently in line with the principles are likely to attempt to remedy the situation.

But, he says, the depressed state of the SA economy means that there will be some US companies which will be unable to meet these standards.

He estimates that adherence to the code could add about 10% to the average company's pay package now — up from 3.5% when the code was first introduced.

The consequences for financially strained companies are, however, not likely to be serious. In general, export assistance from government "is not a dominant factor in determining whether a company breaks into the export market and has not been meaningful in assisting US exports," says Mason. And firms exporting to SA itself do not use US government financial export assistance at all.



Amcham's Mason ... penalty for non-adherence not serious

Sullivan lauds US companies in SA

By Neil Lurssen.
The Star Bureau

57 Star
2/11/85

WASHINGTON — In spite of the worst economic recession in South Africa since the Thirties, American companies operating there had done much to provide equal opportunities and facilities for all their workers, the Rev Leon Sullivan said in Washington yesterday.

Mr Sullivan, a black preacher and social activist, presented the ninth report on the Signatories of the Sullivan Principles, the employment code that is named after him.

He said that the report was the most encouraging one since the principles were established. Much had been achieved.

But he warned that unless "statutory apartheid" were ended by May 31 1987, he would demand that all US companies withdraw from South Africa.

"Time is running out," Mr Sullivan said.

Despite the recession and a severe decline in profits, US companies had increased their efforts to meet the needs of employees and their communities.

"I will continue to demand that US companies do more. I will continue to raise the standards of performance higher and higher. I will continue to advocate that US companies must shape up or ship out," Mr Sullivan said.

But he had to acknowledge that the American companies had made great strides. Among other things, they had adopted 250 schools serving 200 000 students, provided 9 000 scholarships, designed teacher-training programmes, and established massive training programmes to propel blacks into positions previously reserved for whites.

In the past year, the number of Sullivan signatory companies had grown by 50 percent and all but one of the reporting companies had desegregated all its facilities, he said.

All but three companies had reported equal pay for equal work and many had taken part in activity aimed at ending apartheid.

However, one weak area in the report was a significant drop in the number of blacks appointed to supervisory jobs.

Mr Sullivan said he would attend a meeting with signatory companies in a few weeks to discuss a wider implementation of the broadening of the principles.

Big firms target of churches

The Star Bureau

NEW YORK — Twelve US corporations have been selected as targets of a new campaign to make them withdraw their alleged support of the South African economy and Government.

The companies — Burroughs, Chevron, Citicorp, Controldata, Fluor, Ford, General Electric, International Business Machines, Mobil, Newmont Mining and Texaco — are all accused of supporting apartheid.

The Interfaith Centre for Corporate Responsibility, representing Protestant and Catholic churches, has called on the 12 corporations to end sales and service relationships with the South African government.

"Our goal is no longer to encourage US corporations to ameliorate the efforts of apartheid but to play their part in dismantling the system," said Mr Timothy Smith, executive director of the centre.

He said the campaign would use previously effective methods to make corporations' policies respond to their demands.

These would include shareholder resolutions and meetings with corporate leadership.

27 companies⁽⁵¹⁾ in social plan

COMPANIES in the Isando/Spartan/Elandsfontein industrial areas near Johannesburg have formed a unified corporate responsibility programme.

The East Rand Industrialists Network (Erin) now has 27 members, among medium and small companies.

The prime purpose was to put together a useful corporate responsibility package from companies which were too small on their own to be effective," said Andries Robbertse, human resources manager of Caterpillar (Africa) and chairman of Erin's communications committee.

The group was originally formed mainly from companies

ALAN PEAT

with US parents.

"But we are now trying very hard to involve South African companies and multi-nationals with other home bases," said Robbertse.

"Most of the eight recent applications to join the group have been South African."

Erin is formed into four committees with responsibility for black education, training and economic development and for the communication of its activities.

Projects already completed include a R100 000 funding of Tembisa clinic for medical equipment, with R80 000 still in the

pipeline for X-ray facilities.

The group is to open a Spartan branch of Promat College, aimed at upgrading the qualifications of black teachers. It is also sponsoring a multiracial junior achievement programme.

"Our activities are confined to our own business environment," said Robbertse. "This is a similar scheme to those I believe already exist in the Far East Rand and Port Elizabeth.

"Our project budget will be raised when required from member companies and our funding will be able to go up to about the R250 000 level."

Erin will publicise its activities through the media and with a national quarterly newsletter.

SA firms are urged to disobey apartheid rules

57 Star 14/12/85

The Star Bureau
LONDON — A leading British news magazine has called on South African businesses to practise "covert disobedience" to hasten the end of apartheid.

In an editorial *The Economist* proposes nine things South African businesses could do "before breakfast" to bring about change.

They include negotiating with black and coloured groups to "make it harder for the Government to stay on non-speaking terms with the politicians who would lead the polls in a free election in South Africa. Far-

sighted firms know they will eventually have to deal with blacks in government"

The magazine adds. "At present, all businesses spend a lot of time filling in apartheid forms. They should practise covert disobedience and just stop doing this. Though they do not like to think too hard about it, companies help administer the hated pass laws and influx controls

Bold precedent

"The Government has promised to repeal such laws, but is taking its time. More South Afri-

can firms can give it a push by anticipating the change.

"The timid say this sort of disobedience would be dangerous, noting that even in South Africa the law still sometimes protects blacks.

"There is a precedent to embolden them. South African restaurants allowed blacks and whites to eat together when it was still illegal. The law was changed this year."

These and the other steps *The Economist* proposes "look radical now, but one measure of how far South Africa is changing for the better will be whether they

look moderate a year from now.

The magazine says businesses should start with some of the least controversial measures "which are all good business practice"

- Stop providing black employees and white employees with separate lavatories, canteens and sick rooms.
- Encourage multi-racial unions and negotiate jointly with black and white unions where they exist.
- Promote more black workers. Some firms have set targets for the number of blacks they employ in non-menial jobs. Too often they have missed the targets and given up.

'Trollys against apartheid' hit UK stores

The Star Bureau

LONDON — A new form of anti-apartheid protest is hitting supermarkets in Britain which stock South African produce and is costing them thousands of rands.

Protesters calling themselves Trollys Against South African Savagery are behind the campaign.

They arrive at a store, fill a shopping trolley with as much South African produce as possible and take it to a check-out point.

After their load has been rung through the till they present the cashier with a leaflet protesting against South African goods and leave without paying.

The leader of the London group, Mr David Hopson, said: "We worked out that we could fill a trolley with about 150 items.

Each item takes about 18 seconds to put back so a trolley load costs each store about £12.80 (about R11) in labour costs including the cashier's time.

"This week there have been about 850 trolley protests around the country costing the companies almost £140,000 (about R9000) and reactions that has been mixed," he said.

"The checkout girls look bewildered, then take it in good heart, but managers tend to get irate."

He estimated there were at least 15 trolley groups in Britain.

Small businesses

● Put blacks on the board. A few companies already do. Anglo-American, Standard Chartered and the Premier Group among them.

● Send recruiters to schools to offer jobs to black children who stay at their desks and pass examinations. Firms cannot ignore the way the South African education system is falling apart.

FAIR EMPLOYMENT PRACTICE

1995 - 1998

BUSINESS NATIONAL

Credit bureau black list holds

(57) Sowetan 20/7/95

By Isaac Moledi

THE future of thousands of people who have been blacklisted by credit bureaus still hangs in the balance as there has not been any compromise reached to resolve a basic problem.

A call by black organisations for credit records of the disadvantaged community to be "wiped clean", allowing a fresh start and opportunity to build a good record, is yet to be realised.

President of the Association of Credit Bureaus Mr Rowan Haarhoff says the collapse of a credit forum consisting of credit grantors and bureaus and representatives of black organisations last year dashed all hopes of a resolution to the problem.

He says interest in the forum declined as meetings have not been held.

The last meeting was held in November and subsequent meetings, scheduled for February and March, did not take place, he says.

"The interest in the forum on the part of credit seekers also indicates a decline," adds Haarhoff.

Haarhoff says however that there is hope as adviser in the ministry of Trade and Industry Alistair Ruiters, has indicated his interest in restarting the forum.

He maintains that wiping the slate clean will leave credit grantors with nothing to rely on. "The result will be that only those with collateral and capital (mainly whites) will readily get credit, defeating the object of the call."

He says during its deliberations, the credit forum had indicated that wiping the slate clean would not be a realistic approach. Minister of Trade and Industry Trevor Manuel says Haarhoff also indicated that this would not be a viable option to solve the problem.

"The resolution of the problem can only be found if all stakeholders — credit grantors and bureaus, black organisations, consumer bodies and the government, can come together to discuss the issue," he says.

Sexism under fire

(57)
355A

FM 1/9/95

The fact that the proposed Commission on Gender Equality is to be facilitated by a Bill that, at this stage, proposes strong powers of search and seizure has been widely subject to ridicule and apprehension. Is it really necessary to create a mini-FBI to investigate people or institutions that may discriminate against women?

It is precisely the lot of women that is in question. This is plain in the section of the interim constitution that mandates the creation of the commission, which "shall be to promote gender equality and to advise and make recommendations to parliament or any other legislature with regard to any laws or proposed legislation which affects gender equality and the status of women."

The commission was agreed to within the same broad ambit of mooted law to set up a Public Protector, a Human Rights Commission (HRC) and a mechanism for the restitution of land rights. It is part and parcel of the democratic impulse to redress past social inequities.

The most troubling element, of course, relates to the independent policing powers conferred on these bodies. As with the Truth Commission, the fear arises of witch-hunts and one-sided persecution.

Derision of the commission is — on the most trivial level — misplaced. "Sex police" are not about to descend on men who call women "babes" or otherwise harass them in traditional macho fashion.

However, where consistent discrimination or abuse is brought to the commission's attention, it could be empowered — assuming that the Bill passes as it stands — to investigate, summon, search under warrant, inspect relevant documents and even refer cases to similar bodies, such as the HRC.

These powers certainly exceed those originally considered by the parliamentary committee under the ANC's Ruth Mompati that caused the Bill to be drawn up.

In June the *FM* wrote that the committee was being driven by the ANC's concern that women's rights should enjoy legislative protection reinforcing that conferred by the constitution itself, which lays down that "no person shall be discriminated against (on the grounds of) race, gender, sex, ethnic or social origin, colour, sexual orientation, age, disability, religion, conscience, belief, culture or language."

CURRENT AFFAIRS

An ANC submission to the Constitutional Assembly was a major factor in the committee's deliberations. In reporting to parliament, the committee was able to reflect consensus among all parties — only the National Party registering dissent to the search and seizure powers.

However, Sheila Camerer of the NP — a member of the committee — this week said that the intention was emphatically that the gender commission should "have muscle and teeth."

And the committee also wants the legislation to be passed this session, so that the process of installing the 11-person commission can begin.

Camerer's fear is that the policing powers represent an unnecessary duplication of expenditure and resources, and that the NP's position is that cases of gross violations of gender rights could more appropriately be referred to the HRC.

Nonetheless, the NP's dissent to the policing provisions does not represent a fundamental disagreement with the principle that suspects under investigation must comply with search warrants — normal procedure for bodies that protect human rights. Camerer feels, though, that the various SA commissions in this field should link up.

The fact is that SA now faces yet another politically correct tribunal.

The functions of the Commission on Gender Equality include:

- To monitor and review the policies and practices of State bodies at all levels, statutory bodies and their functionaries, public authorities and private concerns;
- To develop education and information programmes;
- To review discriminatory legislation and make recommendations on amendments to parliament; and
- To investigate gender matters on the basis of complaints, or on its own initiative, with the full powers sketched out above. The commission shall, however, seek to resolve disputes without recourse to sanction — that is, mediation before referral of abuses to the HRC or the Public Protector.

This would appear to indicate that it will be consistently discriminatory policies and practices that will come under scrutiny, with criminal behaviour presumably left in the province of the police.

At this stage, it remains possible that the Bill will be referred once again to the parliamentary justice committee — which drew up the Bill as it stands — for consideration of the NP's point about unnecessary duplication and costs.

Whatever the outcome, discrimination against women has never before been taken as seriously in SA. Whether rectifying gender inequities is as important as what some would consider more burning social issues is another question. ■

(2) Telkom is exploiting the following avenues to recover the loss:

- An insurance claim of R100 million has been lodged.
- Negotiations have been initiated with foreign telecommunications operators affected by the fraudulent traffic to write off certain of the fraud related amounts owing to them, amounting to something in the order of R110 million.
- Civil action to recover losses from 161 suspects so far is being considered for economic feasibility. Potential for recovery of losses is low, as only small operators in the scam have really been caught. The big operators are part of an international crime syndicate based outside South Africa.
- (3) Telkom has introduced extensive measures to improve internal checking procedures. These include:
 - The monitoring of international telecommunications traffic to ensure the early detection of fraudulent call patterns. (This has resulted in the communications traffic declining from 4 500 000 call seconds per day, at the height of the scam to specific countries, to 600 000 call seconds per day).
 - The monitoring of call patterns from electromechanical exchanges through implementation of electronic metering. This will counter inherent risks associated with old exchange technology.
 - The establishment of a highly skilled investigations unit similar to the best in class functions at other telecommunications operators in the world. This unit will be fully operational by 1 May 1996. In the interim period quick-hit actions are being taken to address the issues involved.

Oil storage agreement: environmental impact

*4. Mr J A JORDAAN asked the Minister of Mineral and Energy Affairs:

- (1) Whether his Department has investigated the environmental impact (a) of South Africa's oil storage agreement with Iran in general and (b) the resulting increase in

- tanker traffic in Saldanha Bay in particular; if so, (i) what were the results of the investigation, (ii) who conducted the investigation and (iii) over what period was the investigation conducted; if not, why not;
- (2) whether his Department intends conducting such an investigation; if not, why not; if so, when?

N4E

THE MINISTER OF MINERAL AND ENERGY AFFAIRS:

- (1) The oil storage agreement between the National Iranian Oil Company and SFF Association states: "This agreement is subject in its entirety to the suspensive condition that the results of an environmental impact study which is presently being undertaken confirms that the execution of this agreement will not have a detrimental effect on the Saldanha and Langebaan Lagoon environment."

SFF Association has commissioned an environmental impact study which is being undertaken by the CSIR and is executed with the involvement of all interested and affected parties. A draft report defining the parameters has been drawn up with the assistance of the interested and affected parties and is in the final stage of acceptance by these parties. Progress is being made with 12 specialist technical sub-studies of the main study as requested by the interested and affected parties. The specialist sub-studies to be undertaken are as follows:

- to identify potential Single Buoy Mooring (SBM) sites, operating criteria and overall feasibility of this project option;
- to establish the mooring and underkeel clearance requirements of very large crude carriers entering the port and berthing at the Saldanha Oil Jetty;
- the impact of dredging activities;
- to model oil spill scenarios for the various project alternatives;
- to assess the existing and required contingency planning and capacity for oil spill control within Saldanha Bay, for the SBM project option and within

South Africa's coastal waters in general;

- to assess the state of oil transfer and storage technology employed by SFF;
- to assess the impact of oil transfer and storage on groundwater and water quality within Saldanha Bay;
- to assess the potential impact of oil spills on the Langebaan and coastal ecosystem (and key ecosystem components, such as bird and saltmarsh communities);
- cost-benefit analysis of the various project options;
- environmental risk assessment, particularly relating to oil spills for the various project options;
- to assess the impacts of ballast water disposal; and
- study of the policy and legal aspects of SFF's existing and proposed operations.

It is expected that a fully transparent study will be completed by the end of June 1996.

A CSIR environmental impact study on the effects of the extension of the general cargo quay in the port of Saldanha to accommodate the traffic required for Saldanha Steel, was commissioned by Portnet. After an extensive process of public and stakeholder consultation, the final Report was issued on 15 February 1996. Portnet has signed a letter of commitment to all the recommendations in the Report.

- (2) Falls away.

Employment practices: discrimination

*5. Ms M SMUTS asked the Minister for the Public Service and Administration:

- (1) Whether, with reference to his reply to Question No 110 on 2 May 1995, an agreement has been reached in the Chamber of the Public Service Bargaining Council; if so, what are the relevant details; if not, why not;

- (2) whether, after finding the refusal of a housing loan to a married woman an unfair

Hansard 21/2/96

labour practice, the Industrial Court set a deadline of January 1996 to the Government to eliminate unconstitutional discrimination in its employment practices; if so,

- (3) whether this deadline was met; if not, why not; if so, what steps, incremental or otherwise, were taken to ensure that the deadline was met? N5E

THE MINISTER FOR THE PUBLIC SERVICE AND ADMINISTRATION:

- (1) Previously the home owner allowance scheme only allowed for the participation of married female personnel if their spouses had been permanently medically unfit to obtain paid employment.

Emanating from an agreement that has been reached in the Chamber of the Public Service Bargaining Council at central level, a married person (male or female), with effect from 1 October 1995 may participate in the relevant scheme if he or she occupies a dwelling which is registered in—

- the person's names; or
 - both the person and his or her spouse's names together,
- provided that the spouse does not already participate in the scheme for the Public Service.
- (2) Falls away.
- (3) Falls away.

Road accidents

*6. Mr D H M GIBSON asked the Minister of Transport:

- (a) (i) How many persons died in road accidents in the Republic in 1994 and (ii) what was the estimated cost to the economy resulting from these accidents and (b) with reference to his reply to Question No 21 on 29 March 1995, what progress has been made by the Joint Task Group with regard to the reorganisation of traffic policing?

THE MINISTER OF TRANSPORT:

- (a) (i) The preliminary figure for the total number of fatalities due to road traffic

N7E

Green paper to be tabled on employment equity

Renee Grawitzky

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A GREEN paper on employment equity, expected to be tabled in Parliament on April 25, could act as a mechanism to achieve organisational transformation to create a climate for employment equity.

This is opposed to legislation merely outlining quotas for affirmative action placements. A team appointed by the labour department to draft a green paper had presented its recommendations to the department and it was understood that its main thrust differed vastly from a fifth draft discussion paper leaked to the media earlier in the year.

Although the green paper, as with the fifth draft, would include various enforcement mechanism options such as fines, tax or other incentives to ensure compliance, it would attempt to act as an enabling document to guide organisations in human resource development strategies. This could impact on remuneration systems, grading and career path planning.

Meanwhile, negotiations on the employment standards green paper are scheduled to begin in the National Economic Development and Labour Council's labour market chamber tomorrow, although it is doubtful whether these would take place as not all the parties had submitted their positions to Nedlac.

The employment equity green paper, instead of focusing on affirmative action positions, would focus on processes that organisations engaged in, therefore, focus would be given to affirmative action organisations rather than positions.

Labour department equal opportunities director Mpho Makwana said in the latest edition of People Dynamics that "it is not the candidate who is need of affirmation, it's the organisation which is the candidate for affirmation". He said "affirmative action is a means to an end, whereas employment equity is about dealing with current discrimination and preventing future discrimination in the broader sense."

The green paper, after being tabled in Parliament, would be presented to the social partners within Nedlac for negotiations.

BD 10/4/96

Employment Bill launched

VERA VON LIERES

(57)

Cape Town — The government's Employment Equity Bill, details of which were first published last December, was launched yesterday to a mixed reception by a range of groups, including business, trade unions, employers' organisations and non-governmental organisations.

Loyiso Mbabane, the equal opportunities director at the department of labour, said the bill — which at best was expected to be passed in parliament by July — had so far met with far less resistance from business and labour than its predecessor last year, the Basic Conditions of Employment Bill.

"If things go well, and there have been no huge objections from business and labour to the bill, it should be in Nedlac by April or May and in parliament by July," said Mbabane. Should there be hiccups, the bill would go to parliament by September, he said.

But in a lengthy question session after the official launch, concern was raised from different quarters over issues including the effects of the bill on smaller businesses, the lack of clear targets for different sectors and problems with the finer detail, such as the issue of training.

Mbabane said the key vision of the bill was "equitable representation of groups across all occupations and across all levels in the workplace".

CT (PDR) 30/11/98

In contrast to the employment bill, which addresses "real" issues such as working hours, the equity bill focuses on ethics. It aims to achieve equality in the workplace, promote equal opportunity and fair treatment and eliminate discrimination.

"We want people to really change existing jobs and their line functions to give opportunities to, for example, black people and disabled people," he said.

"It's not an ideal legislation that will deal with all the country's problems. Don't think that in five or even 10 years people will have attained the goals.

"But in the long term, if companies start moving people along different levels, this will develop its own momentum. Once you have the critical mass of, for example, women, they will monitor the situation."

Mbabane dismissed criticism that the bill injured small business, pointing out that small businesses — defined as a businesses with 50 or less employees — had specifically been excluded from the ambit of the legislation.

One of the key pillars of the bill was "strategic change management", whereby employers were encouraged to set their own targets with employees.

"The bill requires companies to take the law seriously and to do something about it," said Mbabane.

The labour department is calling for comment on the bill, which so far has been presented to eight provinces, until February 15.

Racial discrimination soon to be outlawed in the workplace

DONWALD PRESSLY
PARLIAMENTARY BUREAU

LABOUR Minister Mr Tito Mboweni will forge ahead with his plan to promote "equity" in the workplace with two important bills before Parliament to promote affirmative action in the private sector.

This week the labour department announced that the Employment Equity Bill, which targets racial discrimination in the private sector, would go before Parliament this year.

While Mboweni's spokesperson Ms Estelle Randall could not be reached for comment, the bill will require designated employers to draw up an employment equity plan, including targets and time-frames for achieving the targets.

Designated employers will be those who employ a workforce larger than 50 people.

The equity plan must aim at achieving "equitable representation" of blacks, women and the disabled by eliminating "under-representation" of previously disadvantaged people.

Mboweni announced last year that the Skills Development Bill would require business to pay a levy for training. The cost must still be determined, but it is expected that it will amount to about 2% of turnover.

Pan Africanist Congress MP Ms Patricia de Lille said proper consultation and input "from a broad spectrum" was needed on the Equity Bill: "Government, workers and the private sector must try and reach as much consensus as possible before it is implemented."

Inkatha Freedom Party spokesperson Mr Velaphi Ndlovu said the party was "totally against" tokenism, such as when someone undeserving was appointed to a position. The emphasis, he said, should be on training and on merit, adding: "We must not be irrational about these things."

Inkatha is expected to oppose the bill together with the Democratic and National parties. These parties believe that merit should play a key role in appointments to jobs while representation of all groups should be the ideal.

DP leader Mr Tony Leon said the implications of the legislation were "explosive".

For a start, the success of any employment equity plan would nec-

essarily require employers to engage in racial classification.

Said Leon: "Unashamedly, the bill provides for this by requiring the minister to draw up a code of good practice which will outline how such classification must be undertaken."

To enforce the bill, labour inspectors would have the power to enter, question and inspect any workplace and issue compliance orders.

Leon said much of the monitoring of the act's implementation would depend on trade unions, which would only add strain to labour relations.

NP spokesperson Mr Adriaan Blaas said they could not support the

affirmative action policy because it was against its policy of a free market. It would mean that people would have to be retrenched, leading to counter-productive severance packages.

"In America successful black people (argue that affirmative action) gives negative credibility to their track record. We are not against affirmative action, on condition that merit is not sacrificed," said Blaas.



PROMOTING EQUITY:
Tito Mboweni

2/2/98

'Devious' Equity Bill will hurt SA labour

By Tony Leon

THE Employment Equity Bill promises to be the focus of one of this year's hottest, most controversial and, potentially, most racially divisive political debates.

Why? Because the Bill is central to the African National Congress' programme of racial "transformation" - in this case the racial transfer of reserved job opportunities.

Deviously, the Bill does not announce itself for what it is: the cornerstone of the ANC's affirmative action programme. Instead, it masquerades as a legislative device to outlaw "unfair discrimination" and achieve "equality" in the workplace.

In so doing it rivals the Abolition of Passes Act and the Extension of Universities Act for legislative double-think.

The Bill requires designated employers - those with a workforce larger than 50 people - to implement "positive measures" in order to ensure the "equitable representation" of blacks, women and the disabled by eliminating "under-representation" of these categories of people.

Employment equity

To do so each designated employer must draw up an "employment equity" plan, complete with targets and time frames, after consultation with trade unions or employee representatives.

The employer is then required to implement the plan including, where necessary, the institution of racial preferences in appointments, promotion and training.

The implications of this piece of legislation are explosive. For a start, the success of any "employment equity" plan will necessarily require employers to engage in racial classification.

Unashamedly, the Bill provides for this by requiring the Minister of Labour to draw up a "Code of Good Practice" which will outline how such classification must be undertaken.

To add insult to injury, employers will be required to submit annually to the director-general of labour a demographic breakdown of their workforce.

To enforce the Bill, labour inspectors will have the power to enter, question and inspect any workplace, and issue compliance orders.

In addition, the director-general is empowered to launch a "review" (read inquisition) to determine whether an employer is complying. And in a move that can only add strain to labour relations, much of the monitoring of the Act's implementation will depend on trade unions.

Severe penalties

The fines for failing to implement "employment equity" are severe: the Labour Court can impose a fine of between R500 000 and R900 000.

And if the director-general does not grant a "certificate of compliance" to an employer, that company will not be able to tender for any state contract.

The introduction of this Bill is misguided at best and, at worst, reflects the ANC Government's apparent insistence on re-racialising all aspects of life in South Africa.

It is misguided because it misconstrues the problem. The problem is not to find a way of creating a black management and professional class.

A management consultancy, FSA-Contact, predicts that 33 percent of professionals will be black by 2000, while the Breakwater Monitor at the University of Cape Town's Graduate

(57) ~~57~~
New legislation promotes ANC's affirmative action programme



Democratic Party leader Tony Leon says the Employment Equity Bill will be the focus of one of this year's most controversial and potentially most racially divisive political debates.

‘The implications of this piece of legislation are explosive. The success of any employment equity plan will necessarily require employers to engage in racial classification’

School of Business predicts that over half of all managers will be black by the same year.

A black management and professional class is thus already undergoing such explosive growth that it will outstrip any employment equity targets that might result from the Employment Equity Bill, and that without the use of any legislative or punitive muscle.

The real problem is to successfully create jobs for the unemployed, who are in any event predominantly black and female. As Professor Laurence Schlemmer has recently shown, unemployment has superseded race as the primary factor in income inequality.

Yet employment equity is being driven by the very minister whose party steamrolled through Parliament such employment-hostile legislation as the Labour Relations Act and the Basic Conditions of Employment Act.

The truth is this Bill has less to do with achieving equality of employment opportunities than with advancing the ANC's racial agenda. The result can only be increased levels of racial tension and hostility.

The social effects of Finance

Minister Trevor Manuel's laudable determination to reduce the budget deficit have not been offset by the employment growth needed to ensure rising standards of living for the poor.

In an environment where job opportunities are shrinking, the Employment Equity Bill will turn employment into a racial zero-sum game in which the poor black unemployed and young white job seekers will be the losers.

Predictably, the ANC's new elite entourage will be the winners. The truth is that there is only one way to ensure sustainable access for all to the benefits of the economy: an economic policy that prioritises economic and employment growth, an education policy designed to provide quality education, a focus on skills training in the workplace (South Africa's literacy rate is only 30 percent) and the elevation in our national life of the values of merit and hard work.

Popular solutions

That may not be a popular solution with the quick-fixers in the ANC, but it is the only solution nonetheless.

Before enacting this latest piece of legislative mischief, the ANC should reflect on the cumulative effect of its recent initiatives: the shedding of up to 200 jobs a day from the formal sector and increased rigidity in the labour market.

This latest Bill is social engineering writ large, at the expense of job creation and skills enhancement; it goes against the grain of worldwide experience.

It should be opposed by all those serious about job creation and the future of our millions of unemployed.

(The writer is the leader of the Democratic Party.)

NEW LABOUR LANDSCAPE

Bill 'repeats apartheid employment methods'

(57) *ET 3/2/98*

ONE OF THE OBJECTIONS to the Labour Equity Bill is that it allegedly enforces racial classification in the workplace. Political writer **KARIN SCHIMKE** reports.

A "super sleuth" of labour, who will check that companies are putting blacks, women and disabled people at the front of the employment line, could become a feature of the new employment landscape — and companies dragging their feet in creating employment equity could face fines of up to R900 000.

Due to be enacted in June this year, the Employment Equity Bill has been accused by president of the South African Institute of Race Relations Professor Themba Sono of reintroducing the "bureaucratic management" of companies that was typical of the apartheid era.

Last week he called the bill "racially divisive". He also said it was not conducive to reconciliation, that it discouraged economic growth and foreigners from investing in South Africa and was an impingement on citizens' freedom in a democratic society.

"Enforced integration is as bad as enforced segregation," Sono told the Cape Times.

His biggest gripe, however, was that corporate South Africa "seems not to be fazed by it at all".

Asked why, if the bill was so dangerous, there was such apathy from business, Sono said: "They (business) were apathetic during apartheid, why should they change

now? They've simply accepted the new Caesar."

"Also, people in South Africa have a profound guilt complex and business wants to atone."

However, Mr Charl Adams, human resources manager of the Cape Chamber of Commerce and Industry — which is making its submissions on the bill through the South African Chamber of Business (Sacob) — said business had been expecting some form of employment equity drive, but would have preferred a "voluntarist system", that was not punitive and could kick in on an incremental basis.

Business had suggested that the bill could contain a sunset clause "so that once you've reached parity, the bill falls away", he said. Adams said there was a major concern that the human resource legislation issuing from Parliament (like the Labour Relations Act, the Basic Conditions of Employment Act and now the Employment Equity Bill) would have negative consequences for small- to medium-sized enterprises which together employed large numbers of people. He had made a suggestion that an investigation quantifying such an impact should also consider the Employment Equity Bill in its range.



NO TO BUREAUCRACY:
Themba Sono

"The world of work," said Adams, "is reeling under fairly poor economic circumstances and the introduction of (this human resource legislation) could create a cycle of despair among employers. What about the affordability? Smaller business, as principal job creators, do not have the infrastructure or the means to adapt quickly and are subject to the vagaries of the market."

Adams said that while political change could take place virtually overnight, business took longer to adapt. The goal of the legislation was not in question, but the process was.

"Business is like a major oil tanker: it takes time, effort and a lot of skill to turn it around."

In a note prefacing the bill, Labour Minister Mr Tito Mboweni says: "Apartheid has left behind a legacy of inequality reflected in disparities in the distribution of jobs, occupations and income. The government is of the view that it is necessary to redress these imbalances and to inculcate within every workplace a culture of non-discrimination and diversity. When it comes to jobs, training and promotion, we want a fair deal for all workers. Let this bill be the subject of debate in every workplace and by all workers and employers."

'Use carrots, not stick'

USING the "big stick" to ensure that former business upholds equity for blacks, women and disabled people in the workplace is not the way to make staff structures more representative of the demographics of South Africa. This is the opinion of Professor Themba Sono, president of the South African Institute of Race Relations.

He suggests that change is already taking place and that in 10 or so years most businesses will be managed or owned by black people. He believes there is an "easier, voluntary way" that would ensure employment equity but would not

lead to quota-based employment, tokenism and "dangerous employment manipulations".

Sono suggests incentives, rather than "enforced integration" for employers. These could include:

- Tax credits for companies that have made progress towards a more representative workforce.
- The government's favouring such companies when granting tenders and contracts.
- The government's marketing progress and publishing the names of companies that are reluctant to transform their workforces.
- "Public shame can do wonders."

Dr Anthea Jeffery, believe there is consensus that the objectives of the bill are noble, they are worried about its wording and its possible consequences.

Sono said the bill repeated the very methods of the past that had produced the problem of unfair employment policies in the first place.

The fact that the bill demanded race classification in the workplace indirectly resurrected the Population Registration Act, Sono said. It also:

- Demanded a workforce based on quotas.
- Compelled companies of more than 50 people to appoint a senior manager of employment equity.
- Compelled such companies to submit annual reports to the department of labour on their equity progress.
- Left the burden of proof with a company, should it be sued, to show that it did not discriminate indirectly.
- Put government inspectors in place to ensure employers were meeting their targets.
- Established a "super sleuth" of labour, with the power to conduct a review of the workforce of any employer, even those with fewer than 50 employees.
- "These Big Brother tactics," Sono added, "will clearly undermine an already hobbled economy. They will act as disincentives to employment growth and business expansion. Those who would not want to be so hobbled would close shop or simply refuse to invest in the economy."

He said "all rational people would support government policy (on equity in the workplace), but it's the fact that it is legislation that makes it wrong. Once you have a law, you have to enforce it. Public officials will become the super chief executive officers of companies. It's just plain bad."

Jeffery said that if business was as positive about the bill as it seemed to be, the implication was that it did not understand its full significance or that it was unwilling to confront the government on so sensitive an issue.

The bill allows for an employer to be taken to a labour court, which can impose a fine of up to R500 000 for a first offence or R900 000 for a fifth offence. Jeffery said other important provisions were:

- That employers could be fined for failure to retain black people they had earlier appointed.
- Employers who tried to avoid the bill's provisions — by splitting up their operations into units with fewer than 50 employees each — could be subject to a maximum fine of R10 000.

Jeffery asked whether, if people did not leave of their own accord and make space for new "affirmative" appointments, employers would have to retrench white staff.

"Such policies," said Jeffery, "encourage racial consciousness, race prejudice and racial tension. The declared intent of government might be to end racial prejudice, but the inevitable effect of race-based policies is to promote it. South Africa, of all countries, should know this by now."

- Written comments on the Employment Equity Bill can be made to: The Director, Equal Opportunities, Mr Loyiso Mbane, Private Bag X117, Pretoria, 0001 or faxed to (012) 309 4737 or e-mailed to Loyiso@mabouqhq-pw.gov.za.

A copy of the bill can be read on the Internet. Visit: <http://policy.org.za/govt/bills/1997/equity.html>

How the employment equity law would work

In the bill, every employer of more than 50 people must:

- Analyse his workforce according to race, gender and disability.
- If this analysis finds "underrepresentation" at any level, he or she must draw up an employment equity plan with "numerical goals" and a timetable for making "reasonable progress" towards achieving these in one to five years.
- Report each year on the progress.

Dr Anthea Jeffery, special research consultant to the South African Institute for Race Relations, gives this example of how this could work in practice:

"Assume an employer in the security business has 100 employees, only 20% of whom are female. At management level, blacks constitute only 20% and women a mere 5%. The employer cannot unilaterally dismiss existing employees, but must also make 'reasonable progress' within five years towards a workforce which, at all levels, is approximately 75% black, 50% women and 5% disabled.

"If natural attrition is limited and he can't afford to take on new staff, his progress towards these numerical goals is likely to be slow. If it is deemed insufficient, he faces a fine of up to R500 000 in the first year, R600 000 in the second, R700 000 in the third, R800 000 in the fourth and R900 000 in the fifth."

Real labour reform

THIS is the response of the Congress of South African Trade Unions to Democratic Party leader Tony Leon's article, published in *Sowetan* on February 2.

First, it is disappointing to note that someone of Leon's calibre did not read the Employment Equity Bill – or, if he did, he misunderstood it.

Leon's misconception pertains to what he terms "the African National Congress's programme of racial transformation", which he claims the Bill is based on. The ANC does not have such a programme.

Cosatu would not be in an alliance with a racist organisation while our founding principles are based on nonracialism, nondiscrimination and gender equality.

We therefore find it absurd for Leon to even suggest that the ANC is a racist organisation.

Cosatu's understanding of the Bill is that it seeks to finally transform the labour market by redressing the imbalances of the past pertaining to job reservations promotion opportunities, gender imbalances, income distribution, training and development.

Leon has misinterpreted the Bill, particularly the employment plan, which is to be drawn up by designated employers on an annual basis.

It is outrageous that he sees the Bill as an institution of racial preference in appointments, promotion and training.

Employment Equity Plan: The Employment Equity Plan is regarded as a promotion mechanism which will be aimed at achieving reasonable progress on the following:

- Analyses and identification of employment barriers;
- Steps to be taken to eradicate barriers;
- Identification of positive implementation measures; and
- Annual timetables of the plan for the achievement of goals and objectives (other than numerical goals) which rule out the question of targets as portrayed by Leon.

The Bill emphasises the question of long-term measures to eradicate this phenomenon. It further encourages internal measures to resolve disputes arising out of the implementation of the plan.

Monitoring mechanisms: The Bill is broad. Leon deliberately ignores other provisions of the Bill and mistakenly said the monitoring of the Bill's implementation will depend on trade unions (probably having Cosatu at the back of his mind).

However, the Bill is inclusive. It talks about the workforce, including senior managers, taking responsibility for the implementation and monitoring of the plan.

Leon's mind is preoccupied with the concept of self-determination and therefore, he is strug-

Sowetan 4/2/98
Democratic Party leader Tony Leon has criticised the Employment Equity Bill. **Nowetu Mpati** explains why his reasoning is at fault...



Nowetu Mpati says the Employment Equity Bill seeks to transform the labour market by redressing the imbalances of the past.

gling to distinguish between the role of individual employers and that of the democratically elected Government of the people.

He is strongly opposed to the role of the Minister of Labour, director-general and inspectorate with regard to the implementation and monitoring of the Bill.

He wants employers to draw up a plan, monitor, implement and evaluate it, without subjecting themselves to nationally agreed criteria.

But the Government has a responsibility to be involved in defining these criteria.

According to Leon's confused state of mind, we are not supposed to have a Government – employers should govern this country, with Leon being the self-imposed president.

Penalties: You cannot have a plan that does not have mechanisms to monitor compliance.

Any law in any country will impose a fine as a deterrent to non-compliance.

The question of a fine should be regarded not as a punitive measure, but as a tool to promote the eradication of racial discrimination in the labour market, which Leon purports to be in favour of.

Leon uses statistics from the Management Consultancy FSA, which predicts that 33 percent of professionals will be black by the year 2000.

However, he ignores the part that suggests that "in the three-year period to 1997, the number of black senior management positions increased by two percent and only 1,6 percent of these were senior managers".

Given these statistics, we have to wonder what will cause this massive increase of black professionals over the next three years

Leon also quoted the *Breakwater Monitor* at the University of Cape Town's Graduate School of Business.

Their survey of 1996 focused on 107 organisations and indicated that within the top managerial ranks of companies (Paterson F Grade) Africans constituted only 2,99 percent, coloureds 0,43 percent, Asians 0,21 percent and whites 96,38 percent.

Cosatu believes that the Employment Equity Bill is the only practical strategy to change these shocking figures.

These figures came about as a result of well-thought-out apartheid policies – racial policies which protected the Tony Leons of this country.

Leon's solutions: The Government at least has some ideas on how to address racial discrimination in the labour market. However, despite all his criticisms, Leon does not provide any solutions.

Mismanagement

The shedding of up to 200 jobs a day from the formal sector, as indicated by himself, is the result of mismanagement by senior, predominantly white, managers.

And the Government does not have a policy that says people should mismanage. Perhaps he would know where the mismanagement policy emanates from.

Leon, the new shop steward of the working class, should go beyond simply attacking the Bill and provide alternative solutions.

We suspect Leon's real concern is that blacks are developing, becoming more competent and are ready to occupy those senior managerial positions.

Cosatu is proud of the fact that the Government is levelling the playing field for those who were so severely disadvantaged by racist apartheid policies.


The time has come for the Government to develop legislation to realise the goals of the Reconstruction and Development Programme.

(The writer is Cosatu's head of communications.)

(57)

Bill allows interference

in private sector

BD 9/24/98
57  NP

THE new Employment Bill, due to be enacted in June, should send warning signals to business in SA, the National Party (NP) said yesterday.

"Not only does it constitute direct interference of government in the private sector, it also highlights the perception that neo-racism is alive and well in the new SA," said NP outgoing labour spokesman Adrian Blaas, MP.

In terms of the new bill, employers are to seek the equitable representation of black people, women and the disabled at all levels of employment.

Blaas said the penalties for noncompliance were severe to say the least.

"The new Employment Bill discards merit and experience, the backbone of any efficient and successful business, in favour of racial composition."

The NP also condemned President Nelson Mandela's opening address to Parliament on Friday, saying he was ill informed about the realities of local government. Spokesman on local government Watty Watson said Mandela had not presented the full picture when he had boasted on Friday of an increase in water supply to 600 000 South Africans and 400 000 new electricity connections.

The statistics referred to services rendered by local government, but made no mention of the percentage of services not being paid for, he said.

"The promise of an additional R3bn to local government is welcomed, but if this will mean a further drain on the already overburdened taxpayer in order to keep alive unsustainable and unaffordable municipalities, it will merely be another nail in the coffin for SA," he said. — Sapa.

vote his full attention to the province.
 ANC spokesman Ronnie Mamoepa

ensuring conformity with the amended
 ANC constitution" — Sapa.

Housing



BD 9/24/98

Continued from Page 1

The proposed parastatal should be seen within the context of a second housing white paper which was being drafted, the source said. The document was being driven by a sense in the housing ministry that there was "a need to take charge" of the housing process in a manner which had hitherto not been possible.

No government spokesman was prepared to comment on the proposals for the liquid fuels industry referred to in Mandela's speech. The communications director in the minerals and

energy ministry was unavailable.

Mandela told Parliament the restructuring of state enterprises also meant strengthening the management of existing enterprises, a programme government had intensified recently. Efforts to fight corruption in the public service had also been stepped up.

Mandela said he wished to thank the media for its vigilance in this regard. While there may have been instances where fingers had been pointed at individuals without justification, there were many examples where investigative journalism had "helped uncover the scoundrels — old and new — who prey on the public purse."

Comment: Page 11

PEANIJS

By Charles Schulz



Parliament faces the big divide

MTG 13-19/2/98

Battle lines are drawn over the Employment Equity Bill, write

Marion Edmunds and Mungo Sogot

to be tabled later this year, looks set to propel the racial question from the streets to the top of the political agenda.

The outcome of the parliamentary fight over the Bill will be the clearest indication yet of the opposition's ability to put a brake on the mass-based ruling party. Business and white employees will look to the opposition to represent their interests if their overwhelming fails to successfully change the Bill.

The Bill effectively forces companies to run aggressive affirmative action policies. However, it stops short of stipulating quotas. The opposition still reeling from

President Nelson Mandela's racial-charged barrage at the African National Congress's conference in Mafikeng, rushed at the opening of Parliament this week to attack the government for its racial drive.

The National Party said the Bill would have slotted into apartheid's legislative battery. The Democratic Party warned that the Bill would saddle the taxpayer with another expensive bureaucracy.

In response, the Congress of South African Trade Unions, accused the opposition of racism and styming affirmative action, saying the parties were seeking to "whip up a backlash against measures that

were very moderate".

One of the Bill's drafters, attorney Urmila Bhoola of Cheadle Thompson and Hayson, says the Bill's opponents are distorting the truth in claiming it forces companies to comply with quotas, as is the case in the United States.

She says the Bill will oblige companies to work with their employees on a plan to make their staff profile less white. This plan, and the companies' efforts to honour it, will be scrutinised every year by the Department of Labour and a special bureaucracy.

But Bhoola says the Bill stipulates that staff goals will differ from company to company, "depending on what

All sides of the political spectrum dug in this week for what threatens to be the biggest parliamentary battle between now and the next elections: the government's drive to take on white economic privilege. The Employment Equity Bill, due

The government made it clear this week that its desire to engineer racial equality goes beyond the workplace. Minister of Sport and Recreation Steve Tshwete said he is seriously considering plans, possibly even legislation, to take race-based recruitment policies on to the sportsfield.

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The Bill "requires employers to make sure they have diverse workforces that broadly represent the population. However, other factors are also relevant, such as the skills pool. This takes into account the enormous challenges of development and training which face employers. The aim of the Bill is not simply to force employers to crunch numbers."

Johnesburg-based Economist, Tony Twine, an economist at the Johannesburg-based Economist, feels the Bill does not promote economic growth. He says it is the latest "cog in a sequence of labour legislation" that puts "a heavy onus on businesses and protects various workers' rights without leaving business much flexibility to decide its own future".

Twine says the Bill, by imposing quotas on companies, "You end up in the position that every market researcher [is] looking for a one-legged black female... You end up in stupid situations." He says the government has not explained what rights white people have if they are forced out of jobs to make way for black people who are needed in order to meet company targets.

The government made it clear this week that its desire to engineer racial equality goes beyond the workplace. Minister of Sport and Recreation Steve Tshwete said he is seriously considering plans, possibly even legislation, to take race-based recruitment policies on to the sportsfield.

EMPLOYMENT EQUITY BILL

Brandishing the big stick

Affirmative action targets raise practical posers

FM 13/2/98

"In the workplace," President Nelson Mandela announced in his opening-of-parliament speech last week, "the departure from apartheid practices will be felt even more keenly as we finalise and implement the Bill on Employment Equity."

His government would "not be discouraged by the sirens of self-interest that are being sounded in defence of privilege, and the insults that equate women, Africans, Indians, coloureds and the disabled with a lowering of standards." Affirmative action is corrective action, Mandela insisted. "There is no other way of moving away from racial discrimination to true equality."

Thus far, the only "sirens" against the Bill have been sounded by SA Institute of Race Relations special researcher Anthea Jeffery, who has raised pertinent practical questions, and the Democratic Party, which has described it as a step towards the "reracialisation" of SA. These issues will doubtless be taken up in negotiations at Nedlac starting later this month.

Among them are: the precise meaning of "indirect" discrimination; the fact that it reverses the normal onus of proof (employers have to prove they have not contravened the law); and how "reasonable progress" towards numerical goals of representivity is to be achieved in five years without unfairly dismissing employees.

Jeffery's most sensational point is that the call for companies with 50 or more staff to seek "equitable representation" of blacks, women and the disabled at all levels, including senior management, implies a work force that in five years will have to be 75% black, 50% female and 5% disabled.

Labour director-general Siphos Pityana this week slammed that interpretation as a scare tactic, and emphasised that the Bill lets companies set their own equity goals. He said other factors, including the "pool of suitably qualified people", had to be taken into account; "mere under-representation of designated groups would not *ipso facto* be proof of discrimination."

Business SA (BSA) will be seeking clarity on precisely the kind of questions Jeffery has raised, and will argue in the Nedlac talks for "more carrots, fewer sticks".

Business accepts in principle the need for affirmative action "in some form" and said so in its response to the Equity Green Paper (which it rejected) in July 1996. "It is the content that needs clarification," says BSA social policy vice-chairman and Sanlam human resources GM Vic van Vuuren.

"We'd like to see more of an enabling Bill that encourages transformation, rather than a punitive approach," he says, referring to fines for noncompliance ranging from R500 000 in year one to R900 000 in year five, plus possible compensatory and punitive damages for unfair discrimination.

BSA says the Bill should, like other labour law, be decriminalised and that employers' liability is too broadly defined.

Other BSA concerns are the costs of administering equity plans and their effect on small businesses "because this is where job creation and stimulus to growth occur". The organisation will argue that the Bill should apply to companies with significantly more than 50 employees.

BSA also questions the apparent reintroduction of race classification in the Bill's quest to make designated companies mirror the national or regional population mix.

There are an estimated 10 000 such companies. The Bill obliges them to prepare and implement an employment equity plan, lodge the plan with the Department of Labour within 18 months of the Bill becoming law — probably in June — and report annually on its implementation.

Labour Minister Tito Mboweni does not see affirmative action as a permanent feature of the labour market, which is why progress will be reviewed in seven years.

But, he warns, "for as long as discrimination obtains, so will measures to prohibit it."

Amarnath Singh

The advertisement features a white SUV, likely a Range Rover, shown from a side profile. To the right of the vehicle, the word "Easyco" is written in a large, bold, serif font. The background of the advertisement is a dense, textured pattern of small, repeating text, which is mostly illegible but appears to be related to the company's services or products.

Upper Class • With free chauffeur-driven transfers outbound and return, within 55km of the airport, you've never had it so easy

Bill 'will do more damage than good'

(15) (57)
Paul Vecchiatto

THE Institute of Directors has criticised the proposed Employment Equity Bill, saying that it could do more harm than good. It said yesterday in response to the labour department's call for submissions: "The draconian measures contemplated in this legislation would hurt the capabilities of companies to work for the common good."

86/12/198
50/12/198
The proposed bill is aimed at placing legislation to eliminate workplace discrimination and accelerate training and promotion of previously disadvantaged groups. The government has made it clear it wanted the bill to be placed before and passed by Parliament this year. Institute chairman Solly Tucker said directors were alarmed by, and objected to, the extent of the prescription envisaged in the bill.

"It would make for bloated bureaucracy giving officials power to finger the records, plans and structure of businesses and meddle with the running of companies.

"Such outside interference would multiply business risks and inhibit growth.

"The effect would be to shrink employment, stifle opportunity and damage the prospects of the a company and its people at all levels," Tucker said.

The institute represents directors as individuals and focuses on corporate governance and director development. — I-Net.

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Jobs equity bill is here to stay, business told

(148) (57)
Johannesburg - There will be no going back on the Employment Equity Bill.

ARG 18/2/98
This is the promise of the chairman of Parliament's labour committee, Godfrey Oliphant, in response to reservations expressed by Business South Africa.

Mr Oliphant was commenting on the bill after talks between the committee and the National Economic Development and Labour Council (Nedlac).

Business South Africa delegate Adrian du Plessis said there was need for broader consultations in the labour legislation process.

Commenting on the Employment Equity and the Skills Development bills, Mr Du Plessis said his organisation shared the objectives of the bills to promote racial equity.

"But we are worried about some of the ways the Government is using to enforce its consensus ... there are controversial issues in the bills which have resulted in sharp differences," he said. - Sapa

Bill's reverse racism label denied

Vuyo Mvoko

BD 19/2/98
CAPE TOWN — The chief drivers of the proposed Employment Equity Bill dismissed accusations yesterday that it advocated reverse racism and was an indication of government's intention to meddle in affairs that ought best to be left to business.

They admitted, however, to some of its shortcomings. Labour director-general Sipho Pityana and equal opportunities director Loyiso Mbabane, who co-ordinated the drafting of the bill, were clarifying content before Parliament's labour portfolio committee.

The bill, which was calling for equal

(57) employment opportunities for blacks, women and the disabled, addressed itself also to "standards", Pityana said.

Those who argued that affirmative action would lead to lowering of standards were under the misconception that the bearers of standards were only white and male, he said.

Pityana dismissed critics of the bill who argued that the matter should be left to market forces as "misguided".

"Direct government involvement (was necessary as) the situation never resolves itself," Pityana said, referring to experience drawn from countries like the US, UK, Canada, Zimbabwe and Namibia.

CT (DR) 19/2/98

'Equity bill won't lower standards'

(57)
VERA VON HERES

Cape Town — The proposed Employment Equity Bill would not reduce workplace standards but improve efficiencies, Siphon Pityana, the director-general of the labour department, said yesterday.

"This bill is about promoting efficiencies in allocating people. It's about redetermining and elevating standards in the workplace," Pityana told a workshop to the portfolio committee on labour.

The details of the bill, which was on its way for discussions in Nedlac, were first published last December and stirred up heated debate in business, labour and employer organisation circles.

The bill is expected to be in parliament by July but the date could be shifted to September.

The two central aims of the bill are the elimination of discrimination in the workplace and the implementation of employment equity. It targets previously disadvantaged individuals, including women and people with disabilities, and will use affirmative action measures to correct the wrongs of the past.

"This is quite distinct from apartheid. Apartheid intended to elevate one race group in a calculated way to marginalise and put down other race groups," Pityana said. He said the starting point of the bill was an acknowledgement of South Africa's diversity.

Loyiso Mbabane, who steers the equity bill within the labour department, said workplace equity needed to be urgently addressed in South Africa.

"There's more to worry about than high unemployment. Even within existing employment, skill levels still depend very much on race and gender," Mbabane said, adding that countries like Canada and Australia were streets ahead in implementing equity laws.

Mbabane also quashed talk of lower standards. "The bill is not about grabbing hobos and making them managers. We are saying affirmative action should be used to appoint and promote suitably qualified (people). If anything, the bill is expected to lift standards."

'Equity bill could increase joblessness'

Reneé Grawitzky

THE Afrikaanse Handelsinstituut (AHI) warned yesterday that indiscriminate enforcement of the Employment Equity Bill could have an adverse effect on the competitiveness of organisations in SA and lead to increased joblessness.

It supported the development and implementation of employment equity plans to facilitate a change in organisational profiles, but opposed the promotion of "numbers rather than trained employees who can contribute to the performance of the company". The adoption of such an ap-

proach would have a devastating effect on business.

Although the bill said an employer was not obliged to appoint a person who was not suitably qualified, the AHI argued this did not mean an employer would be able to appoint the "best person for the job".

Although the AHI supported the elimination of workplace discrimination and the promotion of equal employment opportunities, it opposed the bill's punitive and administrative approach as opposed to creating an "enabling and encouraging approach".

The AHI said the labour director-general could re-

(57) (155)
ject an employment equity plan even if it was agreed to with the relevant unions. "It is inappropriate for the director-general to be able to reject collective agreements," the body argued.

Although the bill did not support quotas, the inclusion of numerical goals in employment equity plans and substantial punishment for failing to comply with the plan as well as the powers of the director-general, amounted to a "subtle way of introducing quotas".

The comments were part of the AHI's submission to the labour department on its approach to the bill.

BD 20/2/98

Big penalties possible for failing to reach goals

(57) (118) Star 23/2/98

The draft Employment Equity Bill has two main purposes: to eliminate discrimination in employment, and to bring about employment equity.

The bill is aimed specifically at ensuring the advancement of black people, women and the disabled.

In terms of the bill, every organisation which employs more than 49 people has to draw up an Equity Plan which is lodged with the De-

partment of Labour. These Equity Plans, to be developed and monitored jointly by management and staff (through workplace forums or trade unions), must be based on a workforce profile which shows the demographic breakdown.

A typical Equity Plan should contain:

- a clear set of objectives
- measurable steps which will be taken to identify and remove discrim-

atory barriers

- positive measures which are being taken to bring about equity
- goals and timetables
- monitoring and dispute-resolving procedures

Employers have to lodge their first Equity Plan within 18 months of the EE Bill being adopted.

Annual reports have to be provided by October 1 each year.

First-offenders could be

fined R500 000, and provision has been made for these penalties to be increased by R100 000 for every subsequent offence.

The process will be monitored by labour inspectors and the director-general in the Department of Labour, who can request information and documents from employers, review employers' compliance and then refer cases to the Labour Court if necessary.

Death blow for workplace apartheid



Employment equity will prove more effective than affirmative action, writes CHRIS VICK

President Nelson Mandela drove a stake through the heart of workplace apartheid in his speech at the opening of Parliament recently.

That stake has two letters burnt into it: "EE", the abbreviation for employment equity and the new acronym for workplace transformation.

"EE" is rapidly overtaking "AA" (affirmative action) as the mechanism for bringing about equality on the factory floor and in the boardroom.

And, as Mandela said, the tabling of the new Employment Equity Bill in the coming parliamentary session, with its strong emphasis on "EE", will ensure "a departure from apartheid practices ... in the workplace".

Some South African businesses have already realised the limitations of "AA": it's a narrow and quite mechanical approach which may change workplace demographics but does little to change the

treatment of people from previously disadvantaged communities.

Some employers have accepted they need to do more than set quotas and are implementing broad "equity processes" which fundamentally change the way businesses do business.

Professor Linda Human, who has researched and developed equity programmes in South Africa since 1982 - long before they became fashionable - says: "The basic principles of AA as a means of creating greater equality of opportunity are tact but relevant. But we are moving away from affirmative action towards employment equity".

The Employment Equity Bill, tabled by government late last year and due to be debated in Parliament this session, sets down the minimum requirements for an equity process.

Already there's been an outcry from organisations which articulate the views of those

whose privilege could be most affected - including the Democratic Party, the SA Institute for Race Relations, and Business South Africa.

They seem to feel "the market", rather than the state, should decide what's best for business and argue against the statutory nature of aspects of the draft legislation.

They seem to miss the fact that, four years after previously-disadvantaged South Africans won the right to political expression, they still don't have much say in the workplace - particularly when it comes to discrimination, training opportunities, benefits and career advancement.

But, as Mandela said in his opening speech to Parliament: "We will not be discouraged by the sirens of self-interest that are being sounded in defence of privilege, and the insults that equate women, Africans, Indians, colourists and the disabled with a lowering of standards."

Is the legislation really as draconian as the SAIRR's Anthea Jeffreys claims? Is it really, as the Democratic Party says, "a step towards re-racialisation"? It depends whose interests you are

defending (or advancing). And, regrettably, there's been very little comment on the legislation from organisations which represent those targeted by the new legislation.

Hopefully, these organisations will have beaten the February 16 deadline for comment on the draft legislation and have made their views clear.

Otherwise, it will only be those who traditionally have

Should also benefit some of the white workforce

access to the mass media and conference podiums who define the debate around this legislation, and around the broader equity process.

An objective look at the draft legislation shows that it's not about establishing an "affirmative action police force".

It's not about "lowering standards" (even though those "standards" may have been set in a subjective and exclusive way). Nor is it about "reverse discrimination".

Employers won't be forced to hire unqualified people. There is insistence on quotas in the draft legislation. In addition, the legislation recognises what it calls "the inherent requirements of the job", which may slow down equity processes.

It recognises, very clearly, the skills shortage in many sectors of the economy and makes allowances for that.

The legislation does, however, force employers to develop and monitor their equity plans in consultation with staff, encouraging consultative approaches to issues affecting profitability, productivity and growth.

It forces employers to commit themselves meaningfully to training and development, and puts an end to those who talk about training but do very little of it.

The legislation should lead to workplaces where there is a diversity of views, and with it recognition of different value systems and fair measurements for performance and methods of work.

In short, it should have a profound impact on the career prospects of black people, women and the disabled. A full equity process will

also, without a doubt, have benefits for white workers - particularly those who are good at their job but don't have the right school le or gymship, who don't make it on to the company cocktail circuit or golf course, or who don't "fit in" with the current management paradigm.

As Human says: "The equity process should not unduly trample on the reasonable and legitimate interests of competent white men."

"In any case, good employment equity is part and parcel of good people management. And we're already seeing, in many businesses, that good people management leads to increased productivity."

But it will take more than the draft Employment Equity Bill to bring about employment equity, because there is much more to employment equity than lodging an equity plan with the Department of Labour.

So the "EE" plans outlined in the Employment Equity Bill should be seen as the start of the process rather than its conclusion.

There are, for example, additional external issues for employers to concern themselves with such as ownership equity

and what's crudely known as "affirmative purchasing" - ensuring companies explore new markets and new sources of material, in particular from black-owned businesses and those run by women and disabled people.

It's going to be a long, slow process, as some South African companies have already experienced.

Successful equity programmes do not come easily; they take time, are often arduous and stressful, and they do not have an immediate impact on the bottom line.

"There is no quick fix," says Human. "Many affirmative action programmes fail because organisations introduce a series of ad hoc and unrelated interventions rather than pursuing one policy over time."

Make no mistake: achieving equity in the workplace is going to be just as painful and traumatic as the one waged to achieve equity at the ballot box.

But it's just as important a struggle, and one which South Africans cannot shy away from. Chris Vick was recently appointed director of transformation & training for the Independent Newspaper Group.

ILLUSTRATION: JIGNASA DIAR



Employment bill fails to reduce apartheid wage gap, say unions

Reneé Gravitzky

THE Employment Equity Bill had failed to include a strategy to bring about the reduction of the apartheid wage gap, labour said yesterday in its response to the bill ahead of the resumption of negotiations today.

Labour — in what was supposed to be a joint Congress of SA Trade Unions (Cosatu), Federation of Unions of SA (Fedusa),

National Council of Trade Unions (Nactu) position — said it supported the underlying philosophy and, in most instances, the bill's broad strategy.

However, areas of concern related to the definition of designated employer; the failure of the bill to give legislative effect to facilitate the closure of the wage gap and the lack of an effective mechanism to compel employers to implement measures.

Labour said the bill and the original green paper laid great stress on the high levels of wage and income inequality as a central legacy of the apartheid labour market. The documents implied that addressing these disparities was an important element of the employment equity strategy. Labour, however, believed the bill failed to give effect to this concern.

The bill could not only be confined to a

degree of horizontal equity, "where there is racial and gender representivity within a particular strata of the labour market, while there continues to be huge vertical inequality — between those at the bottom and those at the top".

Fedusa general secretary Chez Milani said it appeared that Fedusa's position had not been adequately captured in the joint position on this issue.

Wage differentials as a central theme was not the focal point of employment equity legislation, he said. Proposed legislation should deal with horizontal equity.

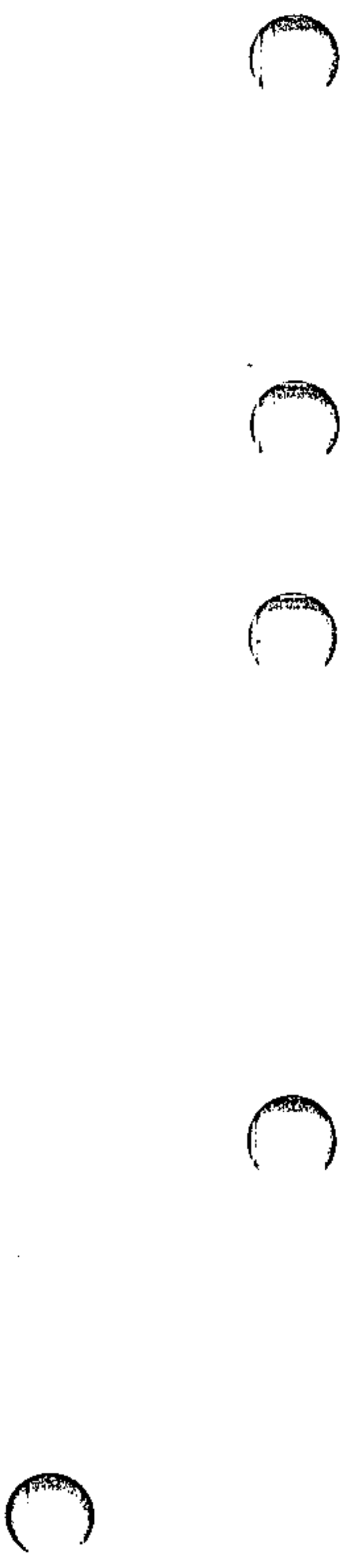
Labour said it welcomed the bill's underlying philosophy which sought to advance the need for a comprehensive approach to the redressing of the legacy of discrimination and inequality in the labour market, in order to achieve the goal of employment

equity. This was opposed to adopting a narrow focus aimed at promoting a small number of individuals into senior positions.

Labour went on to say that "a narrow state-driven strategy, relying exclusively on the imposition of affirmative action quotas, would have had serious drawbacks. Such an approach would have resulted in the promotion of a few individuals at would not have advanced empowerment.

BD 5/3/98

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Employment Bill divides business

Sowetan 5/3/98

By Abdul Millazi

THE passing of the Employment Equity Bill by Cabinet last month has polarised black and white business — they do not agree on how it will affect small business.

In one corner is the South African Chamber of Business (Sacob), which argues that the Bill will be "a crippling burden for many small and medium-sized businesses".

In the other corner is the Black Management Forum (BMF), which argues that "the journey towards true non-racialism will not even start until there is sufficient embracing of human resource transformation and affirmative action as the key means for the normalisation of the workplace".

These two views sum up the feelings of the communities represented by the business groups.

Sacob spokeswoman Janet Dickman said her organisation believes "the Bill, with its overemphasis on numerical targets, would raise expectations unrealistically and eventually lead to serious problems for business and Government."

She further argued that the Bill would erode investor confidence, particularly if foreign companies found their ability to transfer highly skilled personnel to South Africa was severely restricted.

BMF president Lot Ndlovu, on the other hand, said the Bill needed to be strengthened and refined before becoming law. "It must define affirmative action properly and position it unambiguously as the chief instrument for creating diversity and equity."

Ndlovu argued that those who opposed the Bill were ironically those whites who claimed to espouse democratic values. He said the one value they lacked was the willingness to submit to black leadership.

"They simply cannot deal with the fact that the initiative or stage no longer belongs to them only. Their loss of influence over blacks has resulted in anger and panic."

"They feel personally excluded. They are unfortunately aided by a few black apologists."

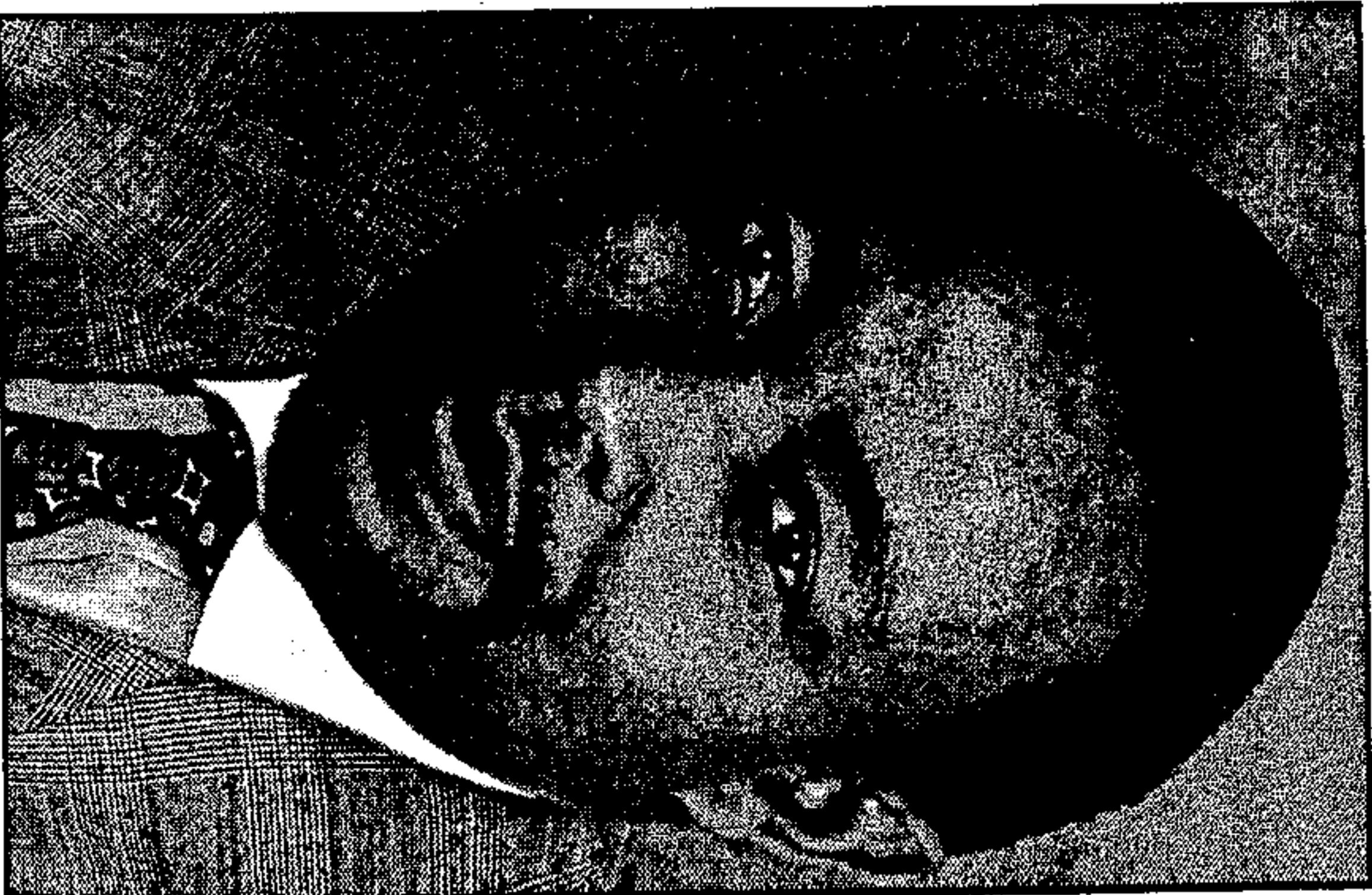
Dickman countered: "We support the need to redress the under-representation of blacks, women and disabled in South Africa and to counteract the historical patterns of disadvantage. This has been our emphatic position since the formation of Sacob in 1990."

Undermine productivity

"But we sincerely believe the Bill will undermine productivity, efficiency and morale and strengthen the reluctance of companies to employ precisely in those sectors that afford the greatest opportunities of creating new job opportunities."

Sacob has called for all labour legislation, including the Employment Equity Bill, to be held back pending the proposed presidential job summit later this year.

The BMF and trade union federations such as the Congress of South African Trade Unions and National Council of Trade Unions are pushing for the speedy passage of the Bill.



Black Management Forum president Lot Ndlovu.

Ndlovu said: "The political and racial structuring of business has not only resulted in the physical exclusion of blacks from meaningful roles, but also in engendering a sense of alienation."

He said several terms used in the parts of the Bill dealing with the regulation of affirmative action were vague and ill-defined, and would lead to uncertainty and a proliferation of disputes.

"The Bill gives ample scope to just about any action in the realm of employment to be judged unacceptable by a Government official and thereafter subject to punitive penalties."

The BMF, however, feels the punitive measures should be stricter and that the proposed Employment Equity Commission should have statutory powers instead of the advisory powers proposed in the Bill.

Must have teeth

"The commission itself must be statutory and independent. It must have teeth. Its composition should not be confined to National Economic Development and Labour Council participants only."

"The Black Business Council and the Human Rights and Gender Commissions should also be represented on the commission," said Ndlovu.

He said the Bill should require industries to set benchmark affirmative action targets and the commission should ensure those targets were met.

"The penalties provided in the Bill for companies failing to implement affirmative action should focus on non-administrative aspects of the Bill's provision such as the corporate culture change interventions and feedback from black managers, women and the disabled on their progress in the company," Ndlovu explained.

He said affirmative action should be defined as a means of changing the culture, policies and practices of business.

Body 'could save taxpayer vast sum'

BD 17/2/95

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A STATUTE enforcing employment equity will be passed some time this year, in line with SA's ratification of International Labour Organisation (ILO) convention 111, says Labour Relations Bill drafting team convenor Halton Cheadle.

At an SPA Consultants conference on the draft Bill, held in Sandton yesterday, Cheadle said Cabinet had approved the need for a statute on employment equity. It would be up to the National Economic Development and Labour Council (Nedlac) to debate its provisions.

ILO convention 111 prohibits discrimination in employment. It is one of three conventions ratified by SA. The others are conventions 87, concerning freedom of association, and 98, concerning the right to collective bargaining.

Cheadle said Labour Minister Tito Mboweni would propose to Nedlac that wage boards be given a conciliation function.

This would enable parties to determine minimum wages for certain sectors rather than having the wage board alone fill this function.

On the same platform, Anglo American legal advisor Andre van Niekerk — a member of the ministerial drafting team — said dismissal

ERICA JANKOWITZ

procedures would be vastly simplified in terms of the proposed Bill.

Currently employers conducted quasi-judicial disciplinary procedures to determine an employee's guilt before taking a decision on dismissal. Procedures were largely determined by the Industrial Court.

As this was a misinterpretation of ILO standards, the Bill scaled down pre-dismissal requirements to an investigation, followed by an allegation being put to the employee, who would then state his case. The employer would communicate his decision to the employee and outline his rights in the event of it being dismissal.

To appeal against dismissal, the employee would proceed to arbitration by a proposed commission for conciliation, mediation and arbitration, he said.

Cheadle said the commission, an independent state-funded body, could cost much more than the current state-run conciliation service and the Industrial Court.

However, in saving taxpayers vast sums that might otherwise be lost through illegal strikes and other disruptive behaviour, it would be a cost-effective mechanism for the resolution of industrial disputes.

Employment equity progressing slowly

SOUTH African companies are displaying a disturbing lack of progress in implementing employment equity practices, Labour Minister Mr Shepard Mdladlana said yesterday.

Mdladlana made the comments during a media briefing in Cape Town to mark the release of a Labour Ministry employment survey.

The nationwide survey revealed that only 29 percent of the 455 businesses examined had established a written employment equity policy.

It also found that only 20 percent of respondents had established employment equity goals and timetables.

"There can be no room for further delay in addressing this abhorrent state of affairs," Mdladlana said.

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Sowetan 21/8/98
The most important reasons for implementing employment equity policies were to improve employee morale and enhance productivity, he said.

Labour researcher Mr Angus Bowmaker-Falconer said smaller companies appeared to be progressing faster than larger companies in implementing the new affirmative action laws.

He said 430 of the 455 respondents had returned a detailed employee breakdown by designated group and occupational category.

Very few of the companies surveyed employed persons with disabilities, he said.

Black employees comprise 11 percent of senior management and 25

percent of junior management posts, according to the survey.

White men and women still accounted for 73 percent of all professional workers, Bowmaker-Falconer said.

Black women accounted for 5,7 percent of junior to middle management positions.

Mdladlana said that when South African employers were judged against the backdrop of international best practices — as documented in the 1997 report by the United States Equal Employment Opportunity Commission — "our situation can only be described as abysmal."

The report claims that one million whites could lose their jobs due to affirmative action. — Sapa.

Equity survey finds companies lack vision

Vuyo Mvoko

BD 21/8/98

CAPE TOWN — A survey on employment equity commissioned by government has found that companies lack vision and leadership and that not enough attention has been paid to the generally inadequate use of resources which have been allocated to achieve equality in the workplace.

However the findings had shown that there were policies in place and employers recognised the need to change, said survey leaders, Canadian labour expert Harish Jain and US human resources expert Angus Bowmaker-Falconer.

Speaking shortly before a National Assembly debate on the Employment

Equity Bill yesterday, Bowmaker-Falconer said that 54% of respondents said they had reviewed comprehensively their employment practices to find barriers to fair employment and development opportunities.

However only 29% of the respondents said they had a written employment equity policy and 31% of the organisations did not evaluate their employment equity progress at all. Only 20% of respondents had established employment equity goals and timetables, a key requirement of the bill.

About 78% had not yet implemented an employment equity committee or consultative forum at all levels of their companies and 84% had not yet established the authority to enforce policy

and apply incentives and penalties. It appeared some key areas stipulated in the bill were "less likely to be implemented" in cases where internal monitoring took place.

These were organisational culture; the use of psychological tests for recruitment and the assessment of potential; the public availability of information and the use of outside experts to benchmark progress.

The survey said it was necessary for government to provide technical support for employers in the areas of educational and awareness programmes and communication, policy formulation and the development of employ-

Continued on Page 2

Survey (57)

Continued from Page 1

ment equity plans.

A total of 455 organisations responded to the survey. Government acknowledged that they represented a "sample below that expected of a survey of this nature".

Labour director-general Siphoswe Pityana said it was worth noting that the initiative was the most comprehensive of its kind in SA to date. Pityana said and it was the first time that small and medium-sized companies had participated in a national study on employment equity.

Overall, it was found that large corporate employers which purported to

have comprehensively reviewed barriers to employment equity and affirmative action had in fact made little progress. Smaller to medium-sized enterprises had in fact done better to create representivity in the managerial, professional and skilled-occupational categories.

The National Assembly will vote on the bill today, following a delay caused by the Democratic Party's desire for amendments.

The National Party remains opposed to the bill but has withdrawn its amendments.

The Freedom Front walked out of the house after the officer in the house ruled a comment by MP Pieter Groenewald, which implied the labour minister was racist by promoting a "racist" bill, to be unparliamentary.

BD 21/8/98